WebCap Digitals OÜ
Registry code 16665285
10111, Roseni tn 13, Tallinn, Estonia
hello@webcap.com

Master Service Agreement №

Effective date:

This Service Agreement (hereinafter the **«Agreement»**) is executed between

The Customer:
Registration number:
VAT number:
Address:
Email:

and

The Contractor: **WebCap Digitals OÜ**
Registration number: 16665285
VAT number: EE102606137
Address: Roseni tn 13, Tallinn, Harju maakond, 10111, Estonia
Email: anton@webcap.com

Hereinafter the Customer and the Contractor are referred to collectively as the **«Parties»** and individually as the **«Party»**. The parties agreed on the following:

1. SCOPE OF THE AGREEMENT

1.1. The Contractor shall duly provide, and the Customer shall receive and pay for the IT Services and their outcomes (hereinafter the **«Services»**)

1.1.1. Research & Estimation;
1.1.2. Graphic design, web & UI/UX design, 3D design;
1.1.3. Web development;
1.1.4. System administration;
1.1.5. Software quality assurance;
1.1.6. Project management;
1.1.7. Digital marketing;
1.1.8. Other activities in the field of information technology and computer systems.

1.2. The scope, details, terms of provision, prices, and applicable requirements of the Services may be defined by Appendices (hereinafter the **«Appendices»**).

1.3. The Appendices are integral to the Agreement upon signature by the Parties.
1.4. Nothing herein shall be construed to create any relationship of employer and employee, agent and principal, partnership or joint venture between the Parties.

2. SERVICES PROVISION

2.1. The services can be provided using Fixed Price, Time & Material and Retainer models.
2.2. The Contractor provides the Services remotely during the working schedule from 9.00 to 19.00 (GMT+2) on weekdays.
2.3. Each Party shall assign one individual to act as the primary contact person concerning the Agreement. From time to time, each Party may substitute its primary contact person by providing written notice to the other Party. The primary contact persons shall work together to manage and facilitate the communication between the Parties under this Agreement.
2.4. The Contractor shall use its equipment, software, subscription services and other resources to provide the Services.
2.5. The Contractor may purchase equipment, software, subscription services and other resources necessary for the Services on behalf of the Customer and on his consent with subsequent transfer of the ownership and reimbursement (hereinafter the **«Reimbursable expenses»**).
2.6. The contractor may assign or transfer the performance of the services, or any of its rights or obligations hereunder, without the Customer's prior written consent, to sub-contractors, provided that each such sub-contractor shall have agreed in writing to be bound by terms of the Agreement. If the sub-contractor fails to fulfil its obligations, the Contractor shall remain fully liable to the Customer for the performance of the sub-contractor's obligations.
2.7. The Parties agree to use the Redmine deployed on the Contractor's environment (https://redmine.webcap.com) for task management and log records of hours.
2.8. The Parties agree to use Gitlab deployed on the Contractor's environment (https://gitlab.webcap.com) as the code repository for code reviews if necessary.
2.9. The Parties agree to use the Contractor's development servers to review the Services' outcome or their intermediate results if necessary.

The Contractor shall deliver the software source code and object code electronically in a secure repository designated by the Contractor after the

payment.

3. TIME & MATERIAL MODEL

3.1. The Time & Material model can be applied to a particular project.
3.2. The time spent on Services is subject to payment in accordance with Redmine time logs.
3.3. By default, the Time & Material model shall be considered agreed upon by the Parties if other models are not specified.

4. FIXED PRICE MODEL

4.1. A Fixed Price model can be applied to a particular project or task.
4.2. The contractor will provide qualified resources to perform the services for the Customer as agreed upon and described in the Project Plan (hereinafter the **«Plan»**).
4.3. The Plan includes
- 4.3.1. Payment milestones
- 4.3.2. Working stages
- 4.3.3. Costs
- 4.3.4. Expected results
- 4.3.5. Delivery dates

4.4. The time spent creating the Plan is subject to payment according to the hourly rates agreed by the Parties on the Plan.
4.5. The Parties shall agree and sign the Plan as an Appendix to the Agreement.
4.6. Any further changes to the Plan should be agreed upon and signed by the Parties.
4.7. No Services shall be provided unless the Plan is signed by the Parties.

5. RETAINER MODEL

5.1. The Contractor provides the Services by consuming the ordered by the Customer Retainer hours.
5.2. The Retainer hours are considered ordered upon invoicing.
5.3. The Customer shall order the Retainer hours in advance every month.
5.4. The Contractor shall guarantee the resources' availability for the ordered Retainer hours.
5.5. A certain number of the Retainer hours comprises a block of retainer hours (hereinafter the **«Block of hours»**).
5.6. The Parties may agree on a minimal Block of hours per the Service for

monthly mandatory ordering.

5.7. The Services provision at weekends and on official holidays in Estonia double consumes the Retainer hours and shall be agreed upon in advance.

5.8. Any changes to fees or minimal Blocks of hours should be mutually discussed and agreed upon upfront.

5.9. Depending on the goals, the Customer may order each Service separately or multiple Services monthly, but not less than the agreed minimal Block of hours.

5.10. It is optional to order a full range of Services per month.

5.11. If a Party wants to increase or decrease the Retainer hours for ordering per month, it must notify the other Party at least 14 (fourteen) working days in advance.

5.12. If the Customer wants to order additional Retainer hours immediately upon notification, the Contractor may accept the order if available resources exist.

5.13. The Agreement places no limits on the consumption of the ordered hours per working day should the Parties preliminarily agree on the procedure, fees and payments.

5.14. The Retainer hours ordered by the Customer yet unconsumed by the Contractor within a month due to the workload absence are not transferred to the next month.

5.15. The Retainer hours ordered by the Customer and unconsumed by the Contractor within a month are transferred to the next month on condition that the Customer supplied the workload equal to the ordered Retainer hours in due course.

6. ACCEPTANCE & PAYMENT

6.1. The Customer shall pay the Contractor fees at agreed rates for the Services provided (hereinafter the **«Service fees»**).

6.2. The Customer shall pay for all Reimbursable expenses if the Contractor provides the relevant proof and receipts.

6.3. The Contractor shall issue invoices for Services fees and Reimbursable expenses.

6.4. The Customer shall pay all invoices on the net amount before the due date specified in the invoices.

6.5. The Customer may dispute the invoice by emailing the Contractor a notice with a detailed description of a problem within 5 (five) business days of receiving the invoice.

6.6. If the Customer does not send notices within the period defined in 6.5., the

service outcomes are deemed accepted and require full payment.

6.7. If the Contractor receives neither payment for the Service fees following point 6.4. nor notice per point 6.5., the Contractor shall have the right to suspend the provision of the Services.

6.8. To resume the provision of the Services after suspension, the Parties must reach a mutual agreement.

6.9. Unpaid overdue invoices shall accrue interest at one per cent (1%) per day until payment is received.

6.10. The Contractor shall include the accrued interest in the next invoice for services rendered to the Customer. Alternatively, the Contractor may issue a separate invoice for the sole purpose of collecting the sum of accrued interest.

6.11. The Parties agreed to allocate the Banking fees as follows:

6.11.1. The Customer pays the Customer's banking fees;

6.11.2. The Contractor pays the Contractor's banking fees.

6.12. All payments hereunder shall be made in EUR or other currencies as the Parties agree.

6.13. The bank credentials can be provided by the Parties as Appendices to the Agreement.

7. RIGHTS & OBLIGATIONS OF THE PARTIES

7.1. The Contractor is obligated to

7.1.1. provide services under this Agreement, Appendices, and all the documents they refer to;

7.1.2. allocate a primary contact for the Service provision;

7.1.3. grant the Customer access to Redmine and Gitlab deployed to the Contractor’s environment;

7.1.4. ensure the confidentiality of information received from the Customer when providing the Services;

7.1.5. inform the Customer of any objective barriers preventing the Services provided;

7.1.6. take necessary action if the Customer reasonably declares a loss in the Services’ quality;

7.1.7. keep records of hours and ensure the Customer understands what they were spent for.

7.2. The Customer is obliged to

7.2.1. allocate a primary contact for collaboration on his behalf if relevant;

7.2.2. provide the Contractor with the information and other relevant data

required for the Services provision;

7.2.3. pay the Contractor for the Services provided following Paragraph 6 (six) of the Agreement;

7.2.4. send a written list of reasoned claims to the Contractor if he finds deficiencies in supplied services.

8. INTELLECTUAL PROPERTY RIGHTS

8.1. Upon payment, all intellectual property rights for the outcomes of the Services provided are immediately assigned to the Customer in full, worldwide, and without limitations.

8.2. Intellectual property rights that are specified in Paragraph 8.1. include

8.2.1. the right to use such intellectual property in all ways;

8.2.2. the exclusive right to let third parties use such intellectual property and any derivative intellectual property created on their basis;

8.2.3. the exclusive right to prevent or prohibit the illegal use of the intellectual property by third parties;

8.2.4. the right to circulate and distribute such intellectual property in the way of the first sale, alienate in other ways, including rent and lease, in the way of another transfer before the first sale of counterparts of such intellectual property;

8.2.5. the right to provide access to such intellectual property reproduced in any material form to an unlimited range of people, including network access via the Internet;

8.2.6. the rights to copy, produce, circulate, sell, lease, transfer, assign and provide license and sub-license for mentioned intellectual property;

8.2.7. any other proprietary intellectual rights provided by law applicable to this Agreement.

9. CONFIDENTIALITY

9.1. **«Confidential information»** means any information belonging to the Parties and transmitted between them in any form while performing their obligations by the Agreement.

9.2. Confidential Information includes

9.2.1. the costs, amounts and forms of payment for the Services provided;

9.2.2. business and development plans, forecasts;

9.2.3. technical specifications, task descriptions, data sheets, schemes and technical documentation;

9.2.4. reports on the Services provided;
9.2.5. the organisation of the production process;
9.2.6. correspondence between the Parties and other counteragents;
9.2.7. ways to access computer systems and databases (code words, passwords, access codes and other data);
9.2.8. any other information received in any other form bearing the note on or pointing out the confidential nature of such information.

9.3. The following information shall not be treated as Confidential Information
9.3.1. information contained in official reports, press releases and other materials made public by the Party;
9.3.2. information regarding the Services provided by the Agreement, which the Customer explicitly allowed the Contractor to disclose.

9.4. The Parties undertake not to disclose Confidential Information to any third parties, except when they are legally obliged to do otherwise, during the term of the Agreement and within 1 (one) year after the termination or invalidation hereof.

9.5. The Parties will ensure that only employees and third parties (including any subsidiary, parent, affiliate, partner or contractor) who have a need to know Confidential Information may access such information, and only if: (a) Party requires such employees and third parties to comply with obligations with respect to Confidential Information that are no less stringent than those applied to Contractor; (b) to the extent that is necessary for Party to fulfil its obligations under this Agreement; and (c) subject to the terms and conditions of this Agreement.

9.6. Should either Party be legally required to disclose any Confidential Information, the affected Party will immediately notify the other Party of such request.

10. DATA PROTECTION

10.1. Each Party shall comply with the provisions of the EU General Data Protection Regulation (hereinafter ”GDPR”).

10.2. The Parties acknowledge that they are each a separate and independent Controller of the Personal Data it processes, collects, discloses or receives under the Agreement. Each party shall be individually and separately responsible for complying with the obligations that apply to it as a Controller under GDPR.

10.3. The Parties shall ensure that they will Process Personal Data solely for the purposes contemplated in the Agreement. Each party shall process Personal Data in compliance with GDPR, industry standards and its obligations herein. It is

agreed that where either party receives a request from a Data Subject in respect of Personal Data controlled by the other party, where relevant, the party receiving such request will direct the Data Subject to the other party, as applicable, to enable the other Party to respond directly to the Data Subject's request.

10.4. The Services will be in compliance with the provisions of the GDPR and according to the principles of the GDPR. The Contractor has carried out the necessary organisational and technical measures to ensure that processing meets the requirements of the GDPR and to ensure that the rights of data subjects are protected. The Contractor undertakes to maintain a high level of data security and to ensure no personal data breaches relating to the Services.

11. LIMITATION OF LIABILITY

11.1. Nothing in this Agreement shall exclude or limit either party's liability for

11.1.1. death or personal injury resulting from the negligence of the relevant party or their servants, agents or employees;

11.1.2. fraud or fraudulent misrepresentation;

11.1.3. breach of any implied condition as to title or quiet enjoyment;

11.1.4. misuse of Confidential Information, or

11.1.5. payment of sums properly due and owing to the other in the course of normal performance of this Agreement.

11.2. Subject to clauses 11.1, neither party shall be liable under or in connection with this Agreement (whether in contract, tort or otherwise) for any:

11.2.1. loss of profit;

11.2.2. loss of anticipated savings;

11.2.3. loss of business opportunity;

11.2.4. loss of or corruption of data; loss or damage resulting from third-party claims; or

11.2.5. indirect or consequential losses suffered or incurred by the other party (whether or not such losses were within the contemplation of the parties at the date of this Agreement).

11.3. Subject to clause 11.2, the Contractor's total maximum liability arising under or in connection with this Agreement, whether in contract, tort (including negligence), breach of statutory duty or otherwise, shall not exceed, in respect of any Appendix, an amount equivalent to the fees paid to the Contractor in respect of the Appendix complained of which has given rise to the claim (or series of related claims).

11.4. The Contractor shall not be in breach of any of its obligations under this Agreement which arise or occur due to the act, omission, default of the Customer or the Customer's failure to comply with any of its obligations under this Agreement.

11.5. The parties agree that any breach of the confidentiality obligations outlined in this Agreement may result in the termination of this Agreement.

12. FORCE MAJEURE

12.1. Any Party will be excused from any obligation if it is affected by acts outside human control for which no person can be held responsible, e.g.,

12.1.1. acts of natural hazards, e.g. fire, explosion, storm, flood and hurricane;

12.1.2. acts of civil or military authorities, e.g. national emergencies, riots, and wars.

12.2. In the case of Force Majeure, the affected Party shall immediately, i.e. not later than 2 (two) working days, notify the other Party about a Force Majeure, giving as many details as possible, including its potential duration.

12.3. Force Majeure, subject to paragraph 12.2., extends the term of obligations under this agreement for the period of its validity and the time required to eliminate the consequences. In this case, the Parties have the right to change this Agreement.

13. TERMS & TERMINATION

13.1. This Agreement shall come into force on the Effective Date and is valid for 1 (one) year, nonetheless, until the complete fulfilment of all the Parties' obligations.

13.2. Termination of the Agreement automatically causes immediate termination of all Appendices.

13.3. Either Party may terminate this Agreement upon 30 calendar days prior written notice to the other Party.

13.4. The Contractor may terminate the Agreement immediately if the Customer fails to pay for the Services or breaches any other material term of this Contract.

13.5. The Customer may terminate the Agreement immediately if the Contractor fails its material terms within 10 (ten) working days and does not take action to fulfil the failed clauses.

14. GOVERNING LAW & DISPUTE RESOLUTION

14.1. This Agreement is governed by and construed by the laws of the Republic of Estonia.

14.2. The Parties agreed to resolve disputes regarding the Agreement's interpretation through negotiations.

14.3. If the Parties cannot settle their dispute through negotiations during 60 (sixty) days, any dispute, controversy or claim arising out of or in connection with this Agreement shall be finally settled by the Arbitration Court of the Estonian Chamber of Commerce and Industry under its rules. The language of the arbitral proceedings shall be English. The arbitral tribunal shall be composed of a sole arbitrator.

15. MISCELLANEOUS

15.1. The Agreement may be executed in counterparts; each is deemed an original, and together, they are deemed the same agreement. Facsimile, e-mail, or other electronic transmissions are deemed to have the same legal effect as an original signed copy.

15.2. Any modifications or amendments to the Agreement must be executed in writing and consequently form an Appendix.

15.3. All notices and requests in connection with this Agreement shall be deemed given as of the date they are received either by email, delivery service or mails, postage prepaid, certified or registered, return receipt requested, and addressed mentioned in this Agreement or to such other address as the party to receive the notice or request so designates by written notice to the other.

15.4. The Parties shall be responsible for the correctness of the details specified in the Agreement and undertake to notify each other of any changes promptly. In failure to notify, the Parties bear the risk of adverse consequences.

15.5. Assignment of the right of claim and transfer of debt by the Agreement from one of the Parties to third parties is allowed only with the other Party's written consent.

15.6. This Agreement sets forth the Parties' entire agreement and supersedes all prior or contemporaneous writings, negotiations, and discussions to its subject matter.

The Customer	**The Contractor**

Anton Mikhisor
Management board member