

# LEASE AGREEMENT GENERAL PART

This Lease Agreement (the "Leasing Agreement", the 'Lease') is concluded between

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Denmark  
("Lessee")

and

Wetality Water d.o.o.  
Jakčeva ulica 20  
1000 Ljubljana  
Slovenia  
("Lessor")

(hereinafter referred to separately as "Party" or together as "Parties")

The lease is concluded on the following terms:

## LEASE AGREEMENT

These Terms apply in addition to Wetality's Shop Terms and Conditions and all other publicly available legal documents for customers and/or users of web page found at [www.wetality.com](http://www.wetality.com). All forementioned terms apply to this Lease in the same manner and with the same rights and obligations for the Lessor and Lessee as the purchase in web shop found at [www.wetality.com](http://www.wetality.com), unless otherwise stated in this Lease or the sole nature of the lease.

These terms and conditions apply to the Leasing Agreement on the operational leasing of movable property concluded between the Parties.

The lease is entered into between the Lessee and the Lessor, according to which the lessee is given the right to use the leased object against payment of an ongoing benefit ("Leasing allowance").

The Leasing Item is provided by the Lessor's contractual Supplier, Quantum Vitality Group d.o.o. , Litijaska cesta 45, Ljubljana, Slovenia, who is aware that a Leasing Agreement has been or will be concluded and will receive all payments through an online shop at [www.wetality.com](http://www.wetality.com) on behalf of the Lessor. The Lessor shall also keep the claim for the Leasing Service payment.

## **LEASING SUBJECT**

The lease includes the equipment listed in Appendix 1 together with any subsequent changes therein (the "Leasing Object").

## **THE LEASING PERIOD, TERMINATION AND RETURN**

The lease period begins on the date of electronic submission of this Leasing Agreement through an online shop held at [www.wetality.com](http://www.wetality.com) upon successfully processed the initial order.

The lease period lasts for a minimum of 5 months.

This Lease may be terminated in writing by any Party after the 5 months have passed. The Lessee has the right to terminate this Agreement in the first 14 days after receiving the goods, which is subject to this Agreement. In such a case, the initial payment will be refunded.

If the Lessee terminates the Agreement before the initial 5 months have passed and not within the first 14 days after receipt of goods, no refund is possible.

In the event of termination, the Lessee shall return the Leasing object immediately. In case of late repayment, the Lessee must pay the Lease payment until the return is made. One month Leasing allowance must be paid per commenced month.

## **PRICE AND PAYMENT**

The lease payments listed in Appendix 1 are paid monthly in advance automatically through the Supplier's Smartship subscription program, unless otherwise stated individually. In addition to the Leasing allowance (a Leasing Service payment), a lump sum must be paid at the conclusion of the Leasing Agreement, as stated in Appendix 1.

All monthly payments are due on the exact date of successfully processed initial order each following month while this Leasing Agreement is valid.

The supplier issues an invoice covering the Leasing Service payment immediately after each successfully paid Smartship subscription order covering monthly leasing allowance.

## **DELIVERY**

The Supplier delivers the Leasing item according to the specification in Appendix 1. to the Lessor at the address specified by the Lessor upon conclusion of this Agreement.

## **LICENSE**

The Lessor grants the Lessee the right to use the Leasehold under the terms and conditions set forth in this Leasing Agreement.

The leasing item may only be used for non-commercial use.

The leasing item may not be used outside the lessee's registered address at any time and must not be taken outside Denmark's borders.

The lease object must not be sublet, lent or left to a third party and must not be altered, transformed or replaced.

The Leasing Property may not be inserted into buildings or other movable property in such a way that the Lessor's ownership is lost.

## **PROPERTY**

The Leasing Object is the Supplier's property. The lessee is not entitled to sell, pledge or otherwise dispose of the Leasing object legally.

Equipment, which, in agreement with the Lessor or the Supplier, is incorporated into or replaces parts of the Leasing item, unless otherwise agreed in writing, is the Supplier's ownership.

The Lessor has the right to inspect the lease with a minimum notice of 14 days.

## **FAILURES AND LIABILITY / SUPPLIER'S RESPONSIBILITY**

In the event of defects, the Lessor is obliged to accept remedy on behalf of the Lessee, possibly by replacing the object with another object of the same kind, usability and quality. However, this does not apply if the remedy will cause the Lessor an unreasonable expense or inconvenience.

If the Leasing object is under repair due to defects, the Lessee's obligation to pay Leasing Services is not affected by the deprivation of the Leasing object for up to 7 business days.

If the Leasing item is taken from the Lessee's possession for more than 7 business days due to defects and repair, the Lessor / Supplier is obliged to reduce the Leasing performance proportionally for the period the Lessee suffers depreciation.

If the Lessor offers a redelivery within 14 days of receiving the notice of malfunction, the Lessee must accept this and, in that case, refrain from cancelling the Lease for reason of defects, unless there is a repetition case.

In the event of a redelivery, the Lessee is required to co-sign the Supplement to the Leasing Agreement which identifies the redelivered Lease item.

## **SERVICE AND MAINTENANCE**

Service and maintenance costs are borne by the Lessor and are included in the Leasing Service. This applies to all breakdowns of parts on the Leasing item, except wearouts due to the nature of the Leasing object. However, external damage such as damage to the Leasing item caused by the Lessee or any 3rd party and/or any event outside the Lessor's reach and influence, does not constitute the Lessor's obligation for repairs and/or replacement.

Apart from the above, the Lessee must maintain the Leasing item at its own expense so that it is in good and usable condition at all times and does not exhibit any deterioration other than that which results from ordinary wear and tear.

The lessee must strictly comply with the applicable regulations as stated in the instruction manuals and similar material provided and published by the Supplier and the Lessor.

Without prior agreement with the Lessor, only the Lessor is entitled to repair the Leasing object. In the event of the Lessee's maintenance and repair of the Leasing item, no changes or transformation of the Leasing item may be made.

## **RISK OF THE LIABILITY**

If the Leasing Property is destroyed, deteriorated, damaged or lost - for whatever reason - the Lessee must immediately notify the Lessor thereof.

The Lessee bears the risk of the Leasing item's destruction, deterioration, damage or loss (including theft) from the time of delivery and until the Lease item is returned to the Supplier. The Lessee must therefore compensate the Lessor and the Supplier's losses in connection therewith, regardless of whether the aforementioned circumstances can be blamed on the Lessee.

If the Lease can be repaired, it is incumbent on the Lessor and the Lessor is entitled to repair the Lease. Repairs are done at the Lessor's expense, unless repairs are necessary due to circumstances for which the Lessee is responsible.

If the Leasing item cannot be repaired or is lost, the Leasing Agreement terminates and the Parties' balance is determined in accordance with the rules in the section "Compensation". Alternatively, the Lessor may choose to offer the Lessee another Leasing object, and if the Lessee accepts this, the Leasing Agreement is maintained.

## **VIOLATION**

This Lease may be terminated immediately in writing by any Party in the event of a material breach or if another party fails to fulfil any of its obligations under the Lease if the failure is not remedied within 30 days of the date of receipt of the remedy request. If the Lessee has not paid an amount due within 2 weeks of the due date, the Supplier and the Lessor are entitled to terminate the Leasing Agreement. The Lessor and the Supplier may terminate the Lease if the Lessee becomes insolvent.

## **COMPENSATION**

In the event of the Lessee's breach of this Lease and in the event that the Lessee otherwise terminates this Agreement before the minimum leasing period has expired, except in the event of termination under this Leasing Agreement, the Lessee is obliged to pay compensation to the Supplier and Lessor for direct loss that they may suffer in the amount of 5 monthly Leasing Service payments.

In the event of the Lessor/ Supplier's justifiable termination of the Lease, the Lessor / Supplier may at least claim compensation for the payment of Leasing allowances due to be paid until the Lessee could terminate the Lease with ordinary notice in accordance with this Leasing Agreement.

## **TERMINATION**

The Lessor / Supplier may terminate the Lease at any time with 1 month's notice for any reason at any time, given the initial 5 months have passed and according to other termination provisions in this Agreement.

## **PRODUCT LIABILITY**

THE LESSOR AND THE SUPPLIER ARE ONLY RESPONSIBLE FOR THE DEFECTS IN ACCORDANCE WITH THE PROVISIONS OF THE PRODUCT LIABILITY LAW. THE LESSOR AND THE SUPPLIER DISCLAIMS ANY LIABILITY FOR LOSS OR DAMAGE WHICH A DEFECTED PRODUCT MAY CAUSE.

LESSEE MUST IMMEDIATELY INFORM THE LESSOR OF DAMAGES CAUSED BY A DEFECTIVE PRODUCT AND / OR OF THE RISK OF SUCH DAMAGE.

## **DISCLAIMER**

THE LESSOR AND THE SUPPLIER ARE NOT RESPONSIBLE FOR ANY LOSS, INDIRECT LOSS OR CONSEQUENTIAL LOSS ARISING FROM THIS AGREEMENT OR THE LEASING OBJECT.

## **FORCE MAJEURE**

Neither Party is liable for any delay or omission under the Lease Agreement when the disturbance or delay is caused by circumstances beyond the reasonable control of the Party and the Party has not exhibited its own fault or neglect, including: natural disasters (eg fire, flood, earthquake, hurricane or other external event), public restrictions (eg refusal or cancellation of export permits or other necessary permits), war, rebellion, terrorist acts, blockade or embargo (combined) and each called "Force Majeure"), provided that the Party invoking Force Majeure gives the other Party (i) immediate written notice of the event and (ii) evidence of reasonable steps taken to minimize the delay or damages .

The periods within which the fulfilment conditions are set to be fulfilled can be extended for a period equal to the time lost due to the delay thus caused. A Party may terminate all or part of the Lease Agreement if a delay caused by Force Majeure continues for a period of more than 60 days.

## **TRANSFER OF THE LEASING AGREEMENT**

The lessee is not entitled to transfer the rights under the Leasing Agreement to a third party without the Lessor's written consent.

# LEASE AGREEMENT INDIVIDUAL PART

Appendix 1 Individual Terms for CUSTOMERS

These individual terms have been entered into as part of the Lease Agreement.

## LEASING OBJECT

The leasing object is:

A Wetality water cleaning system (Wetality W-1000) with a pre-installed Complete filter package (the "Leasing object")

With such Lease Agreement you also receive:

1. Additional filter packages – standard filter package 8 months after initial order while complete filter package is sent 16 months after initial order than, standard filter package again after 24 months and so on.
2. Warranty as long as the Agreement is valid;
3. Right to exchange current Leasing Object for a new model of Wetality water cleaning system every 4 years, counting from initial order, as long as the Agreement is valid.

\*These are initial time frames calculated based on lower life span of individual filters than life span indicated in the original manufacturer's specification. The Lessor reserves a right to adjust these time frames according to water quality research and tests for certain territory – if it turns out that individual filters can endure longer life span due to specific water characteristics in Denmark, filter packages will be provided according to those standards.

Filter packages:

Complete filter package contains : Primary Cleaning filter (pp), Carbon clean filter (gac), RO preparation filter (pp), Reverse osmosis (RO), Hydrogen ion PH boost filter (aaf), Mineral boost filter (mcf)

Standard filter package contains:

Primary Cleaning filter (pp), Carbon clean filter (gac), RO preparation filter (pp), Hydrogen ion PH boost filter (aaf) and Mineral boost filter (mcf)

## LEASE TERM

The lease period starts on the date of the initial order of the Leasing object and successful Smartship subscription and lasts for at least 5 months.

This Leasing Agreement is valid as long as Smartship subscription is active, which means as long as monthly rent payment is regularly being paid.

## **DELIVERY DATE**

The Leasing object will be shipped within 3 work days from successfully processed order. Complete filter package is pre-installed and delivered together with a Wetality water cleaning system, Standard filter package is shipped 8 months after the initial order, Complete filter package is shipped 16 months after initial order, standard filter package is shipped 24 months after the initial order and so on... as long as Agreement is valid. In order for filter package to be delivered, all monthly service fee payments which are due on a date when the filter package should be shipped, have to be fully paid.

## **ORDERING PROCESS**

Ordering goes through following stages:

1. Order is initiated in the Wetality water shop at [www.wetalitywater.com](http://www.wetalitywater.com). In the checkout process, you will be asked to enter your personal and shipping information and see the payment details. The initial payment includes a down payment of 399 EUR (including VAT) and a first monthly installment. You will also be asked to read and confirm Shop terms and Conditions, the Lease Agreement, and the Product claims and health disclaimer.
2. After a successful payment, your order will go to processing, and you will receive order confirmation together with the version of the Lease Agreement, which you have read and confirmed as a clickwrap contract in the checkout process. Please take your time to reread this legally binding agreement since you will be considered a fully responsible contractual party if you do not cancel your order within the initial 14 day cancellation period.
3. At this stage, also Smartship subscription will be triggered.
4. Lease Agreement (both parts, General + Individual) are considered valid from the time of active consent given in the checkout phase by submitting the clickwrap agreement consent.
5. Your order will be shipped within 3 workdays, and you will receive shipping confirmation. Please note that all the stages mentioned above have to be completed for your order to be considered successfully processed.

## **PAYMENTS**

Upon entering into the Lease Agreement when placing an order in online shop a lump sum of 399 EUR (including VAT) must be paid.

Successfully completing stage 2 – paying down payment of 399 EUR triggers Smartship subscription, which will be handling all your future monthly payments in amount of 39 EUR (including VAT) as long as the Leasing Agreement is valid.

Payments are handled through online shop accessible through web page [www.wetalitywater.com](http://www.wetalitywater.com) in accordance with legally binding Shop terms and conditions, which can be found at the following link:  
<https://wetality.com/water/terms-and-conditions.php>

Wetality Smartship Subscription will be triggered with each such order, where your fixed lease payment is deducted every 10th day of the following month for a period of the Leasing Agreement validity through your credit card provided upon ordering.