PROTECTION OF PRIVACY AND TRANSPARENCY OF THE STATE Tatari tn 39/10134 Tallinn / 627 4135 / info@aki.ee / www.aki.ee Registry code 70004235 PRECAUTIONS WARNING in personal data protection matter no. 2.1.-6/20 Preceptor Raiko Kaur Time and place of precept 07.10.2020, Tallinn Addressee of the precept Novikov Pro OÜ (10113254) info@iljanovikov.com info@xiaomiofficial.ee Addressee responsible person Member of the Management Board RESOLUTION: § 56 (1) (2) (8) of the Personal Data Protection Act 58 (1) and Article 58 (1) (a) of the General Regulation on the Protection of Personal Data and taking into account point (e) of the same paragraph, we issue a mandatory precept: to respond to the inquiry sent to Novikov Pro OÜ by the Data Protection Inspectorate No. 2.1.-5/20/2613. We set the deadline for compliance with the precept as 21.10.2020. Notify the Data Protection Inspectorate to the e-mail address info@aki.ee of the fulfillment of the precept by the deadline. CONTEST REFERENCE: This precept can be challenged within 30 days by submitting either: - a challenge under the Administrative Procedure Act to the Data Protection Inspectorate, or - an appeal under the Code of Administrative Court Procedure to the Tallinn Administrative Court (in which case the challenge can no longer be heard). Contestation of a precept does not suspend the obligation to comply with the precept or the application of the measures necessary for compliance. PENALTY FINANCE WARNING: If the precept is not complied with by the specified deadline, the Data Protection Inspectorate shall impose a precept on the addressee of the precept on the basis of § 60 of the Personal Data Protection Act: Tatari tn 39/10134 Tallinn / 627 4135 / info@aki.ee / www.aki.ee Registry code 70004235 Penalty 2000 euros. The penalty payment may be imposed repeatedly - until the precept is complied with. If the addressee does not pay the penalty payment, it is forwarded to the bailiff to start enforcement proceedings. In this case, the bailiff's fee and other enforcement costs are added to the penalty payment. WARRANTY PENALTY WARNING: Failure to comply with a precept pursuant to Article 58 (1) of the General Data Protection Regulation may result in misdemeanor proceedings pursuant to § 70 of the Personal Data Protection Act. A natural person may be fined up to EUR 20 000 000 for this act and a legal person may be fined up to EUR 20 000 000 or up to 4% of its total annual worldwide turnover, whichever is greater. The Data Protection Inspectorate conducts extra-judicial proceedings against misdemeanors. FACTUAL CIRCUMSTANCES: The Data Protection Inspectorate (Inspectorate) received a request from a person according to which the person wanted to return the ordered goods from the website xiaomiofficial.ee. The data of the third party (name, address, telephone number) was then forwarded to the person and it was stated in the reply that the person would send the goods to the third party (another customer). It was pointed out that sending to Tallinn is more expensive and a person has the right to send goods to another customer. Based on

the above, the Supervision Authority initiated supervision proceedings on the basis of clause 56 (3) 8) of the Personal Data Protection Act. In the course of the supervision procedure, the Inspectorate sent an inquiry to Novikov Pro OÜ in case no. 2.1-5 / 20/2613 on 15.09.2020, the deadline for replying to which was 29.09.2020. The purpose of the inquiry is to obtain information on whether the transfer of data from a third party (another customer) to a customer for the return of goods is a common practice in the company and whether and on what legal basis the data of another customer is transferred to customers. Also in a situation where there is no legal basis for processing personal data in this way, the Supervision Authority wants confirmation that such activities have been terminated. As part of the inquiry, the Inspectorate also drew attention to the imposition of a precept and a penalty payment if the Inspectorate's inquiry is not answered in time. The Inspectorate sent the inquiry to the e-mail address info@iljanovikov.com provided in the Commercial Register and to the e-mail address info@xiaomiofficial.ee shown in the correspondence forwarded by the person to the Inspectorate. The latter e-mail address can also be found on the website xiaomiofficial.ee. With regard to inquiries sent by e-mail, we note that pursuant to clause 27 (2) 3) of the Administrative Procedure Act, a document made or transmitted electronically is deemed to have been delivered if the document or notice is delivered to an e-mail address entered in the company's commercial register. To date, the representative of Novikov Pro OÜ has not responded to the inspection's inquiry and has not contacted regarding the extension of the deadline for responding to the inquiry. The Supervision Authority has given Novikov Pro OÜ a reasonable time to respond, incl. It is also possible for the addressee of the inquiry to write to the Supervision Authority in a timely manner and justify if the term for responding to the inquiry is too short and submitting a thorough response would require a longer response time. The Inspectorate has thereby fulfilled the obligation arising from subsection 40 (1) of the Administrative Procedure Act to give the participant in the proceeding the opportunity to submit his or her opinion and objections on the matter before issuing the administrative act. Tatari tn 39/10134 Tallinn / 627 4135 / info@aki.ee / www.aki.ee Registry code 70004235 GROUNDS FOR THE DATA PROTECTION INSPECTORATE: Pursuant to § 58 (1) of the Personal Data Protection Act and Article 58 (1) (a) of the General Data Protection Regulation and taking into account the same paragraph e, the Inspectorate has the right to request explanations and other information, including the submission of documents necessary for the performance of the supervision procedure. Taking into account the factual circumstances and the fact that answering the inquiry made within the supervision procedure of the administrative authority is mandatory, but Novikov Pro OÜ has not answered the inquiry sent to the Inspectorate on 15.09.2020, the Inspectorate considers that issuing a mandatory precept in this matter is necessary to find out including as soon as possible. If the company has problems in responding to the inspection by the set deadline, the company can explain to the supervisory authority which objective circumstances were the obstacle. However, simply not answering is not acceptable. / digitally signed / Raiko Kaur, lawyer, authorized by the Director General