

## General Terms and Conditions of Sale, Delivery, and Payment

### I. General – Scope of application

1. Our deliveries and services are performed exclusively under the General Terms and Conditions of Sale set forth hereinafter. They apply also to all future transactions conducted between the contracting parties without requiring further special reference to them. They shall apply also to contracts concluded at a later date even if we do not expressly refer to them specifically, and even if we perform our deliveries or services to the Orderer without reservation in full knowledge of standard terms and conditions of the Orderer that are contrary to or deviate from our General Terms and Conditions.
2. The Orderer has full knowledge of our General Terms and Conditions, gained through our price lists, emails, and Internet publications.

### II. Offers and conclusion of contract, Performance

- 1) Our offers submitted to the ordering part are non-binding. The order alone shall constitute a binding offer. Acceptance of this offer takes place at our discretion either by sending a confirmation of order or by performing the ordered deliveries or services without reservation.
- 2) The technical data and descriptions contained in our product information or advertising materials and technical data sheets, and the information and data provided by the manufacturer or his auxiliary persons shall not constitute warranties as to the properties, quality, or durability of goods within the meaning of item 3 of Article 459 of the Obligation Code (Obligacijski zakonik, hereafter: “OZ”) to be delivered by us, unless such information is agreed under an individual contract.
- 3) Identified uses, as defined under the European chemicals directive REACH, that are relevant to the goods shall constitute neither an agreed contractual property of the goods nor a form of use provided by the contract.
- 4) If goods are sold on the basis of a sample or a specimen, such sample or specimen this shall merely be considered a description of proper technical compliance with the sample or specimen but not a guarantee or warranty of the properties or durability of the goods to be delivered by us.
- 5) We provide technical support to the best of our knowledge. All and any data and information provided as to the suitability and utilisation of our goods does not release the buyer from examining and testing the goods for their suitability for their intended purposes.

### III. Prices, terms of payment, default in payment

- 1) The prices agreed upon the conclusion of contract, and in particular the prices stated in the order from and/or the confirmation of the order, shall apply. If no price has been expressly determined, the prices in effect at the time of the conclusion of contract as per our price list shall apply. The prices are calculated on the basis of the volume, weights, and quantities determined by us, unless the Orderer objects immediately upon receipt of the goods.
- 2) These prices (net order value) are plus the current statutory value added tax as at the date of delivery and – where agreed – the cost of the transport insurance. In the case of deliveries outside Slovenia, other country-specific dues and charges may be added. The resulting amount is the final total invoice amount (incl. VAT).

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- 3) We reserve the right to reasonably adjust our prices in the event of changes of costs occurring after the conclusion of contract due to collective wage agreement, increases in pre-suppliers' prices, or exchange rate fluctuations. Notification of such price changes is given no later than four weeks prior to the effectiveness of the new prices. Unless the ordering party objects in writing to the new prices within one week of notification, the new prices are considered accepted. This shall not apply if a fixed price is agreed.
- 4) Our invoices are payable without deduction within 30 days of the invoice date, unless a different date for payment has been agreed. Upon expiration of the due date specified in the invoice, the Orderer is in default pursuant to Article 299.1 of the OZ . In the event that we grant our customers a discount, the discount amount is calculated on the basis of the final total invoice amount (incl. VAT), less a flat-rate freight charge of 8%, the cost of a transport insurance where applicable, and – in the case of deliveries outside Slovenia – any other country-specific charges.
- 5) The Orderer is entitled to a right to set-off our claims only if his counter claims are res judicata, undisputed, or have been acknowledged by us. Furthermore, the Orderer shall be entitled to exercise a retention right only if his counter claim is based on the same contractual relationship.
- 6) If the Orderer fails to pay due invoices, observe a payment term, or in the event that the Orderer's financial situation deteriorates after the conclusion of the contract, or if, after the conclusion of contract, we obtain unfavourable information relating to the Orderer that give rise to doubts as to the orderings party's solvency or credit-worthiness, we are entitled to accelerate the maturity and declare immediately due the Orderer's residual debt, and, contrary to the agreement, demand advance payment, or payment of a security, or, upon delivery, immediate payment of all our receivables that are based on the same legal relationship. This shall apply in particular if the Orderer ceases his payments, a check issued by the Orderer is not honoured, insolvency proceedings against the Orderer's assets are applied for or instituted, or if an application for such insolvency proceedings are rejected due to a lack of assets.

#### IV. Dates for delivery and payment, delay in performance

- 1) Delivery dates are estimates, unless a fixed date for the transactions has been expressly agreed in writing. Delivery periods are given under the reservation that the Orderer meets his contractual duties of cooperation.
- 2) In the event, that, nevertheless, agreed delivery dates are not observed for reasons for which we are responsible, the Orderer may withdraw from the contract after a period of grace of no less than 15 business days set by the Orderer has expired fruitlessly. Withdrawal must be by written notice. Deliveries on Saturdays are possible only upon special agreement and for an extra charge.
- 3) We will be in default only upon the expiration of a reasonable grace period of no less than 15 business days set by the Orderer. In cases of force majeure and other unforeseeable, extraordinary circumstances for which we are not responsible, for example operational troubles and interruptions due to fire, water, or similar events, failures of production facilities and machines, late delivery, or delivery shortfalls on the part of our suppliers, and interruptions in operation due to a shortage in raw materials, energy or labour, strike, lockout, difficulties in the procurement of transportation means, disruptions or obstructions in traffic, or official intervention, we are – to the extent that the named circumstances prevent us from a timely performance of our obligations - entitled to postpone the performance of the delivery and/or service for the term of the obstruction plus a reasonable start-up time. If, consequently, the performance of the delivery or service is delayed for more than one month, both we and the Orderer are entitled to withdraw from the contract by written notice in respect of the quantities affected by the delay in delivery, excluding

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any damages claims and in accordance with No. VIII 1 – 5 of the present General Terms and Conditions of Sale.

- 4) In each individual case of default, our obligation to pay damages is limited under the provisions of Ziff. VIII 1-5.
- 5) We are entitled to perform partial delivery and partial services within the agreed delivery and performance periods if reasonable to the Orderer.
- 6) Observance of our delivery and performance obligations is subject to the due and proper performance of the Orderer's obligations. We reserve the right to plea non-fulfilment of the contract.
- 7) Costs claimed for downtimes or manipulation will be reimbursed only if legitimate and only to the amount of the freight costs of the deliveries concerned.
- 8) In the case that the Orderer is in default with calling, accepting, or collecting the goods or services, or if the Orderer is responsible for a delay of the shipment or the service of the goods, we are entitled without prejudice to any other claims, to demand payment of a flat-rate in the amount of the usual local storage charges, regardless of whether the goods are stored in our facilities or those of a third party. The Orderer bears the burden of proof of lower or no damage..

## V. Passing of the risk, shipment and packaging costs

- 1) Shipment is at the risk of the Orderer on principle, i.e. even if pricing free destination station or free building site is agreed. We are under no obligation whatsoever to insure the goods. If the buyer is in default with acceptance or in arrears, the risk of accidental loss or deterioration of the goods passes to him. The same applies in the case of a violation of other obligations to cooperate. In the event that we perform any loading and/or discharging under individual contractual provisions, such services shall be performed under the General Freight Handling and Transportation Regulations (ADSp) of the forwarder or carrier that apply to the respective shipment or transport. Claims for damages may be raised against us only in cases of gross culpability (wilful intent, gross negligence). Prices are inclusive of standard packaging, free destination, unloading excluded, in complete loading materials, unless a different form of carriage has been expressly agreed.
- 2) If a form of packaging other than the standard form of packaging is used upon the Orderer's request, it shall be billed at cost price.
- 3) If the goods are shipped on Euro pallets, the latter will be billed to the Orderer; carriage free return shipments of the Euro pallets in undamaged condition to one of our plants/distribution centres, will be refunded by credits less an administrative charge to be individually agreed.
- 4) Any self-discharging by truck or crane is at the Orderer's risk.

## VI. Orderer's obligations /Reservation of title

- 1) Ownership of the delivered goods shall remain with us until full payment of the purchase price and any other current or future receivables resulting from our business relationship with the Orderer. The incorporation of the purchase price in an ongoing invoice and the acceptance of the balance will not affect the reservation of title.
- 2) The Orderer is obliged to treat the purchased goods carefully until full ownership has been acquired.
- 3) The Orderer may neither pledge nor give as a security the goods owned by us. However, he shall be entitled to resell the delivered goods within the scope of a proper and correct business

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transaction in accordance with the following terms. The aforementioned right shall not apply in as much as the Orderer transfers or pledges claims in advance against his contractual partner – where effective -, that result from the resale of the goods, to a third party or has agreed with that third party an effective prohibition of assignment in advance.

- 4) The Orderer herewith immediately assigns to us all – future and contingent – accounts receivable resulting from a resale of the goods delivered by us, together with all ancillary rights, at an amount of 100% gross of the value of the delivered goods, which will take precedence over the residual part of his accounts receivable. We herewith accept the assignment.
- 5) As long as and inasmuch as the Orderer settles his payment obligations to us, he is entitled to collect the claims assigned to us from his customers, within the scope of proper and orderly business. However, he is not entitled to conclude an accounts current agreement, or agree a prohibition of assignment, with his customers in relation to these accounts receivable, or transfer or pledge them to third parties. If, contrary to Sentence 2, an account current relationship exists between the Orderer and the purchasers of our reserved goods, the account receivable assigned in advance shall also relate to the accepted balance and, in the case of the purchaser's insolvency, to the balance existing at that date.
- 6) Upon our request, the Orderer shall provide evidence separately of the individual accounts receivable assigned to us, and notify his debtors of the assignment together with the request to pay to us the value of our claims against the Orderer. We are entitled to notify the Orderer's debtors ourselves of the assignment and collect the receivables. However, we will not make use of this power as long as the Orderer duly meets his payment obligations without delay, no application for insolvency proceedings against the Orderer is filed, and the Orderer does not cease his payments. If, however, one of the aforementioned cases occurs, we may demand that the Orderer disclose to us the receivables assigned and their debtors, furnishes all information required for collection of the receivables, and surrenders to us all related documents.
- 7) In the case of seizures or other third party intervention, the Orderer shall notify us in writing without undue delay.
- 8) If the goods delivered by us under reservation of title are processed, combined, or mixed, together with other objects that are not our property, we acquire co-ownership of the new object in the proportion of the value of the goods delivered by us (total invoice amount, incl. VAT) to the value of the other objects at the time of processing, combining, or mixing. The object created by such processing shall be subject to the same terms as the goods delivered under reservation of title. In the event that such processing, combining, or mixing, occurs in such a manner that the Orderer's object must be considered the principal object, it is deemed agreed that the Orderer transfers co-ownership to us pro rata. The Orderer is entitled, within the scope of proper and orderly business operations, to dispose of the products created by such processing, alteration, combination, or mixing, excluding pledging or assignment, provided he meets his obligations resulting from the business relationship with us, in a timely manner. The Orderer herewith immediately assigns to us, as security and in the amount of our portion of the ownership, his accounts receivable resulting from the sale of these new products to which we are entitled as co-owners. For the event that the Orderer combines or mixes the delivered goods with a different principal object he herewith immediately assigns to us his claims against the third party up to the value of our goods. We herewith accept the assignment.
- 9) Furthermore, the Orderer assigns to us his receivables up to the value of our goods as a security for our receivables resulting from the processing, combining of our goods with real property against a third party.

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- 10) We agree to release, upon the Orderer's request, the securities of our choice to which we are entitled, to the extent that the realisable value of our securities exceeds our receivables from the Orderer, that are the matter to be secured, by more than 20%.
- 11) In the case that the Orderer breaches the contract, in particular in the case of a delay in payment amounting to more than 10% of the invoice value for a significant period of time, we are – without prejudice to other (damages) claims – entitled to withdraw from the contract and demand that the goods delivered by us be returned to us. Upon acceptance of the returned goods we are entitled to exploit them. The proceeds from such exploitation will be credited to our accounts receivable from the Orderer, less reasonable exploitation costs.

## VII. Orderer's rights in the case of non-conformity

- 1) Obvious defects, delivery of the wrong goods, and deviations in quantity, shall be reported to us in writing by the Orderer without undue delay, no later however than 3 days from the Orderer's receipt of the goods. Concealed defects shall be reported to us within a period of eight days following their discovery. The buyer is obliged, if necessary by way of trial processing, to check whether the delivered goods are free of defects and suitable for the intended utilisation. This shall also apply if the goods are to be processed in systems that are not procured from us. In the event that defects emerge at the time of processing, operations shall be immediately suspended and any original containers not yet processed and unopened shall be secured. She shall be furnished o us upon request for examination. Three months following the passing of the risk to the Orderer under No. V. 1, complaints of non-conformity are excluded and are considered untimely if they could have been reasonably discovered. In the case of a complaint of non-conformity that is made improperly or in an untimely manner (No. VII Sentence 1 and 2), the Orderer loses his rights resulting from non-conformity subject to the terms of No. VIII 1 to 5 of these present Terms and Conditions of Sale, unless we fraudulently concealed the defect.
- 2) In the case that the goods delivered by us are defective, we are obliged only, at our choice, to subsequently repair the defect (subsequent improvement) or to deliver fault-free goods (subsequent performance). If we are unwilling or unable to carry out subsequent performance, or if subsequent performance is postponed for an unreasonable period of time through our fault, or if it fails for other reasons, the Orderer shall be entitled at his choice to withdraw from the contract, or to demand reduction of the purchase price. Subsequent improvement is considered failed following the second attempt, unless something else results from the nature of the matter or other circumstances. If, due to the goods delivered by us, the Orderer has suffered a loss, or incurred futile expenditure, our liability shall be subject to No. VII.1 and II, No. VIII. 1 to 5 and No. IX.

## VIII. Rights and obligations of our company

- 1) A liability on the part of our company for damages or futile expenditure – regardless of the legal basis – shall arise only if the damage or the futile expenditure
  - a) has been caused by us by culpably breaching a material contractual obligation or
  - b) is due to a grossly negligent or wilful breach of obligations through usAccording to No. VIII. 1 a) and b) we are liable for damage or futile expenditure that is not caused by advice or information furnished against separate remuneration, only in the case of a wilful or

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grossly negligent breach of obligations, provided this breach of obligation does not constitute a defect (Article 459 of OZ) of the goods delivered by us.

- 2) In the event that we are liable under No. VIII. 1. a) for a breach of a material contractual obligation through no wilful intent or gross negligence, our liability is limited to the typical foreseeable damage. In this case, we are not liable in particular for lost profits of the Orderer or for unforeseeable indirect consequential damage. The aforementioned limitation of liability under Sentence 1 and 2 shall apply likewise to damage caused through the wilful intent or gross negligence on the part of our employees, personnel, or authorised persons. We are not liable for indirect losses or damage of the Orderer suffered by him due to a claim for a contractual penalty raised against him by a third party.
- 3) The limitations in liability set forth hereinabove under No VIII. 1. to 2. do not apply if our liability is mandatory under the product liability regulations , or if claims are raised on the grounds of an injury to life, the body, or health. In the case that the goods delivered by us lack a warranted property, we shall be liable only for such damage the prevention/absence of which was covered by the warranty.
- 4) Any further liability for damages exceeding that provided for under Nos. VIII. 1 – 3, - irrespective of the legal nature of the claim raised – is excluded. This applies particularly for the damages claims based on *culpa in contrahendo*, for the claims for damages caused in relation to performance of contractual obligations, or tortuous acts (Article 133 of the OZ).
- 5) We are not liable in the case of impossibility or a delay in the due and proper compliance with public law obligations caused by the Orderer in relation to the European chemicals directive REACH.
- 6) Where this liability for damages is excluded or restricted under No. VIII 1 – 4, this shall also apply to the personal liability for damages on the part of our employees, personnel, representatives and auxiliary persons and vicarious agents.

## IX. Limitation of claims

- 1) Claims of the Orderer pertaining to defects of the goods delivered by us or to services performed in breach of our obligations – including damages claims and claims for reimbursement of futile expenses – are limited to a period of one year, unless otherwise provided for under Nos. IX. 2. to 4 hereinafter, or the law prescribes longer limitation periods.
- 2) In the case that we provided incorrect consulting that is not invoiced separately and/or furnished information in breach of our obligations, without delivering any goods in connection with the consultation or the information, or without the consultation or the information constituting a defect of goods delivered by us (Article 459 of OZ), any claims based thereupon shall expire within one year from the date of statutory commencement of limitation. If the aforesaid breach of obligations constitutes a defect (Article 459 of OZ) in the goods delivered by us in connection with the consultation or the information, the resulting claims shall be subject to the terms of limitation provided for under Nos. 1 and 2 and 4.
- 3) The provisions set forth under Nos. 1 to 3, shall not apply to the limitation of claims based on injuries to life, the body or health, or to the limitation of claims under the Slovenian product liability regulations and on the grounds of defects in title of the goods delivered by us that pertain to a third party's right *in rem*, on the grounds of which he may demand that the goods delivered by us be surrendered. Furthermore, they do not apply to the limitation of claims of our Orderer/customer that are based on a fraudulent concealment on our part of defects of the goods delivered by us, or on a breach of our obligations through our wilful intent or gross negligence. In the cases specified under this present No. **IX: 3**, the statutory limitation periods shall apply to the mentioned claims.

## X. Return

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Returns of goods delivered by us that are free of defects are excluded. If, in exceptional cases, we agree with the return of a fault-free item, it shall be credited to the Orderer only if we are able to determine that the goods are fully reusable. At least 20% of the invoice value, or at least 30 euros, will be deducted for the cost of examination, treatment, alteration, and repackaging. Such a credit balance will not be paid out but credited against future deliveries.

## XI. Prohibition of assignment

Rights and/or claims against us, based in particular on defects of goods delivered by us, or breaches of our obligations, may not be assigned or pledged, either in part or in full, to third parties without our explicit written prior approval; Article 417 of OZ shall not be affected.

## XII. Place of performance, place of jurisdiction, applicable law, trade provisions

- 1) The place of performance and exclusive place of jurisdiction for all claims arising between us and merchants, or legal entities, or special funds, under public law, is our registered seat. Unless mandatory statutory provisions provide otherwise, we are also entitled, however, to file actions against an Orderer at his statutory place of jurisdiction.
- 2) The legal relationship between our company and the Orderer is governed exclusively by the laws of the Slovenia. The application of the provisions of the UN Convention on the Contracts for the International Sale of Goods (CISG – UN Purchase Law) is excluded.
- 3) Where commercial terms have been mutually agreed under the International Commercial Terms (INCOTERMS), the latest version of the INCOTERMS, as amended, shall apply (currently INCOTERMS 2020).

## XIII. Final provisions

- 1) In the event that one or several of provisions set out herein-above are invalid, partly invalid, or excluded under a special agreement, the validity of the remaining provisions shall not be affected.
- 2) We store Orderers' data obtained within our mutual business relations in accordance with the provisions of the Slovenian data protection laws (*Zakon o varstvu osebnih podatkov*).

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