

## **GENERAL TERMS AND CONDITIONS OF SALE - TALUM SERVIS IN INŽENIRING d.o.o.**

### **1. General**

1.1. Terms and conditions of sale determine the rights and obligations between TALUM SERVIS IN INŽENIRING d.o.o. (hereinafter: contractor) and third parties (hereinafter: customer), on the basis of negotiations for conclusions or transactions from the contractor's activity range.

1.2. General terms and conditions of sale are published on the website of the company Talum Servis in inženiring d.o.o. (<http://www.talum-tsi.si/en/general-terms-and-conditions-of-sale>) and are annexed to and form an integral part of every offer, contract or order confirmation.

Any changes of terms and conditions of sale shall be valid and binding for the customer from the date of its receipt of written notification of the changes by the contractor.

1.3. By accepting an offer, concluding a contract, with every contract award and express statement, respectively, the customer accepts the General terms and conditions of sale and is in full agreement of the contents.

1.4. Agreements that represent derogation from and an alternative arrangement of rights and obligations with the customer than specified in individual paragraphs of the terms and conditions of sale are valid only if the contracting parties explicitly agreed so in writing.

Agreed derogations to the arrangements in individual paragraphs of the terms and conditions of sale shall not affect the validity of other paragraphs and provisions of the terms and conditions of sale.

1.5. The formalities under these conditions are also fulfilled if the notification/confirmation/reception is sent via fax or electronic mail (e-mail).

1.6. General terms and conditions of the customer shall be valid only if the contracting parties explicitly agreed so in writing. Acceptance and confirmation of the customer's general terms and conditions shall be deemed as an agreement on exclusion of the contractor's terms and conditions of sale.

### **2. Professional secrecy**

2.1. All information (technical data, prices and component parts thereof, specifications and other) from the contractor's offer as well as all information from the customer's enquiry or order shall be deemed business secret and the contracting parties shall be bound by professional secrecy. The contracting party that is in breach of the obligation of professional secrecy shall be liable for the damage caused to another party by such a breach.

### **3. Offers, orders**

3.1. An offer is the contractor's proposal to conclude a sale. The proposal contains all essential components of a contract and the sale can be concluded through the acceptance of the offer.

An offer shall be binding until the expiry of a deadline for acceptance. If a deadline for acceptance is not stipulated an offer/order shall be binding for the time usually required for the receipt of such an offer/order so it may be studied and decided upon, and for the answer to be received.

Withdrawal of an offer is valid only if the buyer receives the withdrawal before sending a declaration of acceptance.

3.2. An order that contains all essential components of a contract and is such that through the acceptance/confirmation thereof a contract could be concluded is the customer's proposal to conclude a sale.

The buyer can give an offer via mail, fax or e-mail. An order given via telephone must be confirmed in writing in the period for acceptance stipulated by the contractor. An order via telephone that was not confirmed in writing by the customer is deemed not to be given.

3.3. Essential components of an offer/order are data about the work that is the subject of the business, with the specification of tasks and material according to the type, quantity, price and the date of the completion of work. In the order the customer must provide basic information, i.e. the correct name of the customer and his business address.

3.4. By acceptance of an offer or confirmation of an order a sale is concluded (hereinafter: conclusion of a contract). Acceptance of an offer or confirmation of an order shall be made in writing. If acceptance of an offer or confirmation of an order is not made in writing it shall not be binding.

If the contractor and the customer conclude and sign a contract document (hereinafter: a contract) for a sale, the day when both parties sign the contract document shall be considered as the day on which the sale is concluded (hereinafter: date of conclusion of a contract). If delivery or the execution of work starts taking place before both parties sign the contract document, the sale shall be deemed concluded with the day the buyer took over the first delivered item or the executed individual work phase.

3.5. A response to an offer or an order that contains additions or alterations shall be deemed a counter offer.

3.6. Acceptance of an offer or a confirmation of a customer's order by the contractor shall entitle and bind the customer to take the delivery of the goods and oblige the customer to pay the agreed purchase price as well as bind and entitle the contractor to perform the agreed work and delivers it to the customer and receive the agreed purchase price.

3.7. If it is agreed that the customer will communicate an order specification and the customer fails to do so by the agreed date, the contractor shall explicitly request from the customer to provide the specification and shall set a new deadline for the customer to do so.

#### **4. Delivery period, shipping, passing of risk/risk transfer and sharing of costs**

4.1. Delivery period is the period in which the contractor shall perform the work. Delivery period shall begin on the date of the receipt of the contract acceptance or date of confirmation of the order or the date of the signature of contract documents, respectively.

4.2. An agreed delivery period may be extended in case of paragraph 3.7., in case of any subsequent changes of the customer's order (quantity, technical specification of goods/type and extend of service, etc.) and in cases beyond the contractor's control (force majeure etc.).

4.3. Place and time of delivery and takeover is determined by the contract parties for each business individually.

The customer is obliged to check the executed work and make notifications of possible errors. If despite the contractor's order the customer does not check and takeover the executed work without any substantial grounds, the work is considered as taken over.

4.4. If the object of a closed business is the execution or delivery of a good (tool, machine, etc.) the place and time of delivery and takeover of goods, passing of risk of loss or damage, obligations regarding organisation of transport, loading and unloading, provision of transport and other obligatory documents, allocation of costs (insurance, customs, etc.) and other mutual rights and obligations of the customer and the contractor are provided for by the agreed commercial terms of the last applicable version of INCOTERMS.

4.5. In case of the customer's delay in takeover of goods (if the customer does not take over the goods as agreed) the risk of loss or damage of goods passes to the customer with the first day of delay. The customer shall be obliged to reimburse the contractor the costs and damage incurred because of the delay.

## **5. Payment**

5.1. The customer shall be obliged to pay for the ordered work in the amount agreed, in the period agreed and in the manner agreed. Payments shall be carried out on the basis of invoices issued and in case of advanced payment on the basis of a pro forma invoice.

Due day/date stipulates the time limit for fulfilment of the customer's obligations to make the payment. The payment shall be deemed as paid when the contractor's bank receives a money transfer in favour of the contractor's account.

5.2. A complaint by the customer regarding quantity and/or quality of the ordered work or goods does not affect the agreed payment terms (means of insurance, payment method, deadline for payment of the undisputed part of the work). Payment deadline for the work that complaints were made about, shall start the first day after the complaint has been recognised.

5.3. For any delayed payments the contractor charges interest at the statutory prescribed interest rates unless otherwise agreed.

## **6. The contractor's rights in case of delayed payment, withdrawal from contract, termination of contract, withdrawal money**

*6.1 If performance of conditions by the customer for the start of ordered work is delayed, the contractor must demand from the buyer to provide such agreed conditions within a specified period. If the customer fails to perform necessary conditions within the specified period, the customer is withdrawn from the contract, unless the contractor notifies him immediately on expiry of the period, that he requires fulfilment.*

*If the withdrawal from contract is due to the customer's lack of fulfilment, the customer is obliged to reimburse the contractor all costs and damage, that incurred by the customer's actions or withdrawal.*

6.2. In case of delayed payment the contractor must set the customer an appropriate additional deadline for payment. If the customer fails to perform the obligations within the additional period the contractor may withdraw from the contract.

In case of delayed payment or non-payment of the amount due during serial obligations the contractor shall have the right to stop all further work. The contractor shall be obliged to continue the supply on the first working day after receiving the payment of the entire amount due and after receiving appropriate security (warranty, bank guarantee, security right, etc.), respectively.

If the customer again fails to pay the payment in time, the contractor shall have the right to withdraw from the contract without allowing any additional period.

6.3. If performance of obligations by the customer is uncertain due to the customer's material circumstances and the contractor did not know of such circumstances at the time of the sale or if the customer's material circumstances changed and deteriorated after the sale was concluded, the contractor may demand from the customer to provide sufficient security within a specified period. If the customer fails to perform the obligations within the period specified for provision of security the contractor may withdraw from the contract.

6.4. Notification of withdrawal from the contract shall be done in writing and given without undue delay. The contract shall be terminated as from the date stipulated in the notification of withdrawal.

The obligations of the contractor and the customer shall cease with the date of termination of the contract due to a withdrawal, except obligations and rights from the already performed part of work/contract.

6.5. The contractor or the customer may terminate the contract under the conditions agreed and within the stipulated period of notification of termination.

The obligations of the contractor and the customer shall cease with the date of expiry of the notification period, except obligations and rights from the already performed part of work/contract.

6.6. The customer who withdraws from the contract shall reimburse the contractor all costs incurred until the withdrawal. The customer is also obliged to reimburse the costs incurred by the contractor if the contractor withdraws from the contract due to breach of contract by the customer.

The costs include:

- production costs (material, services, performance of work), financing costs, costs of lost volume sale and other costs incurred due to the withdrawal.

## **7. Reservation of title**

7.1. If the object of a closed business is the execution or delivery of a good (tool, machine, etc.), this shall remain property of the contractor until the final payment of purchase price and any additional sums due to delayed payment (delayed payment reminders, default interest, etc.).

If the customer sells the goods before making the final payment of the purchase price, the contractor shall have the right to request from the customer to transfer the claim from this sale to the contractor up to the amount of the unpaid purchase price. The customer shall be obliged to inform his buyer of the reservation of title and at the request of the contractor conclude a contract for transfer of the claim.

## **8. Warranty and complaints**

8.1. The customer shall be obliged to inform the contractor of any material defects immediately after the defect was noticed.

The notification on a defect (hereinafter: a complaint) must be made in writing and in form of a complaint that enables traceability of goods for which compensation is claimed.

8.2. If the customer's complaint is well-founded, the contractor shall be obliged to rectify the defect as soon as possible or deliver to the buyer other goods without defect, if the object of a closed business is the execution or delivery of a good.

8.3. The contractor shall not recognize complaints that are a result of unskilled, faulty or negligent conduct of the customer.

## **9. Liability for damages:**

9.1. The contractor's and the customer's liability for damages, respectively, shall be decided upon under general liability rules.

## **10. Force majeure:**

10.1. Force majeure means occurrences or circumstances that occurred after the conclusion of the contract and are independent of the will of the contracting party (external cause), or that the contracting party could not have foreseen (unexpectedness) and could not avoid or avert them (inevitability and unavailability).

Examples of force majeure are: wars, riots, unrest, strikes and temporary interruptions of work by the workers, explosion, fire, flood, storms, earthquake, traffic congestions, import or export bans, power cuts or other power measures of the state.

10.2. If one of the contracting parties is faced with an instance of force majeure, it shall inform the other party of occurrence of said event without delay. The notification shall be made in writing and state the circumstances invoked and possible duration thereof. If the grounds of force majeure prevent the contracting party from sending a written notification, the party can fulfil its obligation via telephone or any other means, but shall be obliged to send a written notification as soon as the circumstances enable the party to do so. If the contracting

party does not inform the other party of the instance of force majeure, it shall lose the right deriving there from.

10.3. During the event of force majeure the obligations of the contracting parties shall be suspended.

10.4. The contracting party shall be obliged to notify the other party in writing also when the circumstances that imply force majeure cease to exist. The notification shall be made at the latest 3 working days after the cessation of force of majeure. If the contracting party does not inform the other party thereof or misses the deadline for informing the other party, it shall be liable for damage incurred to the other party because of this omission or delay.

#### **11. Changed circumstances**

If after the conclusion of a contract but before the deadline for the performance circumstances arise that could not have been foreseen when concluding the contract and could not be avoided or their consequences could not be prevented and these circumstances change the contractual balance and render the performance of obligations by one party more difficult or owing to which the purpose of the contract cannot be achieved and the contract no longer complies with the expectations of the contracting parties, the party concerned may request the rescission of the contract.

The party concerned shall be obliged to immediately notify the other party regarding changed circumstances and its intention to request the rescission of a contract. The notification shall be made in writing. In 30 days following the receipt of the notification the contracting parties may negotiate a change of contract terms to again achieve the purpose of the contract and fulfil expectations of both contracting parties.

#### **12. Applicable law:**

12.1. In case of legal dispute the competent jurisdiction shall be the jurisdiction of locally competent court Ptuj.

12.2. Unless otherwise agreed between the contractor and the customer regarding individual business, rights and liabilities of the customer who is a legal person of foreign law shall be decided upon under the law of the country of the customer. Unless otherwise agreed regarding individual business, in case of legal dispute the competent jurisdiction shall be the jurisdiction of locally competent court of the customer's principal place of business.