

# GENERAL CONDITIONS

## 1. Application Scope

- 1.1. These General Conditions shall apply to all the leases, purchases and agreements or contracts for goods and services by any of the companies in Tipo Group (hereinafter, "Tipo").
- 1.2. Tipo will make a copy of these General Conditions available to the lessor, supplier or contracting company (hereinafter, the "Company") when the Order is made, to be included as an integral part thereof.
- 1.3. These General Conditions may be complemented by Specific Conditions established especially for one or more specific offers made by any company in Tipo Group (hereinafter, "Specific Conditions"). Should any discrepancy exist between the two documents, the provisions in the Specific Conditions shall prevail.
- 1.4. Any modification or exception to these General Conditions made by the Company must receive Tipo's prior written acceptance, and it shall only apply to the specific Order for which it has been proposed.
- 1.5. Consequently, signing lessor lease forms or supplier sales forms or existence, where appropriate, of Company General Lease/Sales Conditions, does not exempt the parties of application of these General Conditions, which shall prevail under all circumstances, unless there exists prior written acceptance by Tipo of the provisions in the former, together with express partial or total repeal of these General Conditions.

## 2. Order Acceptance and Delivery/Execution Conditions

- 2.1. The Company will send the duly signed Order to the Tipo Commercial Department within a maximum of two (2) calendar days from the reception date. Lack of response to the sent Order within the timeframe, will be considered as a confirmation of the Order.
- 2.2. Tipo's reception of the Order signed by the Company implies express acceptance thereof, of these General Conditions and, where appropriate, of the provisions in the Specific Conditions.
- 2.3. Mere execution of the Order, without the Company's express prior acceptance, in accordance with paragraphs 2.1 and 2.2 above, also implies acceptance of these General Conditions. Likewise, in the cases, the Order made by Tipo shall not be considered as definitive and may be rejected if it does not coincide with all or part of what was originally requested in the Order, though this does not grant the Company the right to demand any compensation whatsoever for said item. In this case, the Company shall meet all expenses inherent to the execution of said Order.
- 2.4. When so determined, all goods must arrive with their corresponding quality certificate.
- 2.5. Delivery of the goods or service provision must be made on the date and in the place established in the Order. Otherwise, or in case of partial delivery or provision, Tipo may choose between fulfilment and cancellation of the Order, and in both cases the established compensations and penalties shall be applicable.
- 2.6. Up to the time in which Tipo receives the goods, the risk of loss or wear to the goods shall be assumed by the Company.
- 2.7. Tipo reserves the right to examine the goods itself or through its clients and verify that they fulfil the conditions established in the Order. In this case, the Company must provide the technical and human means to carry out said verification.
- 2.8. In case of disapproval, Tipo will notify the Company of the faults found immediately after it becomes aware of them. The Company must replace or repair the returned goods within 15 days of notification and meet all the necessary transport costs until full replacement or repair on Tipo's premises has been made.
- 2.9. In urgent cases, or to avoid possible greater damages of an economic and/or production nature, Tipo is entitled to rectify the faults found, at the Company's cost.
- 2.10. The Company shall meet all expenses in which Tipo may incur with its clients because of defects in the supplied goods or services provided by the Company.
- 2.11. All the goods in the Order must be adequately packaged for proper transport and storage, to avoid damages thereto, which, should they occur, shall be paid for by the Company.

- 2.12. All material delivered to the final Client premises must include the corresponding goods delivery note, in which the following items are listed: Order Number, Company Data, Delivery Note Date, Tipo's Reference number, Units Delivered. Also, if the product has a CE Marking, the Delivery Note will specify full information on it.

### **3. Prices**

- 3.1. The prices listed in the Order are set and unchangeable, unless there is a written agreement to the contrary, and they include all the goods or services under contract as well as any expense the Company must meet to make the supply or provision effective.
- 3.2. The prices established in the Order do not include Value Added Tax.

### **4. Invoicing and Payment Method**

- 4.1. The invoices must be received in the Tipo Commercial Department within thirty (30) days after the supply or execution date.
- 4.2. In the case of a Lease Agreement, invoices are issued monthly, every 15th of the month for the previous month.
- 4.3. When the invoices are authorized, Tipo will proceed with payment on the day defined by each company once a period of sixty (60) days after the reception date has passed.
- 4.4. Tipo's payment of the Order amount does not imply its revocation of the rights established therein, nor acceptance of the Company Lease or Sale Conditions, should there be any.
- 4.5. If the invoices are received in the Tipo Commercial Department after the indicated deadline, the reception date shall prevail in calculating payment.
- 4.6. In absence of express definition of the payment method in the Order, Tipo may make payment by bank transfer, personal check, IOU or reverse factoring (confirming).

### **5. Company's Obligations**

- 5.1. The Company shall ensure that his Offer complies with the requirements and the Order of Tipo, the project documentation and binds himself to perform obligations under the Agreement and these General Conditions in compliance with technical requirements of the project documentation and within the time limits set between Tipo and his Client.
- 5.2. The Company shall perform the obligations under the Agreement and these General Condition according to the technical standards and norms set forth by Tipo and his Client. In case nothing is specifically requested with this regard, the standards and norms at the place of performance shall be observed.
- 5.3. In the event of changes of the legislation, the Project, the technical documentation or in case of additional requests by Tipo's Client, the Company shall modify the ordered deliveries and services accordingly even if such adjustments are not specifically mentioned in Supplement to the Contract or Agreement. Any such changes as mentioned hereinabove shall be agreed upon with an annex to the Agreement/Contract in writing. If the aforementioned changes incur additional costs or require additional time, the Company shall be entitled to additional payment or extension of time for completion of obligations hereunder provided Tipo may enforce such supplementary payment or extension of time against his Client.
- 5.4. The Company undertakes to comply with and ensure that its employees and, where appropriate, contractors and assignees comply with the Tax, Labour, Social Security, Occupational Health and Environmental legislation and any other applicable legal material in force, and also to respect the framework of relations with Tipo and Safety, Occupational Health, and Environmental Policies adopted by other companies in Tipo Group.
- 5.5. The Company shall be with regard to his workers solely responsible for all measures ensuring safety at work and technical protection measures. The Company represents and warrants to ensure and assume responsibility for performance of all works in compliance with valid laws, regulations and principles on safety at work and fire safety. Company shall be obliged to comply with all bylaws on safety at work valid at the Client and ensure compliance with sanitary standards at the site at his own cost.

- 5.6. To such end, Tipo may request of the Company any technical and/or legal documentation necessary for provision of the supply or service, in accordance with the legislation in force at any time.
- 5.7. Specifically, Tipo may request that the Company submits an Administrative Certificate valid upon acceptance of the Order, issued by the Slovenian Tax Agency or equivalent body in the country where the Company is officially registered, certifying that it is up to date on its tax obligations (original and certified copy).
- 5.8. In addition, by virtue of the provisions in European directives on technical harmonization for supply and commercialisation of certain products, the Company must provide Tipo with the CE Certificate of Conformity on the product and the Declaration of Conformity from the Company, in order to verify the CE Marking that must be included on the supplied product and in the Delivery Note, together with all the information on said Marking, which should be attached thereto.
- 5.9. Without Tipo's prior written consent, the Company shall not be entitled to contact or enter into any arrangements with the Tipo's Client relating to the subject matter of the Agreement.
- 5.10. Failure to fulfil said obligations or partial fulfilment thereof shall constitute enough reason to terminate the contract relation between the parties.

## **6. Warranty**

- 6.1. A warranty period of 24 months is established for supplied goods, except in those cases in which a longer period is established by law, which shall begin on the effective delivery or execution date, and the Company undertakes to repair or substitute faulty goods according to the provisions in Condition 2.2 - Order Acceptance and Delivery/ Execution Conditions.
- 6.2. It shall be understood that this warranty period is extended for the time taken in the corresponding repairs or replacements, which, in turn, once they are finished, shall be guaranteed for the same time period as the initial warranty.

## **7. Insurance/Liability**

- 7.1. The Company must compensate all personal or material damage or loss occurring to Tipo or to third parties as a result of execution of the Agreement or Order and where appropriate, repair or substitute the damaged goods, provided their nature and purpose make this possible.
- 7.2. For this purpose, regardless of all the compulsory insurance required by current legislation for proper exercise of the Order, the Company shall be required to take out a Civil Liability Insurance Policy covering possible contingencies that may arise toward third parties, including Tipo itself.
- 7.3. The Company must submit a copy of said policy or an accrediting certificate thereof before the kick-off.
- 7.4. In the Specific Conditions or in the Order itself, adhering to the object and characteristics of the Order, a minimum amount for the Civil Liability Insurance may be fixed and the Company may be required to contract additional insurance besides the ones, whenever necessary.
- 7.5. The Company shall bear full liability for the compliance of his offer, deliveries and performance of services hereunder with the requirements of Tipo and his Client, in particular with respect to the technical part and warranties.
- 7.6. The Company shall be liable for duly and timely performance of the Agreement according also to the conditions agreed between Tipo and his Client.
- 7.7. The Company is liable for any damage that would result directly or indirectly to the Tipo or to a third party due to non compliance with the Order, Contract, Lease Agreement, defects in the Goods/Tools/Services (damage due to the resulting additional costs of production, damage due to reduced production, loss of profit, etc.).
- 7.8. Should the Client claim from TIPO liquidated damages or damages incurred due to a delay or other reasons caused by the Company, the Company shall be liable to Tipo for such damages to the extent of Tipo's liability towards the Client. The Company shall immediately upon the notice reimburse any costs Tipo may incur therewith and/or indemnify and hold Tipo harmless against any such costs.
- 7.9. The Company shall be solely liable for any claims by third parties resulting from actions or omissions by him. Should third parties hold Tipo liable for such claims, the Company shall indemnify Tipo against them.

- 7.10. The Company shall be liable for all damages incurred by Tipo and inflicted by the Company, his assistants, workers, subcontractors, subsuppliers, and reimburse such damages upon first demand.
- 7.11. Tipo shall be entitled to compensate the costs mentioned hereinabove with his debts towards the Company.
- 7.12. The Company shall be solely responsible for all damages incurred on his equipment and materials due to damage, improper storage, misappropriation or coincidence. The risk of accidental destruction or damage passes over to Tipo with the acceptance.

## **8. Liquidated Damages**

- 8.1. In case the Company is in delay with his performance, Tipo shall be entitled to liquidated damages for every commenced calendar week of the delay in the amount of 1,5 % of the entire value of the Project/Contract but not exceeding 10 % of the entire value of the Project/Contract. Tipo shall retain the right to claim liquidated damages even if he did not expressly notify the Company thereof when the delay occurred, and even if the performance of the obligations hereunder was accepted without immediate reservation to claim liquidated damages.

## **9. Notifications and Reporting**

- 9.1. The Parties shall comprehensively, duly and promptly inform each other of any facts and circumstances critical for duly and timely performance of the subject matter of the Agreement or the Project; this particularly includes, but without limitation, timely notifications of any changes and adjustments of the scope of project/subject matter of the Agreement, explanations required or given by the Tipo's Client as well as in case the Company is, irrespective of the reason, not able to perform within the agreed deadlines.
- 9.2. The Company shall upon request serve Tipo with reports containing an up-to-date and comprehensive description of the state and progress of the scope of services and supplies, specified in the Order, especially the timeline and the information on completion of works. Unless agreed otherwise, the reports shall state deliveries and services performed as well as any problems and counter-measures relating to the progress of services and supplies, specified in the Order.
- 9.3. During the period of validity of the Agreement, Tipo shall have the right to perform a revision of quality achieved by the Company, either by himself or through third parties. The Company shall without delay comply with and implement the recommendations of such revisions in order to ensure proper quality of the rendered services, leased or supplied materials and infrastructure. This shall particularly hold true for any established deficiencies and their elimination. In case a revision reveals deficiencies and quality risks, respectively, the Company shall be obliged to reimburse Tipo all costs incurred with the revision.

## **10. Transfer and Subcontracting**

- 10.1. The Company may not alter the object or contents of the Order, nor partially or fully transfer or subcontract the provision thereof with third parties, unless it receives prior written authorization by Tipo.
- 10.2. To obtain said authorization, before the work start date, the Company must provide Tipo with a copy from the Subcontractor of the commitment to comply with all the provisions herein. In any case, it is implicitly understood that the Company's Subcontractor accepts these Conditions from the time it begins to provide its services to Tipo.
- 10.3. In any subcontracting case, the Company shall be jointly responsible together with the Subcontractor as regards all the latter's obligations toward Tipo, and Tipo may take corresponding legal actions against either the Subcontractor and/or the Company alike.

## 11. Information Confidentiality

- 11.1. The Company undertakes not to reveal or spread to third parties the information to which it has access as regards and/or as a result of fulfilment and/or development of the Order and the Contracting Agreement, which shall always remain private and confidential.
- 11.2. Likewise, the Company undertakes to use said information strictly for the purposes for which it was provided and in adherence to the provisions established herein, and where appropriate, in the Specific Conditions, and any communication thereof to third parties shall be expressly prohibited.
- 11.3. Tipo may request at any time that the Company fully return said information.

## 12. Non-fulfilment

- 12.1. Should the Company fail to fulfil any of the established obligations, the provisions in the scale of penalties set forth in each Order, General Conditions or where appropriate, in the Specific Conditions, shall apply, all the above without prejudice to Tipo's exercising its right to take the legal and contract actions to which it is entitled.

## 13. Validity and cancellation of the contract

- 13.1. The Contract/Agreement is concluded for an indefinite period. Contract/Agreement can be terminated with written agreement of both contractual parties.
- 13.2. Tipo may withdraw from presented Contract/Agreement at any time without giving any reason for termination, with a 6 (six) month notice period.
- 13.3. The Company may withdraw from the Contract/Agreement at any time without giving any explanation, with a 6 (six) month notice period, however not in inconvenient period for Tipo. In case that Company terminates the contract Tipo must send written explanation in 15 (fifteen) days from receipt about possible inconvenient period for termination of the contract. In this case notice period is prolonged from 6 (six) to 9 (nine) months.
- 13.4. In case that one of contractual parties wishes to terminate the contract in accordance with previous paragraphs, is obliged to send the notice of termination to the other party by registered mail with advice of receipt. If opposite party does not accept the registered mail, notice is valid from 15th (fifteenth) day after the registered mail was submitted.
- 13.5. Tipo can in any time terminate the contract without notice period from the culpable reason on the side of Company due to:
  - Company does not fulfil and does not respect the provisions of the Contract/Agreement, General Conditions or Specific Conditions,
  - Company does not follow the agreed delivery terms (per example: if delay with delivery occurs two times, with delay more than 15 days, if delay with delivery occurs once with delay more than 30 days, if delay with delivery occurs frequently with delay more than 7 days),
  - Tipo determines that Company's performance is not good or in contradiction with trade rules, scrupulous performance, or operation in discordance with rules of conduct, despite of Tipo constant admonition,
  - The goods having defaults, and Company does not approach with active salvation of the mistakes,
  - Goods have repeated defaults,
  - The Agreement/Contract between Tipo and his Client is terminated,
  - Tipo establish that Company is not competent to fulfil the contractual liabilities,
  - The cooperation between contractual parties becomes unsuccessful, impossible, without result, which can be verified after separate stages,
  - Company uncovers information which is treated as a business secret (per example personal information) to unauthorised person,
  - One or more bank accounts of the Company are frozen,
  - Company becomes insolvent or proceedings for termination against him are instituted.

- 13.6. In the case that Tipo wants to terminate the Contract/Agreement in accordance with above paragraph, is obliged to send the notice of termination with explained cause to the other party by registered mail with advice of receipt. If opposite party does not accept the registered mail, is notice valid from 15th (fifteenth) day after the registered mail was submitted. The Company must receive additional time for elimination of violations, the Tipo can terminate presented contract if Company did not react to the deadline and elimination of the discrepancies.
- 13.7. In advance termination cases, Tipo may claim the goods under no other condition than payment corresponding to the work done up to the time of termination, after which the Company will immediately deliver the goods.
- 13.8. The termination of the Contract/Agreement shall not have any effect on the already completed deliveries and services, unless agreed otherwise in writing.
- 13.9. In the event of termination of the Lease Agreement, TIPO undertakes to return all items and assets that were the subject of the Lease Agreement within a reasonable time, back to the Lessor.
- 13.10. In case of termination, regardless of the reason therefore, all completed deliveries and services, and partial deliveries and services, shall be, under the provision that they were accepted by Tipo, accounted for and paid according to the agreement.

#### **14. Force majeure**

- 14.1. Either Contracting Party shall not be responsible for partial or complete failure to perform the contractual obligations, if it results from force majeure.
- 14.2. Each Party shall be entitled to suspend performance of his obligations under the Agreement to the extent that such performance is impeded or made unreasonably onerous due to force majeure until the effects of such force majeure has been overcome and free from liability for damage that would result from non-performance or delay in the implementation of the contractual obligation if, whether or not the force majeure event occurred before or after the conclusion of this agreement, insofar the effects of the force majeure were unforeseen after the conclusion of the Agreement, or which the Parties could not prevent, eliminate or avoid (force majeure).
- 14.3. If circumstances from the preceding paragraph occur, the Parties shall immediately notify thereof to the other party, but no later than within 7 working days.
- 14.4. Once force majeure is over, the Contracting Parties shall determine any possible changes to the contractual obligations in the form of the minutes, and shall on the basis of the latter conclude an Annex to this Agreement. If on account of force majeure Contracting Parties suffer any damage each of them shall cover any such damage themselves.
- 14.5. For the purpose of this clause, the expression "force majeure" means, but shall not be limited to, industrial dispute, fire, mobilization, requisition, embargo, epidemics, currency transfer prohibitions, insurrections, lack of means of transport, restrictions of the use of energy and generally any circumstances which are beyond the control of the Parties and hinder performance by one party of his obligations.
- 14.6. In the event of the duration of excusable delay exceeding 180 days, either Party shall have the right to terminate the Contract by giving written notice to the other Party. In the event of such termination the Purchaser shall compensate the Supplier for the price of work performed and for all costs incurred or committed prior to the force majeure.
- 14.7. The Parties acknowledge the worldwide outbreak of the coronavirus disease, which affects or is likely to affect usual business activities and/or the execution of the contract. The Parties agree, that Tipo will be granted reimbursement of costs, extension of time or any other reasonably required adjustment of the contract, all if required to overcome the consequences directly or indirectly caused by the outbreak of the coronavirus disease.

#### **15. Tools**

- 15.1. In the case of purchase of tools and/or mock-ups that remain on the Company's premises, they will do so under a deposit system, remaining the property of Tipo, in their current state, including projects thereof.
- 15.2. The receiver, when the tools consigned to him are made available, must take care of them with due diligence, and is responsible for any damage or wear that occurs for any reason

to said tools. The former must store them in the place referred to in the previous point, unless transfer thereof is expressly authorized by Tipo in writing.

- 15.3. Should the receiver declare itself insolvent, it shall be required to make the pertinent protest and take any measures considered necessary to assert Tipo ownership of the goods if there is an attempt to seize the tools in deposit, without prejudice to the actions that Tipo itself may take to defend its interests. In any case, the receiver shall immediately notify the depositing party of this situation so that the latter may properly defend its rights, and the receiver shall meet any expenses incurred as a result of this situation and shall be held responsible for loss or damages that the notification may cause.

**16. Anti-corruption Clause**

14.1. If agreement negotiations or the respective contract or agreement itself can be linked to any form of corruptive conduct pursuant to the Slovenian anti-corruption legislation that has or could have influenced the conduct of the parties to the agreement, such agreement shall be deemed null and void.

14.2. In case corruptive conduct can be linked to the execution or supervision of the respective contract or agreement, the innocent party may withdraw from the agreement before its expiration with an immediate effect and without any further obligations, including liability for damages.

**17. Legal System**

- 17.1. Any dispute between the Contracting Parties shall be settled amicably.
- 17.2. These General Conditions are governed according to the laws of the Republic of Slovenia, excluding the use of rules on conflict of laws.

In \_\_\_\_\_, date \_\_\_\_\_

COMPANY:

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