

## GENERAL TERMS AND CONDITIONS OF PURCHASE OF ROTIS D.O.O.

### 1. GENERAL

1.1. These General Terms and Conditions of Purchase of Rotis d.o.o. (hereinafter: General Terms and Conditions) govern the rights and obligations between the company Rotis d.o.o. (hereinafter: Rotis or Client) as a buyer or a client placing an order of goods, equipment or services and individual Suppliers as sellers of the goods or service providers for Rotis (hereinafter: the Suppliers).

1.2. The General Terms and Conditions shall be used in all contractual relationships of the company Rotis with its Suppliers and apply to all orders of goods (materials and products) and services, provided by the Supplier, or, respectively, in all legal relationships between the Supplier and Rotis. The General Terms and Conditions of Purchase form an integral part of all Rotis' orders and invitations to submit an offer, and an integral part of any legal transaction with an individual Supplier, unless explicitly excluded in writing, whether in whole or in part or by any other agreement that derogates from these General Terms and Conditions in relation to the individual relationships.

1.3. It shall be deemed that the Supplier having issued an offer or accepted Rotis' order or delivered goods or performed services has adopted and recognized the General Terms and Conditions, valid on the date of issue of the Supplier's offer or the Client's order and is acquainted and has agreed with them in full, unless providing an explicit objection in writing.

1.4. The conditions of the Supplier or any other conditions shall only apply if expressly agreed in writing. Conflicting conditions of the Supplier shall not be binding on Rotis, even in case Rotis does not provide an explicit objection or if it accepts the delivery or service. Conflicting conditions shall only apply in case Rotis accepts or confirms the latter in writing.

### 2. ORDERS AND CONFIRMATION OF ORDERS

2.1. Offers made by the Suppliers shall be free of charge and non-binding at all times. The offer shall include delivery deadlines or service performance deadlines and any items requested by the Client in its inquiry.

2.2. Rotis' inquiry for goods or services shall be at all times regarded as an invitation to issue an offer and shall never be binding on Rotis.

2.3. A business transaction shall be deemed mutually binding in the event that Rotis provides the Supplier with an explicit written order, fully in line with the Supplier's offer. These General Terms and Conditions are at all times an integral part of each order Rotis shall make, even though this may not be expressly indicated in the order.

2.4. The Supplier shall be obliged to confirm the receipt of each Rotis' order in writing, indicating the number or exact reference number of Rotis' order accordingly.

2.5. The Supplier shall refuse an order in writing within three days, otherwise it shall be deemed as accepted in its content, together with the General Terms and Conditions of Purchase of Rotis.

2.6. If the Supplier accepts the order from Rotis by confirming the order with a proposed amendment and/or supplement, it shall be deemed that the Supplier has issued a new offer under changed conditions. This new offer from the Supplier shall be deemed accepted only if Rotis confirms it in writing together with the changed order. The offer shall not be deemed confirmed until the Supplier and Rotis reconcile the new conditions of the order in writing and until such time Rotis shall not be obliged to accept nor pay.

2.7. Rotis may recall, revoke or change its order for duly justified reasons and shall be obliged to promptly inform the Supplier of the latter. In the event of (successively) agreed open orders and recall orders, Rotis may rescind the latter, whether in part or in whole, without any obligations, in view of the requirements of its production.

2.8. Rotis' orders, possible recalls and changes shall not be deemed binding, unless issued in writing. The written form under this General Terms and Conditions shall be deemed to constitute only signed documents, sent via registered mail, electronic mail or facsimile with properly recognized identification codes from the sender.

### 3. DELIVERY AND PERFORMANCE DEADLINE

3.1. The delivery or performance deadline shall commence with the day of the Supplier's receipt of Rotis' order, unless otherwise explicitly agreed.

3.2. The Supplier shall implement the order within the time period as agreed upon in writing between Rotis and the Supplier and shall inform the Client on the latter prior to its implementation of the delivery or performance of the service.

3.3. In the event of successively agreed orders (open orders of part-deliveries) and recall orders, the Supplier shall be obliged to and shall guarantee that it has or shall have the goods available within the agreed period of time, or shall implement such an order of goods or performed services, otherwise the Supplier shall be held liable for any damage caused.

3.4. If the Supplier requests a change of the performance deadline or other conditions, the latter shall only apply in case Rotis accepts and confirms them in writing. In any case, the Supplier shall be obliged to immediately notify the Client of the delay and the reasons for such a delay or its inability to implement the delivery and propose eventual solutions. In any case, the Supplier shall be obliged to reimburse the Client for all associated costs and damage incurred.

3.5. In the event of documented force majeure, the delivery or performance deadlines may extend accordingly with the duration of such force majeure, provided that the Supplier has promptly notified the Client on the occurrence of such a force majeure. Rotis shall not be obliged to accept the extended delivery or performance deadline and may rescind the order at any time without additional costs.

3.6. Rotis shall not be obliged to accept the delivery or service prior to the agreed performance deadline.

3.7. An explicitly agreed delivery deadline or service performance deadline of the Supplier shall at all times constitute an essential integral part of the Contract. In the event the Supplier is late with the delivery, the Client may rescind the order or may reserve the right to change the conditions of the order.

3.8. If the quantity and/or quality of the goods/services are not compliant with those contractually agreed on between the Parties, Rotis is entitled to reject the delivery. In such case, the costs of return shall be borne by the Supplier. Part-deliveries may only be possible upon prior written consent of Rotis. All additional costs and damage incurred with the part-delivery shall be borne by the Supplier.

### 4. WRAPPING, PACKAGING, TECHNICAL DOCUMENTATION

4.1. The Supplier shall expertly and pack the goods safely, considering the type of the goods being delivered, the standards and customs applicable for such goods and any requests made by the Client.

The packaging must correspond to the type and method of transport, thus preventing the goods from damage or a reduction of value during transport. Costs related to packaging shall be borne entirely by the Supplier.

4.2. The Supplier shall properly and in full, equip the goods or services or, respectively, implement the latter in accordance with the regulations, (usual) technical documentation and attestations, as well as with potential special requests of the Client. In the event the Client requests the delivery in accordance with its technical standards or specifications, of which the Supplier had been notified, the latter shall be deemed an integral part of the order. The goods shall be marked with all data as stated in the order, accordingly specified and fitted with all the relevant accompanying documents which enable the Client a smooth transport, takeover and use of the ordered goods or services. Otherwise, Rotis may reject the delivery or its takeover without any financial consequences for Rotis.

4.3. In the event the Client provides the Supplier with its own packaging for the delivery of goods, the Supplier shall pack the goods with all due care and to the client's requirements.

## 5. PASSAGE OF RISK AND TAKEOVER

5.1. The passage of the risk of destruction or damage to goods shall be assessed based on the agreed clause of the International Chamber of Commerce (Incoterms 2000 clause).

5.2. Each goods delivery shall be accompanied by a delivery note, containing an accurate description of the content of the delivery and a complete number or exact reference number of the order and a code of the goods, based on which Rotis has issued an order. The delivery shall also be accompanied by the relevant documents as requested by Rotis upon issuing the order (for example, but not exclusively: standards, attestations, EN10204.31 certificate, safety data sheet, document of origin, information for use, declarations of guarantee, warranties, etc.). In the event the requested data is not complete, Rotis reserves the right to refuse the takeover of the goods.

5.3. In the event Rotis refuses the delivery of goods or the goods have been returned due to visible defects or described deficiencies in the delivery, all costs of refusal and the risk of the return transport shall be borne by the Supplier. Delivery errors caused by the Supplier shall not place the Client in the position of a delay in the takeover or failure to takeover the goods or services.

5.4. The Supplier - provider shall be obliged to inform the Client in due time and in advance of the performing and on the performed service, thus call the Client upon the takeover of the service. With this, the Supplier shall be obliged to submit to the Client all the usual or contractually agreed upon documentation, in accordance with the nature of the service.

## 6. PRICE

6.1. The prices agreed upon between the Client and the Supplier, shall be fixed and include all the costs incurred to the Supplier up to the takeover of the goods or services and also encompass the costs of packaging, delivery and insurance up to the delivery or performance of the service, and any other charges incurred to the Supplier, and shall constitute a complete payment and compensation for all material, services, costs and expenses, incurred to the Supplier up to the time of the takeover.

6.2. No change in prices due to an eventual increase of Supplier's costs shall be acceptable. In the event of successively agreed open orders and recall orders, where the price is fixed, the change in the price shall under no circumstances be acceptable, even in the event of a rise in raw material prices on the market, namely to the quantity as set out in the order.

## 7. PAYMENT TERMS

7.1. The Supplier shall be obliged to issue an invoice for the ordered goods/services to the Client within 8 days upon the implemented delivery or performed service.

7.2. Rotis shall settle the invoice for the ordered goods/services within 90 days upon the receipt of the invoice, unless otherwise explicitly agreed by the Parties.

7.3. The payment shall be made only upon the complete delivery of the goods or the performance of the services, unless otherwise contractually agreed.

7.4. In the event of incomplete deliveries or performance of services, the period for payment shall be initiated only upon delivery of the entire order.

7.5. In the event of a breach of the agreed delivery or performance of services by the Supplier and in the event of determined defects, the Client is entitled to retain the payment in whole or in part. In such case, the Client shall settle the invoice for the ordered goods/service within 90 days, upon the correction of the defects in the goods or services.

7.6. The Client's payment of the invoice shall not constitute that the delivery or the service has been performed in accordance with the contract. In the event of any defects in the goods or services, Rotis is entitled to retain the corresponding amount of the invoice until the defects have been eliminated or until a final agreement with the Supplier.

7.7. The Supplier shall be obliged to obtain prior written consent of the Client for the potential assignment of a claim against the Client.

## 8. PLACE OF PERFORMANCE

8.1. If not otherwise specified in the order or the contract, the place of performance

for the delivery, the passage of risk and payment upon the implemented delivery shall be the branch of Rotis in Kočevje (Rotis d.o.o., PE Kočevje, Novomeška 5, 1330 Kočevje).

## 9. CONTRACTUAL PENALTY

9.1. In the event that the Supplier is late with the delivery of the goods or services and in the event of the Supplier's failure to fulfil its contractual obligations, the Supplier shall pay Rotis the contractual penalty in the amount of 0.5% of the contractual value of the order for each day of delay. The contractual penalty shall not exceed 10% of the total order value. In the event the contractual penalty shall not cover the entire costs or damage incurred to Rotis due to a delivery delay or in the event of the Supplier's failure to fulfil its contractual obligations, Rotis may demand the Supplier to settle the amount remaining up to the complete compensation.

## 10. OBJECTION TO RISK

10.1. In the event the financial circumstances of the Supplier, following the issuance of the order or conclusion of the contract, deteriorate to the extent it may be considered uncertain whether the Supplier shall be able to fulfil its obligation or considered uncertain for other serious reasons, Rotis may request the Supplier to fulfil its obligations within 8 days or immediately, or provide sufficient and appropriate insurance of the delivery or performance of the services. If the Supplier does not provide a suitable insurance in the given time period, the Client may rescind the contract. In the event that the Client shall be the first to fulfil its obligation, the Client may suspend its contractual obligations until the Supplier fulfils its obligations or until the Supplier provides sufficient insurance as to the fulfilment of its obligations.

10.2. The above shall also be applicable in the event that financial or any other circumstances of the Supplier have been difficult even before the order was placed, and Rotis did not know about the latter and was not able to know.

## 11. USE OF ROTIS'S MATERIAL

11.1. The material, parts and other items (hereinafter: items) provided by Rotis to the Supplier with the purpose of fulfilling the contractual obligations, shall remain the property of Rotis and shall be kept on behalf of Rotis by the Supplier. The Supplier shall use the provided items solely for the purposes of the fulfilment of its obligations towards Rotis or, respectively, for what was agreed upon by both Parties. In any case, Rotis shall be entitled to retain the right of ownership of its items provided to the Supplier for the purposes of implementation of the order.

11.2. Samples, models and designs, provided to the Supplier for the purposes of the implementation of the order, remain wholly owned by Rotis.

11.3. In all the cases referred to above, the Supplier shall participate in all measures for the eventual protection of the industrial property rights of Rotis or property rights of the goods and documents of Rotis against third parties.

## 12. WARRANTY FOR ERRORS AND THE GUARANTEE

12.1. The Supplier shall guarantee Rotis that the delivered goods or services are and shall be without any defects and in accordance with all the specifications and other conditions of the Client.

12.2. All goods and performed services shall be checked by Rotis by its usual method within 6 months at the latest, whereby Rotis shall inform the Supplier of any manifest defects or deviations in terms of quantity.

In the event of defects in the goods, which could not be seen during the usual inspection, Rotis

may place a reclamation for the goods even after the expiry of the warranty time period.

12.3. Rotis shall inform the Supplier of the observed defects and may, at its own discretion, request the repair or replacement of the goods, together with a reduction in the contractual price or purchase price. Rotis shall also be entitled to the compensation of the entire damage incurred.

12.4. In the event of Rotis' obligations towards its buyers or contractors with regard to the Supplier's goods or services and with no possibility of waiting for the reclamation procedure, the elimination of defects or the replacement of goods, Rotis shall be

entitled to perform the necessary repairs by itself, thus eliminating the defects. In such cases, the Supplier shall assist Rotis in selecting the appropriate method of repair and indemnify all the costs incurred thereof; with this, the Client shall not lose its eligibility for a guarantee. In any case and in any moment, Rotis is entitled to the buy-in. In any case, Rotis shall be entitled to the compensation of the entire damage incurred.

12.5. The Supplier shall immediately eliminate any defect on goods or defects with regard to the performed service, namely within the set time period and in a method as proposed by the Supplier, which shall be confirmed by Rotis. Should Rotis not agree with the method of remedying the defect, Rotis shall be entitled to terminate the contract.

12.6. In any case, the Supplier provides Rotis with a guarantee of the goods for the period of 24 months following the day of the delivery and service performance guarantee for the period of 12 months following the performance of the service.

### 13. LIABILITY

13.1. The Supplier shall be held liable for the complete adequacy of the ordered goods in accordance with the required standards and regulations which normally apply to such goods and in accordance with the requirements set by Rotis.

13.2. In the event any damage or costs (including any litigation costs and potential costs of the product being recalled from the market) incurred to Rotis due to the manufacturer's liability, resulting from the unsuitability or defects of the incorporated goods or services of the Supplier, the latter shall be obliged to fully reimburse Rotis, if they shall result from a defect in the goods delivered by the Supplier.

13.3. The Supplier shall ensure Rotis the undisturbed use of the delivered goods, whereby excluding the liability of Rotis for potential intellectual property rights' infringements or third party's rights, arising from the delivery of goods or services. With regard to the above, the Supplier guarantees it has arranged all the industrial property rights and copyrights with regard to the delivered goods or services. The Supplier undertakes to cover all damage and any other costs which could arise from eventual claims from third parties on the basis of an infringement of their rights, copyright law or intellectual property rights.

### 14. PROFESSIONAL SECRECY

14.1. The Supplier shall be obliged to safeguard any information it receives from Rotis as professional secrecy and may not disclose it to third parties without the prior written consent of Rotis.

14.2. Professional secrecy shall be deemed to constitute information and data (written or oral), which include, but are not limited to: financial data, business plans and strategies, data on business partners, business operations and systems, trade secrets and information related to sales agents, customers and sellers or Rotis' technology, such as systems, designs, discoveries, innovations, improvements, researches, development, know-how, models, product specifications, software, codes, schemes, drafts, prototypes, devices, hardware, technical documentation and production processes, unless they are generally known and publicly available.

14.3. The Supplier shall not disclose, disseminate or publish any information (regardless of whether they are considered professional secrecy or not) it received during the time of negotiations with Rotis and upon the receipt of an order or later upon the realization of business cooperation, namely to any natural or legal person, without prior written consent of Rotis, except to its employees which are bound to act in accordance with these provisions; the Supplier shall also not use the obtained information for any other purpose outside the framework of its business cooperation with Rotis.

14.4. With regard to preventing any unauthorized disclosures of professional secrecy, the Supplier agrees that it shall act with reasonable diligence, and in no case with less diligence than when safeguarding its most confidential information.

14.5. The Supplier shall safeguard professional secrecy even after the cessation of its business cooperation with Rotis.

14.6. Rotis shall not authorize the Supplier to state it among its reference information without the explicit consent provided by Rotis in writing.

14.7. In the event of any eventual infringement of the above stated professional secrecy, the Client shall be entitled to and shall reserve the right to enforce the contractual penalty in the amount of EUR 50,000 for each infringement. In any case, Rotis shall be entitled to the compensation of the entire damage incurred.

### 15. REVOCATION

15.1. In addition to the grounds stated in the individual provisions of these General Terms and Conditions and/or in accordance with the existing regulations, Rotis is entitled to rescind the order or contract without any financial consequences:

- if the Supplier has exceeded the agreed delivery deadline;
- if the Supplier submitted untruthful data regarding its obligations to Rotis, which could endanger the Supplier's fulfilment capability;
- due to other actions by the Supplier that could endanger the economic position of Rotis;
- if due to force majeure, strike or other unforeseen circumstances outside of its control, it is unable to fulfil its contractual obligations within a reasonable period of time;
- if the Supplier is in breach of the provisions of individual orders and the revocation conditions have been laid down under any order, concluded between the Supplier and Rotis.

### 16. VALIDITY OF THE GENERAL TERMS AND CONDITIONS OF PURCHASE

16.1. The General Terms and Conditions of Purchase of the company Rotis d.o.o. published on the website of Rotis d.o.o., ([www.rotis-lj.si](http://www.rotis-lj.si)) shall enter into force on 01.07.2017 and remain in force until their revocation.

### 17. APPLICABLE LAW

17.1. Any issues not stipulated herein shall be subject to the provisions of Slovenian law.

17.2. The stipulation of any issues in the event the registered office of the Supplier shall not be in the Republic of Slovenia, the provisions of the UN Convention on Contracts for the International Sale of Goods shall apply.

### 18. RESOLUTION OF DISPUTES

18.1. All disputes shall be remanded to the competent Slovenian court with jurisdiction over the registered office of the company Rotis d.o.o.