

## **GENERAL SALES TERMS AND CONDITIONS OF BRINOX d.o.o. BUSINESS OPERATION**

### **I. DEFINITION OF TERMS**

Brinox d.o.o.: in the agreement/offer defined as the "contractor", "seller", "supplier" or as the "contractual party".

**Customer/buyer:** party that sends an order to the contractor/seller to provide services.

**Agreement:** a written contract between the contractor/seller and the customer/buyer or between two parties serving as a basis upon which both parties reach an agreement about all circumstances regarding the implementation of the object of the agreement. The agreement includes all subsequent annexes and supplements to the agreement as well.

**Object of the agreement:** all services/products that the contractor/seller provides or sells to the customer/buyer and can include delivering a product, the production and installation of systems or individual components of systems, or other works. The scope of the object of the agreement shall be determined in the agreement or in each offer made by the contractor/seller/supplier.

### **II. PRELIMINARY PROVISIONS**

1. These terms and conditions of business operation shall be used to regulate relationships between the BRINOX d.o.o. company and its customers/buyers unless the parties clearly agree otherwise in writing (by excluding terms and conditions or agree upon particular terms and conditions for each sale or implementation of services) and are an integral part of each order or agreement.

2. The customer's/buyer's or any other different terms and conditions that deviate from these General Sales Terms and Conditions of business operation shall be applied only if they are approved by BRINOX d.o.o. in writing whereby a confirmed agreement regarding deviations of an individual item from items in these General Sales Terms and Conditions has zero effect on the validity of other items or provisions from these terms and conditions.

3. Should individual provisions in different documents of clients be in conflict with each other, the following order of validity shall be applied (unless the parties agree otherwise):

- a) Agreement between the contractor/seller/supplier and the customer/buyer (agreement between parties)
- b) Contractor's/Seller's offer
- c) Customer's/contractor's/supplier's general sales terms and conditions
- d) Customer's/Buyer's order

### **III. OFFER AND ORDER**

1. If the customer's/contractor's/supplier's offer determines a deadline for its approval, it is binding until the end of the specified deadline. If the offer does not include a deadline for its approval, it is not binding for the provider.

2. For all orders of works, services and goods whose net worth is under 500 € (hereinafter referred to as low value orders), the customer/buyer shall pay extra fee of 50 € for handling the order.

This fee shall not be charged to the customer/buyer if low value order is based on an applicable agreement regarding long-term commercial cooperation whose object is a continuous purchase of goods or providing services.

### **IV. SUPPORTING DOCUMENTATION**

1. Documentation, blueprints, sketches, drawings and samples included into the contractor's/seller's/supplier's offer or is submitted by the contractor/seller/supplier before or after the formulation of the agreement or offer are obligatory only if they are defined as binding, otherwise they are not binding for the contractor/seller/supplier.

2. The aforementioned addenda/elements of the offer are intended for customer's/buyer's personal use only and may be used for predetermined purposes only and may not be used, multiplied, copied, reproduced, distributed or given at the disposal to third parties. The seller/contractor/supplier reserves the right of ownership, invention and authorship of the documentation.

### **V. ACCEPTING THE OFFER**

1. The offer is considered as accepted when the contractor/seller/supplier receives a written statement by the addressee of accepting the offer whereby order made via e-mail or fax has the same validity as a written statement. By accepting the offer, the buyer or the contractor accepts these general terms and conditions.

The offer is also accepted when the addressee makes a payment or takes any actions which are considered as acceptance statement based on the offer, practices and customs established between the two clients. Acceptance enters into effect upon performing such an act and if this act was performed within the deadline, the offer is also binding at the moment when the contractor/seller/supplier confirms the buyer's/customer's order if the offer does not specify a deadline for accepting the offer.

2. If the addressee accepts the offer and at the same time proposes changes or updates to the offer, it is considered that the addressee has rejected the offer by making a counteroffer; in this case, the new offer is binding for the contractor/seller/supplier only in cases and in the scope confirmed in writing.

Reply to the offer which specifies the acceptance but includes updates or changes that do not modify the offer in considerable amount, is considered as acceptance unless the contractor/seller/supplier decides to object immediately. When these updates or changes refer to the price, payment, quality or quantity of the object of the agreement, manner of implementation, place and time of delivery, the scope of liability of one party in relation to the other party, guarantee, or to dispute solving, they are considered as considerable changes to the offer.

3. The value of the order represents the estimated maximum. Should the contractor/seller/supplier of the services conclude that the value of the order exceeds the estimation, he must immediately propose an addendum to the order stating the reasons for the increase.

### **VI. ORDER CANCELLATION**

1. Should the customer/buyer cancel the order, he must refund all the expenses to the contractor/seller/supplier that have arisen due to the cancelled order before cancellation date or those expenses that are certain to arise.

2. The customer/buyer must repair all damages to the contractor/seller/supplier caused by negotiating without the intent of entering into agreement, or by negotiating in order to enter into agreement and then failing without a legitimate reason to follow through with the intent.

## **VII. DELIVERY/SERVICE IMPLEMENTATION DEADLINE**

Delivery or performance deadline shall start running upon accepting the offer (order) or upon signing the agreement, providing the customer/buyer has provided all the necessary documentation, permits, approvals, financial guarantees, has made a prepayment if it has been established in the agreement or in the offer, or both parties have cleared all potential uncertainties regarding the order. The delivery or performance deadline is specified in the agreement.

### **Extending delivery/implementation deadline**

#### ***Force majeure, unforeseeable obstacles***

1. Delivery deadline shall be extended should there be any delays caused by force majeure or unforeseeable obstacles caused beyond the contractor's/seller's/supplier's control and occurring without its fault and that unreasonably hinder the delivery of goods or the implementation of services. The deadline shall be extended for a period of a time equal to the duration of force majeure or unforeseeable obstacles (e.g. fire, war, mobilization of troops, confiscation of goods, repossession, embargo, limited supply of energy, errors and delays in purchases/performances of sub-suppliers, subcontractors caused by circumstances under this clause, etc.).

2. The contractor/seller/supplier shall give the buyer/customer a prompt written notice regarding the occurrence or the existence of the aforementioned obstacles or it shall be liable for the caused damages.

Obstacles shall not be taken into consideration if they occurred after the delivery and performance deadline expiration.

#### **Other eligible cases for extending the deadline**

The contractor/seller/supplier is eligible to receive the extension of the delivery or performance deadline should the delay be caused by:

a) modifications to the acts, regulations or other rules that must be complied with by the seller/contractor/supplier when implementing the object of the agreement, and that have been made after the delivery and implementation time limit starts running and before taking on the works. The buyer/customer must cover all extra costs and other consequences due to these changes including changes to modus operandi;

b) modifications to the scope, form, and to the technical implementation of the object of the agreement before it was taken on. The customer/buyer may propose such modifications only in writing by providing a detailed description of these modifications, unless the parties agree otherwise. If the completion of these works is subject to delays due to disagreements between the parties caused by the modifications, the customer/buyer must pay each payment of the contractual price that would fall due for payment if the works were not delayed. The contractor/seller/supplier is not obliged to carry out the aforementioned modifications required by the customer/buyer, if this is not feasible or should the parties disagree how such modifications would affect the contractual price, on the date of the completion of the works and on other contractual provisions, or before the termination of a potential dispute;

c) not complying with the customer's/buyer's obligations which he has agreed to meet;

d) not adhering to payments by the customer/buyer within the agreed time limits, should the contractor/seller/supplier

decide not to withdraw from the agreement in accordance with these general sales terms and conditions;

e) actions or non-actions by the customer/buyer.

### **Postponing delivery and performance deadline**

#### ***Postponing the deadline upon buyer's and customer's request***

If the delivery and performance deadline is postponed upon buyer's/customer's request, he must pay all contractor's/seller's/supplier's expenses that have actually arisen from storing the object as well as other costs that arise due to postponing the deadline, viz. in the actual amount (waiting period and time spent for additional travelling, expenses and additional work caused by the delayed works, additional expenses including the contractor's/seller's/supplier's expenses caused by the delay such as failing to realize other projects, etc. (from those expected), expenses for storing the equipment at the site of installation, additional travel expenses, food and personnel/worker accommodation, extra financial and insurance costs and other potential documented costs of the contractor/seller/supplier caused by the postponement of the delivery or performance deadline) upon buyer's/customer's request.

#### ***Buyer's/customer's delays***

The contractor's/seller's/supplier's obligation to deliver or implement the object of the agreement shall be suspended when the buyer/customer does not adhere to his obligations in time.

#### ***Reimbursement of costs***

If a force majeure prevents the customer/buyer to meet his obligations, he must reimburse all costs to the contractor/seller/supplier for securing and protecting the object of the agreement, or costs arising from already implemented works and other potential costs referred to in item 1 of this chapter.

## **VIII. PREPARATORY WORKS AND WORKING CONDITIONS**

Unless the parties agree otherwise, the customer/buyer must provide the following before the beginning of the performance or delivery of the object of the agreement:

a) all necessary installations and conditions for setting up the installation;

b) secured space for storing tools and equipment or a space for working containers at no cost;

c) professional and smooth implementation of works;

d) an authorized person taking care of management, supervision and coordination between the customer/buyer and the contractor/seller/supplier. Management, supervision and coordination costs related to the implementation of works should be covered by the customer/buyer;

e) appropriate space for installing the object of the agreement, should there be any agreement for the contractor/seller/supplier to place the object of the agreement at the pace of installation that was agreed upon;

f) the contractor/seller/supplier must be informed about all relevant circumstances at the construction site, in particular about safety conditions and security,

transportation regime, smoking, special working conditions of the buyer/customer, etc.;

g) appropriate hygiene facilities and emergency medical service should there be any working accidents;

h) construction site must have the following equipment in timely manner and free of charge: lifts, lifting equipment, equipment for providing transport to the site, auxiliary tools, machinery, materials and energy (oils, lubricants, other materials, water, gas, steam, compressed air, electricity, heating, lighting, etc.), measuring and testing instruments;

i) required free storage premises with anti-theft system and a system for preventing damages to the object of the agreement, tools and equipment required for installing the object of the agreement and for personal needs of the personnel and workers employed by the contractor/seller/supplier;

j) appropriate access ways for the required transport of the object of the agreement and the seller's/contractor's/supplier's equipment;

k) access to phone and internet connection.

### **IX. PAYING FOR CONTRACTUAL WORKS**

Unless the parties agree otherwise:

1. the contractual prices are expressed in net value, excluding tax in conformation with trade clause EXW Incoterms 2010;

2. if the parties agree upon a prepayment of contractual works, the contractor/buyer (before the delivery/implementation of contractual works, i.e. within 5 days of signing the agreement or after accepting the offer/order at the latest) must adhere to a prepayment following an issued prepayment invoice, otherwise it will be considered that he has withdrawn from the agreement upon his own fault;

3. the payment of contractual works shall be made on the contractor's/seller's/supplier's account within 8 days of issuing the account according to the following dynamics and manner:

a) if the object of the agreement is to deliver machinery or product without being set up, installed or started:  
- 50% of the prepayment, in accordance with item 1;  
- 50% of the contractual value upon the delivery of the object of the agreement based on a signed delivery note;

b) if the object of the agreement is delivery and implementation of a system, line or any part of the system or line whereby the implementation includes setting up, installation and start-up:

- 50% of the prepayment in accordance with item 1;  
- 20% of the contractual value upon the delivery of the object of the agreement based on a signed delivery note;  
- 20% of the contractual value upon the installation;  
- 10% of the contractual value after a successful start of the object of the agreement, handing over the documentation and concluded handover of the product;

4. should the parties agree otherwise:

a) one-sided set-off of claims by the customer/buyer is not allowed;

b) suspending payment when counterclaims are challenged is not allowed;

c) a payment is not considered as concluded until the contractor/seller/supplier has received the agreed amount to its account;

d) should there be a delay in payments, the contractor/seller/supplier is entitled to receive legal default interests starting with maturity date of each invoice until the payment is being carried out as well as the payment for potential damages that are caused due to late payments. In both cases, the contractor/seller/supplier may suspend future implementation of the agreement until payments are being carried out or ultimately, he has the right to withdraw from the agreement and request reimbursement of all costs and damages caused by late payments;

5. The contractor/seller/supplier may, should there be no other agreement between the parties, request higher price for works if the prices for elements, (in the period between the time of entering into agreement and the implementation of the agreement) set forth in the agreement or prices for starting materials have increased in such a way that the contractual price would increase by 2% or if the income legislation of the contractor/seller/supplier has made considerable changes to labour costs.

### **X. RESERVING THE OWNERSHIP**

1. The contractor/seller/supplier has the ownership of the object of the agreement "including the payment for the set-up, installation and start-up" in its entirety until a complete payment is being carried out.

2. The buyer/customer must provide notary certification of its signature in the agreement in accordance with the provisions of the applicable Code of Obligations of the Republic of Slovenia in order to provide the validity of the reservation, and must handover the certified copy to the contractor/seller/supplier.

If the validity of the agreement and its provisions is not discussed according to the Slovenian legislation, the customer/buyer must take care of all formalities required by the applicable law in order to reserve the contractor's/seller's/supplier's ownership.

3. The buyer/customer must not pledge or hand over in safekeeping the object of the agreement serving as insurance. Should it still be pledged or distressed by a third party, the buyer must immediately notify the contractor/seller/supplier.

4. Regardless the reservation of ownership, the risk of loss or damages to the object of the agreement is transferred to the customer/buyer on the day of the handover.

### **XI. TAKEOVER**

#### ***Call for taking over the works***

When the contractor/seller/supplier finishes with implementing the works under the agreement or when the object of the agreement is ready for shipment (only if the contractual obligation included supplying the object of the agreement only), he must notify the customer/buyer in writing and call him for inspection and to take over the works.

#### ***Deadlines and handover***

1. The parties shall make the handover within 3 days of notifying the contractor/seller/supplier and:

a) **should the subject matter of the agreement include delivery, installation and start-up**, they must form and

sign handover minutes in order to establish potential flaws and specify the deadline for their elimination;

**b) should the subject matter of the agreement include only a delivery of certain machine, work, etc.:**

the buyer/customer shall sign the delivery note of confirming the receipt of the item which replaces the handover minutes. In this case, the takeover is considered successful upon signing the delivery note should the buyer/customer immediately notify the contractor/seller/supplier in writing about major flaws of the object of the agreement.

2. Should these defects be minor, the handover shall be considered concluded upon the day of handover minutes signing by both parties or upon signing the delivery note by the buyer/customer, should these flaws be of larger nature, handover shall not be carried out and both parties shall determine a new deadline for the contractor/seller/supplier to eliminate these flaws and invite the customer/buyer to inspect and take over works in accordance with previous items.

3. Should the contractor/seller/supplier fail to eliminate defects and flaws that were determined in the handover minutes or in a written notification by the buyer/customer within the agreed deadlines, he shall pay for all the buyer's/customer's costs caused by the flaws and defects.

***Presumption of completed handover***

Takeover is carried out when:

a) both parties sign the handover minutes (chapter XI, item a) or when the buyer/customer signs the delivery note (chapter XI, item b);

b) all detected major flaws are eliminated and handover minutes are signed (chapter XI, item a);

c) both parties agree not to sign the handover minutes (chapter XI, item b)) and when the buyer/customer immediately notifies the contractor/seller/supplier in writing about the considerable flaws when the buyer/customer has received the contractor's/seller's/supplier's notification in writing (per mail, e-mail or fax) regarding the elimination of defects and flaws as it was previously agreed;

d) the buyer/customer refuses to take over the object of the agreement without a legitimate reason whose handover was offered or agreed upon in timely manner.

***The use of the object of the agreement before takeover***

Unless the parties agreed otherwise, the buyer/customer is not entitled to use the object of the agreement before its takeover.

If this is still being carried out without the contractor's/seller's/supplier's written permission, the object of the agreement is considered as taken over.

**XII. TRANSFER OF LIABILITY AND DANGER OF RANDOM DESTRUCTION AND DAMAGES**

***Liability and danger transfer deadline***

1. Should both contractual parties agree otherwise, the liability and danger of random destruction and damages shall be transferred to the buyer/customer no later than upon the takeover of the object of the agreement unless these general sales terms do not state otherwise which also applies to partial shipments.

2. Should both contractual parties agree otherwise, the object of the agreement shall be shipped according to Ex Works Brinox Sora (EXW, Incoterms 2010).

In all other cases that are not included into previous items, the risk of losing and shall be transferred to the buyer/customer upon the takeover of the object of the agreement.

***Insuring the object of the agreement***

Upon the buyer's/customer's request, he has the right to insure the object of the agreement against theft, fractures, damages during transport, against fire and damages caused by water and other insurable risks.

**DAMAGES OR LOSS CAUSED BY ACTIONS OF THE PARTIES**

1. Any losses or damages on the object of the agreement after the transfer of the liability and danger for random destruction and damages are covered by the buyer/customer excluding losses or damages caused by the contractor's/seller's/supplier's negligence or wilful conduct.

2. Before transferring the liability and danger of random destruction and damages, any loss or damages on the object of the agreement shall be covered by the contractor/seller/supplier unless the damage was caused by the buyer/customer or his (sub)contractors/sellers/suppliers or by another person that is under the buyer's/customer's direct responsibility in relation to the agreement.

3. If there is a delay in the shipment caused by the buyer/customer, the liability and danger of random destruction and damages shall be transferred to the buyer/customer as of the day of readiness for shipment.

4. The contractor/seller/supplier is liable for all damages that were caused to the buyer's/customer's property prior to the takeover of the object of the agreement if there is evidence that these damages were caused intentionally or out of negligence, but is under no circumstances neither prior to the transfer of liability and danger of random destruction and damages nor before or after the takeover of the object of the agreement not liable for the production shortfall, loss of profit or income or any other consequential economic losses (except in cases where this can not be excluded by law).

**XIII. LIABILITY FOR DEFECTS, WARRANTY AND GUARANTEES DURING THE WARRANTY PERIOD**

***General***

1. During the warranty period the contractor/seller/supplier must remedy all defects on the object of the agreement caused by the defects in construction, material or quality of the performed works ascertained when properly using the object of the agreement and in working conditions contractually agreed upon.

2. The warranty does not extend to consumable parts. Each element is subject to warranty of subcontractors.

3. Defective parts that have been replaced shall be owned and used by the contractor/seller/supplier.

4. The warranty does not extend to:

a) improper or unsuitable handling by the buyer/customer and his personnel or persons under his responsibility;

- b) improper installation and start-up by the buyer/customer or third party;
- c) natural/usual wear and tear, destruction or defects;
- d) unsuitable materials, tools and equipment;
- e) faulty construction works, unsuitable chemical, electro-chemical and electrical influences that can not be ascribed directly to the contractor/seller/supplier;
- f) any modifications or repairs of defects done by the buyer/customer or any third party or alternations without a written consent given by the contractor/seller/supplier;
- g) defects ascertained because of the material or construction expected or determined by the buyer/customer;
- h) wilful conduct or handling representing gross negligence by the buyer/customer or any other party under the responsibility of the buyer/customer.

#### **Warranty period for eliminating defects**

The contractor's/seller's/supplier's liability for the object of the agreement is limited to defects ascertained within 12 months of the day of the final takeover of the object of the agreement (during an 8-hour work day and careful handling).

Should daily use of the object of the agreement exceed what was agreed upon, the period shall be proportionally reduced.

#### **Defect notification**

1. The buyer/customer must immediately notify the contractor/seller/supplier about any defect in writing, that is within 3 days of the detected defect (otherwise he shall lose the right to receive service of eliminating the defects) whereby due to the detection of the defect, he is not allowed to continue with the works on the object of the agreement otherwise the contractor/seller/supplier shall not be liable for eliminating the defect, for potential deterioration of the defect or for damages that have arisen due to such continuous work.

A written notification regarding the defect must include a description of the defect as well as any other relevant facts with respect to the ascertained defect or other facts important for its elimination.

2. If the buyer/customer has issued a notification in accordance with the provisions referred to in this chapter and does not detect any damages or faults under the liability of the contractor/seller/supplier, he has the right to receive a refund of costs arisen due to such notification.

#### **Repair costs of repairing and eliminating defects during warranty period**

1. During the warranty period the contractor/seller/supplier must eliminate the defect or substitute the defective parts as soon as possible and free of charge.
2. Unless otherwise agreed by the parties, repair services shall be carried out at the location of the installed object of the agreement unless the contractor/seller/supplier believes that it is more appropriate to send the defective or inadequate part of the object of the agreement for repair or replacement.
3. When special skills are required to replace or repair the defective part, the contractor/seller/supplier must disassemble and reassemble the machine that is the

object of the agreement. If such special skills are not necessary, the contractor/seller/supplier adheres to his obligation of repairing the defect when the buyer/customer has received the repaired or replacement part.

The buyer/customer must organize the process of disassembling and reassembling the equipment when these works are beyond the works required for eliminating the defect or damage.

4. Unless otherwise agreed by the parties, the contractor/seller/supplier covers the cost and risks of the required transport of the machine that is the object of the agreement and its components (to the contractor/seller/supplier and back) and is related to repairing the defect caused by the contractor/seller/supplier. The buyer/customer must take account of the contractor's/seller's/supplier's instructions regarding the transport. If the parts are not located at the installation site, the buyer/customer must cover all additional contractor's/sellers/supplier's costs arisen when repairing the object.

#### **Consequences of failing to eliminate damages or defects within the warranty period**

1. If the contractor/seller/supplier fails to adhere to his obligation of "eliminating damages and defects during the warranty period" within a reasonable time and without a legitimate reason despite being notified about the faults and damages by the buyer/customer specified by these general terms, the buyer/customer may:

- a) independently or by engaging a third party to take part during works of eliminating defects and damages at the cost of the contractor/seller/supplier;
- b) demand a reduction of the contractual price proportionally to the reduced amount of works but no more than 10 % of the contractual price in any case.

2. If the buyer/customer or a third party has already successfully repaired the damages, the reimbursement of costs covered by the contractor/seller/supplier must be in accordance with his liability for the caused fault.

#### **Damages within the warranty period**

1. Potential damages within the warranty period do not modify the agreed payment terms and deadlines.
2. Excluding previously defined cases, the contractor/seller/supplier is not liable for damages or losses caused by these faults including the loss of production, loss of profit and other indirect losses (except in cases where this can not be excluded by law).

Regarding the latter losses, should there be a liability for faults referred to in the previous articles, these are subject to liability only within the scope of its insurance.

#### **XIV. KEEPING TRADE SECRETS**

1. The buyer/customer is obliged to keep all contractor's/seller's/supplier's trade secrets, all documents and information regarding the implementation of contractual works received from the contractor/seller/supplier or are linked to him including his business partners and/or clients, know-how, specifications, drawings, blueprints, calculations, modus operandi, data, etc. which must not be given to third legal or natural persons without a prior written consent by the contractor/seller/supplier.

2. The buyer/customer may use information and data exclusively for realizing its obligations, duties and rights of the agreement.

3. Should there be any breach of obligations for "keeping trade secrets", the buyer/customer must pay 0.5 % of the contractual value of works to the contractor/seller/supplier for each breach.

#### **XV. WITHDRAWING FROM THE AGREEMENT**

##### ***Customer/Buyer withdrawal***

1. The buyer/customer has the right to withdraw from the agreement in the following cases:

a) if the contractor/seller/supplier is unable to adhere to his obligations;

b) if the contractor/seller/supplier carries out only one part of the order without a legitimate reason whereby the buyer/customer has no interest in such implementation;

c) if the contractor/seller/supplier fails without a legitimate reason to adhere to the object of the agreement, not even in the subsequently determined period set forth by the buyer/customer;

d) if the implementation of the object of the agreement is postponed due to force majeure (fire, war, mobilization of troops, confiscation of goods, repossession, embargo, limited supply of energy, etc.), that is after 6 months of the occurrence of force majeure;

2. Should there be a withdrawal, the buyer/customer has a right to receive reimbursement for damages caused by gross negligence or wilful conduct by the contractor/seller/supplier, or entitled reimbursement in accordance to mandatory and applicable legislation of the Republic of Slovenia, whereas in all other cases he is not entitled to receive reimbursement for damages, loss of production and profit.

3. The contractor/seller/supplier warranty is excluded if the damages can be ascribed to intentional or gross negligence by the buyer/customer and his employees as well as to lawful breach of the essential elements of the agreement.

##### ***Contractor's/seller's/supplier's withdrawal***

1. The contractor/seller/supplier may withdraw from the agreement in the following cases:

a) if the buyer/customer fails to adhere to the assumed contractual obligations;

b) if there is a breach of the assumed contractual obligations by the buyer/customer;

c) if the buyer/customer fails to make payments of the contractual works within the deadlines or manner specified by the agreements or accepted offer;

d) if the buyer/customer becomes unable to adhere to his obligations;

e) if the buyer/customer becomes insolvent and has entered into a procedure of compulsory composition, bankruptcy, winding up or any other such proceeding, or when insolvency is most likely to occur;

f) if the buyer/customer has concealed or withheld the facts relevant for the implementation of the object of the agreement whereby the contractor/seller/supplier would

not have agreed to implement contractual works had he been familiar with the aforementioned facts;

g) in other cases determined by these general terms and conditions or by mutual agreement or other cases specified by the contractor's/seller's/supplier's offer;

h) if there is force majeure.

2. Should the buyer/customer decide to withdraw from the agreement, he must adhere to all payments for all implemented works to the contractor/seller/supplier, pay liquidated damages of 10 % of the contractual value (in items a) through d), f) and g)) as well as pay for all the damages caused to the contractor/seller/supplier.

#### **XVI. QUALITY AND ENVIRONMENTAL POLICY**

1. The contractor/seller/supplier has acquired and holds the ISO 9001:2008 standard (quality management system), Certificate No. 12 100 35525 TMS and ISO standard 14001:2004 (environmental management system), Certificate No. 12 104 35525 TMS which serve as the basis for implementing quality and environmental policy.

2. By signing the agreement or accepting the offer (order) the buyer/customer promises that, when receiving the object of the agreement at the head office of the contractor/seller/supplier or when he is located at the head office of its company or branches, offices and other forms of business operations, he shall respect and take into consideration the contractor's/seller's/supplier's quality policy, the applicable legislation of the Republic of Slovenia and the contractor's/seller's/supplier's instructions in the field of quality policy and dealing with the environment which includes waste disposal, handling with hazardous chemicals or substances and handling in case there is a state of emergency upon contractor's/seller's/supplier's notice.

3. Should the buyer/customer fail to adhere to the aforementioned actions by causing any damage, he shall be liable and pay for all damages to the contractor/seller/supplier including all potential punitive damages, fines or other financial measures given by the authorized inspectors and other authorities.

#### **XVII. LAW AND DISPUTES**

1. The parties shall consensually resolve any potential disputes arising out and in connection with the agreement or accepted offer.

If a dispute is not resolved consensually, it shall be resolved by a Slovenian court with a proper jurisdiction over the subject matter in Ljubljana or anywhere else in Slovenia if the Slovenian legislation prescribes a particular territorial jurisdiction for a particular dispute.

2. The Slovenian legislation shall be used for resolving disputes.

#### **XVIII. OTHER PROVISIONS**

##### **Time of entering into agreement**

1. Unless otherwise agreed by the parties, the agreement enters into effects on the day when the last party has signed the agreement.

2. Should the agreement or an offer be formulated in two languages and there are inconsistencies between the translations or different interpretation of their provisions, the Slovenian version shall be legally binding unless the parties agree otherwise.

**Validity of general sales terms and conditions**

These general terms and conditions of the contractor/seller/supplier are valid from 24.2.2014 until revoked or until the adoption of new general sales terms and conditions of Brinox d.o.o. business operation.