

GENERAL TERMS OF PURCHASE LEDINEK ENGINEERING D.O.O. – GTP 01012024

I. DEFINITIONS

1.1 LEDINEK ENGINEERING d.o.o., henceforth the Buyer, concluding a Contract of Purchase or placing an order to Suppliers.

1.2. The Supplier - a company, entrepreneur or other legal or natural person who undertakes to supply a product or service to the Buyer. This document uses the single term product, which also applies to services.

1.3 GTP - General Terms of Purchase LEDINEK ENGINEERING D.O.O. - GTP

1.4 Products - products, mechanical assemblies, semi-finished products, components, raw materials, tools, services, or other items ordered by the Buyer.

1.5 Services - mental or other work that does not necessarily result in material form. Provisions of the GTP that apply to purchase of goods apply also to purchase of services unless otherwise provided by these GTP.

1.6 Purchase contract or order - any long-term or framework contract or order regulating the purchase of products, and contracts on product purchases signed by the Buyer and the Supplier, including the GTP if they are not explicitly excluded. For the purposes of the GTP the purchase contract also means order and vice versa an order has the meaning of a purchase contract.

1.7 Forecast, Order, Delivery Schedule

- A Forecast list is a delivery and quantity schedule of the Buyer's needs and is intended as a notification to the Supplier of the volume and delivery time of products the Buyer expects to order in the indicated period. The Forecast is not binding on the Buyer in terms of purchasing the forecast products or the forecast product quantities. It is only indicative data.

- The Order is a written document from the Buyer defining the terms of delivery of the purchased products (item number (code), quantity, delivery date, price, payment conditions, location).

-The Delivery Schedule includes the Forecast and the Buyer's Order, which is periodically renewed in accordance with the provisions of the Purchase Contract and the final customer's needs.

1.8 Delivery - Delivery means shipping and handing over the purchased products to the Buyer in accordance with the written contract between the Buyer and the Supplier.

1.9 Place of Delivery - The Place of Delivery is the location at which the Supplier hands over the product to the Buyer.

II. GENERAL

2.1 The GTP complement each Purchase Contract and Order. If the GTP and the Purchase Contract or Order do

not match, the relevant provision of the Purchase Contract or Order shall prevail.

2.2 To avoid any doubt, the following shall be deemed as the Supplier having accepted the GTP: submitting an offer, signing the Purchase Contract in a written form, confirming the Order, or starting the action required to complete the Buyer's Order. If at any time the Supplier lists terms and conditions different to those in the GTP, these shall not in any way be binding on the Buyer without the Buyer's express confirmation in writing. Signing the Purchase Contract excludes any general and/or special terms and conditions the Supplier might have.

2.3 The Supplier supplying products to Ledinek Engineering d.o.o. is obliged to comply with logistics and quality demands of the Buyer.

III. ORDERING AND CHANGE MANAGEMENT

3.1 The Buyer shall issue Orders and changes in writing. Only Orders in writing that are sent to the Supplier by mail, fax, email, using the Suppliers Portal or the EDI system shall be valid.

3.2 The Place of Delivery shall be defined in the Buyer's Order or Delivery Schedule. If the Place of Delivery is not stated in the Order, the Place of Delivery shall be the Buyer's warehouse, delivered DDP according to Incoterms 2020. In exceptional cases, the goods takeover may be carried out at another location, of which the Buyer shall notify the Supplier in advance and in writing.

3.3 The Supplier is obliged to send to the Buyer a confirmation of the Order within five (5) working days of receiving the written Order. If the Supplier does not confirm the Order within the stated deadline, the Buyer may cancel the Order in the subsequent five (5) working days or the Order is considered accepted even though the Supplier did not send a confirmation of the Order. Delivery Schedule is an exception

3.4 For serial deliveries, the method of confirming Orders is stated in the Purchase Contract.

3.5 The Supplier undertakes to inform the Buyer in writing immediately about any discrepancy that might affect the delivery time, quantity and quality. In such cases, the Supplier shall obtain from the Buyer written instructions on how to proceed.

3.6 Cancelling the Order by the Buyer shall be deemed in time if sent to the Supplier before the Buyer receives the confirmation of the Order by the Supplier or if it is sent to the Supplier within five (5) working days after the written Order is issued.

3.7 The Buyer may request an amendment of the terms and conditions of the Order, which includes specifications (drawings, construction-related modifications, etc.), date, place of delivery, mode of transport and quantity of purchased products if there is a valid reason for that.

3.8 If the Supplier requires the change of the completion deadline or another condition, this is only valid, if it was accepted by the buyer and confirmed in writing. In any case, the Supplier is obliged to immediately inform the Buyer about the delay and its reasons and propose possible solutions. Furthermore, he must reimburse the Buyer for all expenses incurred in this connection and the entire damage.

3.9 In the case of proven force majeure, the delivery and execution deadlines may be extended by the period of force majeure if the Supplier immediately notifies the buyer of the occurrence of force majeure. The buyer is not obliged to accept the extended delivery or execution period and can withdraw from the order placed at any time and without any additional costs.

3.10 The Buyer has the right to inspect the implementation of Orders at any time and the Supplier shall allow this.

3.11 The Supplier's right of retention expires when the purchased products are built into the end product at the latest.

IV. DELIVERIES

4.1 The Supplier guarantees 100% compliance of deliveries (quantity, on time delivery, location, quality) according to the Order or the provisions of the Purchase Contract unless agreed otherwise in writing.

4.2 The Buyer may reject a delivery of goods that was not carried out according to the Order or the provisions of the Purchase Contract at the expense of the Supplier.

4.3 All shipments must be equipped with a delivery note containing a detailed description of its contents and a full item number (code) of the Order. The Supplier is obliged to provide in writing any information related to regulations on export controls, customs duties, or domestic trade.

4.4 In the case of exceeding the delivery date, the Buyer may completely or partially withdraw from the Contract and/or demand the payment of a contractual penalty and compensation for actual and indirect damage incurred if it exceeds the contractual penalty.

4.5 The entire Order shall be deemed delayed until all the products are delivered to the Buyer. If the Order contains multiple delivery dates, reasonable connections between them and positions apply.

4.6 In case of delay in delivery, the buyer shall set the supplier a reasonable extension period of at least three days. The buyer can withdraw from the order or the purchase contract if the supplier has not fulfilled his obligations even in the extension period, whereby the buyer can withdraw from the contract immediately after expiration of this extension period.

V. PACKAGING

5.1 The packaging and/or purchased product shall be environmentally acceptable and in accordance with the standards.

5.2 At the Buyer's request, the Supplier is obliged to draw up and present a proposal for packaging and labelling, which the Buyer approves before the start of any deliveries. The Supplier shall professionally package and mark the purchased products unless agreed otherwise with the Buyer. Liability for damage to the purchased products due to insufficient or incorrect packaging shall be borne fully by the Supplier.

5.3 The costs of purchasing and restoring returnable packaging are set out in the Purchase Contract.

VI. CONTRACTUAL PENALTY DUE TO DELAY OR NONFULFILLMENT

6.1 In the case of not on time delivery by the Supplier, the Buyer is entitled to charge a contractual penalty in the amount of 0.4% of the total value of the Order for each new calendar day of delay, but not more than 15% of the total Order value.

6.2 The Buyer reserves the right to demand compensation for damage that exceeds the value of the contractual penalty from Item 6.1.

6.3 If the Supplier does not meet the delivery obligation, the Buyer may withdraw from the Contract according to Item 4.6, and charge the contractual penalty of 15% of the total Order value and demand compensation for actual and indirect damage if the latter exceeds the contractual penalty.

VII. LIABILITY FOR DAMAGE, DETERIORATION OF QUALITY AND DESTRUCTION

7.1 The Supplier shall be held liable for damage and/or the risk of deterioration of quality, and destruction of the purchased product until the takeover of the said products by the Buyer. If the cause of damage, risk of the deterioration of quality, or destruction existed before the takeover of the purchase product by the Buyer, the Supplier shall be held liable even after the takeover of the purchased product by the Buyer.

VIII. INVOICE AND PAYMENT

8.1 Every invoice shall contain data prescribed by the valid legislation of the Republic of Slovenia and the item number (code) of the Buyer's Order. The invoice shall also include a record on the takeover or the delivery note signed by the Buyer.

8.2 Unless prescribed otherwise in the Purchase Contract, payment shall be made within 60 days of delivery. For the payment of the purchased products

within 15 days from the delivery a discount of 3% is granted.

8.3 The Buyer shall not be obliged to pay for purchased products within the contractual deadline if they are the subject of a complaint. The payment deadline for goods that are the subject of a complaint shall commence on the date the Supplier eliminates the cause of the complaint and when the Buyer and the Supplier reach a written agreement on the amount of damage incurred due to the complaint.

8.4 Payment of the invoice does not mean that the delivery/Service was carried out according to the Contract.

8.5 The invoice may not contain clauses that are not in accordance with the offer, order, agreement or GTP. In the opposite case, the Buyer shall not be obliged to make the payment and/or may reject the invoice; this also applies when the invoice or documentation are deficient or not compliant with the Order, Contract, agreement or delivery.

8.6 Irrespective of any increase in the Supplier's costs or the emergence of other reasons affecting the price of the purchased product, the Supplier shall not be entitled to demand a higher price.

IX. QUALITY

9.1 At the Buyer's request, the Supplier shall be required to allow the Buyer or its representative to carry out audits of the quality management system, including audits of the production process that the Buyer would carry out within the audits of processes in its company. The Supplier shall provide the full support and assistance of its professional staff.

9.2 At the Buyer's request, the Supplier is obliged to return all original documentation submitted to the Supplier during the business cooperation and destroy all copies of the said documentation.

9.3 The Supplier may only advertise business cooperation with the Buyer upon prior written agreement.

9.4 At the Buyer's request, the Supplier is obliged to submit all the documentation on quality control. The Supplier undertakes to keep the documentation on quality control according to the legislation, the provisions of the Purchase Contract, or for a minimum of five (5) years after the individual or latest delivery of goods.

9.5 At the Buyer's request, the Supplier shall give the Buyer access to all records related to quality testing and control, and offer professional support for deliveries of purchased products that require additional safety checks by independent certified institutions.

9.6 The Supplier guarantees that all its sub-suppliers are required to follow the provisions of Chapter 9 - Quality.

9.7 Verification of the purchased product's conformity with the requirements of the Purchase Contract shall be

done after delivery or in the production process of the Buyer. In the process of production of purchased products, the Supplier is obliged to provide the Buyer the possibility to inspect the quality of the said products which are subject to the Purchase Contract or Order in the production premises of the Supplier. If there are any cases of non-conformity, the Buyer shall inform the Supplier in writing (complaint) as soon as they are discovered during takeover or production. In the case of latent defects, the Buyer has the right to inform the Supplier in writing about the non-conformity (complaint) at any time within the warranty period.

9.8 The Supplier is obliged to eliminate any discovered defects immediately after being notified of the defect. If the Supplier fails to eliminate the defect immediately, the Buyer has the right to decide whether to eliminate the defect themselves or through a third party. All costs related to eliminating the defect shall be borne by the Supplier. The Supplier is obliged to compensate the Buyer for any and all losses incurred due to the defect.

9.9 In case of non-conformity (complaint) the Supplier is obliged to provide a report, if required so by the Buyer.

9.10 A completed Complaint Report and confirmation by the Buyer is a condition for ending the complaint procedure.

9.11 The Supplier is obliged to send all the required documentation (instructions, certificates of quality, etc.) to the Buyer's e-mail address: pnsd@ledinek.com.

X. WARRANTY

10.1 The Supplier provides a 24-month warranty on the purchased products and also if a purchased product is integrated into the final product as a component. If a longer warranty period is prescribed by a regulation, the longer warranty period shall prevail. If a regulation or contract prescribes a longer warranty period for a product into which the purchased product is integrated, or for a product for which the purchased product is used, or for a product into which the Buyer's product is integrated, such a longer warranty period shall also apply to the purchased product.

10.2 The warranty period begins once the risk is transferred to the Buyer unless the purchased product is integrated into the final product. In this case, the warranty period commences on the date of the delivery of the final product to the final customer. In the case of remedying defects resulting from complaints, the warranty period commences again after the Supplier eliminates the defects.

XI. LIABILITY AND INSURANCE

11.1 The Supplier shall protect and insure the Buyer against any liability in relation to intellectual property or third-party rights arising from deliveries of purchased products. The Supplier shall ensure the Buyer has uninterrupted disposal and use of the purchased product, which includes the final customer of the Buyer's product into which the purchased product is integrated, and all users of these products. The Supplier undertakes to indemnify the Buyer against any damage incurred if a third party submits a claim related to industrial property and/or copyright laws against the Buyer on account of the purchased products.

11.2 The purchased product delivered by the Supplier to the Buyer shall comply with all valid EU safety regulations, for which the Supplier guarantees and bears full responsibility.

11.3 The Supplier is obliged to notify the Buyer about:

- Any modifications in installed materials and/or process and deliver to the Buyer any and all documentation required to demonstrate the compliance of the goods with applicable regulations.
- The content of dangerous substances or the possibility of the creation of hazardous waste while or after using the purchased products, indicating a method for safe disposal (REACH, RoHS).

11.4 The Supplier is obliged to compensate the Buyer for all damage and costs incurred by the Buyer and/or third parties due to a purchased product, or a Buyer's product into which the purchased product is integrated or for which it is used, along with all damage and costs caused by the end product into which the Buyer's product is integrated if the cause of the damage and costs incurred is a defect in the purchased product.

11.5 The Supplier is obliged to conclude appropriate insurance for the whole world, which will cover any eventual compensation claims from final customers in relation to product liability. The Supplier shall submit the indicated insurance policy for viewing at the Buyer's request.

XII. CONFIDENTIALITY AND DATA PROTECTION

12.1 The Supplier undertakes to protect information on the Buyer and on its intention, which it acquired in relation to the Order, if such information is not generally known.

12.2 The Supplier guarantees to protect all the data, knowledge, and business and technical documentation it was made familiar with by the Buyer as business secrets for the entire duration of the business cooperation and at least five (5) years after it.

12.3 Products, technological procedures, technical solutions and other knowledge related to the product constitute the Buyer's intellectual property and the Supplier shall not deliver or submit them to third

parties, or use them for any purpose other than the Purchase Contract, without prior written consent from the Buyer.

XIII. TERMINATION OF THE PURCHASE CONTRACT

14.1 The Buyer has the right to terminate the Purchase Contract in writing without any obligations to the Supplier in the following cases: delays in delivery of more than 10 days after the extended period, recurring defects in purchased products, changes in the ownership structure over the Supplier, and when the Buyer assesses that the Supplier is not financially stable.

14.2 In the event of a termination of the contract for the reasons stated in Item 14.1, the buyer reserves the right to compensation as a result of the termination.

XIV. OTHER

15.1 Disputes arising from the business cooperation between the Supplier and the Buyer shall be resolved before the Slovenian court with subject matter jurisdiction in the region where the Buyer is established. Slovenian law and the Slovenian version of the GTP shall be applied in resolving the dispute.

15.2 The use of the Vienna Convention on the International Sale of Goods and the provisions of international private law is excluded.

15.3 These General Terms of Purchase apply until amended. The Supplier is obliged to monitor/check for any changes at <http://www.ledinek.com>

15.4 These General Terms of Purchase are written in the Slovene and in the English language. In the case of ambiguity/inconsistency, the Slovenian version shall prevail.

Hoče, January 01, 2024