

**GENERAL TERMS AND CONDITIONS ON PURCHASE TRIMO d.o.o. No. 2/2012****1. The application of terms:**

This general terms are applicable to regulation of all the relationships between the company Trimo d.o.o., Prijateljeva cesta 12, Trebnje (hereinafter referred to as the Purchaser), and its suppliers if not explicitly and in writing agreed otherwise between the Purchaser and the Supplier (hereinafter referred to as the Parties). These terms are an integral part of any order or contract.

**2. Sales programme:**

**The Parties define and agree a** list of products, bought by the Purchaser from the Supplier (sales programme), by a contract (1), a price-list (2) - an attachment of a contract, or by a special agreement (3). To make the sales programme effective, the Parties should obligatory define: products, prices, packaging and deliverability. The list and its changes shall be provided by the Supplier in electronic form. The base should include all the product data, which is differing from others, as well as all the information, necessary for the Purchaser's operation.

**3. Sales programme changing:**

The Supplier may submit to the Purchaser any changing of the list or its data, once a month only, and at least one month before a change becomes effective.

**4. The Buyer's liabilities:**

By determining the sales programme in a contract, the Purchaser shall not be obliged to purchase any quantity of the products, unless explicitly agreed otherwise. The Purchaser independently decides on including certain Supplier's products to its catalogue.

**5. Placing of orders:**

The Purchaser places order to the Supplier in writing, via fax or e-mail. The order should be specified according to the desired order-picking system, places and dates of delivery. The Supplier confirms the Purchaser's order in the same form, and notifies the Purchaser of the delivery date. In case the Supplier does not confirm the order within three days, the order is deemed to be completely accepted. In cases, when the Supplier does not have the ordered goods at disposal, it should inform the Purchaser, in one day, on the next possible delivery date, or, if possible, shall suggest delivering substantial goods. If the Purchaser does not confirm a new date in one day, the order is deemed accepted.

**6. Delivery:**

Unless otherwise stipulated in the Ordering Party's order, deliveries shall be made CPT Trebnje (INCOTERMS 2010). The Ordering Party may decide delivery location to be the Purchaser's construction site. If the Parties agree, the Supplier is obliged to deliver the goods directly the Purchaser's buyer.

**7. Delivery date:**

The Parties may define the delivery date by a contract, as the number of working days form the date of placing the order and is effective for all the deliveries, except for those, for which another delivery date shall be explicitly defined. If the Parties define the hour of delivery, it should be considered as well. If delivery dates, relating to individual products, vary, the Parties should define these dates by a sales programme list.

**8. Deliverability:**

Deliverability of individual products (taking the products from the production programme and introduction of new products) is defined by the Supplier, unless the Parties agree otherwise. The quantities, which the Supplier is obliged to deliver according to the contract or confirmed order, should be delivered, irrespective of taking the product form the production programme.

## 9. Late deliveries:

If the Supplier shall not deliver the ordered goods within the defined delivery term, the order for the undelivered goods is deemed countermanded and the Purchaser should place the order again, unless otherwise requested by the Purchaser upon placing an order.

## 10. Undelivered goods:

If the Supplier unjustifiably extends the deadline for execution, it shall pay the Buyer a contractual penalty in the amount of 1% of the contractual price for each day the deadline is exceeded, up to a maximum of 10% of the contractual value. If the Buyer suffers damage exceeding the contractual penalty amount due to an unjustified delay in the execution deadline according to this Contract, it shall also charge the Supplier for the difference between the amount of damage occurring and the calculated contractual penalty.

If the Supplier fails to maintain the contractual deadlines and, after receiving a written notice, fails to commence or continue with Supply, the Buyer shall be entitled to:

demand the fulfilment of the Contract and reparation,

withdraw from the Contract and give the supply to another Supplier whereby it shall charge the Supplier for any eventual differences in the price of supply, plus overhead costs in the amount of 8% and reimbursement for costs and damages, the contractual penalty and reparation for each day the deadline is surpassed if the new supplier is unable to conclude the supply within the deadline defined with this Contract.

Additionally the Buyer shall charge the Supplier for all eventual costs arising due to delays at the construction sites or problems concerning technical takeovers that are the consequence of deficient documentation.

Unless otherwise agreed, the Supplier should account for the penalty once a month and issue a credit note to the Purchaser. If late delivery is a result of force majeure, and if the Purchaser had been notified **immediately** and **before the expiration of the delivery date**, the supplier is not obliged to account for the penalties.

## 11. Material documents:

The Supplier should submit a separated delivery note with quoted number of the order for each place of delivery and every order-picking system. If an individual order-picking system consists of more than one coil, the coils should be marked and a packing list with coil specification should be attached to the delivery note.

For the delivered goods the Supplier is obliged to submit valid Quality Certificates in compliance with EN 10204 – the certificate level of pretentiousness is defined in the order form, as well as the original of Certificate of Origin, otherwise the payment liabilities fall due on the day of receipt of Quality Certificate and Certificate of Origin. The Supplier is obliged to conduct the whole process of production or delivery in compliance with the environment-saving system (ISO 14001). For each structure or technological alteration of contractual goods, proposed by the Purchaser or the Supplier, a special protocol should be made and signed by the authorised representatives of the Purchaser and the Supplier.

## 12. Invoicing:

The Supplier shall make out an Invoice to the Purchaser for every individual delivery, unless otherwise agreed. If the Parties agree on periodical invoicing, the Supplier shall prepare separate invoices for each cost centre and every place of delivery. From the joint invoice, individual deliveries should be seen and specified by a number of delivery note, delivery place and delivery date.

A payment liability is deemed a date of acceptance of goods at the Purchaser's warehouse, or a date of the approved situation or a date of delivery of the requested documentation on quality or origin of goods.

## 13. Prices:

The Supplier shall define the prices in accordance with the price-list, unless agreed otherwise in a contract or agreement. A new price is deemed a change of a sales programme list, and the Supplier shall submit it in a way, defined by these Terms. If the supplier defines an earlier change of prices, the Purchaser has the right to

request an old price for all the deliveries within the term, defined by this Terms, after the receipt of a note on new prices.

The contractor's contractual price includes all the costs for preparatory and project works, for all the auxiliary works, for research and attestations, insurance costs, safety-at-work costs, costs for all the necessary scaffolds, cranes, protection of goods prior to delivery, tests or testing operation.

#### **14. Terms:**

The Parties define the delivery terms by a written agreement, including:

- (1) the duration of the payment term, (2) the rebate, (3) the super rebate in an invoice, (4) the super rebate in a credit note, (5) the discount percentage and the terms of its effect, (6) special discounts (for special exposure, etc.).

#### **15. Complaints:**

The Purchaser shall examine the goods in a common way. The common way is deemed to be: establishing the quantity of the received goods, establishing of undamaged goods and packaging (the Purchaser shall not unpack the undamaged goods) and examination of the damaged goods in damaged packaging. In case the quality or quantity of goods is not in compliance with the delivery note or these Terms, the Purchaser shall submit the letter of complaint to the Supplier, within five working days from the date of receipt of the goods, or from the date of establishing a defect. The Supplier should answer the Purchaser in relation to the letter-of-complaint within two working days from the date of its receipt. In case of complaint acceptance, the Supplier is obliged to, at its own expenses, deliver a new quantity of goods, or eliminate the defects on goods.

#### **16. Suitability of goods:**

The Supplier is obliged to provide for that goods are delivered in accordance with the regulations and valid standards, that they are regularly marked and that they agree in quality and quantity. In case of non-compliance with these requirements the Supplier is obliged to reimburse the Purchaser for all the relating costs and penalties. Unsuitable goods may be returned to the Supplier, or the Purchaser may request the elimination of defects at the Supplier's expenses. The Supplier should consider the complaints of end buyers, relating to the goods of the Supplier.

Even if packing – packing on pallets has not been agreed, the Supplier is obliged to pack the goods so that manipulation with crane or fork-lift is possible. The shipment should be marked with suitable markings of the Supplier and with a catalogue number of the Purchaser, and accompanied with dispatch documentation.

#### **17. Special services:**

By this agreement the Parties shall define whether the Supplier is to provide the Purchaser with the services, as following:

1. take-over of the unsold goods, damaged goods and good with expired date;
2. free-of-charge promotional material;
3. free-of-charge samples;
4. free-of-charge brochures and catalogues;
5. support in advertising campaigns;
6. guaranteed unchanged prices and lowest costs;
7. introductory, campaign and promotional discounts;
8. incorporation of the Purchaser's sales points into the Supplier's advertisements.

#### **18. Packing:**

The packing method shall be defined by the Supplier, unless the Parties agree otherwise. The change of a packing method is deemed a change of a sales programme list, which should the Supplier advice in time and in compliance with these Terms.

## **19. Packaging:**

The Supplier should deliver the goods in transport packaging, corresponding to the standards, applicable in Slovenia. Euro-pallets should be returned to the Supplier without usage-fee, whereas ordinary pallets need not be returned, unless otherwise stipulated by the contract.

## **20. Payments:**

The Purchaser shall conduct the payments by remittance to the Supplier's account or by compensation. The Parties shall submit each other information, relating to the preparation of compensation, and approve the prepared compensations of unquestioned liabilities. The Supplier may assign the Purchaser's debts to the third person only upon the Purchaser's written consent.

## **21. Quality warranty:**

The Supplier shall guaranty that the delivered goods meet the quality requirements, applicable at the market, or, that the goods have the required level of reliability. The Supplier shall guaranty the quality and give warranty for the contracting goods, for the same period, as the Purchaser gives for the final-product to the end buyer. The supplier shall cover all the costs of repairing and replacement of the contractual goods, which shall be used within the warranty period, as mentioned above.

## **22. Security declaration for the authorised economic operator**

The supplier hereby declares and, without limitation, warrants that

1. the goods that are produced, stored, forwarded or carried by order of the authorised economic operator, that are delivered to the authorised economic operator or that are collected for delivery from the authorised economic operator:
  - a. are produced, stored, prepared and loaded in secure business premises and secure loading and shipping areas and
  - b. are protected against unauthorised interference during production, storage, preparation, loading and transport;
2. reliable staff are employed for the production, storage, preparation, loading and transport of these goods;
3. it is informed that it also needs to ensure supply chain security as mentioned above.

## **23. General provisions:**

If the Supplier and the Purchaser agree on special terms for individual deals, these, specially agreed terms stipulated by a special contract or an order form, are applicable. The Contractual Parties agree that the delivery specifications, as well as all business, commercial, technical and production documentation, are considered business secret. Violation of liabilities of confidentiality shall result in immediate termination of all forms of business cooperation, and the Purchaser would be entitled to claim for indemnity.

The Supplier and the Purchaser may agree, in compliance with the applicable legislation, on terms, not stipulated in these General Terms and Conditions on Purchase.

Any disputes shall the Parties settle amicably. In case of disputes, which shall not be able to be settled amicably, a Court in Novo mesto shall be competent.