



GENERAL SALES CONDITIONS FOR LEGAL ENTITIES – Version V1/2021

I. GENERAL TERMS

1. These General Sales Conditions (GSC) govern the legal relations between KONUS KONEX LLC., which acts as the seller (hereinafter, the seller) and its buyers of goods and products from the sales programme (hereinafter, the buyer). These GSC apply to all legal relations between the seller and the buyer, unless the seller and the buyer explicitly agree otherwise, regarding individual rights or obligations. The only valid agreements are agreements made in writing. These GSC are used only for the sale of goods to legal entities.
2. In case of agreements between the seller and the buyer, which regulate individual rights and obligations differently from these GSC, this does not influence the validity of other provisions of these general terms and conditions. In case of doubt as to the special agreement, only agreements made in writing shall be considered as special agreements.
3. The seller does not acknowledge any terms and conditions of the buyer that contradict with these GSC or deviate from them, unless they are specifically confirmed by the seller.
4. By accepting the offer, accepting the delivered goods and/or services of the seller, concluding the contract, each time an order is submitted or in any other mutually acceptable way, the buyer confirms that it accepts these GSC and that it fully agrees with them.

II. CONCLUDING THE CONTRACT AND ORDERING

1. The contract between the seller and the buyer is concluded when the contracting parties have agreed on its basic components, or when the seller receives a written statement from the buyer in which it is stated that the offer is accepted.
2. The offer binds the seller until the date of the validity of the offer, stated in the offer. The contract is concluded when the buyer accepts the offer within the validity period of the offer and notifies the seller. If the buyer accepts the offer after its expiry date, the seller has the right to freely decide whether to accept such an order or not.
3. The buyer's order must be made in writing and sent to the seller's address either by post, to its e-mail address or according to the established business practice. Upon receiving the buyer's order, the seller issues a confirmation of the order to the buyer, stating the basic information about the buyer, type of goods, quantity, price, confirmed delivery time and any other information, related to the contract. If the buyer does not reject such confirmation of the order in writing within three days or does not return the signed confirmation of the order to the seller within three days, it is considered that the buyer fully agrees with the contract or confirmation of the order and the conditions stated therein, therefore, the content of the confirmation is considered final and binding between the buyer and the seller.
4. The order binds the buyer to buy and accept all the defined goods and pay the entire price of purchase, only thereafter it can state any rights, unless otherwise agreed.
5. If the buyer has refused to confirm the order, which is in accordance with its order, and the seller has incurred expenses as a result, the seller may charge them to the buyer.

III. SUPPLY OR SHIPMENT AND DELIVERY OF GOODS

1. The delivery time starts from the day of confirmation of the order to the buyer. The seller reserves the right to extend the delivery time in case of force majeure.
2. Unless otherwise agreed in writing, the seller will deliver the products, the seller's FCA warehouse (Incoterms 2020), in accordance with the seller's standard methods of packaging and delivery.
3. Unless otherwise agreed in writing, the buyer must, at its own expense, obtain all the necessary import licenses and other agreements, required for the shipment of the product and forward them to the seller.
4. If the buyer does not accept the goods within the agreed period, the seller may, if it so chooses, charge it the incurred damage or a contractual penalty of 10.00 EUR/1000 m² of goods or 10.00 EUR/pallet of



goods for each week of the delay. In case the buyer's acceptance of the goods is delayed, the risk of accidental destruction or damage to the goods passes on to the buyer from the day the buyer is late.

5. In case the buyer's own wish is to postpone the confirmed delivery date of the contract for any reason and the seller approves it, the seller reserves the right to charge the storage expenses, specified under paragraph 4 above.
6. The seller reserves the right to partial deliveries.
7. The agreed delivery time is not considered an essential component of the contract, unless both parties have specifically agreed in writing. The contractual penalty for delay is acknowledged only if specifically agreed.

IV. PRICES AND TERMS OF PAYMENT

1. The buyer is obliged to pay the purchase price of an individual invoice/pro-forma invoice in accordance with the agreed terms of payment, to the seller's bank account, stated on the invoice/pro-forma invoice.
2. In case of late payment, the seller has the right to charge statutory default interest from the date of delay to the date of payment. The default interest is charged by the seller with a debit note, which becomes due within 8 days from the date of the debit note. In addition, in case of late payment or non-fulfillment of other contractual obligations by the buyer, the seller has the right to stop the delivery of goods or withdraw from the contract and charge the buyer for the incurred damage.
3. By prior agreement between the contracting parties, offsets and assignments are also acceptable methods of payment for the seller. The contracting parties expressly state and agree that the seller may offset any obligation to the buyer with its claims against the buyer.
4. The agreed prices do not include taxes, fees or any other duties (hereinafter, taxes). All taxes related to the purchased products are the buyer's responsibility (excluding corporate income tax), unless the buyer submits an exemption certificate which is acceptable to the seller and the competent tax authorities. If the exemption certificate, provided by the buyer, is considered invalid, the buyer will pay the seller the tax amount and any penalties and interest related to them.
5. In case of cross-border business in the EU, the goods are delivered to the buyer without VAT, if the buyer is registered in the VAT register for cross-border business in the EU. The buyer is obliged to provide the seller with its valid VAT register number, which is as such also evident from the data in the VAT Information Exchange System (VIES).
6. The buyer is committed not to assign any claims against the seller to third parties without its prior written agreement.

V. WITHDRAWAL FROM THE CONTRACT

1. In the event of the seller's breach of obligations, the buyer reminds the seller to fulfill the obligations and sets an additional suitable deadline for the fulfillment of obligations, which may not be shorter than 15 days. If the seller does not rectify the breach within the specific deadline, the buyer may withdraw from the legal transaction without the notice period.
2. The contracting parties agree that the seller has the right to withdraw from the legal transaction without the notice period, if:
 - a. the buyer owes or has not settled its due obligations to the seller,
 - b. the buyer's approved credit limit is changed by the insurance company (or a different form of payment is agreed upon with the buyer, e.g. advance),
 - c. bankruptcy or liquidation proceedings or compulsory settlement proceedings have been instituted against the buyer, if a court order has been issued to the buyer for the payment of debts and its accounts have been blocked for more than 3 days, or if according to the seller's estimate the buyer becomes insolvent, even though insolvency is not



established by a court decision, or if there are any other reasons from which the seller may reasonably conclude that the buyer will not be able to fulfill its obligations,

d. the buyer ceases to run the business.

3. If the legal transaction is concluded for an indefinite period of time, either of the contracting parties may terminate it within a three-month notice period.
4. The statement of cancellation or resignation must be provided by registered mail, which is considered delivered no later than by the end of the third working day from the date of submitting the consignment to the post office and entering into force on the day of delivery.

VI. COMPLAINTS

1. The buyer must notify the seller immediately about any obvious mistakes or defects, regarding the quantity and quality of goods or service. The hidden defects must be reported by the buyer immediately when the defect is noticed. The seller is not responsible for defects that appear 3 months after receiving the goods or services.
2. The seller takes into account the buyer's complaints only if they are submitted in writing, in a timely manner and are justified in terms of the provisions of the Code of Obligations. When delivering goods, a deviation of goods of +/- 10% per individual order position is allowed, whereby such deviation is not considered a (quantitative) material error. Any physical damage to the goods, resulting from impact, fall, lightning, improper packaging, improper usage, handling and storage, etc. is not a matter of warranty, unless the buyer clearly proves that it received such goods upon signing the acknowledgement of receipt.
3. The seller is obliged to respond to the complaint and start the process of resolving the complaint as soon as possible, and no later than within 8 days from the date of receiving the notification of the complaint. The complaint must be resolved within a reasonable time, the one that is objectively needed to carry out the necessary procedures to establish the facts and resolve the complaint.
4. The buyer shall not return the claimed goods to the seller without its prior written agreement. Without the explicit agreement of the seller, the goods for which the complaint procedure is in motion, should not be used by the buyer, otherwise the right to complain will expire for the quantity of goods used.
5. The seller is not liable for damages not caused directly to the goods, especially not for the lost profits, damage to the other things belonging to the buyer, damage due to equipment malfunction, production downtime, and/or other property and non-property damage to the buyer.
6. In any case of the seller's liability for damages, the total and maximum liability of the seller and the affiliates, employees, managers and subcontractors is limited to the value of the goods that caused the event of loss.

VII. EXTENDED RESERVATION OF OWNERSHIP

1. The goods remain the property of the seller even after delivery to the buyer, until the buyer pays the entire purchase price and any other obligations to the seller.

VIII. FORCE MAJEURE

1. Seller is not liable for any non-compliance or delay caused by force majeure, such as strikes, fires, floods, earthquakes, storms, accidents, traffic jams, acts of any government authority, wars, rebellions or riots, epidemics or other unpredictable events. Also, the seller is not responsible for failures or delays caused by lack of manpower, energy, raw materials, production facilities or transportation. State body measures which regulate the distribution of a certain type of goods in a particular way or prevent the purchase or supply of goods are also considered an example of force majeure.
2. The seller is obliged to immediately notify the buyer about the occurrence or the end of force majeure.



3. If force majeure lasts for more than 3 months, the parties agree about the further fate of the legal transaction. If the parties are unable to reach an agreement, each party has the right to unilaterally terminate the legal transaction by giving written notice to the other party.

IX. BUSINESS SECRET

1. The entire legal transaction, including all related documentation, is considered a business secret. The contracting parties will adequately protect the data about mutual business on the basis of the legal transaction and prevent access to them by a third party. The responsible persons of the contracting parties are criminally liable for the release of information, classified as business secrets.
2. The parties agree to ensure business secrets and not to disclose business secrets to third parties without a prior written agreement of the other party. This does not apply to employees or associates who are in charge of reviewing this information and who need the information for their job.
3. The confidential information, arising from the contractual relationship and documentation will be protected as confidential by the buyer and seller at least with the same care as they protect their own confidential information. Neither party may disclose or use this information for any purpose which is not directly related to the implementation of the contractual rights and obligations without the prior written agreement of the other party.
4. Sketches, schemes, calculations, instructions, lists, letters, notes, contractual documents and other data, in materialized or non-materialized form, are also considered business secrets.

X. APPLICABLE LAW

1. Regarding the conclusion of the contract, the contract itself, these GSC and all possible disputes arising from the contract or these GSC, the law of the Republic of Slovenia exclusively applies, explicitly excluding the application of private international law and the UN Convention on Contracts for the International Sale of Goods (Vienna Convention on the International Sale of Goods - CISG), in accordance to which the contract and the GSC will be interpreted. The relevant provisions of Slovenian laws and regulations regulate all rights and obligations of the contracting parties, which are not explicitly defined in the contracts or these GSC.
2. The parties will attempt to amicably resolve any disputes. If they are not successful, the court in Celje, Slovenia, has jurisdiction to resolve them for them.

XI. FINAL PROVISIONS

1. The possible invalidity of individual provisions of the GSC or legal transactions does not affect the validity of the remaining provisions of these GSC and/or the legal transactions in which these GSC are included.
2. These GSC and any changes come into force on the day of publication on the seller's website - <https://www.konuskonex.si/>. The GSC are valid for an indefinite period of time or until they are changed. Prior to concluding the contract, the buyer is obliged to check the validity of the GSC and monitor any changes on the seller's website.

The day of publication on the website is 04th of May 2021.

KONUS KONEX LCC.