

GENERAL TERMS AND CONDITIONS OF SALE

I. General

- 1.1. The following *General Terms of Sale* (hereinafter: General Terms) are applied to all the agreements of DIEM d.o.o., Ulica ob hrstih 8, 1291 Škofljica (hereinafter: the Supplier) which refer to the sales and delivery and/or services (hereinafter: the Products) to the Client (hereinafter: the Client).
- 1.2. These General Terms are applied to all agreements which are concluded by the Supplier and persons who, according to the Consumer Protection Act, are not considered consumers.
- 1.3. By accepting the offer, confirming the order or delivery of the Product, the Client accepts the provisions of the General Terms without specific prior written consent. Agreement provisions of a certain agreement concluded between the Supplier and the Client which are in contrary to the General Terms are valid only if they are specifically defined in written form and are signed/authorized by the Supplier.
- 1.4. The General Terms are published on the Supplier's internet pages, www.diem.si, and are also visible in the Supplier's business premises. The General Terms represent an obligatory part of each agreement the Supplier concludes with a Buyer.

II. Price

- 2.1. The Supplier's prices are calculated in EXW DIEM parity (Incoterms 2010). Prices are expressed in EUR (for export invoices and for in-country invoices) and Value Added Tax is calculated in accordance with the positive regulations of the Republic of Slovenia.
- 2.2. Packaging is not included in the price if it is not previously arranged otherwise. The Supplier has the right to charge packaging or other added expenses and can issue an invoice for services rendered or can add these charges to the price of the Products.

- 2.3. All other expenses (transport, insurance, taxes, customs, import and export authorization etc.) are additionally calculated.
- 2.4. For orders which net value is less than 100.00 EUR, the Supplier has the right to charge administrative expenses in the amount of 20.00 EUR.
- 2.5. Prices and conditions stated in the offer are valid for 30 days upon issue of such an offer.
- 2.6. The Supplier has the right to a partial delivery of the Client's orders and each individual delivery will have an individual receipt/invoice.

III. Documentation

- 3.1. Information listed in our catalogues, brochures, internet pages, product listings, technical pages, assembly instructions and any other form (hereinafter: the Documentation) can be changed without prior notice and the Product can differ and/or deviate from the Documentation.

IV. Payment / Title and Risk

- 4.1. Payment is made directly into the Supplier's giro account before delivery unless it is otherwise stipulated in the agreement/confirmation order. In instances where payment is mutually agreed to be postponed, the Client shall issue the Supplier an acceptable payment insurance instrument before delivery. The Client and the Supplier are obliged to both pay for their own transaction expenses of their own banks.
- 4.2. Should payments be late, the Supplier has the right to terminate their agreement (not risking his other rights and claims which he is entitled to). In such a circumstance, the Client is obliged to, without postponement, return the Supplier's goods. The Supplier also has the right to stop further deliveries and request compensation for damages as well as default interests in the amount for which the payment is overdue.
- 4.3. In the event that the Client has unexpected business circumstances which brings his payment abilities in question after he has made an order, the Supplier holds the right to stop delivery and request payment in advance or additional payment insurance instruments.

- 4.4. The Products are the Supplier's property until the payment of the whole claim i.e. the fulfillment of all obligations the Client has toward the Supplier.
- 4.5. The Client is responsible for the risk of accidental decay or damages to goods which are not yet in his ownership from the moment such goods are handed to him. During the duration of retention of title, the Client may not encumber them or use them as an instrument of payment towards others.
- 4.6. The Client is obliged, without delay, to inform the Supplier of every confiscated item that is under retention of title and of every intervention made by third persons.
- 4.7. The Client cannot refuse payment of delivered Products for any reason whatsoever nor can the Client single-handedly reduce (or make a barter transaction for) the claim or payment amount.

V. Cancellation Charges

- 5.1. All quality and amount amendments made in written form within 24 hours after the receipt of an order confirmation made by the Client shall be accepted free of charge.
- 5.2. If the Client for no justifiable reason cancels the order or is late in doing so, the Supplier holds the right to compensate incurred damages at the Client's expense, including lost profit.

VI. Delivery and Acceptance

- 6.1. The Supplier is obliged to adhere to delivery dates stated in the receipt order. The Supplier's delivery dates for ordered goods are calculated from the day of confirmation of the final order by the Client, providing that the Client has fulfilled all obligations toward the Supplier. If a precondition for delivery is such that the Client needs to obtain documentation then the delivery dates start to run from the day when the Supplier receives all such documentation from the Client.
- 6.2. In the event that the delivery of the Product is late, the Supplier is not responsible for any direct or indirect expenses neither can the Client cancel the order.

- 6.3. The Supplier shall not be liable for any damages which arise from not delivering an order if the reasons for non-delivery are justifiable. Should such a situation arise, the Supplier must inform the Client in writing and on time.
- 6.4. When the Client accepts goods and signs the shipping documents it is understood that the delivery of Products have been properly executed.
- 6.5. The Supplier has the right to have expenses reimbursed for each day that the ordered goods, which have not been collected by the Client, are stored. Upon the expiration of the 60 day period during which the Client was to collect the goods, it will be assumed that the Client has abandoned the goods and left them free of charge to the Supplier.

VII. Return of Goods

- 7.1. The Client can only return goods to the Supplier if the Supplier has previously agreed to such returns.
- 7.2. Should goods be returned then they are to be returned to the Supplier's warehouse. The goods may not be damaged and they must be in their original packages. The client pays for transport expenses.
- 7.3. The Supplier reserves the right to diminish the value of the goods which are to be returned by the Client.

VIII. Physical defects

- 8.1. The supplier is held liable for physical defects of Goods which the Goods had at the time of risk allocation to the Client whether or not such defects were known to the Supplier. The Supplier is also held liable for physical defects before the allocation of risk to the Client if those defects are the result of a cause that already existed. However, the Supplier is not liable for defects which were, at the moment of concluding the agreement, known by the Client or if they could not have not been known by him.
- 8.2. The Client must inspect, or handover for inspection, received Goods. If there are any visible defects the Client must notify the Supplier of them within 24 hours. Such notifications must be in written form and defects must be documented

(photographed) otherwise the Client forfeits their right to which he is entitled to on this basis.

8.3. Once the Client receives Goods and these Goods or parts of the Goods have a defect which could not have been discovered through usual inspection upon receiving these items, the Client is obligated, under threat of losing right, to inform the Supplier of such a defect in written form without delay. The Supplier is not held liable for defects noticed after six (6) months upon receipt of goods.

8.4. If the Client has duly informed the Supplier on time of defects on Goods or parts of the Goods, the Client has the right for the defect to be removed. The Supplier is obligated to remove the defect at his cost and within a reasonable time period. If the defect cannot be removed, the Supplier will deliver other Goods or its parts without such a defect to the Client. The delivery of such Goods or its parts shall be delivered within the time period which was in force for the delivery of such previous Goods. If it is not possible to remove the defect nor is it possible to deliver such Goods without defect, the Client holds the right to terminate the contract or can request a discount.

8.5. The Supplier is not held accountable for a defect which is an insignificant variation of the agreed upon quality of the Goods. The Supplier can also not be held liable for defects caused by unprofessional or undue handling, for the use of undue equipment, for the overexertion of Goods, for natural wear and tear, for the effect of chemical, electrochemical, biological or other effects, for unprofessional assembly or for unprofessional operation by the Client or third persons if such defects cannot be attributed to the Supplier.

8.6. The Supplier cannot be held liable by the Client or third persons for any damage caused by undue and unprofessional use of Goods, improper repair or modification of Goods which have been done contrary to instructions and conditions issued by the manufacturer and which are violated by the Client or third persons.

IX. Legal deficiency

9.1. The Supplier guarantees the Client that no third parties have rights over the delivered Goods, which rights could exclude, diminish or limit the rights of the Buyer.

9.2. If there were to be a third person who would claim some right over the delivered Goods, the Client is obliged to notify the Supplier in writing of this without delay and request that the Supplier frees the Goods of rights or requests by third persons within a reasonable period. If the Supplier does not comply with the Client's demands and the Goods are taken away from the Client, the agreement will be terminated by law. In the event that the Client's rights are diminished or limited the Client may request a pro rata discount.

X. Liability Disclaimer

- a. The Supplier is not liable for an improper delivery if the Client makes an error or a wrong specification in his order.
- b. The Supplier is not liable for any expenses that could arise as a result of the non-functioning of a product (failure, transport costs, costs for renting a substitute product, expenses for replacing the product and other).
- c. The Supplier is not liable for any damages caused from the impossibility to remove the Product's defect, damages due to force majeure or events on which the Supplier has no influence (epidemics, mobilization, wars, labor disputes, import and export limitations, embargos, accidents, late or incomplete deliveries of raw materials, products and semi-finished goods and other).

The Supplier is liable within the boundaries of the producer's liabilities and within the boundaries of the producer's quality specifications for the quality of each built-in part. If no such specifications exist, the Supplier is liable within the boundaries of minimum expected quality.

XI. Confidentiality of Information

The Client is obliged not to share information about the terms and details of his collaboration with the Supplier as well as the Supplier's Documentation with third parties.

XII. Proper Law and Jurisdiction

The Client and Supplier shall solve disputes amicably. If they fail to do so the Court of Ljubljana has jurisdiction.