

## **GENERAL PURCHASE CONDITIONS**

**Version 2, valid from 16/09/2019**

### **1. Validity:**

The present general purchase conditions (henceforth: General conditions) shall be valid for all transactions concluded by the Impol Group (henceforth: Ordering party) with suppliers, contractors or vendors (henceforth: Suppliers) for the purchase of equipment, material, products or services (henceforth: Goods or Service). The present General conditions are an integral part of all transactions concluded between the Ordering party and the Supplier. In case of deviations between these General conditions and the provisions in the contract, the provisions in the contracts shall apply.

The present General conditions shall have precedence over eventual general and special conditions of the Supplier or they shall exclude them. The general and special conditions of the Supplier shall bind the Ordering party only in case of express written agreement.

The Supplier may at any time view the General conditions on the Ordering party's website: [www.impol.si](http://www.impol.si).

### **2. Transaction conclusion and amendment:**

Transactions and their amendments shall be concluded in written form. The Ordering party shall confirm eventual oral agreements in written form, otherwise they shall not apply.

The Supplier shall be liable to confirm in writing the Ordering party's order within 7 days from its receipt. Should the Supplier fail to do so in the specified period of time, the Ordering party shall have the right to cancel the order in the subsequent 7 days, otherwise the order shall be deemed as accepted, even though the Supplier failed to confirm it in writing.

### **3. Prices:**

The prices indicated in each individual transaction are fixed and binding, and they may be not modified without the Ordering party's written consent. In case of aluminium supply, the prices shall be set in accordance with agreement and it shall be sufficient that the contract defines only the formula for setting or calculating the price and not the final price.

If not otherwise agreed by an individual transaction or contract, the price under the DDP clause (Incoterms 2010) shall apply.

### **4. Delivery date and contractual penalty:**

The delivery date shall be specified with each individual transaction or contract. The delivery date shall be binding and may be amended only by the Ordering party's written consent.

In case that the Supplier is unable to deliver the Goods in the agreed period of time due to force majeure, the Supplier shall offer the Ordering party a new delivery date. If the new delivery date is not convenient to the Ordering party, the Ordering party shall reserve the right to partially or entirely cancel the order and request the reimbursement of the costs and damage that may be incurred.

Partial deliveries of the ordered Goods shall be allowed only with a prior written consent by the Ordering party.

Should the Supplier be late in delivering the Goods, the Ordering party shall have the right at its own discretion to withdraw from the contract without notice or to charge the Supplier a contractual penalty

amounting to 0.5% of the contract value for each started calendar day of delay, however, not more than 10% of the final contract value. If the damage incurred by the Ordering party is greater than the contractual penalty, the Ordering party shall also have the right to request the difference up to the full compensation for damage.

In case of early delivery, the Ordering party may refuse to accept the Goods.

#### **5. Contractual volume:**

Deliveries may deviate from the contractually agreed volume by no more than +/-2% of the contractually agreed volume.

#### **6. Physical takeover of Goods:**

The Ordering party (excluding Rondal d. o. o.) shall carry out the acceptance of the Goods at its headquarters from Monday to Thursday, between 6.00 and 15.00, and between 6.00 and 13.00 every Friday. Rondal d. o. o. shall carry out the acceptance of Goods at its headquarters every day from 6.00 to 14.00.

Goods may not be accepted on Saturdays, Sundays and during holidays. A written consent must be obtained from the Ordering party for every deviation from the days indicated above.

#### **7. Packaging and packing:**

The packaging and/or goods must be ecologically sound in accordance with the standards for which the supplier shall obtain a relevant statement of compliance. Packaging must not contain heavy metals and dangerous substances, and the concentrations of lead, cadmium, mercury, and hexavalent chromium in the packaging or in the packaging material must not exceed 0.01% (m/m).

At the request of the Ordering party, the Supplier shall be liable to draw up and present a packaging and labelling proposal which the Ordering party shall confirm before deliveries being carried out. The Supplier shall pack and label the Goods in a professional manner, unless otherwise requested by the Ordering party. The Supplier shall be entirely liable for damage to the Goods and for incorrect or defective packaging.

#### **8. Acceptance documentation:**

The Goods shall be accompanied at all times by a delivery note signed by the Supplier and the manufacturer's attestation in case of delivery of raw material and material for the use of which chemical composition is of key importance. In case that additional documentation or samples are required for each individual transaction, these shall have to be handed over with the Goods upon their acceptance.

#### **9. Invoicing and payment conditions:**

Invoicing shall be carried out after each individual transaction. Each invoice shall be issued in accordance with the conditions of each individual transaction and shall be accompanied by a delivery note signed by the Ordering party's responsible person accepting the Goods/Service. In case of partial deliveries, the entire invoice may be issued after the last partial delivery being carried out.

The invoice must bear the order number.

In case that the invoice sent to the Ordering party by the Supplier is incomplete or incorrect, the Ordering party may reject it or may request a new one to be issued, and the Supplier shall not have the right to charge the Ordering party any interests on late payment for such rejected invoice.

An offset, assignment, assignment of claims, multilateral offset or other similar payment method shall also count as an ordinary payment method.

#### **10. Delivery implementation – transfer of risk:**

Delivery, takeover of Goods and transfer of risk depend on the agreed parity (Incoterms 2010) in the transaction.

If not otherwise agreed in each individual transaction, it shall be deemed that the delivery location is the Ordering party's warehouse according to the DDP parity (Incoterms 2010). As an exception, Goods may be accepted at another location, of which the Ordering party shall inform the Supplier by prior written notice.

#### **11. Quality:**

The Supplier guarantees the quality of the ordered Goods. The Supplier shall also guarantee that all the supplied Goods and its parts are original and shall be liable to deliver the ordered Goods in accordance with the contract and all the attached documentation (particularly plans and technical description of the Goods), and in accordance with international, national and technical standards. The Goods shall have the regular characteristics and the characteristics for which the parties specifically agreed upon, and shall correspond to the standard characteristics of the Supplier's Goods. If the Supplier is aware of the purpose for which the Ordering party shall use the Goods, it shall also have the characteristics for the known use.

The Supplier shall not make any amendments to the Goods or Product without prior written consent of the Ordering party.

The Suppliers shall set up a system for identifying non-compliant Products or Goods, namely by not supplying to the Ordering party the Products/Goods that fail to meet the quality requirements of the Ordering party. The Suppliers shall set up a system for managing documents, namely by ensuring the use of the most recent applicable technical specifications of the Ordering party.

The Supplier shall ensure that its employees are aware of their responsibilities regarding the quality and compliance of the Goods/Service.

After prior announcement, the Ordering party may carry out an inspection and assessment at the Supplier in order to ascertain if all the conditions referred to in the technical documentation (PTP) are met. Should any inconsistencies be established during such inspection at the Supplier and the Supplier fails to remedy them even after being warned by the Ordering party, the latter may withdraw from the contract.

In case of established inconsistencies of the supplied Product/Goods, the Supplier must fill in the "8D report" and immediately or in the agreed period of time implement corrective measures in order to remedy the non-compliance.

In order to ensure quality, the Supplier shall also maintain a tracking system from raw material to product.

#### **12. Complaints with regard to volume and quality:**

The Ordering party undertakes to issue a complaint with regard to the volume immediately after takeover, however, not later than within 5 working days after acceptance, and shall issue a complaint with regard to quality immediately after defect was noticed, however, not later than within 6 months after acceptance. The Supplier shall address any defect after receiving the complaint within 30 days

after receiving the complaint or in the shortest time possible, if specifically agreed upon between the Supplier and the Ordering party, and undertakes to reimburse the Ordering party all the damage incurred (e.g. costs of suspension of production, damaged products, etc.). All costs relating to the complaint, in particular costs of returning the Goods to the Supplier, the costs of addressing the complaint, the verifications and tests, and the costs of delivering suitable Goods shall be borne by the Supplier.

In case of the Supplier's inactivity or in emergency cases, the Ordering party shall have the right to rectify the deficiencies itself or with the assistance of a third party. The Supplier shall bear all costs related to this in their entirety.

### **13. Compliance with the legislation**

The Supplier shall guarantee that the Goods supplied or Service provided comply with all the legal requirements governing the quality and safety of the Goods/Service.

### **14. Sustainable development**

The Supplier guarantees that it operates ethically and recognises the meaning of fairness and integrity in conducting business. In conducting business the Supplier observes the provisions of the Code of Conduct for suppliers of the Impol Group and reasonably observes the provisions of the Code of Business Conduct and the Policies of the Impol Group, which are accessible at [www.impol.si](http://www.impol.si).

The Supplier guarantees that it observes all statutory regulations, including competition law.

The Supplier guarantees that in conducting business it does not allow for any corruption and bribing or any other illegal practices to occur in the area of its business operations. In conducting its operations the Supplier shall not request, receive, offer or assign any undue benefit, if it is contrary to the moral norms, or any other advantages.

With regard to the collection and processing of personal data, the Supplier shall operate in accordance with the relevant legislation in the area of protection of personal data, where applicable, in accordance with the REGULATION (EU) 2016/679 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL dated 27/04/2016 concerning the protection of individuals with regard to the processing of personal data and on the free movement of such data and the repeal of Directive 95/46/EC (GDPR) with the purpose of protecting the privacy of individuals.

The Supplier shall observe all applicable social, labour and legal regulations, including international standards in the area of labour and the Universal Declaration of Human Rights, and shall not avoid safeguarding employees' rights by concluding different forms of work which represent disguised employment, particularly the Supplier shall:

- ensure that its employees and candidates for employment are protected against discrimination, sexual and other types of harassment and mobbing in the workplace;
- ensure that the entering and exiting employment is voluntary and shall not avail itself of any form of forced labour and child labour;
- respect the right to trade union freedom and collective negotiation;
- ensure payment to its employees for the performed work in accordance with the international standards, applicable legislation and collective agreements;
- ensure that working hours of employees are compliant with the international standards applicable legislation and collective agreements;
- ensure hygienic working conditions;

- ensure a safe and healthy working environment for its employees, contractors and visitors and shall adopt all measures necessary for the safety and health at work in accordance with the applicable legislation and relevant standards;
- act in a socially responsible manner.

The Supplier undertakes to reduce the impact of its products and services on the environment throughout their entire life cycle.

Moreover, the Supplier undertakes to use sources responsibly with the intention of preserving nature and the environment in accordance with the principle of the rights of future generations and shall observe the applicable legislation and relevant standards in the area of environmental protection.

#### **15. Withdrawal from the contract:**

In case the Supplier withdraws from the contract without fault reasons on the Ordering party's side and the reason for the withdrawal from the contract is not force majeure (bankruptcy, natural catastrophes), the Supplier shall be liable to reimburse the Ordering party all the costs of the buy-in. In case of withdrawal from the contract for the supply of aluminium, the Supplier shall also have to reimburse the Ordering party the difference between the contractual LME price and the market LME price on the date of the withdrawal from the contract, if on the date of the withdrawal from the contract this price is higher than the contractual LME price.

Furthermore, the Supplier shall also be liable to reimburse the Ordering party all the damage incurred by the Ordering party due to the withdrawal from the contract.

The Ordering party may withdraw from the contract without notice in the following cases:

- if the Supplier is late with supplying the Goods;
- if the delivered Goods have not the agreed upon quality or has material defects and the Supplier fails to correct them within 30 days after receiving the complaint or in a shorter period of time, specifically agreed upon between the Ordering party and the Supplier;
- if it is evident that the Supplier shall not be able to fulfil its obligations in time.

#### **16. Transfer of contract and assignment of claims:**

The Supplier shall have the right to transfer or assign the transaction and/or any right, including the claims and obligations under the transaction, to a third party only if it obtains the Ordering party's prior written consent.

#### **17. General labour conditions for services:**

Works may begin only after prior agreement with the responsible process manager of the Ordering party. The Contractor shall be liable to comply with the legislation in the country of the Ordering party's headquarters and with all the instructions received from the Ordering party. Works may be carried out only by qualified employees of the Contractor or suitably qualified subcontractors.

#### **18. Health and safety at work:**

The Contractor providing the service shall be responsible for the safety and health at work of the employees working for the Contractor on any basis. The Contractor undertakes to respect the principles of safe work and use the appropriate means of protection. The Contractor shall suitably secure and mark the working area. When carrying out work at an altitude, the Contractor shall prevent persons from moving under the working area, appropriately secure and mark the area and ensure safe

lifting and transferring of loads. After completion of the works, the Contractor shall remove all the markings, clean the area, install functional security devices and safeguards, and close and lock the doors of the switching devices in case of operating the electrical devices. In case work is being carried out by the Contractor at the joint worksite, the Contractor shall together with other contractors at the joint worksite sign a Written agreement on the joint precautions to ensure safety and health at work at the joint working site, the proposal of which is published on the website [www.impol.si](http://www.impol.si).

#### **19. Environmental protection:**

The Supplier ensures that the delivered Goods comply with all the regulations in the field of environmental protection and health, which are applicable in the EU and USA.

The Supplier shall be liable for the payment of compensation for possible damage that the Ordering party would incur due to ecologically questionable delivered goods or due to inappropriate or unsuitable packaging.

The Supplier undertakes to observe the requirements of the REGULATION (EC) 1907/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL dated 18/12/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), and of the REGULATION (EC) 1272/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL dated 16/12/2008 on classification, labelling and packaging of substances and mixtures. amending and repealing Directives 67/548/EEC and 1999/45/EC, and amending Regulation (EC) 1907/2006 (CLP Regulation). The Supplier undertakes to submit to the Ordering party the safety data sheet in the Slovenian language, issued in accordance with the REACH Regulation and CLP Regulation, upon each first delivery and upon each eventual modification, where applicable. Furthermore, the Supplier also undertakes to submit to the Ordering party a technical data sheet or technical instruction in the Slovenian language, containing information on the use and preparation of the delivered hazardous substance or chemical substance, upon each first delivery of a hazardous substance and upon each eventual modification. The Supplier undertakes to register in advance, where necessary, all chemicals or chemical substances.

The Supplier ensures that the supplied goods do not contain conflict minerals – gold, cassiterite, coltan, and wolframite – originating from conflicted-affected areas and high-risk areas.

The Contractor shall collect and dispose of all the waste generated in carrying out the works in accordance with the applicable legislation.

It is prohibited to discharge polluted water into the drains and must be treated the same as other waste.

The Contractor shall be liable to use hazardous substance in a safe manner and prevent possible accidents.

#### **20. Intellectual property and professional secrecy:**

The Supplier shall be liable to protect the Ordering party from third party claims, pursued in relation to the subject of the order delivered by the Supplier, due to the infringement of the industrial property rights (patent, model, license, trademark) and shall protect its interest in a possible dispute and reimburse all the incurred damage (costs before litigation, litigation costs, obligation to pay the reimbursement to be paid by the Ordering party, etc.).

The Supplier shall be liable to protect all the information and documents submitted by the Ordering party in order to execute the transaction as professional secrecy. All the documentation (drawings,

technical documentation, plans, including models and samples, templates, etc.) received by the Supplier from the Ordering party shall remain the property of the Ordering party. At the Ordering party's request, the Supplier shall be obliged to return the above documentation to the Ordering party. It shall be prohibited to submit or distribute the above documentation and may be used only for purposes of realising the agreed transaction. In addition to these General purchase conditions, the Confidential Information Protection Agreement shall also apply in order to protect professional secrecy. In case of inconsistencies between general conditions and the agreement, the provisions of the latter shall apply.

#### **21. Keeping of documents:**

The Supplier shall be liable to keep all the documentation in relation to the transaction with the Ordering party and in relation to the Goods supplied to the Ordering party for another 25 years from the supply of the Goods, (unless specifically indicated otherwise).

#### **22. Subcontractors**

The Supplier undertakes to transfer all the requirements and obligations, stemming from these General conditions and legal transaction, concluded between the Supplier and the Ordering party, to its subcontractors.

#### **23. Law and competent court:**

The contracting parties (Ordering party and Supplier) shall settle all eventual disputes by mutual agreement. If they fail to do so, the competent court in the country of the Ordering party's headquarters shall resolve the dispute.

In transaction with an international element the law, which is relevant for regulating the relationship between the Ordering party and the Supplier, is the law of the country in which the Ordering party has its headquarters, whereby the application of the provisions of the international private law and the provisions of the UN Convention on contracts on the international sale of goods (Vienna Convention on the International Sale of Goods – CISG) shall be expressly excluded.

#### **24. Final provisions:**

The possible invalidity of an individual provision of the General conditions or transactions shall not impact the validity of the remaining provisions of these General conditions and/or transactions in which these General conditions are included.

These General conditions are written in the Slovenian, Croatian, Serbian and English language. In case of ambiguity or inconsistency, the General conditions in the Slovenian language shall apply for explanation and interpretation.

The General conditions and each amendment shall begin to apply on the date of publication on the Ordering party's website – [www.impol.si](http://www.impol.si). The General conditions shall be valid for an undetermined period of time or until their amendment. The Supplier shall be liable to verify the validity of the General conditions and monitor their eventual amendments on the Ordering party's website before concluding the contract.

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