

GENERAL SALES CONDITIONS

Version 5, valid from 24.10.2022

1. SUBJECT AND SCOPE OF THE GENERAL SALES CONDITIONS

1.1 These General Sales Conditions regulate the relationships between any company in the Impol Group, which acts as a seller (Hereinafter: Seller) and the buyers of their goods and products from the sales programme (Hereinafter: Buyer). These General Sales Conditions shall apply to all legal relationships between the Seller and the Buyer, except if the Seller and Buyer expressly agree otherwise with regard to individual rights or obligations. Only agreements concluded in writing shall apply. These General Conditions only apply to the sale of goods to legal entities.

1.2 In case of agreements between the Seller and the Buyer, which regulate individual rights and obligations differently than these General Sales Conditions, this shall not affect the validity of the remaining provisions of these General Conditions. These General Conditions shall prevail over any and all general purchase conditions or other referenced terms and conditions of the Buyer, unless the Seller and the Buyer expressly agree otherwise in a formal document executed by at least two (2) duly authorized representatives of the Seller. By accepting the offer or the goods delivered and/or services rendered by the Seller, concluding the contract and with each placement of an order or in any other mutually acceptable manner the Buyer confirms that it accepts these General Sales Conditions and that it fully agrees with them.

2. CONCLUSION OF THE CONTRACT AND PROCUREMENT

2.1 A contract between the Seller and Buyer is concluded when the Seller and Buyer sign a written contract or when the Seller and the Buyer agree upon essential elements of the contract in accordance with these Conditions. The Seller and Buyer may conclude the contract with which they determine the volume and type of goods or services, the supply dates and price for the entire contract duration. If with the contract the parties agree on a later specification of the goods, the Buyer undertakes to forward the order specification in the agreed period of time. In case the Buyer fails to submit the specification in time, the Seller may withdraw from the contract and charge the Buyer the costs of withdrawal from the contract in the amount specified in point 6 of these General Conditions. If the Buyer fails to forward each specification in time in accordance with the contract, the Seller may require the Buyer to do so.

2.2 Ordering takes place on the basis of the each time applicable price list, on the forwarded offer or contract concluded with an individual buyer. Each order must include basic information about the Buyer and the type, volume and desired supply date of the ordered goods. The order must be forwarded to the Seller in writing (e.g. via mail, fax or e-mail) or, if specifically agreed between the Seller and the Buyer, via other electronic methods such as EDI (Electronic Data Interchange). The order shall oblige the Buyer to purchase and take over all of the goods specified in the quotation and pay the full amount quoted by Seller, and only then to enforce its eventual rights, unless agreed otherwise.

2.3 The offer shall oblige the Seller up to the date of the offer validity specified in the offer. The contract shall be concluded when the Buyer accepts the offer within the period of time of the offer validity and informs the Seller about this. If the Buyer accepts the offer after the expiry of the period of time of its validity, the Seller shall have the right to decide freely whether to accept the order or not.

2.4 After receiving the Buyer's order, the Seller shall issue an order confirmation to the Buyer, in which it specifies the basic information about the Buyer, the type of goods, the volume, price and confirmed supply date, and any other information relating to the contract. Unless the Buyer rejects the

confirmation within three (3) days upon receipt, it shall be deemed that the Buyer entirely agrees with the contract or order confirmation and the conditions specified in it and the content of the confirmation shall be deemed final and binding between the Buyer and Seller.

2.5 If the Buyer rejected the order confirmation, which is in accordance with its order, and the Seller incurred costs due to this, the Seller may charge these costs to the Buyer.

3. DISPATCHING AND TAKING OVER GOODS

3.1 The supply period shall begin on the date of issuing the order confirmation to the Buyer. The Seller reserves the right to extend the delivery date in case of force majeure. The Seller shall be obliged to immediately inform the Buyer about the occurrence or conclusion of force majeure.

3.2 Unless otherwise agreed in writing, the Seller shall supply the products, FCA Impol (Incoterms 2010), in accordance with the standard methods of the Seller for packing and delivering.

3.3 Unless otherwise agreed in writing, the Buyer shall obtain at its own costs all the necessary import licenses and other consents, which are necessary in order to ship the product, and shall forward them to the Seller.

3.4 If the Buyer does not take over the goods in the agreed period of time, the Seller shall charge it with up to EUR 10.00 per tonne for each day of delay, i.e. as costs borne by the Seller due to the Buyer's delay in taking over the goods. In case of delay in taking over the goods by the Buyer, the risk of accidentally destroying or damaging the goods shall be transferred to the Buyer on the day when the Buyer starts to be in delay. The amount the Seller may request per month in liquidated damages shall be limited to five percent (5%) of the value of the goods for which the Buyer is in delay. In the event the Seller claims actual damages exceeding the liquidated damages, any previously paid liquidated damages shall be deducted from such claim to the extent they were paid for the same goods.

3.5 The Seller retains the right to partial supplies.

4. POSTPONING THE DELIVERY DATES

4.1 In case the Buyer wishes to postpone the contractually confirmed delivery date due to any reason and at its own request and the Seller approves this, the Seller shall reserve the right to charge contango costs or other appropriate lump sum for storage costs which may be incurred by Seller.

5. PRICE AND PAYMENT CONDITIONS

If one or more cost factors (such as including, but not limited to any exchange rate fluctuations, currency arrangements, amendments of duty, increases of costs of labour, raw material, material, energy products or other production costs, etc.) increase after the date of conclusion of the contract – even if this occurs due to foreseeable circumstances – the Seller shall reserve the right to increase the price of goods by notifying the Buyer in writing at any time prior to the supply, so that the price reflects the actual increase of costs for the Seller with regard to production or supply of goods.

5.1 The agreed prices do not contain taxes or any duties, including, but not limited to the value added tax and tax deductions which are charged or are based on amounts paid in accordance with the contract (total taxes). All taxes, related to purchased products, are under the competence of the Buyer (excluding the corporate income tax), unless the Buyer submits a certificate on exemption, which is acceptable for the Seller and relevant tax authorities. The Seller shall, if possible, calculate taxes as a separate item on the invoice issued to the Buyer. If the certificate on exemption, submitted by the

Buyer, is deemed to be invalid, the Buyer shall pay to the Seller the amount of the tax and eventual penalties and related interests.

5.2 All payments shall be carried out on the basis of issued invoices. The payment due date or payment maturity shall be specified in accordance with contractual provisions on the invoice. In case of late payment, the Seller shall have the right to charge statutory interests on late payment according to the applicable law.

If the payment conditions or payments are the subject of insurance (either with the Buyer's limit insured by the Seller with an insurance company or with another method of insurance (e.g. letter of credit, bank guarantee, etc.)) the payment conditions shall be valid:

- if the Buyer's total open debt plus the value of the new shipment of goods do not exceed the currently applicable limit insured by the Seller, whereby the amount of the insured limit is determined by the Seller's insurance company and may be amended, or
- if the Buyer's total open debt to the Seller plus the value of the new shipment of goods are covered or insured by another method of payment insurance (e.g. letter of credit, bank guarantee, etc.).

Should none of the above conditions be met, the Seller shall have the right to unilaterally amend the payment conditions into an "advance payment" or the right to request the payment of the purchase price before the supply of the goods.

Furthermore, the Seller shall have the right in case of failure to pay or fulfil other contractual obligations by the Buyer to stop the supply of the goods or withdraw from the contract after giving prior notice to the Buyer and charge the withdrawal costs to the Buyer. In this case the Seller shall not be liable to the Buyer for any damage or costs that would be incurred by the Buyer due to the failure to supply the products.

Claims due from the concluded contract, interests and other eventual claims may also be settled with an offset, assignment, cessation of claims and, where possible, with a multilateral offset through Ajpes or E-compensations or in any other similar manner. The repayment with the above financial instruments shall be deemed as a normal manner of repaying claims.

5.3 In case of transnational business operations in the EU, the goods shall be supplied to the Buyer without charging VAT, if the Buyer is registered in the VAR register for transnational business operations in the EU.

5.4 The Buyer shall be liable to forward its valid VAT ID to the Seller, which is also evidenced by data in the VAT information exchange system (VIES). For the entire duration of the contract the Buyer shall be liable to preserve the validity of the VAT ID. In case the Buyer forwards an invalid VAT ID or if during the duration of the contract the VAT ID changes (including the expiry of the VAT ID) and the Buyer fails to send a written notice to the Seller about the change within 1 (one) day from the date of the change, the Buyer shall pay the Seller VAT at the applicable rate in Slovenia, on the date when VAT becomes chargeable, and all other related costs (e.g. penalties, interests on late payment, etc.) within 3 (three) days from the Seller's notice to the Buyer about this.

5.5 The Buyer undertakes not to assign any claim against the Seller to third parties without the Seller's prior written consent.

6. WITHDRAWAL FROM THE CONTRACT

6.1 The Buyer may withdraw from the contract in writing by the time of shipment of the goods, however, in this case it shall have to pay the Seller all costs incurred to the Seller up to that time. The Buyer shall pay the costs of withdrawal (withdrawal fee) to the Seller also in case the Seller withdraws from the contract/order due to Buyer's fault. Costs of withdrawal include the difference between the contractual value of AI raw material on the date of conclusion of the contract/order placement and the market value at the time of receiving the withdrawal statement, the labour costs, the service costs, the financing costs and other costs incurred due to the withdrawal from the contract.

6.2 In addition to all other legal remedies at the Seller's disposal, the Seller may terminate the contract without notice, if the Buyer: (i) fails to pay any amount required hereunder within 5 (five) days after receiving a written notification on the failure to pay; (ii) is in material breach of the obligations hereunder; or (iii) becomes insolvent or an insolvency proceeding was initiated against it.

6.3 In case it is established after the conclusion of the contract that the Buyer shall not be able to fulfil its contractual obligations, the Seller may, before fulfilling its contractual obligations, require from the Buyer a relevant insurance of this obligations or the payment of the purchase price by advance payment. The Seller may retain the supply of the goods to the Buyer until then. After the expiry of the date set by the Seller for the Buyer to ensure additional insurances or the advance payment, the Seller may withdraw from the contract without notice.

7. EXTENDED RETENTION OF TITLE

7.1 The goods shall remain the property of the Seller even after being handed over to the Buyer's possession, namely until the Buyer pays the entire purchase price and any other eventual obligations toward the Seller (particularly statutory interests on late payment, etc). The Buyer shall be entitled to further sell the products, to which the Seller's retention of title applies, or may use them for production purposes, under the condition that this is the Buyer's normal business process and that the Buyer is not late with its payment obligations toward the Seller. Already with this (sales) contract, the Buyer cedes in advance all claims obtained by the Buyer with regard to further sale of the goods supplied by the Seller with extended retention of title to the Buyer to collateralize its claims obtained on the basis of the sales contract with regard to unpaid purchase prices. The Seller already accepts these claims. If the Buyer fails to use the goods within the framework of its regular business process or if the Buyer is late in settling its obligations toward the Seller, the Buyer shall have to inform its buyer (user) about the cessation of the claim and extended retention of title on the goods. The Buyer shall provide to the Seller all the data that the Seller might require for a possible recovery of ceded claims.

8. WARRANTY, COMPLAINTS AND LIMITATIONS OF LIABILITY

8.1 The Buyer shall be liable to immediately inspect the goods or as soon as possible. The Buyer must immediately point out possible manifest material defects, however, not later than 8 days from the supply date. In case of hidden defects, the Buyer shall issue a complaint immediately, however, not later than 8 days since discovering it. The Seller shall not be liable for hidden defects which become apparent 180 days after receiving the goods.

8.2 A goods deviation of +/- 10 % or a maximum of 3 t per individual order shall be allowed for the supply of goods, whereby this deviation shall not be deemed as a (quantity) material defect.

8.3 The Seller undertakes to resolve the complaints in a reasonable period of time for all the goods for which the Buyer has a relevant warranty and has timely informed the Seller about the defects.

8.4 Any physical damage of the goods, which is the consequence of impacts, falls, lightning strikes, incorrect parking, etc., shall not be covered by the warranty, except in case the Buyer clearly proves that it received such goods upon signing the takeover document.

8.5 Moreover, it shall lose the warranty for incorrect use, processing and storage.

8.6 The Seller shall not be liable for any damage caused to the Buyer as a consequence of the Seller's delays in fulfilling its contractual obligations due to incorrect or inaccurate information, specifications, projects or any other information provided by the Buyer.

8.7 The Seller shall also not be liable for damage caused directly to the goods, particularly not for loss of profit, damage to other items of the Buyer, damage due to equipment failure, suspension of production and/or other property and non-property damage to the Buyer.

8.8 In any case of the Seller's liability for damage, the joint and maximum liability of the Seller and of persons related to it, employees, managers and subcontractors, shall be limited to the value of the goods that caused the damaging event.

9. FORCE MAJEURE

9.1 The Seller shall not be liable for possible failures to fulfil its obligations or delays caused by force majeure, such as strikes, fires, floods, earthquakes, storms, accidents, traffic congestions, acts by any governmental authority, wars, uprisings or disorders, epidemics or any other unforeseeable events. Furthermore, the Seller shall not be liable for any failings or delays caused by shortage of workforce, energy, raw material, production capacities or transport.

10. HARDSHIP

10.1 Regardless of the fact that the contracting parties are committed to fulfil their contractual obligations, the Seller may negotiate with the Buyer to amend relevant contractual conditions within a reasonable period of time after this clause coming into force, if it proves that:

- further implementation of contractual obligations has become overly difficult for the Seller due to an event outside its control (including, but not limited to the reduction of its production capacity, etc.) and which could not be expected to be taken into account during the conclusion of the contract, and that
- the Seller could not avoid such an event or rectify its consequences.

10.2 Should the Seller and Buyer fail to agree on amending relevant contractual conditions, the Seller shall have the right to terminate this contract.

11. CONFIDENTIALITY

11.1 Confidential information deriving from the contractual relationship and contract documentation shall be treated by the Buyer and Seller as agreed in the NDA, but at least with the same care as they treat their own confidential information and they shall not disclose it to third parties without the prior written consent of the other party. No party shall disclose or use the data referred to in the previous paragraph for any purpose which is not directly related to the execution of the rights and obligations hereunder without the prior written consent of the other party.

11.2 The following shall also be deemed as professional secrecy: drawings, diagrams, calculations, instructions, lists, letters, records, contractual documents and other data in material or non-material form.

12. APPLICABLE LAW

12.1 The law of the Republic of Slovenia shall exclusively apply to this contract and these General Sales Conditions and all eventual disputes arising from this contract or these General Sales Conditions, 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), in accordance with which this contract and the General Sales Conditions shall be interpreted, shall be expressly excluded. Relevant provisions of the Slovenian legislation and regulations govern all rights and obligations of the contracting parties, which are not expressly defined by the contracts or these General sales conditions.

12.2 The parties shall resolve any disputes by mutual agreement. Should they fail to do so, the competent court in Maribor, Slovenia, shall resolve the dispute.

13. FINAL PROVISIONS

13.1 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 Sales Conditions are included.

13.2 These General Sales Conditions are written in the Slovenian, German and English language. In case of ambiguity or inconsistency, the General sales conditions in the Slovenian language shall apply for explanation and interpretation. If the Seller and Buyer are from different countries, communication between them shall be conducted in the English or German language, as the parties may agree or in accordance with the practice established between the parties.

13.3 The General Sales Conditions and each amendment shall begin to apply on the date of publication on the Seller's website – www.impol.si. The General Sales Conditions shall be valid for an undetermined period of time or until their amendment. The Buyer shall be liable to verify the validity of the General Sales Conditions and monitor their eventual amendments on the Seller's website before concluding the contract.

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