Ravne na Koroškem, 19.10.2023



# GENERAL PURCHASING TERMS AND CONDITIONS OF STESOL d.o.o.


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# GENERAL PURCHASING TERMS AND CONDITIONS

## 1. INTRODUCTION

**Article 1**

These General Purchasing Terms and Conditions (hereinafter: the “Terms”) govern the mutual rights and obligations between the Customer (buyer) and the Supplier/Contractor (seller) in cases involving orders for goods/services supplied or performed by the Supplier/Contractor. The Customer purchases materials/equipment/services exclusively in accordance with these Terms. Any sales terms and conditions of the Supplier/Contractor shall under no circumstances be binding on the Customer, even if the Customer has not expressly rejected them, unless the Customer has expressly accepted or confirmed the Supplier’s/Contractor’s terms and conditions in writing.

**Article 2**

These General Purchasing Terms and Conditions form an integral part of the contract/order between the Customer and the Supplier/Contractor and regulate the obligations of both the Supplier/Contractor and the Customer that are not expressly stated in the main text of the contract/order.

**Article 3**

Any deviation from these General Purchasing Terms and Conditions requires the Customer’s written consent. If the Customer has concluded a contract or annex with the Supplier/Contractor containing provisions different from those governing an individual purchase or service, these General Purchasing Terms and Conditions shall apply in all matters not specifically regulated by such contract or annex.

**Article 4**

These General Purchasing Terms and Conditions were adopted by a resolution of the management and entered into force on 1 February 2022. They are published on the website www.procesni.si. These Terms remain valid until revoked or amended. Any amendment or revocation of the Terms shall be published on the Customer’s website.

## 2. OFFER, ORDER AND ORDER CONFIRMATION

**Article 5**

Individual deliveries of goods/services shall be carried out on the basis of prior written notifications (offers), which shall bind both parties provided that the Customer issues a written order and, additionally, that the Supplier/Contractor confirms the order in full in writing. The order between the Customer and the Supplier/Contractor shall be deemed concluded on the date on which the Customer receives the Supplier’s/Contractor’s written order confirmation.

If the Supplier/Contractor does not confirm the order but nevertheless supplies the material, this shall mean that the Supplier/Contractor agrees with all terms stated in the order and shall have no grounds for subsequently contesting them.


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**Article 6**

If the Supplier/Contractor confirms the order while at the same time proposing amendments and/or additions to it, the order shall be deemed rejected and shall constitute a counter-offer, which shall be valid only if confirmed by the Customer.

**Article 7**

The General Purchasing Terms and Conditions shall bind the Supplier/Contractor if the order has been accepted in writing, as well as in the case specified in the second paragraph of Article 5 of these General Purchasing Terms and Conditions.

Notices from the Supplier/Contractor, the Supplier's/Contractor's offer and/or the Supplier's written acceptance (confirmation) of the order must also contain all of its identification details: company name and registered office as entered in the court register (an abbreviated company name is permitted), tax number and transaction account (TRR). The Supplier/Contractor shall immediately notify the Customer of any changes to the above information.

The contract/order between the Supplier/Contractor and the Customer may be supplemented or amended only in writing; written form is a condition for the validity of any amendment.

## 3. ACCOMPANYING DOCUMENTATION

**Article 8**

The following documentation forms an integral part of the order between the Customer and the Supplier/Contractor:

• handover/acceptance report;

• various accompanying documents, such as declarations of conformity or performance for materials and equipment, manufacturers' certificates, measurement reports, operating and maintenance instructions, warranty documentation, evidence of appropriate handling of hazardous substances and waste, and any other required documents specified in each purchase order/contract.

Accompanying documents are a mandatory attachment to the Supplier's/Contractor's invoice.

The accompanying documentation also forms an integral part of the delivery.

## 4. QUALITY OF DELIVERY

**Article 9**

The Supplier/Contractor shall perform the delivery of goods/services under the contract/order properly, to the required quality and in accordance with the applicable regulations of the Republic of Slovenia and the European Community (EC).

The goods/services supplied by the Supplier/Contractor must be of the prescribed quality. For all goods/services, the Supplier/Contractor shall, at its own expense, obtain the required documentation specified in the order/contract or in these Terms.


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For all goods/services of non-Slovenian origin, the Supplier/Contractor shall also, at its own expense, obtain a “Certificate of Conformity” issued by an authorised institution within the European Union and a Slovenian translation. The Supplier/Contractor shall submit this certificate to the Customer before or upon delivery of the goods/services for which such certificate is required.

The Supplier/Contractor may not deliver non-conforming goods/services or goods/services without evidence of quality. If this nevertheless occurs, the Customer shall reject such delivery and charge the Supplier/Contractor for all related costs.

For all changes and deviations, the Supplier/Contractor must obtain the Customer’s written consent.

## 5. DELIVERY, DELIVERY TIME AND PENALTIES

**Article 10**

Upon delivery of materials/equipment/services, the Supplier/Contractor shall provide the Customer with all necessary and required accompanying documentation specified in Article 8 of these Terms. All documentation must be provided in the Slovenian language.

The Supplier/Contractor shall deliver the subject of the order and hand it over to the Customer within the deadlines and in the quantities specified by the Customer in the order, unless otherwise agreed between the Supplier/Contractor/Investor/Procesni inženiring d.o.o., Tovarna ulica 7, 3000 Celje, Slovenia, in accordance with the applicable INCOTERMS rules. Unless otherwise agreed in the contract/order, delivery dates stated in the contract/order are essential and fixed upon confirmation of the order.

Upon expiry of the agreed deadline, the ordered transaction for the relevant goods/services shall automatically terminate; the Customer shall not be obliged to accept or pay for such goods/services or equipment, including any outstanding partial deliveries.

In the event of termination, the Customer shall be entitled to charge the Supplier/Contractor for all damage incurred (direct and indirect) due to failure to deliver the goods/services within the specified deadline. At its own discretion, the Customer shall be entitled either to claim liquidated damages amounting to 20% of the net contract price for the goods/services or to claim compensation for the actual damage incurred.

Notwithstanding the preceding paragraph, the ordered transaction shall not terminate if, immediately after expiry of the deadline and no later than within three working days thereafter, the Customer requests delivery of the goods/services, or if the Customer agrees to the Supplier’s/Contractor’s proposal to extend the delivery deadline accordingly. In such case, the Customer shall be entitled to charge the Supplier/Contractor a delay penalty of 0.5% of the contract price for each calendar day between the confirmed delivery date and the actual delivery date, but not more than 10% of the contract price, unless otherwise stipulated in the contract/order. Upon acceptance of the subject of the order, the Customer is not required to make a separate declaration to the Supplier/Contractor reserving the right to claim penalties.

## 6. PRICES

**Article 11**


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Prices specified in the contract/order are fixed. The Supplier's/Contractor's price, in addition to the purchase price, constitutes full payment and compensation for all materials, services, costs and expenses incurred by the Supplier/Contractor. The Supplier's/Contractor's price includes all costs of complete delivery, the costs of providing the required accompanying documentation specified in Article 8 of these Terms, tests, required training for the end user and any other costs stipulated by these Terms.

## 7. INVOICING AND PAYMENT

**Article 12**

Invoicing shall be carried out on the basis specified in the contract/order. A condition for issuing an invoice is the complete delivery of equipment/materials/services and the submission of the accompanying documentation required by the individual order/contract.

Payment of the invoice shall be made under the conditions stated in the order. If no payment term has been agreed between the Customer and the Supplier/Contractor, the payment term shall be 120 days from receipt of the materials/equipment and submission of all required accompanying documents specified in Article 8 of these Terms.

If the accompanying documentation is not supplied with the delivery of equipment/materials, the Supplier/Contractor's payment term shall be calculated from the date on which the required accompanying documentation is received.

If the delivered equipment/materials/services are defective or otherwise non-conforming, the Customer shall be entitled to withhold payment or part of the payment in proportion to the value of the non-conforming part of the subject of the order until proper performance.

The Supplier/Contractor shall not be entitled, without the Customer's prior written consent, to assign its receivables against the Customer or transfer them to third parties for collection.

Payment shall be deemed made on the date on which the funds are transferred from the Customer's transaction account (TRR) to the Supplier/Contractor.

**Article 13**

Upon signing the contract/order, the Supplier/Contractor shall provide the Customer with the agreed financial security (bank guarantee, enforceable promissory note, bill of exchange, etc.) for proper, high-quality and timely performance of the contractual obligations in the amount of 10% of the contract/order value.

If financial security for proper, high-quality and timely performance of the contractual obligations has not been agreed in the contract/order, the Supplier/Contractor shall provide the Customer with a bank guarantee in the amount of 10% of the contract/order value.

Upon handover and release of the security for proper performance of contractual obligations, the Supplier/Contractor shall provide the Customer with the agreed financial security for remedying any defects identified during the warranty period, in the amount of 10% of the contract/order value. The Customer may


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use this financial security if the Supplier/Contractor fails to remedy all identified defects and deficiencies during the warranty period.

If financial security for remedying defects during the warranty period has not been agreed in the contract/order, the Supplier/Contractor shall provide the Customer with a bank guarantee in the amount of 10% of the contract/order value.

If the Customer must engage another Supplier/Contractor to remedy defects during the warranty period, the Customer shall charge these costs to the Supplier/Contractor. In such case, the Customer shall also charge the Supplier/Contractor overhead costs of 10% of the value of the delivery performed by the other Supplier/Contractor in its place. If the Customer does not use the financial security, it shall return it to the Supplier/Contractor after expiry of the warranty period.

**Article 14**

Advance payments shall be accounted for in accordance with the contract/order. The Supplier/Contractor shall provide the agreed financial security for the advance payment.

If the Supplier/Contractor fulfils the order in accordance with the Customer's Terms, the Customer shall return the financial security to the Supplier/Contractor.

If the Supplier/Contractor fails to fulfil the order in accordance with the Customer's Terms, the Customer shall call upon the financial security provided for the advance payment.

## 8. ACCEPTANCE AND CLAIMS

**Article 15**

Delivery of materials/equipment/services in accordance with the requirements of the order (standards, quality regulations, etc.) shall be accepted upon presentation of the accompanying documents by the Supplier/Contractor at the Supplier's/Contractor's expense. Unless otherwise specified in the order, the subject of the order shall be at the Customer's risk until the Customer takes it over; the risk of destruction or damage to the subject of the order shall pass to the Customer at the moment the Customer takes over the subject of the order. The Customer shall perform a quantity and quality inspection upon acceptance. Any apparent defects in the quality or quantity of the subject of the order shall be notified by the Customer at the time of acceptance. Hidden defects shall be notified by the Customer immediately upon discovery during normal operation.

Acceptance of the subject of the order by the Customer does not exclude the Supplier's/Contractor's liability for improper performance or non-performance of the order. In this respect, the Supplier/Contractor waives the objection of untimely notification of defects.

If, upon acceptance or later during normal operation, the Customer rejects the subject of the order, the Customer shall notify the Supplier/Contractor in writing and may, at its own discretion: (i) withdraw from the order; (ii) accept the subject of the order with an appropriate reduction in price; (iii) require the Supplier/Contractor, at its own expense, to replace the subject of the order in whole or in part so that the


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quality of the goods/services complies with the order requirements; or (iv), if the Supplier/Contractor fails to replace or repair the subject of the order, have it repaired or supplied by another Supplier/Contractor at the original Supplier's/Contractor's expense.

If the quality of the subject of the order is unsatisfactory, the Customer shall not be obliged to accept or pay for such goods/services or equipment. The Customer shall also be entitled to liquidated damages under Article 10 of these Terms.

Delivery of materials/equipment/services without the required accompanying documentation shall also be considered unsatisfactory quality of the subject of the order.

The Customer shall be entitled to demand from the Supplier/Contractor payment or reimbursement of all costs, expenses and damages resulting from a defective or otherwise non-conforming subject of the order supplied by the Supplier/Contractor, including, without limitation, costs, expenses and damages incurred by the Customer or the end user of the subject of the order or of the product into which the subject of the order is incorporated.

Costs resulting from a defective or otherwise non-conforming subject of the order include in particular: (i) a flat-rate complaint handling cost of EUR 10.00; (ii) costs associated with remedying the non-conformity (downtime, repairs, etc.), charged according to the work actually performed and the Customer's price list for work operations applicable at the relevant time; (iii) storage costs for the subject of the order; and (iv) any other costs.

## 9. WARRANTY PERIOD

**Article 16**

The Supplier/Contractor warrants that the subject of the order shall, during the warranty period, be made of the required materials, workmanship and operation, in accordance with the requirements, specifications, documents, drawings and standards applicable to the order, free from defects in design and of the required quality and suitable for use in accordance with its specific intended purpose, where this has been specified by the Customer or was known or should have been known to the Supplier/Contractor when fulfilling the order.

The Supplier/Contractor warrants the quality, professionalism and full functionality of the materials/equipment supplied for the entire warranty period, which shall be at least 36 months after successful acceptance of the materials/equipment/services at the technical inspection or acceptance of the facility, or for the entire warranty period required by the Investor and specified in the contract/order. Manufacturer's warranty shall apply to installed equipment/materials unless otherwise specified in the contract/order.

If the Supplier/Contractor fails to provide the warranty documentation to the Customer upon delivery, a warranty period of at least 36 months after successful acceptance by the Investor shall apply.

During the warranty period, the Supplier/Contractor shall remedy deficiencies within a mutually agreed deadline. Such deadline must be agreed no later than five days after the Customer's request. If the


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Supplier/Contractor does not respond within this period, the Customer shall engage another Supplier/Contractor to remedy the defects at the original Supplier's/Contractor's expense.

The deadline for remedying deficiencies following a technical inspection shall be determined by the technical inspection commission. The Supplier/Contractor shall comply with the agreed deadline.

## 10. CHANGES

**Article 17**

The Supplier/Contractor may not withdraw from the contract/order. If the Supplier/Contractor withdraws from the contract/order, it shall bear all costs incurred in connection with termination of the works. The Customer may terminate the contract/order with the Supplier/Contractor if the Investor suspends the works or if the delivery of materials/equipment supplied by the Supplier/Contractor is cancelled. The Customer shall notify the Supplier/Contractor of the termination of delivery in due time. The Supplier's/Contractor's costs arising from non-delivery shall be recognised proportionally, in accordance with the contract/order between the Customer and the Investor.

**Article 18**

An amendment to the contract/order, contractual provisions or content is possible if requested by the Customer. The amendment must be made in writing and shall form an integral part of the contract/order.

## 11. ENVIRONMENTAL MANAGEMENT

**Article 19**

The Supplier/Contractor must be aware of the environmental impacts caused by its delivery of materials/equipment/services on the project.

For any storage of hazardous substances at the construction site, the Supplier/Contractor must obtain from the Customer an approved storage and handling proposal (instructions) and a list of hazardous substances.

Whenever hazardous substances are delivered, the Supplier/Contractor must provide valid Safety Data Sheets.

The Customer is the holder of ISO 9001:2015 certification (quality management system).

By signing the contract or accepting the order, the Supplier/Contractor undertakes, when supplying materials/equipment/services at the Customer's premises, to respect and comply with the Customer's quality policy, applicable environmental legislation, occupational health and safety legislation in the Republic of Slovenia and the EC, as well as the Customer's instructions concerning quality and environmental management communicated to it, particularly with regard to waste, work with hazardous chemicals or substances, and the handling of hazardous emergency situations.

**Article 20**


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In the event of failure to comply with the above and consequent damage, the Supplier/Contractor shall be liable to the Customer for all resulting damage, including any penalties, fines or other monetary measures imposed by competent inspectors or other authorities.

The Supplier/Contractor must provide equipment and procedures for emergency situations during work at the Customer's or Investor's premises (fire, flood, storm, accidents, spillage of hazardous substances, etc.).

**Article 21**

The Supplier/Contractor is responsible for the proper collection and appropriate disposal of waste and for packaging management, and must keep records thereof in accordance with the applicable legislation of the Republic of Slovenia and the EC.

## 12. PROTECTION OF BUSINESS SECRETS AND INTELLECTUAL PROPERTY RIGHTS

**Article 22**

The Supplier/Contractor undertakes to protect as business secrets all information of a business nature with which it becomes acquainted on the basis of the contract/order. This does not include generally known information that was known to it prior to conclusion of the contract/order.

The obligation to protect business secrets shall also remain in force after termination of the contract/order for any reason.

Procesni inženiring d.o.o. reserves intellectual property rights in items such as plans, sketches, diagrams and other technical documentation. Intellectual property shall at all times remain the property of the company. Reproduction, further distribution or disclosure thereof to third parties without the consent of Procesni inženiring d.o.o. is not permitted.

## 13. CHANGE IN MANAGEMENT / CORPORATE STATUS

**Article 23**

In the event of any corporate status change, in particular a change in the company's share capital, a change of an owner holding more than 10% of the company's share capital, a corporate transformation, division, merger, etc., the Supplier/Contractor undertakes to notify the Customer immediately, but no later than within 15 days after the change takes effect, by registered mail with return receipt.

In the above case, the Customer shall, at its own discretion, have the right to:

• withdraw from the contract within 30 days after receipt of the notice referred to in the first paragraph of this Article by a written declaration sent to the Supplier/Contractor by registered mail with return receipt, whereby withdrawal from the contract takes effect upon return of the return receipt to the Customer; the Supplier/Contractor shall have no right to compensation; or

• within 10 days after receipt of the notice referred to in the first paragraph of this Article, require additional security for its claims against the Supplier/Contractor. If the parties do not agree on the additional security


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within a further period of two months, the Customer shall have the right to withdraw from the contract in accordance with the preceding indent.

If the Supplier/Contractor breaches its duty to notify under the first paragraph of this Article, it shall pay the Customer a contractual penalty amounting to 15% of the contract/order value.

## 14. DISPUTE RESOLUTION

**Article 24**

The Supplier/Contractor and the Customer undertake to resolve amicably any disputes arising from the contract/order. If a dispute cannot be resolved amicably, it shall be resolved before the court having jurisdiction at the Customer's registered office.

**Article 25**

If, in connection with a delivery performed by the Supplier/Contractor, a dispute arises with the Investor, the Supplier/Contractor shall be obliged to participate on the Customer's side.


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