

GENERAL PURCHASE CONDITIONS; PODKRIŽNIK D.O.O., LOKE 33, SI-3333 LJUBNO OB SAVINJI

1. VALIDITY OF THE PROVISIONS

1.1 Cooperation between Podkrižnik d.o.o. (Company) and the supplier (Supplier) is regulated in accordance with these General Purchase Conditions. Any changes and additions to these conditions must be made in writing.

2. ORDERING AND SUPPLY OF PARTS, COMPONENTS, FINISHED PRODUCTS, GOODS AND SERVICES

2.1 Company shall forward the order to the supplier as:

- a) fixed order;
- b) delivery plan with partial recall;
- c) in another agreed manner.

Upon the prior written consent of the buyer and insofar as the information technology of the supplier allows this, the supplier can obtain the needs for orders, partial recalls or appropriate technical and technological documentation with direct entry into the customer information system database

2.2 Supplier will confirm the orders in accordance with the terms of the delivery contract concluded with the Company. In case it fails to do so, neither the contract nor the recall shall be rejected in writing within three days from the receipt of the order, the contract shall be valid for confirmed.

2.3 The agreed delivery deadlines are mandatory for the supplier, with the starting date for the deadline being the decisive date of the contract.

2.4 The Company reserves the right to withdraw from the contract at any time upon payment of the costs incurred, and the reason for the cancellation shall not be required.

2.5 Supplier has obligation to supply its products based on purchase orders, delivery plans or on another agreed basis within agreed delivery terms. In case of larger quantities, the buyer and the supplier can agree on successive supplies.

2.6 For each delivery, supplier must enter the name of the supplier, the number of the Company's order or the delivery plan or the other agreed mode, the customer's product identification number and the exact product name for all dispatch documents and invoices

2.7 Delivery takes place in accordance with compliance with the purchaser's instructions on the delivery to the address indicated on the order. For the products supplied, the form of origin of the product must be attached to the shipping documents. The Company will not take it without the corresponding dispatch documentation.

2.8 Supplier is obliged immediately notify to the buyer of any expected or delayed delivery. Such notice to the buyer does not exclude the consequences of the delay.

2.9 The quantities that are larger or smaller than the ordered quantities will not be accepted by the Company.

2.10 The Supplier shall bear all costs for special measures in the event of delays (eg. airline or express mail, etc.). The supplier must also reimburse all other costs incurred because of:

- a) deviations from the agreed delivery period and
- b) inadequate declarations of origin of the product.

2.11 In the case of overnight deliveries, products may be returned at the supplier's expense or the payment may be deferred until the agreed delivery date is used to determine the agreed payment period. In accordance with the agreed response time, the Company has the right to change the quantities and deadlines of the orders.

2.12 Products must be properly and safely packaged for transport in agreed units. Unless otherwise agreed, the packaging is not returned and is included in the price. At the request of the Company, the supplier must

provide the specified information on the material of the dispatched packaging. For damage to products that would result from insufficient packaging, the supplier will be responsible.

2.13 The Supplier is in danger of accidentally losing the product until entering the Company's warehouse. The insurance costs of the product will be reimbursed to the Supplier if the Company has requested the insurance.

2.14 The Company does not assume the cost of transport unless otherwise agreed in writing. Supplier is responsible for damage caused during transport.

3. ORDERING AND SUPPLY OF MATERIAL FOR CONTRACTUAL PRODUCTS

3.1 Supplier for contracted and ordered products purchases material that must be of a prescribed quality. By agreement, the Company can buy the prescribed material for the contract products and forward it to the supplier based on orders for processing.

3.2 If the material is supplied by the Company, the Supplier undertakes to pay all the costs and other charges related to the purchase of the material in case that he does not deliver the products according to the agreed norms.

4. PRICE

4.1 The price shall consist of the price of the product subject to the agreed delivery conditions. At the request of the Company, the supplier must show the value of the individual items contained in the product price.

4.2 No written price increases due to a change in the prices of individual items or the failure of the supplier to achieve the planned cost reduction or productivity improvement or any increase in the supplier's labor costs, total and other costs shall be made without the written consent of the Company.

5. DEADLINE AND METHOD OF PAYMENT

5.1 The Supplier must provide the Company with an invoice for the products delivered no later than one day after the goods are taken over at the buyer's warehouse or after the service has been provided.

5.2 The Company shall not accept the invoice without giving the Company's order number and indicating all the data identical to the data on the dispatch documents (Section 2.6). Such invoice will be rejected

5.3 The invoice shall not be accepted and will be rejected if the origin of the product on the invoice or on the attached international valid customs form is not indicated. This is not the case when a long-term or annual declaration for a particular product is agreed with the supplier

5.4 The received product will be paid by the Company within 90 days or within the period agreed in the contract, counted from the date of the issue of the invoice. In the event of a refusal of an invoice, the time limit for payment shall begin to run from the date on which the disputed relationship is resolved or from the date of receipt of the invoice.

5.5 Without the prior written consent of the Company, the supplier shall not be entitled to assign claims to the Company to third parties or to recover claims through third parties.

5.6 In the event of a complaint, the obligation of the Company to pay for the advertised products and services shall be suspended until the complaint is resolved.

6. QUANTITY AND QUALITY INSPECTION

6.1 The inspection of an individual shipment is carried out in the acquiring department of the Company.

6.2 The quantity and quality inspection is carried out by the Company.

6.3 The products must be manufactured based on the valid quality documentation, eg. PPAP, APQP, QAA, PZK, drawings, bundles, specific

buyer's requirements and other information provided by the buyer to the supplier at the first regular order or immediately upon modification. Quality requirements and the technical documentation are indicated on the order forms or delivery plans received by the Supplier before the start of the batch production.

- 6.4 The products are inspected by the Company with dispatch documents only by condition that their properties are in accordance with the order and the conditions specified in the quality documentation.
- 6.5 In cases where the Supplier supplies only a general declaration of suitability of the consignment in the case of consignments without providing the specific information required in accordance with the quality agreement, it shall be obliged to provide it at least once a year to the Company and keep all originals and forward them to the buyer at his additional request.
- 6.6 The quality assurance system is defined in the Quality Agreement.
- 6.7 The Supplier guarantees that the supplied products comply with the required technical conditions, have agreed or guaranteed properties, and enable proper operation without error. The Supplier further guarantees the quality and suitability of the supplied products in terms of material, manufacture, storage and proper storage time.
- 6.8 The products are Q-notificated by the Company when:
 - the supplied products do not meet or only partially meet the required technical conditions and other specified requirements;
 - do not have all agreed or guaranteed properties;
 - do not allow proper operation without error.

Exceeding the permissible error limits specific to a product can be determined based on:

- a) an analysis of random samples by the Company himself or another buyer;
 - b) routine assessment of the product;
 - c) CallRate analysis (analyses of Q-notificated products);
 - d) complains from the market;
 - e) in another appropriate way.
- 6.9 In the case of complaint based on conceptual or structural errors, the Company shall take steps to eliminate the cause of the defects. The Supplier is obliged to perform the changes without delay.
 - 6.10 In the case of errors arising from the installation of defective products, the Supplier is responsible for the elimination of these defects and their consequences. The Company must approve the corrective measures in writing.
 - 6.11 In the case (referred to 6.10), the Supplier must, in his own burden and on his own responsibility, replace defected products. It also carries the burden of the Company's repair costs, where defected products of the Supplier are installed.
 - 6.12 The Company shall forward the communication on the complaint case to the standard Q-notification form no later than within 21 days of the day the error is detected. The Supplier must complete the form and return it to the Company within 3 days of receipt.
 - 6.13 The Company has the right to request the elimination of errors or the supply of new seamless products within 24 hours of receipt of the complaint. If, due to the supply of defective products, the production process is threatened and there is no time to eliminate defects or replace it by the Supplier, the Company has the right to proceed to the sorting and repair of products himself or to demand a reduction in the purchase price or withdrawal from the contract.
 - 6.14 In the case of the need to prove the quality of the products in question with a third party, the Supplier is charged with all the costs. Third parties are quality control and testing institutions that are not in the organizational structure of the buyer or supplier.
 - 6.15 The Supplier shall supply a quality guarantee for a contractual product for a period of at least 24 months.

7. LIABILITY FOR LOSS OF OBLIGATION

- 7.1 Sorting of contract products by the Company which originates from complaints, is charged by the Company at a price of 25 €/hour. Before starting the sorting, the Company must inform the Supplier.
- 7.2 For any established inconsistency with the agreed quality and delivery conditions, the company charges a flat-fee of 300 EUR.

- 7.3 If the Supplier is late with the supply of products, the Company has the right to charge a contractual penalty in the amount of 1% of the value of the undeliverable product for each day of delay, max. up to 15% of the value of the undeliverable product.
- 7.4 In the case of a delay in deliveries, the Company may also request compensation from the Supplier for the damage caused by the congestion in production.
- 7.5 Buyer's orders may not be transmitted, either partially or in full, to a sub-supplier without Buyer's written permission.

8. BUSINESS SECRET AND PROTECTION OF INTERESTS

- 8.1 All the information and business, technical, commercial, production and other documentation that the Supplier acquires in connection with the supply of products and services to the Company are business secrecy. The Supplier may not provide any third party with any business or other information that he has obtained from the Company or with the documentation provided to him by the Company.
- 8.2 All drawings, models, materials, calculations, other information, all other documents and tools provided by the Company to the Supplier for the performance of the contract is property of the Company and may not be reproduced, transferred to third parties or used for the execution of third party orders. At the request of the Company, the Supplier is obliged to return them immediately.
- 8.3 The Supplier must keep all submitted documentation, accessories and tools in a way to prevent the copying, theft, destruction, damage or any other interference, and to do everything necessary to protect the property and other interests of the Company.
- 8.4 Any products made by the Supplier for the Company, for example, hardware or software developed on behalf of the Company for its needs, passes with all the rights, including all rights to exploit copyright works, to the Company's property. The software, as a stand-alone product or in conjunction with the hardware designed for the Company, the Supplier is obliged to deliver to the Company, including the source codes and all the documentation necessary for the use and maintenance of the software.
- 8.5 The Supplier must also oblige the sub-suppliers for protection of business secrets and protection of interests, as defined in points 8.1, 8.2, 8.3. and 8.4.
- 8.6 The name of the supplier or his logo may appear on the products, manufactured on the Company's request, only with his express written consent. Such consent applies only to the case for which it is given.
- 8.7 In the case of violation of legally protected rights of third parties in the manufacture of supplied products (in the case of disputes relating to the products supplied), the Supplier will pay the Company appropriate compensation.

9. WARRANTY OF MANUFACTURER'S RESPONSIBILITY

- 9.1 For the agreed contractual products, the supplier must conclude insurance of the manufacturer's responsibility and keep all the insurance costs.

10. OTHER PROVISIONS

- 10.1 If the Contract does not indicate anything else, the place of delivery of the supply or service and the payment is the registered seat of the Company.
- 10.2 These General Purchase Conditions apply regardless of whether the Supplier sends his General Terms of Business when submitting the offer. Deviations from the General Purchase Conditions of the Company shall be considered only if they are agreed in writing.
- 10.3 Any disputes are resolved by the Company and the Supplier by mutual consent. In the case that an agreement is not possible, the dispute shall be resolved by the authority Court of the registered seat of the Company.
- 10.4 These General Purchase Conditions and the contracts, that refer to them, shall be assessed and enforced in accordance with the Law of the Republic of Slovenia.
- 10.5 Suppliers must supply goods in accordance with the company's environmental requirements, which are available at the company's headquarters.
- 10.6 Company's trademarks, to which the Company is entitled, may not be used for advertising purposes without Company's written consent.