

GENERAL CONDITIONS OF PURCHASE BY MK TEAM d.o.o.

1. Scope

The following terms of purchase are applicable to all orders and other purchases made by MK TEAM d.o.o. (hereafter called the client). These terms apply to all orders placed during business relationship. In case when general terms of supplier partly or collectively do not comply with the Supplier's Conditions of Purchase, the latter must be followed without any further explanation unless the client delivers a written consent allowing such deviation. By confirming an order a supplier explicitly confirms all client's terms. In the event a supplier does not agree with client's terms, a supplier must give a written notice about the matter to the client before an order is implemented. In such case the client holds every right to withdraw an order and a supplier holds no right to object.

2. Order, confirmation

An order is confirmed once it is placed in writing and signed. An oral order becomes binding once it is confirmed in writing. Every delivery shall be accompanied by a delivery confirmation or a delivery note including our order number. In some cases our samples with data concerning tolerances are obliged. By confirming an order a supplier also agrees he is informed about the implementation plan, its delivery and service conditions. The client is under no obligation when an obvious mistake, a clerical or calculation error occurs in our documents, plans or drawings. A supplier is obliged to inform the client about such mistakes so an order can be corrected, as well as in the case when a document or drawing is missing. The receipt of an order shall be confirmed in writing within two (2) working days otherwise we hold every right to terminate an order and place it by another supplier. Any deviation in quality and quantity from the text and content of an order becomes agreed only after our confirmation in writing. Drawings, samples and any other similar final or incomplete products that are released by us or are produced according to our order remain as our property and shall remain so until our written confirmation they can be transmitted to a third party. In certain cases other agreement shall be returned immediately after an order is performed without any specific invitation.

3. Terms of Delivery

Agreed terms of delivery are absolutely binding and come into force on the day an order is signed. The goods shall be delivered within the delivery date indicated by the client. In the event of anticipated delay a supplier is obliged to inform us in writing about the matter and therefore accept our decision on order preservation. In case of a delay we reserve the right after issuing a warning to a penalty of 1 % of an order net value per day of a delay up to a maximum of 10 % of an order net value plus a delivery shall be demanded, and/or to termination of a contract and to reimbursement of costs due to failure of the contract fulfilment. Penalties shall be demanded by a claim of compensation. We are under no obligation for the time before the expiration of the delivery date until taking over.

4. Prices and conditions of payment

Prices are firm and fixed except if a supplier reduces them. The increase in prices is valid only after our approval in writing. A supplier shall not set unfavourable prices and conditions comparing to other customers, if these present/offer the same / equal preconditions in a particular case. In case of a noticeable decrease of the cost price we are entitled to demand an appropriate discount. The invoice shall be issued for each order separately. The payment shall be transferred after the receipt of faultless goods / service without failure and after the receipt of the invoice. The same shall apply in the case of a partial delivery. The time lag due to an inaccurate or incomplete invoice shall not influence the time limit of a discount. Payment shall be payable within 30 days after examination of discounts / final invoice. Payments payable within 14 days shall include a discount of 3 %, and net payments payable within 30 days. In cases when a mistake on goods is detected later on the payment is our obligation but we reserve the right to do a repair. Any supplier's claims shall be transferred to a third party only with our approval. When it comes to import all customs regulations, customs procedure and sales taxes are supplier's obligation. Invoice issued by EU suppliers shall also indicate a tax ID number.

5. Warranty, Guarantee, error detection, transfer of responsibility

A supplier is responsible to deliver goods free of defects including packaging in due time and in accordance with our instructions. An up-to-date regulation in force of professional organisation and Trade Union in particular with the regard of preventing accident shall be respected. In the event of detecting defects at the time of delivery or later a supplier bears a responsibility for the time of warranty period. In such cases we are entitled to demand a repair free of charge, replacement of goods free of charge or a discount. If a supplier refuses to fulfil his obligation we are entitled to return goods and place order by another supplier. In case of an urgent order we reserve the right to repair defects ourselves or to find a third party and in such cases charge a supplier for the cost.

The following paragraph indicates flat rates of our maintenance:

Value of Goods (free of tax)	Repair Costs
up to 1.000 EUR	50 EUR
from 1.000 to 5.0000 EUR	100 EUR
over 5.000 EUR	150 EUR

It is understandable a complaint is made in due time if a client immediately informs a supplier about any flaws on goods. A supplier waives a complaint regarding delay. A supplier warrants for the goods / services for the time of 5 years for substances and functions after delivery and receipt of goods. Payment of order shall not include a receipt of goods with reservation. These terms also apply to substitute deliveries and repairs. All responsibilities are transferred to the client after the receipt in the client's premises.

6. Force Majeure

Force Majeure events such as war, export restrictions, critical political relations, strikes, disturbances in production, etc. may restrain or prevent performance of our contractual obligations and excuses us from a prompt receipt for the time being. A contractual party is obliged to take notice of such events and adjust obligations to the situation. In cases of such long-term unforeseeable circumstances we reserve the right to partially or completely terminate a contract without a supplier having the right to a complaint. We are also entitled to determine new date of receipt of the goods.

7. Obligations

It is a supplier's obligation to follow our instructions including description of a product, drawings and quality certificate. A supplier is also obliged to consider commercial and safety rights as well as EU standards regarding preventing accidents. The burden of faults on goods caused by a supplier and caused in his premises is on a supplier. The same also applies to products made following client's plans, drawings, samples, etc.

8. Obligation of professional secrecy

All documentation given by client is strictly confidential and makes a supplier obliged to use it only for the purposes of business between contractual parties, i.e. also when included third parties. In the event of a unique product ordered by a client it is a supplier's obligation to obtain client's agreement in writing to offer/sell it to a third party. A supplier bears the responsibility for the damage caused by breaking professional secrecy.

9. Other, place of performance, applicable law

A supplier shall obtain client's agreement in writing in the event of delegation of contractual obligations and rights especially regarding claim assignments. Authority responsible for any disagreements is SI-8270 Krško. Contractual parties shall apply to Slovenian law excl. UN purchasing law. In the event of invalid contract provisions the contract is invalid in its entirety. Contractual parties are bind to adjust invalid provisions in the frame of allowance for business benefits of both parties. All changes, supplements and requests shall be in writing.

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