

## ABB d.o.o. COMPANY'S TERMS OF SALE

### 1. The Scope

1.1 The Terms of Sale are valid with no exceptions for all sales conducted by ABB d.o.o. company (hereinafter ABB or the Vendor). For all other matters that are not determined with these Terms of Sale, the current legal regulations are in use. All terms set by ABB's contracting partner (i.e. the Purchaser or Customer; hereinafter: the Purchaser) which deviate from these Terms enter in force only with a written agreement by ABB. If the purchaser orders goods, it is considered that he is familiar with the Terms and agrees with them.

1.2 Any deviations from the above mentioned terms in Article 1.1 are valid only in the case of an explicit written approval by the Vendor.

### 2. Submitting Offers

2.1 The Vendor's offers are considered non-binding.

2.2 The tender documentation and documents about the project may not be copied or available for the third party without a written approval by the Vendor. The documents may be retrieved back by the vendor at any time, in case the goods are ordered with the third party the documents shall be immediately returned to the Vendor.

### 3. Concluding a contract

3.1 The contract is considered concluded upon receiving a Vendor's written voucher of the received order or upon the moment when the goods are consigned by the Vendor.

3.2. The specialities from the catalogue, brochures etc. as well as all other oral or written indications are binding only if the Vendor specifies them in the confirmation of the order.

3.3 All additional corrections or annexes to the contract are possible only with a written annex.

### 4. Prices

4.1 The prices are stated as ex-factory and do not include VAT, packaging costs, loading costs, decomposing costs, removal costs and appropriate recycling costs, removal of the waste electrical and electronic device for commercial purposes. The Purchaser is liable for all costs, taxes or other charges connected to the delivery. If the delivery conditions include the transfer to the address determined by the Purchaser, all costs of transport are covered by the Purchaser, as well as the potential insurance expenses of the batch. The delivery does not include unloading and consequent handling or management of the delivered goods, for which the Purchaser is responsible. Packaging removal is possible only upon a previous explicit agreement.

4.2 The Vendor holds the right to changing prices if the submitted order is not in compliance with the previous offer.

4.3 The pricing is based on the calculation of the costs at the time of the first indication of the price. In the case that the expenses increase until the time of delivery of goods the Vendor has the right to adjust the prices according to the expenses.

4.4 The Vendor charges the Purchaser the services based on the Vendor's price list also in the case of performing repairs and maintenance works.

### 5. Delivery

5.1 The time for delivery starts with the last of the following dates:

- a) the confirmation date determined by the Vendor,
- b) the date when the Purchaser fulfils all terms: technical, commercial, or all others that were a part of the agreement.
- c) The date when the Vendor accepts a down payment, an earnest or an insurance of the payment before the delivery.

5.2 The Purchaser receives all necessary licences san/or permits requested by the regulations for building factories or equipment. on their own expenses. If the time for acquiring such licences is prolonged for any reason, also the time of delivery is extended accordingly.

5.3 The Vendor can conduct and charge the Purchaser a partial or a complete delivery in advance. If the two parties agree on the delivery on call, this agreement is considered void one year after submitting the order at the latest.

5.4 In the case of unexpected circumstances or circumstances that are not under control of neither of the two parties, i.e. higher force that obstructs the delivery under the conditions that were previously agreed, the delivery dates extend for the complete period of duration of such circumstances. Such circumstances are especially armed conflicts, official authority interventions and prohibitions, traffic or customs delays, damages caused during transport, lack of energy and raw materials, disputes among workforce, strikes and / or the errors at work projects and / or the supply of equipment by the main supplier that is difficult to substitute. The above circumstances justify the extension of deadlines regardless its influence on the Vendor or the subcontractors.

5.5 If the contracting parties agree on the penalty for the delivery delays at the time of concluding the contract, then the provisions from these Terms are in use. When it is proven that the delay has been caused exclusively by the fault of the Vendor, then the Purchaser can demand a penalty of up to 0,5% for each concluded week of delay, for a total of not more than 5% of the value of that part of the goods that was not entitled to an indemnification for damage that may exceed such penalty.

### 6. Risk Transfer and Place of Performance

6.1 The risk of incidental destruction or damages on the goods are transferred to the Purchaser at the time of the shipment of the goods from the factory or warehouse, regardless all previously accepted conditions from the offer (i.e. CIF etc.) or the order. This provision includes also the cases of shipments that are completed, organised and monitored by the Vendor, as well as the events of deliveries in connection with composing works performed by the Vendor.

6.2 For all services the place of performance is the place where the service has been completed; the risks connected with such services are transferred to the Purchaser from the time when the service has been completed.

### 7. Payment

7.1 Except as otherwise provided herein, one third of the sale price shall be due at the moment when the Purchaser receives the Vendor's confirmation of the order, one third shall be due after the half of the deadline period for delivery, and the rest of the payment is due on delivery. The Vendor invoices appropriately the Purchaser according to this dynamics.

7.2 In the event of stage payment the individual instalment is due when the invoice is received. The same is valid for payments of invoices for individual additional deliveries or additional services that are not agreed upon in the core contract, regardless of the terms of payment, determined for the main delivery.

7.3 The payment shall be made in the place determined by the Vendor in the currency previously agreed on and with no discounts. Money orders, cheques etc. are acceptable only in case that the Purchaser settles the costs of all interests, expenses and fees connected to such payment.

7.4 The Purchaser is not entitled to withhold or reduce the payment or is not entitled to a compensation or a set-off based on any guarantee or a counterclaim towards the Vendor.

7.5 The payment is considered made on the day when the agreed sum is fully available to the Vendor.

#### 7.6

In the event that the Purchaser does not fulfil completely and timely all the terms of payment from this or any other contracts then the Vendor (without influencing any other rights arising from this contract) is entitled to:

- a) terminate the performance of their liabilities until the payment is made or any other liabilities fulfilled, and is also entitled to extend the delivery date, and /or,
- b) demand immediate payment of outstanding liabilities from this or any other contract and charges the interests from unfulfilled liabilities from the sum of 1,25% per month, starting from such demand by the vendor until the payment is completed.

In any case the Vendor has the right to demand reimbursement of all damages and expenses (including the expenses before the lawsuit, especially the costs of written warnings and lawyer's fee) that affected the Vendor due to the Purchaser's failure to comply with obligations.

7.7. All discounts and 7 or rewards depend on the complete, timely manner of payment but only under the condition that the discount or the award is approved in written by the Vendor.

7.8 The Vendor remains the owner of the goods until the final payment of the whole sum determined with the contract is made, and also after the goods are handed over to the Purchaser. In the contractual value, which is to be paid by the Purchaser before the transfer of property right, is included also the late payment interests and interests from the contract and expenses derived from the recovery of outstanding liabilities from this contract and other expenses occurred under this contract. The Purchaser acquires the property right according to the subject of the contract only after the contractual value has been paid or when all liabilities from the previous statement have been fulfilled. With the transfer of the subject of the contract no legal effect comes into action, although the possession is transferred on the subject of the contract. The property right shall be transferred after the payment of purchase price or after all liabilities of the Purchaser have been fulfilled and the Vendor issues a written statement.

#### **8. Guarantee and vouching for errors**

8.1 If the Purchaser's payments are appropriate and timely, then the Vendor is obliged to eliminate any deficiencies (considering the terms stated in this contract) detected at the delivery of goods that occurred due to the construction errors, material faults or production faults which harm the performance of the goods. The guarantee does not exist in connection to the descriptions and specifications from the catalogues, brochures and the promotional material, as well it does not cover any written or oral statements which are not explicitly included in the contract.

8.2 The guarantee period lasts for 12 months, with the exception of some specifically determined guarantee periods for certain goods. These provisions are valid for all other deliveries or the services performed regarding the goods that are firmly fixed to the buildings or floor. The guarantee period commences at the moment of the transfer of risk, according to Article 6 from these Terms.

8.3 The guarantee may be exercised only if the Purchaser submits the written report about the error to the Vendor immediately after an error occurs and the Vendor receives the report. The Purchaser shall immediately prove the error, and it is of vital importance that all documentation and data available is handed to the Vendor. After receiving such report the Vendor has the following options, all providing that the error is considered after the guarantee specifications from item 8.1: substituting the faulted goods or part of the goods, repairing on the Purchaser's premises, returning the goods to be repaired on the Vendor's premises or authorizing an appropriate and eligible discount at payment. Non-compliance of the Purchaser's liabilities for the accurate and timely report can result in the loss of all potential claims of the Purchaser from the title of the guarantee.

8.4 Any expenses that occur in connection to the repairs of errors (i.e. expenses of installation, dismantling, transfer, waste material discharge, travel expenses etc.) are liability of the Purchaser. For the repairing works in their own premises the Purchaser ensures to offer help at works, lifts, scaffolding construction and any other necessary equipment. The substituted parts belong to the Vendor.

8.5 If the Vendor produces goods based on the construction data, drafts, models and other Purchaser's specifications, then the Vendor's guarantee is limited only to the compliance of the produced goods with the Purchaser's specifications.

8.6 The Vendor's guarantee liabilities do not cover the errors that occur during the inappropriate use of the equipment or errors caused by ignoring the installment regulations and working conditions; errors which are a consequence of overburdening the goods not considering the limit set by the Vendor, negligence or misuse of the goods, use of inappropriate materials and errors deriving from the characteristics of the basic material that is provided by the Purchaser. The Vendor is also not liable for the damage caused by the third party, atmosphere conditions and phenomena, overburdening or electricity and chemical influences.

8.7 The guarantee is immediately terminated if the Purchaser or the third party without an explicit authorisation by the Vendor repairs or modifies the delivered goods.

8.8. The provisions from items 8.1 to 8.7 apply, mutatis mutandis, to all cases where the liability to repairs is determined by law

#### **9. Withdrawal from the contract**

9.1 The Purchaser can withdraw from the contract only in the event of delay, caused by a gross negligence by the Vendor and only after the additional reasonable deadline is over. The withdrawal shall be in written form, sent by registered mail.

9.2 Regardless of any other rights, the Vendor is entitled to the withdrawal from the contract in the following examples without an additional deadline:

- a) if the delivery, the start or the continuation of the services determined in the contract is aggravated or impossible due to the reasons from the side of the Purchaser, or,
- b) if the Vendor has doubts in the Purchaser's solvency and demands the payment in advance or to insure appropriately the payment before the delivery, regardless the provisions from the contract, and if this demand is not fulfilled, or,
- c) if due to the reasons stated under 5.4 the delivery date is extended for more than half of the previously determined period or for at least 6 months.

9.3. Due to the above stated reasons the withdrawal from the contract is possible also regarding any specifically determined parts of goods or services.

9.4. If the bankruptcy procedure is initiated against any of the two contracting parties, the other party has the right to withdraw from the contract with no further deadline.

9.5 In the event of the withdrawal from the contract by the Vendor, the Purchaser is obliged to settle all outstanding liabilities up to that time, according to this contract. The Purchaser is also obliged to pay for the goods or services that have not yet been delivered or performed, as well as for all preparatory works performed by the Vendor and for all expenses that the Vendor had by fulfilling the liabilities.

9.6 Withdrawal from the contract has no other consequences than the above stated.

9.7 The Purchaser has towards the Vendor no claims from the title of predatory contract, over deprivation, errors of will or from the title of the inclinations due to which the contract has been signed.

#### **10. Liabilities of the Vendor**

10.1 The Vendor is not liable for any indirect expenses and /or indirect damages that may occur on the Purchaser's goods that do not directly apply to this contract and are caused by errors, malfunctions or non-functioning of the goods, management of the Vendor (including the Vendor's infringement of contractual provisions) or by any other titles concerning the contract. This includes, but is not limited on: the loss of income or profit or Purchaser's savings, disturbance or increased expenses of the production or Purchaser's business activities, demands made by the Purchaser's business partners due to the delays or irregularities at the implementation of the legal relations or deriving from other legal titles, etc.

10.2 The Vendor is not liable for the damages in the event that the instructions for installation, provisions and descriptions of the procedure (as written in the instruction manual) are not followed, or if the licence conditions are not observed.

10.3 If the contracting parties agree about the penalties from the specific title, this excludes all claims from the same title that exceed the penalty from the contract.

#### **11. Industrial Property Rights and Copyright**

11.1. If the Vendor produces articles that are in accordance with any data, instructions, drafts, constructions, models or other specifications provided by the Purchaser and a compensation claim or a litigation is instituted against the Vendor regarding Industrial Property Rights or Copyright, then the Purchaser shall compensate the Vendor all damages and expenses connected with that, as well as insure the Vendor at their own expenses against any further costs, damages and / or legal proceedings and help the Vendor throughout these proceedings.

11.2 All Industrial Property Rights from the documentation comprising the construction or design that includes plans, drafts and other technical specifications, as well as samples, catalogues, brochures, pictures and similar remain in the possession of the Vendor and keeps them permanently.

#### **12. Miscellaneous**

In the event that a particular provision from these Terms or the contract becomes legally invalid this has no influence on the validity of the rest of the provisions from these terms or the contract. The contracting parties are obliged to compensate the invalid provision with a valid one that best suits the purpose of these Terms.

#### **13. Competences and valid legislation**

In the event of litigations arising from these Terms or the contract we shall take account of the valid Slovenian legislation and legal order. Locally competent for all litigations is the Court of Ljubljana, however, the Vendor holds the right to bring an action to any other competent court, according to the valid legislation of a country where the Purchaser has the headquarters or place of residence. United Nations Convention on contracts regarding international trade is not binding for the sales made by the Vendor.