

General Sales Terms

General

All the supply of goods and materials, performance of services (hereinafter jointly referred to as Goods), preparation of offers and quotations, and other services performed by Četrtra pot, d.o.o. or the seller (hereinafter referred to as the Seller), provided to legal and natural persons (hereinafter referred to as the Buyer or Client), will take place exclusively on the basis of the terms set out below, unless agreed otherwise in writing. Seller's offers and quotations, and Buyer's purchase orders are in principle nonbinding until they are accepted or confirmed. These General Sales Terms shall enter into force as of the date of their confirmation, or as of the date the Seller's offer or quotation is accepted, or as of the date of receiving Buyer's purchase order.

Restriction of authority

Seller's employees, sales representatives and contract agents have no authorization to agree, either orally or otherwise, to any terms other than those stated in these written terms or in Seller's offers and quotations. Agreements are only valid when made in writing, and any representations made by Seller's agents only in oral form are not legally binding for the Seller, unless these agents have been expressly authorized in writing.

Documentation

Documentation related to offers and quotations remains property of the Seller and may not be reproduced or transmitted to any third parties without Seller's prior written consent. The documentation is protected under the copyright law of Slovenia and the EU. The Buyer (the Buyer, the recipient of the documentation, natural or legal person who negotiates or receives the Seller's offer or quotation or places a purchase order with the Seller, regardless of whether any deal will be made with the Seller, are hereinafter treated the same way as the Buyer) shall immediately, upon written request from the Seller, return all documentation in tangible form, including, but not limited to, all documentation, leaflets, computer programs, notes, prototypes, models, devices and copies thereof, both in electronic and material form, as received from the Seller, unless a purchase order has been received and realized under the terms of these General Sales Terms, or the Buyer shall upon Seller's request return the documentation regardless of the previous provisions. All technical documentation, either provided by the Seller, listed in Seller's catalogs or communicated to the Buyer during contract negotiations, only presents technical characteristics or properties of Seller's products and does in no way guarantee any warranty in a legal sense, unless specified otherwise.

Ordering and order confirmation

All orders, including Client's requirements, requests for quotations, and Client's offers (hereinafter referred to as Orders or Contracts), shall be communicated to the Seller in writing. An Order shall be deemed to have been issued in writing if it is communicated to the Seller by mail, electronic means or fax. The Buyer shall formulate the Order or request clearly and unambiguously, providing all the necessary information, at the same time



limiting the information to the specification of the item, quantity and desired delivery location, as in the contrary case the Seller has the right to reject the Order. All other characteristics of the Order, such as price, are in Seller's domain. The Seller shall, upon request, provide the Buyer or Client a written quotation and/or contract, and the Buyer's confirmation of the quotation/contract shall be made in an unambiguous way. The quotation is valid and binding for the Seller for 30 days, unless agreed otherwise with the Buyer.

Delivery time

General delivery time for the delivery of Goods is 60 to 90 days from the day the Buyer confirms the received quotation, or in accordance with mutual agreement with the Client. In the case of large and complex information system layouts, the Seller reserves the right to extend the delivery time in agreement with the Client.

Pricing

The Seller defines prices of Goods according to market supply and demand. The Seller submits the price list or a quotation to the Client in accordance with the request for quotation, and reserves the right to any discounts and changes in pricing until the time the Buyer confirms the quotation. All prices on the price list and in quotations are in Euro (EUR).

Payment terms

The Buyer is obligated to pay the purchase price within 8 days of the delivery or installation of Goods. When the Buyer purchases several software components (whereas these software components can be the Human Resource Management system, Time and Attendance system, and Payroll system), the purchase price is calculated per each component. At the time each software component is handed over to the Buyer into test environment or for testing, the Seller charges 70% of the total purchase price, and the Buyer shall pay this price in 30 days. At the time of handing over the software component into production environment, the remaining part of the purchase price is charged, and the Buyer shall pay this in 30 days. The Buyer and the Seller can mutually agree on special payment terms.

Retention of title

The Seller retains the title to the delivered Goods until the settlement of the entire purchase price under the quotation or contract, and to the settlement of all due and overdue claims arising from the business relationship with the Buyer or Client. If the Seller and Buyer use a bank account to conduct business, the Seller retains the right to be paid all outstanding items from the account. In the event of late payment or other material breaches of the contract or quotation by the Buyer concerning a significant part of Buyer's obligations, the Seller has the right to temporarily withdraw the Goods and the provisioning of services. The exercising of this right does not constitute contract termination, unless expressly stated so in writing.

Quality of Goods

The quality of Goods will be determined by the Seller and the Buyer on the basis of product quality criteria. The Seller warrants to the Buyer that upon delivery, the Goods will comply with the then applicable technical standards and will be free from defects resulting from implementation not meeting specifications, inappropriate material, or quality of the Goods. Compliance of the Goods with the technical documentation shall be supported by appropriate documents. Goods that are required to conform with health, safety, and environmental protection standards for products sold within the European Economic Area, shall bear the CE marking.

Complaints, limitation period, warranty

Obvious defects shall be reported to the Seller in writing immediately or no later than eight days after the receipt of the Goods. Unless the Seller receives such notification, all complaints regarding such defects will be discarded. In other cases, statutory duties of reviewing purchased Goods and reporting apply. The limitation period for complaints starts as of the date of installation or acceptance into service and amounts to 12 months for all Goods (new, spare parts and service parts). In the case of defective Goods, the defects shall either be rectified or the Goods replaced, subject to Seller's discretion, within reasonable period of time. If the defect rectification or replacement of Goods fails, or if the defect rectification or replacement of Goods is rejected or postponed for an unreasonable period of time, the Buyer may seek compensation, price reduction or contract cancellation. Replaced and/or returned parts will become the property of the Seller. The Seller makes no warranty for any defects resulting from normal wear and tear, improper use, insufficient protection or use of faulty equipment, and defects for which warranty is void. The Seller bears no responsibility for guarantee and warranty claims when such claims are based on defects arising from incorrect or improper use of the Goods, improper installation of the Goods, coincidence, unintended or negligent use, insufficient maintenance, improper other equipment into which the Goods are installed or connected with, Client's improper structural design, improper location of use, or any chemical, electrical or electronic impacts on the Goods. The Seller is in no way responsible for conformance check of any devices not supplied by the Seller with regard to the device purpose and intended use, which normally are not known to the Seller, and disclaims any liability in this respect. Moreover, the Seller provides no warranty for insignificant deviations from the agreed quality, when the impact on the usability of the Goods is minimal. If the Buyer or a third party makes any changes or repairs to Seller's Goods by itself (Goods include, but are not limited to Seller's devices or products, parts of Seller's devices or products, and devices installed by the Seller), the Seller is free from any responsibility. For repairs and spare parts, the Seller provides warranty to the same extent as for the original Goods, but only within the warranty period for the original Goods. In the case of conditional acceptance of the Goods and warranty claim, the Buyer commits to handle the Goods with due diligence. At the time of claiming the warranty, the Buyer is obligated to enable the Seller, upon request, to inspect the Goods in question, take over these Goods and review supporting documents. Until the receipt of Goods that are the subject of the warranty claim, the Buyer bears the entire risk of incidental destruction or damage to the Goods. The warranty period for purchased hardware is generally 12 or 24 months from the date of acceptance or signature of the



acceptance record, whereas for ID cards and chips, the warranty period is 30 days from acceptance or start of use.

Confidential information

Confidential information exchanged between the Seller and the Buyer includes, but is not limited to, financial information, business plans and strategies, business operations and systems, trade secrets, and information relating to sales agents, employees, customers and vendors, or supplier technology, such as systems, discoveries, innovations, enhancements, research, development, know-how, models, product specifications, software, codes, schematics, designs, prototypes, devices, hardware, technical documentation, and manufacturing processes. The Seller is entitled to provide information about the Buyer to third parties for the purpose of Seller's promotion and when required to do so by sector-specific legislation, and in particular, the Seller is entitled to use and provide the information about the Buyer to insurance institutions, banks and other financial organizations.

Protection of confidential and other information

The Buyer shall not disclose, distribute or publish any confidential and other information received during the negotiation with the Seller about the conclusion or realization of business cooperation to any natural or legal person without Seller's prior written consent, except to Buyer's employees who shall commit to comply with these terms, and additionally, the Buyer shall not use confidential information for any other purpose. The Buyer agrees to apply reasonable care in preventing any unauthorized disclosure of confidential information, and in no case apply this care to a lesser extent than used to protect Buyer's most confidential information.

Contractual penalty

The Buyer is not eligible to any contractual penalty for any delay or incorrect fulfillment by the Seller, unless otherwise stipulated by a contract.

Conclusion of business cooperation contracts (Maintenance or Lease Agreement)

The Buyer and the Seller may enter into a Maintenance or Lease Agreement for the KADRIS 4 system based on their demonstrated interest. In addition to all the provisions in the General Sales Terms, such agreement will also be subject to the provisions of the Special Conditions for Maintenance or Lease of the KADRIS 4 System.

Dispute resolution, jurisdiction and applicable law

All disputes will be resolved by the Buyer and the Seller by mutual agreement and in the spirit of good business relationships.

Should the Buyer and the Seller fail to resolve the dispute amicably, the competent court of Kranj will have the jurisdiction to do so, unless stipulated otherwise in a contract.



Publication of terms

These General Sales Terms become valid and binding upon approval by the management of Četrtra pot, d.o.o and publishing on www.cetrtrapot.si. The Seller reserves the right to change these General Sales Terms. In case of any changes or amendments to the General Sales Terms, the updated document will be published on the aforementioned website.

Četrtra pot, d.o.o., Kranj

Date: 12 November 2019

