

1. SCOPE

1.1. These General Purchasing Conditions (hereinafter referred to as "GPC") of TIPS, d. o. o., SI-8273 Leskovec pri Krškem, Slovenia, registration number 5325919000 ("TIPS") apply to all purchases of goods or services by TIPS as a buyer based on:

- confirmed order;
- long-term (framework) purchase contracts between TIPS and the supplier;
- one-off purchase contracts.

GPC are an integral part of any order, contract, agreement, arrangement or legal transaction between TIPS and the Supplier (hereinafter referred to as "Supplier") unless the parties expressly and in writing agree otherwise. Special conditions supplementing or in any way amending the provisions of these GPC are only valid if they are explicitly and in writing agreed between TIPS and the supplier and are included in the contract (e.g., a long-term purchase contract). In the event of a discrepancy between the provisions of the individual contract in which the special conditions are included in accordance with the preceding sentence and these GPC, the provisions of the contract shall apply.

1.2. These GPC are considered to be known to the supplier if TIPS in its inquiry, order or in any other correspondence with the supplier (whether by e-mail, ordinary mail or in any other way that ensures that the supplier receives the message) informs that the GPC are an integral part of the contract and are published on the website www.tips-gse.com/de/tips-snp-eng.pdf. TIPS may change these GPC at any time. The amended GPC apply to contracts concluded after their entry into force. TIPS will inform the supplier of the change in the GPC by publishing it on the TIPS website.

2. ORDER, CONCLUSION OF THE CONTRACT

2.1. The supplier is obliged to confirm the receipt of the order to TIPS immediately in writing or electronically. Electronic data interchange (EDI) may be employed only if this is explicitly agreed in writing between the TIPS and the supplier. The contract between TIPS and the supplier is concluded when the supplier accepts the TIPS's order. These GPC become an integral part of the contractual relationship once the supplier accepts the order.

2.2. The contract is deemed to have been concluded at the place where TIPS is established.

2.3. If the supplier does not accept the order correctly and within the deadline, but no later than three (3) working days after the date the order was dispatched, TIPS has the right to withdraw from the order, being free of all obligations to the supplier.

2.4. If the acceptance of the order differs from the order itself, the supplier must clearly state this and indicate the differences, otherwise the supplier is considered to accept the order under the terms of the TIPS order. Acceptance with the above changes is considered in any case as rejection of the TIPS order and is considered a new offer by the supplier. If TIPS accepts such an offer, the GPC are an integral part of the contract thus concluded.

2.5. The Supplier shall be deemed to have accepted these GPC and fully agrees with them by accepting the TIPS order or delivering goods or services or performing any other conduct aimed at fulfilling the obligations unless it expressly objects in writing.

2.6. Any of the supplier's general terms and conditions to which the supplier refers, include them in his offer, a statement of acceptance of the TIPS order or are included in any other way in any document submitted by the supplier to TIPS have no legal effect. The general terms and conditions of the supplier are valid only with the express written consent of TIPS. Reference of TIPS to the supplier's tender documentation in the contract does not imply recognition of the validity of the general conditions of the supplier. Likewise, no implied conduct by TIPS, such as acceptance of goods or payment, as well as the fact that TIPS has not expressly challenged the supplier's general terms and conditions, shall be deemed to constitute consent to their use. If the general terms and conditions of the supplier apply, these GPC shall apply to those

issues that are not regulated by the general terms and conditions of the supplier and in this extent form an integral part of the contract.

2.7. All contracts, orders, order confirmations, recalls and other declarations of business intent, including any amendments thereto, must be in writing. Any oral agreements must be confirmed in writing by TIPS otherwise they have no legal effect.

3. DELIVERY

- 3.1. The supplier must deliver the ordered goods or services ("subject of procurement") and fulfill all its obligations in accordance with the contract, with the diligence of a good professional, following the applicable regulations, standards, and rules of the profession. TIPS is not obliged to accept the fulfillment of obligations that have any defects or shortcomings, as well as the fulfillment of obligations that exceed the agreed scope or quantity. Partial deliveries are not permitted unless expressly agreed in writing.
- 3.2. The supplier must deliver the subject of procurement in accordance with DDP (Delivered, Duty Paid) warehouse TIPS d.o.o., Leskovec pri Krškem, Incoterms 2020, unless otherwise expressly agreed in writing in the individual case.
- 3.3. Each delivery of goods must be accompanied by a delivery note containing a detailed description of the contents of the shipment and the order number. Upon delivery, the supplier is obliged to deliver to TIPS all documentation related to the fulfillment of obligations, such as supporting documentation, transport documents, certificates, guarantees, documents of origin, safety documents, test results, instructions for use and maintenance and other documentation at the request of TIPS. The cost of this documentation and its delivery to TIPS shall be borne by the supplier.
- 3.4. If the supplier needs any permits or the consent of the competent authorities and institutions in Slovenia and/or other countries (e.g., work permits, export permits, etc.), he is obliged to provide and obtain them himself, at his own risk and expense.
- 3.5. The supplier must pack all shipments according to the type of transport and the goods to be transported, in accordance with the rules of the trade and taking into account any instructions of TIPS. Packaging costs are borne entirely by the supplier. At the request of TIPS, the supplier must take the packaging back free of charge and destroy it in an environmentally friendly way. Special packaging sent by TIPS to the supplier remains the property of TIPS. The supplier is responsible for any damage or loss of special packaging.
- 3.6. If, in accordance with the agreed Incoterms 2020 clause, transport costs are included in the contract price and TIPS does not specify the mode of transport, this must be done at the lowest possible cost, which also applies to the choice of regular mail instead of express courier services. Otherwise, the supplier shall incur such higher costs.
- 3.7. TIPS has the right to inspect the subject of procurement which represents the fulfillment of obligations with the supplier at any time, and the supplier is obliged to enable it to do so.
- 3.8. It is considered that the subject of procurement is delivered on time, if the obligation is fulfilled within the agreed time and in full at the agreed destination and the TIPS acceptance of the fulfillment of obligations is confirmed by signing the delivery note or other acceptance documents.
- 3.9. Ownership of the subject of procurement passes to TIPS when the latter acquires it in accordance with the agreed conditions. The supplier guarantees that the subject of the purchase is completely free from any legal errors or other rights of third parties.
- 3.10. TIPS is not obliged to accept early fulfillment of obligations. If TIPS, in accordance with its business judgment, nevertheless accepts the early fulfillment of obligations, it has the right to charge the supplier the costs incurred (e.g., storage costs, insurance, etc.). Early fulfillment of obligations does not change the terms of payment.
- 3.11. The supplier is obliged to inform TIPS immediately of all events and facts that he learns about, and which are relevant to the delivery. If the supplier learns that there may be a delay in delivery, he is obliged to immediately notify TIPS in writing and obtain instructions on how to proceed in fulfilling the order. TIPS is entitled to approve the extension of the delivery period at its own discretion, reserving all rights, including claiming reimbursement, liquidated damages and the difference to full compensation. Approval shall be valid only if given in writing.

4. LIQUIDATED DAMAGES

- 4.1. If the supplier does not fulfill his obligations or does not fulfill them within the deadlines agreed between TIPS and the supplier, he is obliged to pay liquidated damages of 1% of the contract price for each missed calendar day or every day when it fails to meet its obligations. The liquidated damages for non-fulfillment of obligations or delay may not exceed

20% of the contract price. When the liquidated damages reach 20% of the contract price TIPS acquires the right to terminate the contract with immediate effect, reserving all other rights.

- 4.2. TIPS is entitled to liquidated damages even if it has not informed the supplier that it reserves the right to liquidated damages upon taking over the subject of procurement. The deadline for payment of the liquidated damages is 8 days from the date of issuing the invoice for the liquidated damages. TIPS may offset the amount of the liquidated damages with the purchase price due.
- 4.3. Irrespective of the liquidated damages, TIPS has the right to claim from the supplier any damages in excess of the amount of the liquidated damages imposed.

5. CONTRACT PRICE AND PAYMENT TERMS

- 5.1. Contract price means the total amount that TIPS must pay according to the contract. In addition to the price of the goods, it also includes VAT, all possible customs duties, charges and costs (e.g., packaging and wrapping, transport organized by the supplier, insurance, etc.), which according to the agreed Incoterms 2020 clause are part of the contract price. The calculative elements of the price shall be listed as separate items so that their amount is evident.
- 5.2. No change in prices due to an increase in the supplier's costs, including but not limited to overheads, increases in the prices of raw materials on the market, labour, or material costs, is acceptable.
- 5.3. The invoice must be sent by post or e-mail to the TIPS address no later than eight (8) days from the correct delivery in accordance with Chapter 3 of these GPC. Each invoice must contain the components determined by the applicable legislation in the Republic of Slovenia, as well as the TIPS order number. VAT, customs duties, charges, and individual types of costs must be shown separately on the invoice as separate items. The invoice must be accompanied by a delivery note or other document of acceptance which is confirmed by the signature of the buyer.
- 5.4. TIPS has the right to reject invoices that are not made in accordance with the requirements of this chapter. In this case it is considered that the invoice has not been issued and that the deadline for payment has not started to run.
- 5.5. The deadline for payment of the contract price starts after the receipt of the entire subject of procurement and the receipt of a properly issued invoice, unless the parties have expressly agreed otherwise in writing.
- 5.6. Unless otherwise agreed in writing, the payment deadline is 90 days. Subject to prior agreement with the supplier, TIPS is entitled to a discount on the contract price in case of early payment. TIPS has the right to set off any of its own or acquired receivables from the supplier with the receivables of the supplier from TIPS. At the request of TIPS the supplier must also agree to multilateral compensation.
- 5.7. The place of payment shall be deemed to be the registered office of TIPS. Payment shall be deemed to have been made on time if TIPS has given the bank an order to transfer the amount no later than the due date of the payment. The bank charges of the recipient bank shall be borne by the supplier.
- 5.8. If TIPS is in delay with the payment of the issued invoice, the supplier may charge TIPS default interest in the amount of 50% of the statutory default interest rate applicable in the Republic of Slovenia at the time of the delay.
- 5.9. The Supplier shall not have the right, without the prior consent of TIPS, to assign receivables from TIPS to a third party, pledge them or make them the subject of legal transactions. TIPS will not refuse its consent without good reason.
- 5.10. In case of material or legal defects in the subject of procurement TIPS is entitled to withhold, interest-free, the full payment, until the remedy of such defects, unless this right is expressly waived by TIPS in writing. Unless otherwise agreed in writing, during the guaranty or warranty period as insurance for claims under the warranty or liability for material or legal defects, TIPS is entitled to retain, interest-free, up to 20% of the contract price. If the payment is made in full, this does not mean that the TIPS acknowledges the correctness of the fulfilment of the TIPS order or that it waives the rights under the guarantee or liability for defects.

6. QUALITY

- 6.1. The supplier is obliged to enable TIPS to check the quality of the process of production of goods or provision of services before their delivery, in particular when:
 - supplies goods or services for the first time,
 - supplies goods or services under a new product code,
 - the goods or services are produced or carried out under the changed conditions of the supplier,
 - quality deviations have been identified,
 - it wishes to verify the production process by assessment in accordance with the ISO 9001 methodology,

- replaces its subcontractors,
 - changes the location of production.
- 6.2. The supplier demonstrates to TIPS the conformity of the goods with the valid documentation, which is harmonized and signed by TIPS and the supplier.
 - 6.3. At the request of TIPS the supplier is obliged to submit all documentation on the quality control of the goods he supplies. The supplier undertakes to keep the quality control documentation for five years and for products that have a function or property of the safety product at least 15 years from the end of the project or from the individual or last supply of goods and in accordance with the rules required by law.
 - 6.4. No change in the contract goods or services and the process of providing the contract goods or services may be made without the prior written consent of TIPS. The Supplier undertakes to follow all instructions and the valid documentation received with the order to fulfill the order.
 - 6.5. In the case of supplies of goods subject to security clearance by authorized bodies, the supplier shall, at the request of TIPS, provide access to test and quality control records and provide all the support required by such institutions. For products with safety characteristics, the supplier must provide TIPS or the end customer with access to records of testing and quality control and provide all the support that TIPS or the end customer requests.
 - 6.6. The Supplier shall ensure that all its subcontractors are obliged to comply with the provisions of this Chapter and shall guarantee them in this regard.

7. COMPLIANCE WITH REGULATIONS, LIABILITY OF THE SUPPLIER

- 7.1. The subject of procurement must be equipped with the prescribed safety mechanisms and comply with the applicable safety regulations at the place of use. Each subject of procurement must be accompanied by an appropriate declaration of conformity. Where required by regulations, the items to be purchased must bear the "CE" mark. Notwithstanding the regulatory requirements regarding the duty to notify and the notification duty, the supplier is obliged to provide TIPS with all necessary information on the items required for safe handling and safe storage, in particular proper storage instructions and safety specifications under the REACH regulation. The supplier is obliged to inform the TIPS in a timely manner about changes in production materials, method of manufacture, suppliers of semi-finished products as well as declarations of conformity.
- 7.2. If the subject of procurement is equipment or other devices that require assembly or installation, as required by regulations, but also in other cases, the supplier must provide the TIPS with the necessary and usually required documentation, especially assembly plans, installation and assembly instructions, recovery instructions, operating and maintenance instructions, spare parts lists, etc.
- 7.3. The markings of the items of purchase and the instructions for use and maintenance must be, unless otherwise agreed in writing, in the Slovenian language, and at the request of the TIPS also in other languages.
- 7.4. The supplier is obliged to ensure that the items of purchase are free of legal defects and do everything possible to ensure that their use by TIPS is not hampered by legal defects. He is obliged to avert from TIPS any disputes that would arise from the execution of the contract, to actively participate in any proceedings against TIPS or assume all the consequences of such a dispute. Notwithstanding other obligations, the supplier is obliged to protect TIPS from all claims based on the responsibility of the manufacturer or contractor, which would be initiated against TIPS by third parties due to deficiencies of the subject of procurement. In any case, the supplier is obliged to reimburse TIPS for all costs incurred in connection with the defence against the claims referred to in this point, the possible recall of the TIPS's products from the market or TIPS's liability to third parties. TIPS is also entitled to compensation for damages caused by legal defects in the subject of procurement.
- 7.5. At the request of TIPS, the supplier is obliged to provide appropriate evidence that he has provided adequate insurance for the entire world with a reputable insurance company (e.g., a certificate from the insurance company or a copy of the insurance policy) to cover these risks. The costs of the insurance and the payment of participation in the damage (deductible) are borne by the supplier.
- 7.6. At the request of TIPS the supplier is obliged to state the name of each manufacturer, importer, sub-supplier, or subcontractor involved in the execution of the contract within 11 years after the execution of the last order. In addition, it is obliged to provide appropriate assistance in the event of legal proceedings concerning the subject of the purchase and to immediately provide all necessary information for defence against claims arising from the product guarantee, in particular documentation relating to deliveries (e.g., serial numbers of production and deliveries and production and delivery times).

8. WARRANTY AND GUARANTY

- 8.1. TIPS checks the adequacy and completeness of the execution of orders and examines the subject of procurement to identify any material defects as soon as possible after the normal course of events.
- 8.2. When the subject of procurement is necessary for the implementation of a specific project or for a specific end customer and: a) it would be unreasonable to expect TIPS to inspect and test the subject of procurement before its use (e.g., opening the packaging before reaching the place of use); b) it is impossible to inspect and test the subject of procurement before the start of the entire system (e.g., the subject of procurement is not fully functional), TIPS is entitled to inspect the subject of procurement when appropriate (in the case under point a) or possible (in the case under point b).
- 8.3. TIPS reserves the right to assert obvious material defects despite a possible takeover.
- 8.4. The warranty and guarantee period for the subject of procurement is 24 months.
- 8.5. Unless otherwise specifically agreed, the warranty and guarantee period shall begin with the receipt of the subject of procurement.
- 8.6. In the event of repairs or replacement of parts the warranty and guarantee period for the replaced or repaired parts will start to run again after the fault has been rectified.
- 8.7. When the subject of procurement is necessary for the implementation of a specific project and not specifically agreed otherwise, the warranty and guarantee period for the subject of procurement cannot expire before the expiration of the guarantee of TIPS against the end buyer.
- 8.8. Supplier's subcontractors or sub-suppliers are considered to be the supplier's agents for which the supplier is fully responsible, i.e., the same as if he had ensured the execution of the order himself.
- 8.9. If during the guaranty or warranty period, defects are detected, the supplier is obliged to immediately at his own expense and at the choice of TIPS:
 - rectify the defect at the place of use, or
 - to ensure the re-implementation of services or pick up the goods at the place of use, replace them and deliver them to the place of use.

In any case, TIPS is entitled to reimbursement of all costs incurred in connection with the rectification of defects (e.g., costs of assembly, disassembly, inspection, testing, travel, and transport costs, etc.).

- 8.10. TIPS is entitled to rectify the defects in the manner referred to in the previous point without prior notice and without an additional deadline for the elimination of defects at the supplier's expense, or to engage third parties to do so if:
 - the supplier fails to rectify the defects within a reasonable time limit set by the TIPS,
 - TIPS is likely to face delays in deliveries or services to third parties due to untimely elimination of errors, or
 - it is clear from the circumstances that the supplier will not be able or does not intend to rectify the errors within the time limit.

The supplier is obliged to reimburse TIPS for the costs of such rectification, even if these are higher than they would have been if the repair had been carried out by the supplier. The rectification of errors by TIPS in the manner set out in this point shall not affect the supplier's liability.

- 8.11. TIPS has the right to choose between warranty claims and guaranty claims. An application on one legal basis does not exclude the possibility of subsequently asserting an application under another legal title.

9. INTELLECTUAL PROPERTY

- 9.1. The Supplier is obliged to obtain all licenses, industrial and other permits required to perform the contract in the agreed manner and to provide TIPS, at its request, with all documentation in this regard.
- 9.2. The supplier transfers the results of its development work carried out in connection with product development, including intellectual property rights, to the exclusive ownership of TIPS, insofar as TIPS has ordered and paid for development work. If TIPS has not paid for the development work, the Supplier grants TIPS free of charge a non-exclusive, time and geographically unlimited, irrevocable, transferable right of use (license) with the possibility of sublicense, including the right to use, duplicate and modify any intellectual property rights.
- 9.3. The Supplier grants TIPS free of charge a non-exclusive, transferable, time and geographically unlimited and irrevocable right of use (license) with the possibility of sublicensing the know-how and/or intellectual property rights of the supplier that existed before the contract relationship with TIPS ("preceding intellectual property rights") to allow TIPS to use the outcome of the development work as described in point 9.2.

- 9.4. If the intellectual property rights of the supplier are required for the use, repair, or sale of the goods by TIPS, the supplier provides TIPS with an irrevocable and free right to use, repair and resell the goods directly by the buyer or through third parties, valid worldwide.
- 9.5. If the subject of the supply contract is also standard user software, the supplier guarantees the buyer a freely transferable right to use it. The supplier is obliged to provide the necessary software free and free of viruses and other errors.
- 9.6. Tools, samples, forms, models, profiles, plans, drawings, control regulations, norms, printed templates, criteria and other things and information provided by TIPS to the supplier are the exclusive property of TIPS and may not be transferred by TIPS without the prior written consent of TIPS to third parties or used for other purposes not in accordance with the contract. In no case may the supplier produce products that he has made based on documentation (plans, drawings, samples, prototypes, etc.) or using the tools made available by TIPS or supply goods bearing the TIPS brand to third parties or use them alone.
- 9.7. The Supplier will defend and protect TIPS against any liability in connection with the intellectual property or rights of third parties arising from the supply of goods or services. The supplier undertakes to actively participate in any judicial or administrative proceedings against TIPS and assume all the legal and financial consequences of such a dispute. The Supplier guarantees TIPS for the uninterrupted use of the supplied goods and services and undertakes to compensate TIPS for any damage incurred if a third party asserted intellectual property rights claims against TIPS, including patents, designs, trademarks, copyrights and other rights.

10. PROTECTION OF BUSINESS SECRETS AND PERSONAL DATA

- 10.1. The Supplier is obliged to protect all information received by TIPS in any form (oral, written, electronic) during the negotiations, upon receipt of the order or later upon the realization of business cooperation, as a business secret and may not disclose it to a third party without prior written consent of TIPS. Also, the supplier may not use the information obtained for any other purpose outside the scope of business cooperation with TIPS.
- 10.2. At the request of TIPS, the supplier is obliged to conclude a special non-disclosure agreement (NDA) with TIPS before concluding the contract.
- 10.3. Business secrets are information and data (written, oral, electronic) that include, but are not limited to, financial data, business plans and strategies, data on business partners, business operations and systems, trade secrets, and information regarding sales agents, customers and vendors or technology TIPS, plans, drawings, discoveries, innovation, improvements, research, development, know-how, models, product specifications, tools, software, codes, schemes, drafts, prototypes, devices, hardware, technical documentation and production processes, unless they are generally known and publicly available.
- 10.4. The Supplier agrees to exercise the diligence of a good professional in preventing any unauthorized disclosure of trade secrets.
- 10.5. The obligation of professional secrecy applies for an indefinite period of time and remains in force even after the termination of the contract between the supplier and TIPS, regardless of the reason for termination, as long as there is a legitimate commercial interest in the confidentiality of such information.
- 10.6. At the request of TIPS, the supplier will return within eight days all the original documentation provided to him during the business cooperation and destroy all copies of the said documentation.
- 10.7. The Supplier may not, without prior written consent, cite TIPS as its business partner in all its forms of communication and cite it as a reference for acquiring new business partners, expanding the sales network or other promotional purposes.
- 10.8. In the event that the supplier during and/or in connection with and/or on the basis of fulfillment of obligations under the contract or in any way in the framework of business cooperation with TIPS receives or acquaints himself with personal data provided to him in any way by TIPS or accessed at the TIPS location, the supplier undertakes to unconditionally protect and handle all personal data in accordance with the Personal Data Protection Act in force in Slovenia at any given time and the EU General Data Protection Regulation (GDPR) and processed them exclusively in accordance with the TIPS mandate. Without the authorization of TIPS the supplier may under no circumstances use, pass on or make available to third parties or institutions and otherwise process them, except in cases provided by law. The supplier is obliged to ensure the protection of personal data in connection with the processing of personal data by organizational and logistical-technical procedures and measures, which prevent accidental or intentional unauthorized destruction of data, their modification or loss and unauthorized processing. The procedures and measures for the protection of personal data to be introduced by

the supplier will be specified in a separate contract on the processing of personal data, which the supplier is obliged to conclude at the request of TIPS. TIPS may monitor the implementation of all procedures and measures regarding the processing of personal data by the supplier.

- 10.9. The supplier will provide its employees and all third parties such as subcontractors, associates, performance assistants and others involved in the performance of the contract are bound by the same obligations of professional secrecy and personal data as set out in these GPC. The supplier will ensure that the number of such persons is kept to a minimum.
- 10.10. In the event of any breach of the obligations under this point TIPS shall be entitled and reserves the right to claim liquidated damages of EUR 30,000 for each breach. In any case TIPS is also entitled to compensation for all damages and other claims in accordance with applicable law.

11. RIGHT TO EQUAL BENEFITS

- 11.1. If the supplier offers greater benefits to a third party for the same and/or similar fulfillments (e.g., lower prices, more favourable payment terms, higher or better guarantees, etc.) compared to those provided to TIPS under the contract, the supplier is obliged to immediately offer TIPS substantially (meaningfully) the same benefits and, at the request of TIPS, also adopt appropriate changes or amendments to the contract.

12. ANTI-CORRUPTION CLAUSE

- 12.1. The supplier is obliged to inform TIPS at the latest when submitting the offer whether the supplier or members of its management have been convicted of bribery of an official for a period of five years prior to the submission of the tender to the contracting authority. The supplier must immediately inform TIPS if the supplier or members of its management have been accused of bribing an official at any time between the submission of a bid to TIPS and the takeover of the subject of procurement in accordance with Chapter 3 of these GPC.
- 12.2. If, in connection with the conclusion of a contract or during its duration, conduct has occurred which is defined as corrupt under Slovenian regulations and which has influenced or may have influenced the conduct of the contracting parties, such a contract shall be null and void.
- 12.3. A party loyal to the contract may withdraw from the contract by written notice before its expiry, with immediate effect and without any further obligations (including damages), if it turns out that in connection with the implementation or supervision of the contract corruption.

13. TRANSFER OF RIGHTS AND OBLIGATIONS

- 13.1. The Supplier shall not have the right to transfer, pledge or otherwise place its rights and obligations under a contract or individual contract without the prior written permission of TIPS. Prior written consent is also required if the supplier wishes to transfer part or all the scope of the contract to a third party.
- 13.2. Upon prior written notice, TIPS is entitled to transfer individual rights and obligations under the contract with the supplier or the entire contract to a third party without supplier's consent. In the event of such a transfer the supplier has no right to withdraw from the contract.

14. FINAL PROVISIONS

- 14.1. If insolvency proceedings are instituted against the supplier and/or in the event of a change of ownership, status change of supplier (e.g., merger with another company, division of a company, merger with another company or spin-off from an existing company to another company, etc.), TIPS has the right to withdraw from the contract by written notice with immediate effect and without any further obligations, including damages.
- 14.2. The possible invalidity of an individual provision of the GPC or legal transactions does not affect the validity of the remaining provisions of these GPC and/or legal transactions adopted on their basis. The parties agree that such invalid provisions shall be replaced by a valid provision which, in its commercial and legal effect, approximates the provision to be replaced.
- 14.3. TIPS may, in the event of a breach of the essential provisions of these GPC by the supplier, withdraw from the contract by written notice, with immediate effect and without any further obligations, including damages. In this case, the supplier

is obliged to reimburse TIPS for any damage caused to it. The provisions of Chapters 3, 6, 7, 8, 9, 10, 11, 12 and 13 of these GPC are considered to be essential provisions.

- 14.4. The law of the Republic of Slovenia shall exclusively apply to the assessment of the contractual relationship, these GPC and all issues not regulated by the GPC, unless otherwise agreed in writing. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) of 11 April 1980 is excluded.
- 14.5. The parties will endeavour to resolve any disputes arising in connection with the contract amicably. Either party may request that representatives of management participate in the negotiations on both sides.
- 14.6. If the parties to the dispute are unable to resolve the dispute amicably, the competent court in Krško, the Republic of Slovenia, shall have jurisdiction. Notwithstanding the provisions of the previous sentence, TIPS is also entitled to assert its claims against the supplier before the court having jurisdiction over it at its registered office or under the regulations in force in the area of its registered office.
- 14.7. These GPC are written in both Slovenian and English. If there is any conflict or inconsistency between the Slovenian version and the English version, the English shall be the governing and prevailing version.

TIPS d.o.o., General Purchasing Conditions (GPC)