

Valid from 01.05.2022

## 1. SCOPE

- 1.1. These General Sales Conditions (hereinafter referred to as "GSC") shall govern contractual relations between TIPS d.o.o., SI-8273 Leskovec pri Krškem, Slovenia, registration number 5325919000 (hereinafter: TIPS) and the buyer of goods and services (hereinafter: the buyer) from the TIPS sales program based on:
  - a) confirmed order;
  - b) one-off sales contract; or
  - c) long-term (framework) sales contracts between TIPS and buyers.
- 1.2. These GSC are an integral part of any order, contract, agreement, arrangement or legal transaction between TIPS and the buyer, unless the parties expressly and in writing agree otherwise. Special conditions that supplement or in any way change the provisions of these GSC are valid only if they are explicitly and in writing agreed between TIPS and the buyer and included in the contract (e.g., long-term sales contract).
- 1.3. In the event of a discrepancy between the provisions of an individual contract, in which special conditions are included in accordance with the previous point, and these GSC, the provisions of the contract shall apply. These GSC shall prevail over the buyer's terms of purchase unless the buyer and TIPS expressly agree otherwise in writing.
- 1.4. These GSC are considered to be known to the buyer if TIPS in its inquiry, offer or any other correspondence with the buyer (by e-mail, ordinary mail or in any other way that ensures its receipt) informs the buyer that the GSC are an integral part of the contract and are published on the website [www.tips-gse.com](http://www.tips-gse.com). TIPS may change these GSC at any time. The amended GSC apply to new contracts. TIPS will inform the buyer about the change of the GSC by publishing it on its website.

## 2. SALES PROGRAM

- 2.1. Any information regarding the goods and their use, such as weight, dimension, capacity, prices and other information in TIPS catalogues, prospectuses, advertisements or price lists shall not be considered as terms of sale without explicit inclusion in the contract.
- 2.2. TIPS may introduce new goods into the program without prior notice or exclude certain goods from the sales program. However, TIPS is obliged to deliver goods whose order has already been confirmed.

## 3. CONCLUSION OF THE CONTRACT

- 3.1. TIPS provides the buyer with an offer stating the description of the goods, quantity, price, delivery time and other elements. All TIPS offers are non-binding and are considered only as a notice and invitation to submit an order by the buyer.
- 3.2. An order is considered complete and binding on the buyer if it contains all the information from the TIPS offer that is necessary for production or sale of goods and services, such as quantity and detailed technical specification or configurator of goods and services, payment terms, quality, required guarantees and certificates, type, plan, specific characteristics of goods, place and time of planned delivery, priorities of production and delivery, etc.
- 3.3. The sales contract is concluded when TIPS confirms in writing to the buyer that it accepts the buyer's order.
- 3.4. TIPS manufactures or delivers the goods based on a buyer's order accepted and confirmed by TIPS in which TIPS refers to the offer number or TIPS pro forma invoice, these GSC and a written confirmed order and upon fulfillment of payment conditions in accordance with the offer, receipt of an advance on the TIPS

account or receipt of the required confirmed financial security at the TIPS headquarters or as otherwise agreed in the contract regarding payment terms.

#### **4. PRICES**

- 4.1. All prices are FCA Leskovec pri Krškem according to the latest Incoterms rules issued by the International Chamber of Commerce, Paris, unless otherwise agreed.
- 4.2. Prices do not include VAT. All obligations in the country of the recipient of the goods, including taxes, customs duties, fees, etc., are the buyer's costs.
- 4.3. Standard packaging for road transport is included in the price. Transport costs to the buyer and other transport packaging are charged by TIPS according to the terms of the offer or order confirmation or as follows from the agreed Incoterms clause. All non-standard buyer's packaging requirements are subject to agreement with TIPS upon payment of additional costs by the buyer.
- 4.4. Goods and services for which TIPS confirms the order shall be delivered at the price valid at the time of the confirmed order. The agreed price applies to the conditions agreed in the order confirmation. TIPS has the right to change the price and delivery conditions in case of any change in the configurator of goods and services, quantities, plans, method of delivery or receipt, specific features or intended use of goods and delays and postponements at the request of the buyer. TIPS is also entitled to reimbursement of all costs incurred (including costs due to multiple organization of work in the process) and any damage due to subsequent changes in the buyer's order.
- 4.5. TIPS reserves the right to adjust its prices which are based on including but not limited to material and energy costs at the time TIPS's offer is submitted in the event of documented increase of one or all of these cost factors in the period between the conclusion of the contract on the one hand and delivery and service on the other, in accordance with the effects of the change of the aforementioned cost factors to change the price unless the parties expressly in writing agree otherwise (e.g. in TIPS's response to a fixed price tender etc.).

#### **5. DEFINITION OF WORKING DAY**

- 5.1. "Working day" means the period of 10 consecutive hours from 06:00 to 16:00 on the same day, except Saturdays, Sundays, public holidays and other work-free days according to the legislation in force in the Republic of Slovenia.

#### **6. DELIVERY TIMES**

- 6.1. Informative delivery times are stated in the TIPS offer or pro forma invoice.
- 6.2. The delivery time is determined by TIPS and the buyer by agreement upon confirmation of each individual order. The final delivery time is specified in the order confirmation sent by TIPS to the buyer and it is always considered that the delivery time is determined as the number of days required to complete the goods from the fulfilment of payment terms by the buyer in accordance with the contract (as stated in point 3.4.)
- 6.3. TIPS must notify the buyer by e-mail when the goods are ready for shipment or delivery under the agreed Incoterms clause.
- 6.4. TIPS undertakes to deliver the goods to the buyer in a timely manner in accordance with the contract after the fulfillment of the payment terms by the buyer.

#### **7. PAYMENT TERMS**

- 7.1. TIPS will start production if it receives a 50% advance payment from the buyer to its business account no later than 8 days after order confirmation. The remaining 50% payment must be received by TIPS to its business account no later than 8 days before shipment from the TIPS warehouse as a condition of dispatch, unless otherwise agreed. In the case of payment after the supply of goods or services, the buyer must provide TIPS with the agreed method of securing the payment (first-class bank demand guarantee, documentary letter of credit, open credit insurance with the insurance company). If the sequence and frequency of delivery indicate that the agreed amount of the credit limit has been exceeded, the buyer must expedite payments if he wants the invoice to comply with the agreed terms.

- 7.2. Regarding the bank guarantee and the documentary letter of credit the applicable rules of the International Chamber of Commerce, Paris, shall apply unless otherwise agreed.
- 7.3. In the event of different payment terms stipulated in the contract the payment terms specified in the contract shall apply.
- 7.4. Payment is considered to be made when the money is in the TIPS account.
- 7.5. TIPS has the right to charge statutory default interest and all costs incurred in connection with the recovery of payments in the event of late payment.
- 7.6. In the event of the buyer's late payment or non-compliance with other payment and financial security conditions TIPS has the right to immediately suspend all further deliveries and all deliveries related to the current or other commercial relationship with the buyer and request additional insurance for the rest of the delivery and compensation for the any damages to TIPS as a result of the suspension of deliveries and the interruption of works. In addition, TIPS has the right to reject new buyer's orders or orders from groups of companies of the buyer or refuse delivery to the buyer until the required payment. The procedure for suspending deliveries shall be determined in writing. In these cases TIPS has the right to unilaterally redefine new delivery times.

## 8. PRE-SHIPMENT TEST

- 8.1. Unless otherwise agreed, the buyer and TIPS must, as part of the normal operating procedures before shipment or delivery (if the goods are delivered in the TIPS warehouse) inspect the goods and services within the agreed time and carry out a technical acceptance test as specified in this section.
- 8.2. After the inspection the buyer must immediately notify TIPS in writing of any deficiencies in the goods and services. Only a deviation from the technical specification of goods and services shall be considered as a deficiency (point 3.4).
- 8.3. In case of identified non-essential deficiencies, i.e., those that do not substantially impede the operation of goods or services, the buyer may not refuse to accept the goods or services. TIPS must remedy such defects without delay.
- 8.4. If substantial deficiencies in goods or services are identified which render the goods unusable for their intended purpose or their use is severely restricted, the buyer must allow TIPS to remedy them within a reasonable time.
- 8.5. If the identified substantial deficiencies in the goods or services referred to in the previous point could not be remedied within a reasonable time, the buyer may:
  - a) retain the goods and seek a reduction in price or compensation if so agreed in advance by contract;
  - b) if at least a partial acceptance of the goods cannot be economically justified, the buyer may terminate the contract.
- 8.6. If the buyer rejects the defective part of the goods or terminate the contract according to the previous point, TIPS is only responsible for the refund of the amounts paid for these goods.
- 8.7. If no deficiencies are found in the goods and services or they have been remedied, an acceptance test attended by TIPS and the buyer is carried out according to the following rules:
  - a) within a reasonable time, TIPS must inform the buyer of the time of the acceptance test;
  - b) if deficiencies in the goods and services are subsequently identified only during the acceptance test, points 8.3 to 8.6 shall apply;
  - c) after the acceptance test TIPS and the buyer shall sign a report on the acceptance of goods and services and accompanying documentation, including instructions for handling the goods, or that the acceptance was carried out with reservation or was rejected by the buyer;
  - d) the acceptance test is also considered to have been passed:
    - if the buyer does not take the acceptance test no later than eight days after the TIPS call;
    - if the acceptance test could not be carried out within the agreed time for reasons beyond control of TIPS;
    - if the buyer refuses to sign a properly drafted report;
    - as soon as the buyer starts using the goods or services after delivery.

## 9. DELIVERY OF GOODS

- 9.1. TIPS delivers the goods in accordance with the contract and the agreed Incoterms clause. Each delivery is accompanied by relevant documentation related to the fulfillment of the contract, such as invoice, delivery note, transport documents, certificates, guarantees, documents of origin, safety documents, acceptance test report, test results, instructions for use and maintenance, etc.
- 9.2. When taking delivery at the TIPS warehouse, Leskovec pri Krškem, according to the FCA Incoterms clause, the buyer must announce the taking of the delivery no later than 20 days before the agreed delivery date. The buyer's carrier must register for collection with TIPS no later than 3-5 working days before the desired date of collecting of the goods. The TIPS capacity limit is a load of up to 3 units of goods per working day provided that the load starts at 7 am on the day of loading. In the case of own transport the buyer must provide an appropriate truck for transport according to the dimensions of the goods otherwise TIPS has the right to refuse the loading.
- 9.3. In the case of taking delivery of goods at a place outside the TIPS warehouse indicated on the consignment note or delivery note the buyer must, when according to the agreed Incoterms clause he is so obliged, unload the goods no later than in four-hour time and even before or during the unloading check the goods. It is necessary to write a report on transport damage which is signed by the carrier and the recipient of the goods. The damaged goods must be photographed before or during unloading at the latest. The buyer or consignee of the goods must follow the TIPS instructions when unloading. The buyer is obliged to submit a complaint with photographs to TIPS within 24 hours at the latest. If the buyer did not complain about the defects in a timely, concretized and correct manner, the buyer's complaint is considered unfounded. In case of visible defects that existed before unloading the goods the buyer must provide photos of damaged goods before unloading and record the damage on consignment note signed by the truck driver and the buyer. These provisions do not affect the Incoterms rules regarding the passage of risk of accidental destruction or damage to the goods or delay in the logistics process.
- 9.4. In case of shipment by road, when TIPS is in charge of arranging the transport of goods according to the agreed Incoterms clause and the buyer announced a change in the delivery time after Monday of the week before the agreed delivery week in the order confirmation, TIPS has the right to charge 1.000 EUR penalties per truck and all costs and damage (according to the CMR Convention, e.g., standby cost, etc.).
- 9.5. The technical handling of goods in the logistics process must also follow the method of handling as stated in the accompanying TIPS documentation which is submitted to the buyer at the technical acceptance test.
- 9.6. Visible defects must be immediately objected to by the buyer when accepting the goods. Other applicable trade rules on the examination of goods and notification of damage during the transport remain in force. If no complaint is made within eight working days after the arrival of the goods at the agreed place, it is considered that the goods were accepted undamaged from the point of view of transport.
- 9.7. If the buyer does not pick up the goods within 14 days of the agreed delivery time, TIPS has the right to charge 0.5% of the sales value of the goods ready for collection for each started week of delay, as well as any other recorded actual costs suffered by TIPS as a result of the buyer's delay in receiving the goods. In the event of a delayed acceptance of the delivery of the goods the risk of accidental destruction, damage or loss of the goods passes from TIPS to the buyer at the time of delay as follows from the agreed Incoterms clause.
- 9.8. If the buyer does not take delivery of the goods within 14 days of the agreed delivery time, TIPS has the right to demand payment from the buyer for the full value of the goods within the agreed terms of payment.

## 10. RETENTION OF TITLE

- 10.1. The goods remain the property of TIPS until all obligations have been settled by the buyer regardless of their legal basis.
- 10.2. If the buyer acts contrary to the order confirmation or the concluded contract, especially in the event of late payment, TIPS is entitled to take back the already delivered goods. This does not mean that TIPS has withdrawn from the contract unless it explicitly states this in writing. The parties may also agree on an extended retention of title so that the buyer can resell the goods provided that the buyer agrees with TIPS

in advance that the receivable from such resale is automatically assigned to TIPS and that the buyer immediately informs TIPS to whom he has resold the goods after TIPS has confirmed the conditions of sale in advance.

## **11. WARRANTY**

- 11.1. TIPS declares that all materials used are of the highest quality. The buyer must use the products with due diligence and in accordance with TIPS instructions.
- 11.2. The warranty does not apply to products damaged during transport unless TIPS bears the risk to the goods during transport under the selected Incoterms clause, due to unprofessional installation or use under conditions contrary to the intended use of the goods under the contract and non-compliance with TIPS instructions.
- 11.3. In the event of a delay in the acceptance of the goods due to the fault of the buyer the warranty period begins on the day when the buyer becomes late.
- 11.4. The warranty for all TIPS goods is twelve (12) months from the date of delivery of the goods, unless otherwise agreed in writing.
- 11.5. Special forms of guarantees are possible only based on a special requirement which must already be stated in the buyer's order.
- 11.6. TIPS reserves its right to choose whether to replace the defective goods with new ones or to rectify the defect.
- 11.7. In no event shall TIPS be liable for costs that exceed the costs of labour and materials required to restore defective goods to a condition that meets the requirements for the original warranty period.
- 11.8. If the elimination of the defect would require excessive costs or is technically unfeasible, the buyer is entitled to terminate the contract or request a reduction in the purchase price.
- 11.9. The buyer may not invoke warranty and guarantee claims in the event of buyer's interventions, repairs, or attempted repairs, as well as in the event that an unauthorized third party does so. TIPS guarantees repairs carried out by it. Replaced parts become the property of TIPS.
- 11.10. Excluded from the warranty and guarantee are elements or parts of elements that are subject to rapid wear or damage and products that have not been maintained in accordance with the applicable TIPS instructions.
- 11.11. Deviations, which are the result of non-compliance with the accompanying documentation submitted at the technical acceptance test by TIPS to the buyer are excluded from the warranty and guarantee.
- 11.12. If the buyer requests from TIPS that it is necessary to perform an inspection or on this inspection it is established that the notification of defect or the complaint is unjustified, the buyer must reimburse TIPS for the costs of the inspection and the damage incurred.

## **12. INSTRUCTIONS FOR USE AND MAINTENANCE**

- 12.1. Prior to the start of use and maintenance of the goods, the buyer is obliged to take into account all submitted supporting documentation at the technical acceptance test and all transfer of know-how about the use and maintenance of goods handed over by TIPS to the buyer at the acceptance test. The buyer assumes all responsibility to acquaint the persons who will perform the use and maintenance of the goods with all the submitted accompanying documentation and with all the submitted know-how on the use and maintenance of the goods.

## **13. LIABILITY FOR DAMAGES**

- 13.1. TIPS is not liable for any damage caused to the buyer as a result of the buyer's delays in fulfilling contractual obligations, especially due to incorrect or inaccurate data, specifications, projects or any other information provided by the buyer and has the right to demand reimbursement of any costs, losses or damage. The buyer is liable to TIPS for all damages and costs incurred by TIPS due to incorrect information from the buyer, as well as and especially due to the reduction or cancellations or order changes.
- 13.2. TIPS is not liable for indirect damages, in particular not for lost profits and/or other property and non-property damages of the buyer. This limitation of liability shall be waived if the damage is caused intentionally or through gross negligence. To the extent that liability is excluded or limited this also applies to TIPS

employees, associates, agents, and implementation assistants.

- 13.3. TIPS is not liable to the buyer for any damage to property or human health caused by the goods after delivery and while in the possession of the buyer unless this is due to gross negligence or wilful misconduct.
- 13.4. If TIPS incurs any claim under product liability for damage to property or human health by third parties, the buyer must indemnify, defend, and protect TIPS in this regard. If a claim for damages is made by a third party against one of the parties, the latter must immediately inform the other.
- 13.5. TIPS and the buyer will respond to a summons to court or arbitration which is competent to resolve a claim for damages filed against one of them arguing that the damage was caused by the goods.

#### **14. FORCE MAJEURE**

- 14.1. Impossibility of performance for which the contracting party is not liable are considered to be obstacles beyond its reasonable control which could not reasonably be expected at the time of the conclusion of the contract, and which could not reasonably have been avoided or overcome by the affected party. Events beyond the reasonable control of the parties are presumed to be emergency measures by public authorities, fire, destruction of equipment, prolonged downtime of transport, telecommunications, information system or energy, shortage or extraordinary disproportionate rise in material and energy prices in the market, epidemic outbreak, strikes in labour process, currency and trade restrictions, embargoes, sanctions, military conflicts, terrorism.
- 14.2. If the fulfillment of contractual obligations becomes more onerous or impossible due to such circumstances the obligation of the contracting party terminates for the time when its fulfillment is more onerous or impossible if the contracting party has not been able to prevent, eliminate or avoid them. Such circumstances exempt the contracting party from fulfilling its obligations and from liability for non-fulfillment of contractual obligations during this period.
- 14.3. The party claiming the impossibility of performance must prove the existence of such circumstances which exclude its liability and inform the other contracting party as soon as it learns of the occurrence of such circumstances. In the same way the contracting party must inform the other contracting party of the cessation of the circumstances that led to the impossibility of fulfillment. If the contractual counterparty is not properly and immediately notified, the contracting party claiming the impossibility of performance shall be liable for damages.
- 14.4. Failure to comply under this provision shall be assessed in accordance with applicable law and case law.
- 14.5. Delays and non-performance by third parties engaged by this contracting party, such as subcontractors, sellers, freight forwarders, are also reasons beyond its reasonable control for which the contracting party is not responsible for any delay in fulfilling or failing to fulfill its contractual obligation but only if they were also unable to fulfill their obligations due to the circumstances from point 14.1 and provided that that contracting party immediately notifies the other contracting party in writing with full details of the occurrence and reasons for the circumstances under this point. Dates of fulfillment of obligations shall be extended for the time lost due to the occurrence of such reasons if the contracting parties still have an interest.
- 14.6. If the circumstances from point 14.1 last more than 6 months and if not otherwise agreed, each party may terminate the contract.

#### **15. CHANGED CIRCUMSTANCES**

- 15.1. If, after the conclusion of the contract, circumstances arise which make it more onerous or impossible for one party to fulfill its obligations, in both cases to the extent that the contract clearly no longer meets the expectations of the parties and would be considered unfair to maintain in force as it is, a contracting party who finds it more onerous to fulfill its obligations or a contracting party who is unable to perform the contract due to changed circumstances may request the termination of the contractual relationship.
- 15.2. The termination of the contractual relationship cannot be requested if the contracting party referring to the changed circumstances had to take these circumstances into account when concluding the contract or if it could have avoided them or if it could have rejected their consequences. In such a case the party claiming the changed circumstances clause shall be liable for damages.
- 15.3. A party requesting the termination of the contract may not rely on changed circumstances which have arisen after the expiry of the time limit set for the fulfillment of its obligation.

- 15.4. The contract shall not be terminated if the other party offers or agrees to a fair change in the relevant contract terms.
- 15.5. If the contract is terminated the contracting parties must return to each other or settle all services received. Any reduction in value is taken into account in this case.

## 16. INTELLECTUAL PROPERTY

- 16.1. The buyer indemnifies and protects TIPS against possible claims by third parties regarding infringement of patents, designs, trademarks, and other intellectual property arising from the production of products when it is agreed in the contract that the buyer provides samples, special tools, or other equipment.
- 16.2. Unless otherwise agreed in the contract, the buyer does not acquire any intellectual property rights in the software, sketches, etc. in respect of goods which remain the sole property of TIPS.
- 16.3. If the intellectual property rights of TIPS are required for the use, repair, or sale of the goods by the buyer, then TIPS grants the buyer an irrevocable and free right to exercise these rights.

## 17. TERMINATION OF THE CONTRACT

- 17.1. TIPS is entitled to terminate the contract:
  - a) if, due to force majeure, strike or other circumstances not caused by him, he is unable to fulfill his contractual obligations;
  - b) if the buyer has exceeded the agreed payment deadline by more than 20 days and no subsequent deadline has been agreed with TIPS;
  - c) if the buyer, acting in gross negligence, provided false information about his obligations that jeopardize his ability to fulfill his obligations.
- 17.2. The buyer is entitled to terminate the contract:
  - a) if TIPS intentionally or through gross negligence causes the delivery impossible;
  - b) if TIPS fails to comply with the subsequent extended deadline granted by the buyer in the event of rectification of defects in sections 8 and 11 of these GSC.
- 17.3. If the contracting parties terminate the contract, they must return the goods to each other or pay for all services received. Any reduction in value is taken into account in this case.

## 18. PROTECTION OF BUSINESS SECRETS AND PERSONAL DATA

- 18.1. The Buyer 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 during 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 buyer may not use the information obtained for any other purpose outside the scope of business cooperation with TIPS.
- 18.2. At the request of TIPS the buyer is obliged to conclude a special non-disclosure agreement (NDA) with TIPS before concluding the contract.
- 18.3. Information and data (written, oral, electronic) including but not limited to financial data, business plans and strategies, data on business partners, business operations and systems, trade secrets and information related to sales agents, buyers and vendors or technology of TIPS, plans, drawings, discoveries, innovations, improvements, research, development, know-how, models, product specifications, tools, software, codes, schemes, drafts, prototypes, devices, hardware, technical documentation and production processes are considered business secrets unless they are generally known and publicly available.
- 18.4. The buyer agrees to exercise the diligence of a good professional in preventing any unauthorized disclosure of trade secrets.
- 18.5. The obligation of protection of business secrecy applies permanently and indefinitely and remains in force even after the termination of the contract between the buyer and TIPS regardless of the reason for termination as long as there is a legitimate commercial interest in the confidentiality of such information.
- 18.6. At the request of TIPS, the buyer will return within eight days all the original documentation that was provided to him during the business cooperation and destroy all copies of the said documentation.

- 18.7. The buyer may not, without prior written consent, cite TIPS in all its forms of communication as its business partner and cite it as a reference for acquiring new business partners, expanding the sales network or other promotional purposes.
- 18.8. In the event that the buyer 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 to which he has access at the TIPS location the buyer undertakes to unconditionally protect and handle all listed personal data in accordance with the applicable Personal Data Protection Act in force in Slovenia and the EU General Data Protection Regulation (GDPR) and process them exclusively in accordance with the TIPS mandate. Without the authorization of TIPS, the buyer may under no circumstances use, pass on or make available the personal data to third parties or institutions and otherwise process them, except in cases provided by law. Regarding the processing of personal data through organizational and logistical-technical procedures and measures, the buyer is obliged to ensure the protection of personal data by preventing accidental or intentional unauthorized destruction of data, their alteration or loss and unauthorized processing. The procedures and measures for the protection of personal data that the buyer must introduce will be defined in more detail in a separate contract on the processing of personal data which the buyer 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 buyer.
- 18.9. The buyer will bind his employees and all third parties such as subcontractors, associates, performance assistants and others involved individuals in the performance of the contract to the same obligations of professional secrecy and personal data as set out in these GSC. The buyer will make sure that the number of such persons is kept to a minimum. In the event of any breach of the obligations under this point TIPS is entitled and reserves its right to enforce liquidated damages in the amount of EUR 10.000,00 for each breach. In any case TIPS is also entitled to compensation for all damages and other claims in accordance with applicable law.

## 19. ASSIGNMENT OF RECEIVABLES

- 19.1. The buyer undertakes not to assign any claim against TIPS to third parties without his prior written confirmation.
- 19.2. TIPS is entitled, upon prior written notice to the buyer, to transfer individual rights or obligations under the contract with the buyer or the entire contract to a third party without buyer's consent. In the event of such a transfer the buyer has no right to terminate the contract.

## 20. FINAL PROVISIONS

- 20.1. The possible invalidity of an individual item of these GSC or legal transactions does not affect the validity of the remaining provisions of these GSC and/or legal transactions adopted on its basis. The contracting 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.
- 20.2. If a individual contract is concluded and it's provisions are in contradiction to these GSC the provisions of the contract shall apply to the regulation of an individual relationship. however, these GSC are used to regulate relations that are not regulated by the contract. In cases where these GSC explicitly state that a contrary agreement is not possible the content of these GSC shall apply.
- 20.3. The substantive law of the Republic of Slovenia shall apply to the assessment of the contractual relationship, these GSC and all matters not regulated by these GSC 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.
- 20.4. 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.
- 20.5. If the parties to the dispute are unable to resolve the dispute amicably, the competent court in Krško, the Republic of Slovenia, shall have the jurisdiction. Notwithstanding the provisions of the previous sentence, TIPS is entitled to assert its claims against the buyer also before the court having jurisdiction over it at its registered office or under the regulations in force in the area of its registered office.
- 20.6. These GSC 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.

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TIPS d.o.o., General Sales Conditions ("GSC")