

# General Terms And Conditions Of Purchase

## **WARNING**

The "General Conditions of Purchase" below must be understood to be an integral part of the purchase order. Any clause added by the Buyer to the Purchase Order text with the same title, fully or partially voids and supersedes the corresponding clause of these General Purchase Conditions.

"Buyer" means the Company TURBIMAQ EUROPE d.o.o., while "Seller" means the designated supplier.

## **ART. 1 - CORRESPONDENCE**

All correspondence will always refer to the Purchase Order number of the Buyer and will be addressed to the competent office.

Order confirmations, delivery variations, logistics definition for deliveries, to the Purchasing Office.

Drawings, manuals, data sheets, technical requests, technical approvals, to the Technical Office.

Certifications and quality documentation at the Quality Assurance Office.

Invoices and anything else related to accounting at the Accounting Office.

## **ART. 2 - DOCUMENTATION**

The supply of the goods corresponding to the Purchase Order must be complete with all the technical documentation, as well as the necessary use and maintenance manuals and the required quality certificates.

## **ART. 3 - EXECUTION OF THE SUPPLY**

The supply must be carried out in compliance with the provisions of the Purchase Order, as well as the drawings, technical and/or contractual specifications and any other cited documentation that forms an integral part of it. Any modification to what is established will be valid only if expressly accepted by the Buyer and subsequently confirmed by the same by formal amendment of the Purchase Order.

## **ART. 4 - CONFIRMATION AND ACCEPTANCE OF THE PURCHASE ORDER**

Within 7 days of receiving the Order, the Seller must expressly confirm and accept the Order.

To this end, the Seller must return the Order countersigned to the Buyer for confirmation and acceptance or, alternatively, send their own documentation to the Buyer, confirming and accepting the Order.

## **ART. 5 SHIPMENTS**

The Seller, unless otherwise specified, must use the carriers and/or shipping agents indicated in the Order. In the event of failure to comply, the Buyer will charge the Seller the costs incurred.

The Seller, if authorised by the Buyer to make the shipments directly, must use the most economical means. In this case, the shipping costs must be charged separately and documented through appropriate invoices. The release of the material is understood to be carried out subject to control. The recognised quantity and weight are those found on arrival at the Buyer's premises or in the places indicated by the same.

## **ART. 6 - PACKAGING**

The Seller must provide adequate packaging of the materials to be supplied, as specified in the Order, or, if not specified in the Order, according to the Seller's standards, so as to ensure that the loose components can be easily controlled and machined parts are not damaged during transport. In any case, the Seller will be fully liable for any damage suffered by the material due to unsuitable packaging and shall be liable to compensate the Buyer for all resulting consequences. The materials which, due to their size or weight, do not allow suitable packaging, must be placed on loading platforms or pallets, or in any case placed on racking of adequate thickness so as to allow lifting and unloading in safe conditions. Vehicles arriving at their destination with difficulties for unloading will not be accepted and will be returned to the sender.

## **ART. 7 - TERMS OF DELIVERY**

The terms of delivery are binding and changes are not permitted without the prior written approval of the Buyer. Notwithstanding any other conditions specifically indicated in the Purchase Order, the delivery terms of the Purchase Order must be interpreted as defined by the "Incoterms 2020".

A delay in the delivery of 45 days beyond the deadline for application of the maximum contractual penalties envisaged will entitle the Buyer to request the termination of the contract. In case of early delivery with respect to the contractual terms, the Buyer will have the right to return the goods received to the Seller, at the Seller's risk and expense, subject to conditions otherwise agreed between the parties. The terms for payment of the supply will in any case apply from the contractually agreed delivery dates.

The Seller may not deliver material in excess of the contractually agreed quantities.

## **ART. 8 - SELLER'S OBLIGATIONS**

Upon acceptance of the Order, the Seller shall be obliged to allow the Buyer and the Buyer's customers access to their premises in order to verify the adequate progress of the construction of the products covered by the Order. Upon written request, the Seller is obliged to allow the Buyer to verify any orders issued in favour of sub-suppliers, omitting the prices.

## **Art. 9 - PENALTIES**

Delays in delivery not previously authorised by the Buyer will trigger the calculation of the penalties. The penalties borne by the Seller will be calculated on the basis of a value equal to 1% of the total amount of the Order for each week (7 days) of delay up to a maximum equal to 10% of the total amount of the order, whatever the extent of the goods not delivered.

The same penalties mentioned above shall also apply in case of late sending or partial submission of the documentation/certification requested in the Order; such documentation/certification shall constitute an integral part of the supply.

The application of the aforementioned penalties does not exclude the right to compensation for any further damage suffered by the Buyer that is properly documented.

## **ART. 10 - INSPECTION OF MATERIALS**

Both the verification of the receipt of all the material required in the Purchase Order, and the assessment of the conditions and the quality of the supply must be performed only by the Buyer's staff or by agents expressly delegated by them. Should inspections or tests be carried out at the premises of the Seller or its subcontractors, the Seller shall provide, without any charge, all the equipment and assistance necessary for the Buyer or its delegates to carry out their work safely. It is however understood that the failure to carry out inspections, or the failure to identify defects following inspection will not relieve the Seller from their liabilities that fall under the terms of the Purchase Order.

## **ART. 11 - NON-ACCEPTANCE**

If the material is defective or, in any case, does not comply with the requirements of the Purchase Order, the Buyer, in any case without prejudice to all rights deriving from the law, may, at its sole discretion, act in one of the following ways:

- a) Not accept the material and ask the Seller to arrange, at the Seller's expense, for the replacement of the defective material with material that is equivalent and in compliance with the provisions contained in the Purchase Order, without prejudice to the provisions of Art. 9;
- b) Not accept the material and ask the Seller to immediately eliminate the defects found at the latter's expense, without prejudice to the provisions of Art. 9;
- c) Not accept the material and directly arrange, upon acceptance by the Seller, to eliminate (or have third parties remove) at the Seller's expense the defects found, also without prejudice to the provisions of Art. 9.

## **Art. 12 - GUARANTEE**

The Seller shall guarantee that the supply complies with the agreed specifications and characteristics, that the materials used are free from defects or faults, even hidden, and that the manufacturing has been carried out in accordance with the most modern technologies and to a high standard of workmanship.

This guarantee, unless otherwise agreed in writing, will last for 24 months from the start-up of the plant or, in any case, not more than 36 months from the date of delivery of the goods.

During the period in which the warranty operates, the Seller agrees and will be required to arrange replacement, at its own expense, directly or through third parties, the material or parts that do not meet the appropriate standards.

Such substitutions, modifications, or repairs must be made within terms to be agreed, on condition that the Buyer communicates in writing to the Seller the defect of the Product, without this affecting the Buyer's rights, in the event that it is not possible to intervene in the terms agreed upon and dictated by the Buyer's need, and in any case always subject to acceptance by the Seller, to provide directly or to have the replacement, modifications or necessary repairs carried out by third parties, the Seller being liable for the relevant charges incurred. The parts replaced under warranty, if requested by the Seller, will be returned, the costs incurred for the return being charged to the Seller.

The new parts to replace the defective ones will have the same warranty period as above, starting from the date of replacement.

### **ART. 13 - BILLING - PAYMENT DOCUMENTS**

The original invoice must be sent to the address specified in the Purchase Order. Each invoice must refer to a single Purchase Order and furthermore, in the case of open orders, each invoice must refer to the requests issued by each individual premises of the Buyer. The following data must be reported in the invoices:

- Order number of purchase with relative modification number if applicable;
- Number of each order position, with Buyer's code, relative description, quantity sent and unit price;
- Crediting bank and IBAN number;
- VAT number (complete)
- Consignee of the material;
- Shipping documents.

The invoice will be subject to the tax conditions applicable at the time of invoicing. The shipping documents will be represented by the Transport Document for the materials being sent from supplier to be drawn up in triplicate according to the applicable tax regulations and must clearly state the Purchase Order number with its modification number if applicable, the number of each Order item shipped with Buyer material code, description and quantity. In the case of materials sent to a destination other than the Buyer's establishment to which the invoices must be sent, a copy of the Transport Document for administrative use signed by the carrier who has taken charge of the goods or similar shipping documents, must be immediately sent to the office of the Buyer that issued the Order. If the documentation sent to the Buyer is incomplete or does not comply with the instructions above, the payment of the corresponding invoices will be made after receipt of the required documentation.

VAT number (complete)

### **ART. 14 - CODE OF ETHICS**

Regarding TURBIMAQ EUROPE d.o.o. Code of Ethics, the Seller confirms:

- to adhere to the principles of conduct as explained in the [Ethical Code](#);
- to be aware that non-compliance with above-mentioned principles may determine the termination of the contract and/or TURBIMAQ EUROPE d.o.o. right to claim compensation of all suffered.

### **ART. 15 - GOVERNING LAW AND DISPUTE RESOLUTION**

Any sale or supply contract between the Seller and the Buyer, including Purchase Orders, order confirmations, etc., shall be construed in accordance with, and governed by, the Slovenian law. All disputes arising out of or in connection with any sale or supply contract between the Seller and the Buyer, either of contractual or non-contractual nature, shall be submitted to the exclusive jurisdiction of the Courts of the registered seat of the Buyer.

However, should the Seller have its registered office established outside the territory of the European Union at the time the dispute arises, all disputes arising out of or in connection with any sale or supply contract between the Seller and the Buyer, either of contractual or non-

contractual nature, shall be finally settled by arbitration under the Rules of the Ljubljana Arbitration Centre at the Chamber of Commerce and Industry of Slovenia (LAC), by a sole arbitrator, appointed in accordance with the Rules, which are deemed to be incorporated by reference into this clause. The language of the arbitration shall be English. The seat of Arbitration shall be Ljubljana (Slovenia).