

GENERAL PURCHASING CONDITIONS

Validity: These General purchasing conditions (hereinafter: "the Conditions") apply to all orders issued by Aluminium Kety Emmi d.o.o. (hereinafter: "the Buyer") to its suppliers of goods. The Conditions apply mutatis mutandis to orders of services. The Conditions are an integral part of all transactions between the parties, insofar as the parties did not agree otherwise in writing and in advance.

Any deviation from the Conditions requires a written consent of the Buyer. If the Buyer and the supplier concluded a contract or an annex with different terms for an individual purchase, the Conditions are used for all that this contract or annex for an individual purchase do not regulate.

These General purchasing conditions are published on the Buyer's website at: <http://www.emmi.si/> and shall apply from 1 February 2018 onwards. These Conditions apply until cancellation or change. Suppliers are obliged to monitor / check changes by themselves at <http://www.emmi.si>. The Conditions are written in three languages. In case of uncertainty / inconsistency, the Slovenian version prevails.

Order and order confirmation: Buyer's orders are only valid in writing. The supplier is obliged to review the order and confirm it in writing within 3 working days after the receipt of the order. Any change to the confirmation means that the issued order is no longer valid and is considered as a new offer of the supplier, which is only valid if confirmed by the Buyer in writing. If the supplier does not reject the order within three working days of the receipt of the order, it is considered that the order is confirmed. This also applies to partial orders (recalls) that the Buyer gives under a general order, which was given in advance for a longer period. These are cases where the general order consists of several partial orders that the company submits successively, following the approved general order.

The supplier shall explain any refusal of the order to the Buyer in writing. The supplier confirms orders exclusively on the basis of customer order; order confirmations for characteristics of goods must be in accordance with the offer, contract and / or agreement. The Buyer may cancel the order from the supplier until the supplier has begun with the production of goods or until the supplier has ordered the goods for the Buyer with his supplier. An order cancellation must be communicated to the supplier in writing and the Buyer does not bear any costs in this case.

Prices: Prices indicated on the order are binding and no deviations are possible.

Delivery and delivery time: The delivery time on the order is binding. For any deviation from the contractual term, the supplier must receive a written approval of the Buyer. If the supplier does not have all the necessary data and technical documentation for the delivery, despite the fact that he has repeatedly (at least 2 times) asked the client to submit them, the delivery time is extended for the time from the supplier's invitation until the moment when the client provides the supplier with the necessary data. However, if the supplier does not ask the client to provide the necessary data and technical documentation in due time (within 24 hours), the delivery time cannot be extended.

If the supplier fails to fulfil his obligation within the deadline, the Buyer shall charge the supplier a penalty in the amount of 1% of the order value for each calendar day of the delay, as well as for any incurred costs and damage caused to the Buyer or his buyer from this reason, regardless of the reason for the delay. In case of early delivery, the Buyer may refuse the collection.

Physical collection of goods: AK Emmi carries out the collection of goods from Monday to Thursday between 7 am and 3 pm and every Friday from 7 am to 1 pm. Any deviation from the specified days requires a written consent from the Buyer.

Collection: The goods must always be accompanied by a delivery note and for Al profiles, Al and Fe strips, Al and Fe sheets and other agreed materials also by a mandatory certificate 3.1, which is sent to the following e-mail at the delivery: certifikat@emmi.si. In case that other documentation or samples are required, this is stated on the order or in a separately signed Quality Agreement.

The supplier must indicate each quantity delivered by individual pallets, cardboard boxes, etc. with the agreed bar code or label or pallet sheet that shall indicate:

- Name and address of the supplier;
- Name of the Buyer;
- Quantity;
- Name of the goods;
- Production date;
- Batch (other form of traceability).

The supplier is obliged to pack the goods in a way that ensures safe transport and storage. The supplier is liable to pay compensation for any damage that may be incurred to the Buyer due to the ecologically questionable goods or inadequate packaging. The collection of goods is made when the Buyer signs the takeover document stating the date of the collection, the stamp and the signature of the recipient.

Invoices: Invoices are issued for individual orders. The attachments of each invoice are delivery notes signed by a responsible person of the Buyer, who collected the goods / service. The invoice must be issued / sent no later than the last day of the month in which the goods / services were delivered.

In the case of partial deliveries, the entire invoice may be issued after the final partial delivery, but no later than by the end of the month for the current month. If there are several partial deliveries in one month, the invoice is issued at the end of the week. Partial deliveries are not allowed unless they are agreed in advance. The invoice must include all the mandatory components, required by the ZDDV, and the order number.

The supplier may, if desired, send invoices exclusively in electronic (PDF) form to one of the following addresses;

- e-racun@emmi.si
- e-invoice@emmi.si
- e-rechnung@emmi.si

Payment conditions:

The Buyer pays the invoice within the agreed payment deadline. The payment deadline starts to run after the receipt of the correct invoice, but no sooner than on the first day of the correct delivery of goods or services. The Buyer will pay the invoice within the deadline agreed between the parties, counted from the issue of the invoice. If the invoice does not comply with the order or the confirmed offer, the client may refuse the invoice.

Payment of the invoice does not constitute a confirmation that the delivery or service has been performed in accordance with the contract. If the goods or services have faults, the Buyer is entitled to

withhold payment of the invoice that was issued for the goods or services with faults until these faults are eliminated or until the final agreement with the supplier.

Quality of goods and services: The supplier is obliged to supply the ordered goods in accordance with the order and all the attached documentation as well as in accordance with international, national, and internal technical standards. Goods must have the usual characteristics and properties for which the parties have specifically agreed. If the supplier is aware of the purpose for which the Buyer or the client's buyer will use the goods, the goods must also have the properties for the known use.

The supplier is obliged to establish and maintain the quality level of ordered goods in his business system in accordance with the quality requirements of the client, which will be achieved with an efficient quality management system. The supplier undertakes to enable the Buyer to verify the operation of the quality management system at his request.

If the Buyer issued a measuring protocol to the supplier, the supplier is obliged to follow and comply with it. If a measuring protocol is not issued, the supplier must create such a system to control the goods, by samples or in full, and to prepare appropriate reports on measurements. The supplier is obliged to deliver to the Buyer the contractual goods samples for confirmation before the regular delivery or at any time upon request. The Buyer is obliged to inspect samples and notify the supplier about the inspection results.

Quantity and quality complaints: The Buyer undertakes to reclaim the received quantity immediately upon the collection but no later than within 5 working days after the collection and the inadequate quality immediately upon the establishment but no later than within 6 months after the collection or no later than until the expiry date of the goods. For each complaint received, the supplier shall reimburse any damage and issued an analysis of the cause of the fault as well as corrective measures, and this generally, within 30 days after the date of the complaint.

The supplied goods must be in accordance with the requirements of the order and specifications, drawings and all the documents and standards that define the subject of the order. No change or withdrawal from the requirements of the order is allowed without a written confirmation of the Buyer. At the request of the Buyer, the supplier is obliged to provide all the documentation regarding the quality of the ordered goods. In the event that the order does not specify the quality of the goods, the supplier guarantees that he will supply the goods in quality that is consistent with the rules of the profession.

Modification or termination of the supplier's production: The supplier undertakes to notify the Buyer about intended termination of the production of a particular product type that he supplies to the Buyer at least 1 year before the intended termination of production.

Compliance with the law and regulations:

The supplier shall ensure that the goods and services provided meet all legal requirements and regulations governing the quality and safety of goods and services.

General conditions of work in services: The execution of works can begin only after prior agreement with the responsible manager of the process. The contractor is obliged to comply with the Slovenian legislation and all the instructions received from the Buyer. Only qualified employees and subcontractors are eligible to work.

Health and safety at work: The contractor undertakes to comply with the principles of safe work and to use appropriate protective equipment. The contractor must adequately protect and mark the working area. When performing works at height, the contractor must prevent the movement of persons below the working area, adequately insure and mark the area, and provide safe lifting and transfer of loads. After the completion of works, the contractor must remove all marks, clean the area, install functional safety devices and safeguards, and in the case of interference with electrical devices, he must close and lock the switchgear door. Based on a written agreement, the contractor undertakes to comply with the rules of safe and healthy work that apply in the area of the company.

Environmental protection:

- The contractor must collect and remove all the waste generated in the execution of works in accordance with the applicable legislation.
- It is forbidden to discharge contaminated water into drains; it should be treated as waste.
- The contractor is obliged to safely use hazardous substances and to prevent possible accidents.

Force majeure

Each Party may withdraw from the fulfillment of contractual provisions, if the delay is not through its fault and caused by a force majeure event, i.e. fire, floods, typhoon, epidemic, war, prohibition or government assignments, restrictions, sudden unexpected atmospheric phenomenon, delays due to similar natural or forced reasons. The Buyer is entitled during the interruption of order execution due to a force majeure reason to take goods from other sources and by such amounts reduce the quotas provided in the contract with the Supplier, if the Supplier was unable to deliver goods in prolonged period proposed. In addition, the Supplier is obliged to provide comprehensive information about delay on each request of the Buyer.

Confidentiality

All and any information arising directly out of these Conditions as well as information collected by the Supplier in connection with the execution of the order, and particular all organizational, trade and technical information, relating to the Buyer and not publicly disclosed, shall be regarded by the Parties as confidential information, and as such shall not be disclosed to third parties. This obligation does not relate to situation when disclosure of information is needed in legally valid manner. The Supplier confirms its intention to use confidential information solely for the purpose of execution of the order and to suitably protect this information appropriately to its confidential character. Confidentiality obligation shall remain valid after execution of the order, and as not to be null and void, may be waived only with a written consent of the Buyer.

Competent court: The Buyer and the supplier will try to resolve all disputes by mutual agreement. If this is not possible, the District Court in Maribor, Slovenia, shall have jurisdiction, unless otherwise agreed in the contract.