

TERMS OF SERVICE

1. INTRODUCTION

These Terms of sale determine rights and obligations between the buyer and Orodjarstvo Gorjak, d.o.o. (the seller). The buyer confirms and fully accepts these Terms of sale with the acceptance of offer, signature of contract or order confirmation or in any other form acceptable for both parties.

2. CONCLUDING CONTRACT AND CONFIRMATION ORDERS

The seller and the buyer may conclude the contract for one time purchase (the contract, confirmation order or order) or the contract for definite time period (the long term contract or the contract). With the long term contract the parties agree Quantity and Quality of goods or services for each delivery period, Delivery period and Price for the total duration of the contract. In case of the long term contract the buyer is also obliged to provide a detailed specification of goods to be ordered to the seller. If this specification is not provided on time, the seller should give notice to the buyer to provide it. The seller may terminate the contract and charge the termination costs to the buyer in accordance with point 5 of these Terms, if the buyer does not provide the required specification within 8 days after the notice from previous sentence is provided to the buyer.

Ordering is carried out on the basis of the valid offer or individually determined terms and prices or under terms and prices agreed in the contract/offer. Each order confirmation should contain the basic data of the buyer and the quantity, quality, price and delivery date of ordered goods. Order should be provided on regular post, fax or e-mail. Order confirmations provided by phone should be confirmed in writing. Order confirmation or the detailed specification binds the buyer to take a delivery and make a payment of the goods unconditionally and only afterwards the rights may be enforced, if not agreed otherwise.

The contract is concluded when the buyer accepts the offer and communicates his acceptance with the seller. If the buyer confirms the offer in any credible manner and does not return a signed copy of the confirmed offer to the seller within 3 days after acceptance of the offer, it is considered that the buyer accepts and agrees with all terms and conditions from the contract.

3. SHIPMENT AND RECEIPT OF GOODS

Delivery period shall run from the day of confirmation of order to the buyer. The seller reserves its right to extent the delivery period in case of force majeure (fires, earthquakes, floods, wars, strikes, storms, traffic jams, national measures or other unpredictable situations). The seller is obligated to inform the buyer about the existence and cessation of force of majeure immediately.

4. TERMS OF PAYMENT

All payments are made on the basis of invoices issued. Term of payment and expiration date of payment respectively is stated on the invoice in accordance with the provisions of the contract/offer. The contractors may agree on extension of payment in writing, however, the buyer must provide an appropriate instrument to secure the payment upon the seller's choice. In case of expiration of



payments the seller reserves its right to calculate and charge legal interest for delay. Furthermore, the seller reserves its right to terminate the supply of goods and withdraw from the contract/offer respectively as well as charge the costs of withdrawal to the buyer in case of outstanding bills or nonfulfillment of other contractual obligations.

5. TERMINATION FROM THE CONTRACT

The buyer may withdraw from the contract or order confirmation in writing no later than by the time the goods are dispatched. However he must compensate all incurred costs due to the withdrawal (the costs of the withdrawal). The buyer must pay the costs of the withdrawal also, if the seller on account of the buyer's fault withdraws from the contract or order confirmation.

The costs of the withdrawal are as follows: dimaterial costs, labor costs, costs of services, financial costs and other dependent costs.

6. EXTENDED RETENTION OF TITLE

The goods shall remain the property of the seller until the buyer has paid all sums to the seller. The buyer may hold the goods and has the power of disposal; however he is liable for all reasonable claims of the seller, if he does not comply with the financial or other obligations. In the event of delayed payment the buyer should return all the goods received and not paid upon the request of the seller. Should the buyer resell or consume the goods prior the complete payment of goods, he assignees all claims against third parties which arise from such resell or consumption of the goods to the seller. The buyer should send a notice about such claims to the seller immediately as they arise.

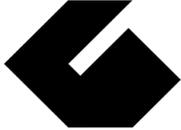
7. GUARANTY AND RECLAMATIONS

The buyer must examine goods upon the receipt and inform the seller immediately but no later than in 15 days about clerical errors. The seller guarantees for hidden clerical errors (latent defects) within 180 days after the delivery. The seller binds himself to work out reclamations appropriately in reasonable time period for all goods that are subject to the valid guaranty providing that the buyer has informed in due time the seller about defects.

Any physical damage of goods which is a result of blow, fall, thunderblast, irregular parking, etc. is not subject to the guaranty unless the buyer unequivocally proves that he received such goods at the signature of the entry document. The buyer is not entitled to enforce the guaranty if he does not assure a proper use, processing or storage of goods.

8. CONFIDENTIALITY

The seller and the buyer agree that all information are subject to confidentiality and should not be disclosed to any third party without the prior written consent of other contractual party.



9. GOVERNING LAW

The laws of Slovenia govern Contract and these Terms of sale and they will be interpreted in accordance with those laws. The appropriate provisions of Slovene law and regulations govern any rights and duties of the contractual parties that contract or this Terms of sale does not explicitly address.

Should any dispute arise between the contractual parties, they will attempt to resolve the dispute in good faith. If they will not be successful, the court in Maribor, Slovenia, has exclusive jurisdiction in a connection with the resolution of the dispute.

10. FINAL PROVISIONS

These Terms of sale are available on the official web page of the seller **and are attached to every offer, contract and the order confirmation.** Terms of sales form an integral part of offer/contract/order confirmation to which they are attached.

Contractual parties may change particular provisions of these Terms of sale with special agreements.

Rače, 05.01.2016