

GENERAL TERMS AND CONDITIONS OF SALE OF ISKRA ISD d.o.o.

1. Definitions

- 1.1. "Contract" means any order, instruction or similar document accepted by both parties. An integral part of the Contract are also these "General Terms and Conditions of Sale of Iskra ISD d.o.o."
- 1.2. "Goods" means all manufacturing and trading products and services that are the product of, or the subject of, business between the parties.
- 1.3. "Supplier" means the party offering a service or product.
- 1.4. "Customer" means the party ordering a service or product.
- 1.5. "General Terms and Conditions of Sale" mean these General Terms and Conditions of Sale of Iskra ISD d.o.o.
- 1.6. "Forecast" means an indicative quantity and time withdrawal plan of the Customer, which is not binding for the Supplier.
- 1.7. "Order" means a document of the Customer defining the delivery conditions of the ordered Goods.
- 1.8. "MOQ" means the minimum order quantity (minimum order quantity).
- 1.9. "Working day" means a time period of 8 consecutive hours from 07:00 to 15:00 on the same day, each day of the week from Monday to Friday inclusive. Public holidays and other non-working days are excluded from this definition.

2. Scope of application and hierarchy of documents

- 1.1. These General Terms and Conditions of Sale govern the contractual relationships between Iskra ISD d.o.o., Savska loka 4, 4000 Kranj (hereinafter: the "Supplier") and the Customer and apply to all relationships between the parties, unless otherwise agreed.
- 1.2. In the event that the parties conclude a contract whose provisions are not in accordance with these General Terms and Conditions of Sale, the provisions of the contract shall apply to govern the specific relationship, and these terms shall apply to govern relationships not regulated by the contract.
- 1.3. The General Terms and Conditions of Sale shall prevail over the Customer's purchasing terms, unless otherwise agreed.
- 1.4. If any of the provisions listed below is invalid, this shall not affect the validity of the remaining provisions.

3. Specifications and offers

- 3.1. The Supplier's offer is based on the data known at the time of inquiry and on the assumption of work organization (48 weeks/year, 15 shifts/week), unless the offer provides otherwise.
- 3.2. Unless otherwise stated in the offer, the price does not include taxes/fees, transport, additional equipment (tools, gauges) and additional operations (e.g., packaging, washing, weighing, 100% inspection, quality tests, etc.).
- 3.3. The prices in the offer apply for quantities of MOQ \pm 10% and apply EXW Supplier's warehouse, unless the offer provides otherwise; the latest edition of INCOTERMS (ICC, Paris) shall apply.
- 3.4. The price includes 3% technical scrap at all steps of the production process.
- 3.5. If 100% inspection is required, the offer takes into account 300 PPM efficiency, unless otherwise agreed.
- 3.6. If any element affecting the calculation changes (e.g., specifications, quantities, material, process, quality requirements), the Supplier reserves the right to change the price, which will be agreed with the Customer.
- 3.7. Unless stated otherwise, the offer is informative and non-binding and is valid for 30 calendar days.

4. Order, packaging and dispatch

- 4.1. The Order shall be deemed complete when it contains all data necessary for the production/delivery of the Goods/Service (delivery date, quantity, specification, special requirements, the latest valid technical drawing, packaging requirements).
- 4.2. The Supplier shall confirm the Order in writing no later than within 5 working days of receipt; upon confirmation, the Order becomes binding for the Supplier.
- 4.3. If the Customer wishes to extend the confirmed delivery deadline, it must notify the Supplier at least 5 weeks before the confirmed deadline; otherwise, the Supplier reserves the right to deliver the Goods within the originally confirmed deadline.
- 4.4. In the event of cancellation of the Order when the material has already been ordered or the Goods/Service are in the production process, the Customer is obliged to reimburse the Supplier for all costs incurred due to the cancellation.
- 4.5. An individual packaging unit with material for processing may not exceed 15 kg; cardboard packaging is not suitable for delivery of parts for production processing.
- 4.6. After processing, the item is, as a rule, packed back into the Customer's packaging, unless otherwise agreed.
- 4.7. If the Customer changes the Order after confirmation, the Supplier reserves the right to reimbursement of all costs incurred due to the change.
- 4.8. If the Customer does not take over the Goods within the agreed deadline, the Supplier may, after 14 calendar days, charge storage in the amount of 0.5% of the sales value per day, but in total no more than 5% of the value of the Order, and the costs of additional protection of the Goods during storage.
- 4.9. Due to planned material consumption and an uninterrupted process, the Supplier reserves the right to dispatch a quantity higher than ordered.
- 4.10. If the Customer authorizes the Supplier to organize transport or if transport is included in the offer, the Supplier may dispatch the Goods in accordance with the confirmed deadline; if the Customer does not provide transport and does not authorize the Supplier, the Supplier reserves the right to organize transport itself.
- 4.11. If a safety stock is not expressly agreed, the Supplier is not obliged to produce Goods for stock.
- 4.12. In the event of extraordinary events (e.g., non-delivery of material, machine failures, natural disasters, etc.), the Supplier shall not be liable for delays. The Supplier does not recognize contractual penalties for delivery delays, unless otherwise agreed.

5. Payment terms

- 5.1. Unless otherwise agreed, the payment term is 30 days and starts on the date of invoice issuance.
- 5.2. Payment shall be deemed executed when the funds are visible in the Supplier's transaction account.
- 5.3. In the event of delay, the Supplier is entitled to default interest and reimbursement of related costs.
- 5.4. In the event of delays or justified doubt regarding the Customer's ability to pay/creditworthiness, the Supplier reserves the right to interrupt production and stop further deliveries; in such case, the Supplier shall not be liable for any stoppages at the Customer or its end customer.
- 5.5. If the due date falls on a non-working day, payment must be made no later than the first following working day.
- 5.6. If the Customer does not take over the Goods within the agreed deadline, the Supplier reserves the right to issue the invoice on the agreed delivery date.

6. Performance of tests and archiving of parts

- 6.1. For the preparation of PPAP documentation, the Supplier reserves the right to archive the required number of parts of each item.
- 6.2. For the performance of the production process acceptance, the Supplier reserves the right to archive 10 parts of each item.

7. Warranty, liability and claims

- 7.1. The Supplier warrants that the Goods will be produced in accordance with the Customer's requirements; the Supplier assumes no liability for identified non-conformities if the Customer's requirements were met and the non-conformity occurred for reasons not attributable to the Supplier.
- 7.2. Sampling, testing and prototypes are intended for establishing processes; possible non-conformities at this stage do not represent the Supplier's liability. The item transitions to series production after confirmation by the Customer.
- 7.3. The Supplier shall not be liable for non-conformities arising after its production process (e.g., further operations, transport), due to improper handling, failure to follow instructions, or if the technological process was prescribed by the Customer.
- 7.4. A claim for visible defects must be submitted within 8 days after receipt of the Goods, and for hidden defects no later than 1 month after receipt of the Goods, or immediately when the hidden defect is discovered.
- 7.5. The Supplier reserves the right to 100% inspection, replacement or repair of non-conforming parts.
- 7.6. If inspection/replacement/repair is carried out by the Customer, the costs of these activities must be previously confirmed in writing by the Supplier, otherwise the Supplier is not obliged to cover them.
- 7.7. The Supplier covers the costs of a confirmed justified claim, but not the costs of stoppages, loss of profit, penalties or other consequential damage.

8. Retention of title

- 8.1. The Goods remain the property of the Supplier until all obligations of the Customer towards the Supplier have been settled, regardless of the legal basis.
- 8.2. Tools/equipment required for the production of the Goods, developed in cooperation between the parties, remain the property of the Supplier, unless otherwise agreed in writing.

9. Termination of contract

- 9.1. The Supplier is entitled to withdraw from the contract if:
 - (a) due to force majeure, strike or circumstances not caused by it, it is unable to perform its obligations;
 - (b) the Customer is more than 60 days late with payment and does not fulfill the obligation even within an additionally set deadline;
 - (c) the Customer provides false information about its ability to perform.
- 9.2. The Customer is entitled to withdraw from the contract if the Supplier intentionally or negligently causes non-delivery of the Goods or Service.
- 9.3. Upon withdrawal, the parties shall settle and reimburse the costs incurred (e.g., raw materials, auxiliary material, storage, tools, investments in equipment, Order processing costs).

10. Assignment of receivables

Without the Supplier's prior written confirmation, the Customer may not assign to third parties any receivables against the Supplier.

11. Final provisions

- 11.1. The parties shall resolve disputes amicably; if this is not possible, the competent court is in Kranj, unless otherwise agreed in writing. Slovenian law and the Slovenian original of the GTC shall apply, unless otherwise agreed in writing.
- 11.2. The application of the United Nations Convention on Contracts for the International Sale of Goods and the rules of international private law are excluded, to the extent such exclusion is permissible.
- 11.3. The Customer consents to the processing of data (including contact persons) in the Supplier's information system for the purposes of business cooperation.
- 11.4. The GTC shall apply until amended; the Customer is obliged to monitor amendments on the Supplier's website.