GENERAL TERMS AND CONDITONS

15.4.2025

1. General

1.1. These General Terms and Conditions (hereinafter: the Terms) govern the relationship between SIP Strojna industrija d.d., Juhartova ulica, 3311 Šempeter v Savinjska dolini (hereinafter: SIP) and the buyers of SIP machinery, equipment and materials (hereinafter: Goods). They are valid even without any express reference to them.

1.2. Different terms and conditions of the buyer are not valid unless the SIP expressly accepts them. It is considered that the buyer has accepted the Terms of the SIP at the latest when concluding the contract.

1.3. All notifications shall be exchanged between the parties in writing. E-mail is the preferred form of communication unless otherwise specified. An electronic message shall be deemed to have been received on the next working day after submission if it is sent to the e-mail addresses the parties usually communicate or otherwise after confirmation of receipt.

1.4. The terms "in writing" or "in written form" include all documents that can be visibly reproduced.

1.5. These Terms do not apply to retail.

2. Contract procedure

2.1. SIP prepares an offer based on a request for a quotation from a buyer sent in writing.

2.2. The request must specify the type of Goods, quantity and the desired delivery date.

2.3. SIP processes or rejects the request within seven working days of receipt; No response is considered denied.

2.4. Based on the request, SIP prepares and sends an offer to the buyer for final confirmation. The buyer may accept or reject it in writing within seven working days of receipt; No response is considered denied. If the buyer confirms the offer, it is considered that the contract is concluded and the terms of the offer are binding on the parties.

3. Advertising, technical data

3.1. Information about Goods on SIP websites, brochures, advertisements, and other promotional materials is for informational purposes only and is not an offer. Only written offers addressed to the buyer are binding. SIP is not responsible for typographical errors.

3.2. The technical data of the Goods (e.g., weight, dimensions, consumption, load capacity) and visual representations (e.g., drawings, diagrams) are approximate and not guaranteed. Differences are allowed by standard commercial practices, legal requirements, or technical improvements.

3.3. SIP ensures Goods compliance with technical and safety standards in the European Union.

4. Validity of bids, prices, and payment

4.1. SIP offers are valid for the period specified in the offer or seven working days from the date of the offer if the period is not specified. Prices are in Euro EXW Incoterms 2020 (SIP premises in Šempeter in the Savinja Valley, Slovenia). Prices include standard SIP packaging.

4.2. SIP issues an invoice on the date of delivery of the Goods but no later

than seven working days after the notification that the Goods are ready for delivery.

4.3. The purchase price is due within 30 days after the invoice date. The payment date is when the SIP receives the funds in its account. Changes to the payment terms are valid only with the written confirmation of the SIP.

4.4. Late payment is subject to late payment interest at the maximum statutory interest rate.

4.5. The buyer may not offset or reduce the payment without a written agreement with the SIP.

4.6. If the buyer's payment is insufficient to settle all obligations to the SIP, they are settled in the legal order.

5. Delivery and delivery times

5.1. SIP supplies Goods at EXW Incoterms 2020 from Šempeter in the Savinja Valley, Slovenia.

5.2. SIP notifies the buyer of the planned delivery, and the buyer must take over the Goods within seven working days after the notification. The delivery shall be deemed to have occurred at the time of delivery to the carrier. If the buyer does not take over the Goods, SIP stores them and charges the buyer for the storage costs.

5.3. SIP can withhold delivery if there is doubt about the final payment.

5.4. Partial and early delivery of Goods is permissible.

5.5. SIP can change the shape and color of the Goods if this does not affect the functionality.

5.6. If the SIP is late with delivery, the buyer may demand fulfillment or withdraw from the contract by giving the SIP an additional period of at least four weeks to comply. The notice of withdrawal must be sent by registered mail (or by an internationally recognized courier service). The buyer has the right to a refund of advance payments but not to interest or compensation for delay.

6. Place of performance, risk, inspection of Goods

6.1. The place of performance for fulfilling all obligations is Šempeter in the Savinja Valley, Slovenia.

6.2. The SIP determines the method of packaging.

6.3. The risk of destruction or deterioration of the Goods passes to the buyer upon delivery.

6.4. If SIP stores Goods for the buyer, it is liable for damages unless they are the result of force majeure. SIP is liable until the Goods are handed over to the carrier or a third party. The Goods will be insured against normal risks during storage. Goods in storage may be exposed to weathering.

6.5. The buyer is obliged to inspect the Goods in the usual way or to have them inspected as soon as possible after the normal course of things and to immediately notify SIP of obvious defects. In the notification, it must state the moment of discovery of the defect, describe precisely and unambiguously the nature of the material defect and the reasons why it considers that the Goods are not suitable, and indicate which right they are exercising (e.g., repair, replacement, etc.). If the buyer does not act by the above, he loses the rights that go to him under this title.

7. Warranty

7.1. For Goods, SIP provides a guarantee with a warranty period by each of

the conditions attached to the Goods or by the agreement with the buyer.

7.2. The warranty is valid from the date of sale of the Goods to the final buyer - the user of the Goods.

7.3. SIP will reimburse the buyer for the justified costs of complaints if the Goods are complained about within a certain period from the date of delivery, which does not exceed the warranty period extended for the period from delivery to sale to the final buyer, but not more than one year.

7.4. The warranty does not apply to any defects caused by wear and tear, intentional damage, negligence, unusual operating circumstances, failure to follow SIP instructions, misuse, alteration/repair of Goods without SIP approval, or improper/insufficient maintenance.

8. Intellectual property rights

8.1. In the event that a third party, in relation to the Goods, files a claim against the buyer for infringement of copyright or industrial property rights, the buyer must immediately notify SIP via e-mail and registered mail (or internationally recognized courier service) and allow SIP to participate in the procedure and lead the defense actively. The SIP may settle or designate to conduct the proceedings with that third party at its own expense. The buyer may not settle or admit the claim without the consent of the SIP and must provide the SIP with the necessary assistance and information.

8.2. If it is legally proven that the SIP violates the intellectual property rights of third parties, it must provide the buyer with the right to further use the Goods, change the Goods to eliminate the infringement or replace them with one that does not infringe the rights. If none of these options is feasible, the buyer may return the Goods and claim compensation by the provisions of these conditions. The aforementioned obligations do not apply if the buyer fails to comply with Article 8.1.

8.3. The SIP's industrial and intellectual property rights attached to the Goods shall be the exclusive property of the SIP. The buyer may not reproduce or disclose data, plans, drawings, or other information about the Goods without the written consent of the SIP.

9. Limitation of Liability

9.1. The liability of the SIP, its staff, affiliated companies, and subcontractors for breaches of contract or tort (including negligence and strict liability) shall be limited in aggregate to a maximum of EUR 25,000 per claim event. Nor shall these persons be liable for loss of profits, inability to use, loss of production, contracts, opportunities, or other indirect, special, or consequential damages.

10. Data protection, confidentiality

10.1. SIP and the buyer are obliged to ensure the protection of data collected during the contractual relationship, taking into account all applicable regulations and standards. The data collected and processed within the framework of the contract will be used exclusively to fulfil contractual obligations and disclosed to third parties only within the framework necessary to ensure the legitimate interests of the parties. SIP undertakes to act by the applicable regulations on protecting personal data and to provide appropriate technical and organizational measures to protect data from unauthorized access, disclosure or misuse.

10.2. The buyer and SIP are not allowed to use or disclose the other party's trade secrets without consent unless they are publicly available. This restriction also applies after the contract expires.

11. Force majeure, legislation, jurisdiction, miscellaneous

11.1. Due to force majeure, as well as the lack of raw materials and delays in the supply of materials, SIP may delay production and delivery for the duration of the obstacle and a reasonable time to start production or withdraw from the contract for the unfulfilled part of the contract, without the obligation to compensate the buyer.

11.2. The buyer may not transfer the rights or obligations arising from the contractual relationship to a third party without the written consent of the SIP.

11.3. If any term in this Terms is invalid or unenforceable, it shall be limited, deleted, or changed depending on the purpose of the contractual relationship. At the same time, the validity of the remaining provisions shall remain unchanged.

11.4. These Terms and the contractual relations arising from them are governed exclusively by Slovenian law, whereby the UN Convention on the International Sale of Goods (CISG) and the conflict of law rules of private international law do not apply.

11.5. The parties will resolve any disputes arising from the contract in good faith through mutual negotiation and confidentiality. If this is not possible, the court of the defendant's registered office will have jurisdiction to settle the dispute between the SIP and the buyer.

11.6. The Terms are written in Slovenian, German, and English; The Slovenian version is authoritative. The Terms are valid from 15.4.2025.

SIP strojna industija d.d.

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