

LIVAR, Proizvodnja in dodelava ulitkov, d.d.,  
Ljubljanska cesta 43,  
1295 Ivančna Gorica

**LIVAR, D.D., IVANČNA GORICA**  
**GENERAL TERMS AND CONDITIONS OF PURCHASE**  
**(hereinafter: General Terms and Conditions)**

**1. GENERAL**

These General Terms and Conditions shall apply exclusively and in their entirety for every contractual relation in which LIVAR purchases goods or services. LIVAR shall not recognize any possible general terms and conditions of the Supplier, unless agreed otherwise in writing.

These General Terms and Conditions are an integral part of every purchase contract (hereinafter: Contract) concluded by LIVAR with the Supplier, and shall apply for all future business transactions between LIVAR and the Supplier irrespective of whether any different terms and conditions of the Supplier may be known.

The acceptance of these General Terms and Conditions excludes any other agreement that is not confirmed by LIVAR in writing. LIVAR has the right to determine special terms and conditions in individual business relations.

**2. DEFINITION OF TERMS**

The terms listed below have, in the appropriate case and number, the following meanings:

- 2.1. **LIVAR:** LIVAR, Proizvodnja in dodelava ulitkov, d.d., Ljubljanska cesta 43, 1295 Ivančna Gorica;
- 2.2. **Supplier:** a person who sends LIVAR an inquiry about products or services and/or invites LIVAR to make an offer, a person to whom LIVAR sends an order, and a person who enters into an agreement with LIVAR, by virtue of which it binds itself to supply products to or perform services for LIVAR;
- 2.3. **Products:** any object delivered to LIVAR by the Supplier;
- 2.4. **Services:** any work performed for LIVAR by the Supplier;
- 2.5. **Order:** a written order by virtue of which LIVAR orders products or services;
- 2.6. **Parties:** LIVAR and the Supplier collectively;
- 2.7. **Call:** LIVAR's written statement calling on the Supplier to fulfil its obligation, which is normally fulfilled periodically and through a specified period.

**3. SUBJECT AND VALIDITY OF GENERAL TERMS AND CONDITIONS**

- 3.1. The General Terms and Conditions supplement the special understandings reached in the Contract between LIVAR and the Supplier.

- 3.2. The Parties may regulate their mutual relations otherwise only by written consent.
- 3.3. The General Terms and Conditions are published on the web pages of LIVAR at [www.livar.si](http://www.livar.si), or are available for inspection on request at the registered office of LIVAR.
- 3.4. The General Terms and Conditions shall apply for a particular contract in the wording published on the web pages at the time when the contract was concluded.

#### **4. CONCLUSION/AMENDMENT OF CONTRACT**

- 4.1. A Contract is to be concluded at all times and shall only be valid if made in writing. Any amendments thereto, in particular those which modify or amend the Contract or the General Terms and Conditions, shall only be valid if previously agreed in writing.
- 4.2. A Contract shall also be deemed concluded when LIVAR delivers to the Supplier an order in writing.
- 4.3. Orders and cancellations of orders for products or services may be made by fax or e-mail.
- 4.4. Any verbal agreements shall only be valid if confirmed by LIVAR in writing.

#### **5. ORDER/ OFFER**

- 5.1. On the basis of a written offer given by the Supplier, LIVAR shall prepare an order within a reasonable period. The offer shall be binding for LIVAR if it delivers an order to the Supplier in writing. LIVAR's silence shall not mean that it has accepted the offer, even if the Parties are in a permanent business relation.
- 5.2. Calls of deliveries shall be binding if the Supplier does not object to a call within 3 days after receiving relevant notice of a call.
- 5.3. The Supplier's offer is to specify in particular:
  - the quantity, type and quality of the product or service;
  - the price at which the product or service is sold;
  - the method of payment;
  - the time limit for fulfilment;
  - the method of delivery of products or services;
  - Supplier's address and other identification;
  - other.
- 5.4. LIVAR may send an order to the Supplier without previously receiving an offer from the Supplier. In such cases, the order shall be binding for the Supplier, unless the Supplier states in writing, within 5 days after receipt of the order, that the order is not binding for the Supplier. This provision is binding for all suppliers who are in a business relation with LIVAR.
- 5.5. The provision of item 5.3. of these General Terms and Conditions shall apply for the order specified in the previous paragraph.

## **6. DELIVERY OF PRODUCTS OR SERVICES**

- 6.1. The Supplier shall deliver goods or services in line with the Contract or order made by LIVAR. Any deliveries diverging from an order are to be previously approved by LIVAR in writing.
- 6.2. The timeliness of deliveries shall be subject to relevant agreements made at the time of placing an order and relating to the hour and place of delivery of ordered products or services, as well as the delivery of goods to an agreed location. In case of services, timeliness shall apply to the time of acceptance.
- 6.3. The Supplier shall adopt all measures needed to ensure the safe and timely performance of a delivery, provide all means necessary to carry out a delivery, and bear all related costs.
- 6.4. The Supplier shall duly notify LIVAR if it anticipates or is informed of any circumstances leading to the untimely delivery of products or services and/or affecting the agreed quality of products or services, or any other consequences that are unfavourable for LIVAR, which shall have no effect on LIVAR's rights applying in case of any delay on the part of the Supplier.
- 6.5. Irrespective of the losses resulting from a delay in the timely fulfilment of its obligations, the Supplier shall in all cases, even in the event of an extension of the time limit for fulfilment and irrespective of its liability, pay to LIVAR a contractual penalty for delay. The contractual penalty shall amount to 0.5% of the value of ordered products or services for each day of delay.
- 6.6. The time limit for fulfilment may only be extended with the consent of LIVAR. In case of such extension, the Supplier shall be liable to LIVAR for any losses suffered irrespective of the reason for the extension.
- 6.7. LIVAR shall have the right to refuse any partial deliveries, unless agreed otherwise in writing.
- 6.8. The acceptance of products or services shall be carried out using the data (weight, quantity, size) provided by the Supplier or obtained by LIVAR with the help of measurements/analyses (these may also be conducted by an external institution). The requirements specified in LIVAR's General Terms and Conditions of Acceptance for a particular material shall serve as a basis for acceptance.
- 6.9. The acceptance of products shall be conducted upon the delivery of products by LIVAR's incoming control and/or warehouse. The acceptance of a service shall be conducted with the cooperation of both Parties and in the manner agreed between the Parties.
- 6.10. If the Supplier is on LIVAR's premises during the acceptance of products or services, the Supplier shall be responsible for the safety of acceptance, in particular the safe and healthy performance of work relating to acceptance.
- 6.11. The passage of risk of destruction shall be determined according to applicable INCOTERMS clauses on the basis of an agreement reached between the Parties.
- 6.12. Any force majeure events, labour unrest, government measures and any other events obstructing a Party's fulfilment or acceptance obligation shall not be binding for the

duration of aggravating circumstances. A new fulfilment term for the acceptance of products or services shall be mutually agreed by the Parties after the termination of such events.

## **7. PERMANENT RELATION**

- 7.1. The Contract between the Parties, under which the fulfilment obligation of the Parties has been agreed over an extended period of time (permanent relation), shall be executed on the basis of individual calls sent by LIVAR to the Supplier.
- 7.2. The permanent relation may be cancelled by any of the Parties in writing. The cancellation term is 30 days after the date of receipt of relevant notice of cancellation.
- 7.3. In the event of cancellation, the Supplier shall be required to deliver at least those products or services that were called by LIVAR before the notice of cancellation was served on LIVAR.

## **8. MATERIAL DEFECTS / WARRANTY**

- 8.1. The Supplier declares to LIVAR that it fulfils all the conditions set forth in applicable regulations for the performance of activities and for the fulfilment of obligations under concluded contracts.
- 8.2. The quantity and quality acceptance of products or services shall be conducted according to the normal course of events. For this period the Supplier expressly waives any enforcement of objections relating to any recognised complaint of defects.
- 8.3. LIVAR shall inspect the products or services at the time of their acceptance. In case of any visible defect or deficiency in connection with the products or services, LIVAR shall enter a complaint of the products or services in a relevant record. LIVAR shall also have the right to reject acceptance thereof in part or in full.
- 8.4. LIVAR shall notify the Supplier in writing of any defect or deficiency not found upon acceptance of the products or services, but discovered within a reasonable period thereafter, within 8 days after the discovery thereof.
- 8.5. Immediately after receiving a complaint, the Supplier shall proceed to remedy the defect or deficiency.
- 8.6. The Supplier gives a 24-month warranty for the products or services, unless a longer period is specified in a relevant regulation. The warranty period begins to run upon the passage of risk to LIVAR or after the elimination of defects or deficiencies.
- 8.7. LIVAR shall in all cases have the right to select the method of eliminating any defects or deficiencies.
- 8.8. Any costs or losses incurred by LIVAR in connection with defects or deficiencies in products or services shall be borne by the Supplier.
- 8.9. If the Supplier fails to begin eliminating any defects or deficiencies immediately after receiving a complaint, particularly in urgent cases in order to avoid or reduce losses,

LIVAR shall be entitled to eliminate any established defects or deficiencies itself or with the help of third parties, whereby all incurred costs shall be transferred to the Supplier. In the event of any legal errors, the Supplier shall ensure that LIVAR's position towards third parties appears as if there were no legal errors in the delivery.

- 8.10. All costs and losses incurred in connection with defects or deficiencies in products or services shall be borne by the Supplier. In the event of any decline in the quality, and consequently in the prices, of LIVAR'S products, or if the products are returned to LIVAR by customers, or if LIVAR suffers any other damages of any kind, it shall be entitled to request from the Supplier the reimbursement of any damages or costs incurred, whereby the time limits for lodging a complaint against any defects in products or services shall not be considered. In such cases, LIVAR shall issue a »Complaint Record« and charge any related losses or costs.

## **9. PRICES, PASSAGE OF RISK AND PAYMENT**

- 9.1. The price agreed between the Parties for a product or service shall be final, which means that it also includes any relevant taxes, contributions and expenses, unless specified otherwise in the Contract.
- 9.2. An invoice is to be consistent with the respective offer or order (hereinafter: connecting factor) and specify to which connecting factor it relates.
- 9.3. Payment of an invoice is to be made within 120 days after receipt thereof, but not before the products or services are accepted. The payment term may be shorter, if the Supplier grants LIVAR a benefit to be agreed between the Parties.
- 9.4. If the products or services have a defect or deficiency, the payment term shall begin to run as of the date of elimination of the defect or deficiency, which is to be confirmed in writing by LIVAR.

## **10. LIABILITY AND INSURANCE**

- 10.1. Any costs incurred by LIVAR as a result of the Supplier's liability (costs of litigations, withdrawal of products from the market) shall be borne by the Supplier of products or services.
- 10.2. The Supplier shall take out adequate insurance policies to cover its liability, if so agreed between the Parties. At LIVAR's request the Supplier shall provide adequate proof of the fulfilment of this requirement.

## **11. HAZARDOUS SUBSTANCES**

- 11.1. The Supplier guarantees that the products or services are in conformity with all health and environmental protection regulations.

## **12. PRODUCTS GIVEN TO THE SUPPLIER**

- 12.1. All materials, parts, packaging and other objects (hereinafter: Objects) delivered by LIVAR to the Supplier for the purpose of enabling the Supplier to fulfil its obligation

shall remain in the possession of LIVAR and shall be stored by the Supplier for LIVAR.

- 12.2. The Supplier may only utilise the delivered objects for the purpose of fulfilling its obligations towards LIVAR or for the purposes agreed by the Parties.
- 12.3. In cases where the Supplier utilises delivered materials and individual parts for the manufacture of a product, LIVAR shall acquire a co-ownership right to such product.

### **13. PROVISION OF SPARE PARTS**

- 13.1. The Supplier shall be bound to duly notify LIVAR prior to the termination of manufacture or sale of products, i.e. at least one year before termination. The Supplier shall, at LIVAR's request, continue to supply products to LIVAR for as long as LIVAR has no other adequate solution.
- 13.2. The Supplier shall supply spare parts to LIVAR for a period of at least 7 years.

### **14. ASSIGNMENT/TAKEOVER OF DEBT**

- 10.1. The Supplier may assign the receivables due from LIVAR only with the previous written consent of LIVAR.
- 10.2. If the Supplier acts contrary to the previous paragraph, it shall be liable to LIVAR for any losses suffered as a result of or in connection with the assignment.
- 10.3. In connection with its debt towards the Supplier, LIVAR may enter into a debt assignment agreement with a third party; the Supplier consents thereto.

### **15. INTELLECTUAL PROPERTY AND PROTECTION OF BUSINESS SECRETS**

- 15.1. The Supplier binds itself to protect as confidential any and all information relating to LIVAR, and shall simultaneously carry out all the necessary measures to prevent the dissemination of such information. The Supplier shall not hand over any products obtained as samples to third parties or utilise them for its own purposes.
- 15.2. The Supplier shall treat and protect as a business secret any nonpublic commercial, technical or other information obtained from LIVAR or otherwise brought to its attention.
- 15.3. The technical documents and specifications, as well as other information about a product provided by LIVAR to the Supplier, shall remain the intellectual property of LIVAR or the party granting consent to LIVAR for the provision of such information to the Supplier. The technical documents, specifications and information may be used by the Supplier only for the purpose of supplying products or services to LIVAR.
- 15.4. The Supplier warrants that the technical documents delivered to LIVAR and the use of such documents for the supply of products and services in line with the Contract shall not interfere with any rights of third parties.

- 15.5. Each of the parties undertake to protect as a business secret any and all information obtained from the other party which are not legally accessible to the public, namely:
- information classified as a business secret by the other party,
  - technical documents and specifications of the other party,
  - commercial conditions, prices, calculations, and information whose disclosure to an unauthorised person would obviously cause evident damage to the other party.
- 15.6. The parties also bind themselves to protect as a business secret the contents of negotiations and the information provided by third parties during negotiations, as well as the contents of agreements concluded on the basis of these General Terms and Conditions.
- 15.7. The Parties shall be obliged to protect the business secrets of the other party also after termination of a respective agreement.

## **16. COURT JURISDICTION/GOVERNING LAW**

- 16.1. The Parties shall endeavour to settle all disputes in an amicable manner. If an amicable settlement cannot be reached, the dispute shall be resolved by the court having jurisdiction over LIVAR's registered office irrespective of the nature, cause or place of the dispute, and irrespective of the particularities of any other conditions.
- 16.2. In addition to these General Terms and Conditions, as well as other conditions agreed in writing, the relations between the Parties shall be subject to the laws applicable and in use in the Republic of Slovenia, whereby the Obligation Code shall have priority.