

General Conditions of Sale
08.02.2019

1. Area of Application

- 1.1. These General Terms and Conditions of Sale ("Sales Conditions") apply to all business relationships with our customers ("Buyers"). These Sales Conditions do not apply only to business relations with consumers.
- 1.2. Sales Conditions are exclusive. Any contrary or different conditions of the Buyer are not binding for us unless expressly confirmed by us and in the latter case only to the extent we have confirmed them in writing. These Sales Conditions also apply if we perform the delivery unconditionally in the knowledge of contrary or deviating terms and conditions of the Buyer.
- 1.3. These Sales Conditions are available to the Buyer prior to the submission of the order. By placing the order to us it is deemed that the Buyer agrees with and unreservedly accepts these Sales Conditions and waives the right to the use of its own general or business conditions (if any).
- 1.4. These Sales Conditions are also valid for future contracts with the Buyer without the necessity for us to make particular reference to them.

2. Conclusion of Contract

- 2.1. Our quotes are subject to changes and are non-binding unless explicitly defined otherwise. This also applies if we provide the Buyer with catalogues, technical documentation, samples or other notices related to the goods delivered to the Buyer.
- 2.2. The Buyer's order shall be deemed as a binding offer for the conclusion of a contract with a validity period of 14 days unless the Buyer indicates a longer period of validity of the order.
- 2.3. The contract is deemed to be concluded at the moment the Buyer receives our order confirmation within the validity period of the order.

3. Prices; Terms of Payment

- 3.1. Our prices (net) are ex works and do not include statutory value added tax (VAT) and packaging costs unless expressly agreed otherwise.
- 3.2. Packaging becomes the property of the Buyer and is not accepted back, with the exception of waste from secondary or tertiary (transport) as defined in the Law on packaging and packaging waste. In the case of return of the packaging, the suitability of the returned packaging must be ensured, i.e. the returned packaging must be traceable, technically appropriate and clean:
 - traceability: the packaging is considered traceable if the packaging is equipped with our labels;
 - technical suitability: the packaging is considered technically inadequate and/or damaged if the packaging is not complete (part of the packaging is missing or damaged) and can no longer provide adequate and safe storage of the goods;
 - cleanliness: the packaging is considered contaminated if the packaging by its appearance (interior and exterior) is markedly or unusually dirty; if in the packaging other goods were stored; or if the packaging contains excessive quantities of residues of previous goods.The return of the packaging is subject to payment of the deposit. The acceptance of the returned packaging does not imply automatic repayment of the deposit, which will be approved after the confirmation of our warehouse on the suitability of the returned packaging.
- 3.3. We reserve the right to adjust our prices accordingly if, after conclusion of contract, unforeseeable cost reductions or cost increases occur, namely on account of changes in original acquisition costs, costs of materials, etc. This applies, among other things, in case of the introduction and/or increase of fiscal charges (e.g. customs duty or taxes), an increase in transport and/or insurance costs, imposing additional fees, or similar. We will provide the Buyer with evidence on the changed or additional costs on request.
- 3.4. The purchase price is payable within the payment period specified on the invoice. Upon expiration of the afore-mentioned payment period, the Buyer shall be in default with the payment obligations and the statutory provisions concerning the consequences of default in payment shall apply. From the day of the delay, the Buyer is obliged to pay legal default interest in accordance with the Law on Compulsory Rights (LCR).

- 3.5. The Buyer may set-off his counterclaims only if his counterclaims are of the same type and his counterclaims are uncontested (we were acquainted with them and we acknowledged them) or have been established by a final judgment or court settlement.
- 3.6. If, after the conclusion of the contract, it becomes uncertain whether the Buyer is able to fulfill his payment obligation due to insufficient performance capability of the Buyer (for example, due to the introduction of insolvency proceedings over the Buyer) or due to other serious reasons, we have the right to postpone the delivery until the Buyer completes his obligations (advance payment) or the Buyer provides sufficient security to fulfill it. If the Buyer fails to provide advance payment or sufficient security within the requested period, we have the right to withdraw from the contract.

4. Delivery

- 4.1. Unless otherwise stated in these Sales Conditions or in the contract, the INCOTERMS valid at the time of the conclusion of the contract shall apply.
- 4.2. Deliveries take place in our warehouse, which shall be considered as the place of performance. Upon the Buyer's request the goods may be sent to another place at the Buyer's costs and risks. In such a case, we are entitled to choose at our discretion the type of transportation (in particular carrier company, route and packaging). If the delivery has been agreed elsewhere, delivery periods and delivery dates refer to the supply by the supplier, freight forwarder or third party that carries out the transport. Delivery is done without insurance. Insurance can be concluded at the customer's expense.
- 4.3. We are entitled to make partial deliveries if the Buyer can use the partial delivery for the intended purposes and if no extra costs will be incurred by the Buyer. We will inform the Buyer about such partial deliveries.

5. Delivery Times; Delay in Delivery; Non-Delivery

- 5.1. Delivery dates and/or deadlines in the order confirmation of the contract shall only be indicative (informative) unless expressly stated that the delivery and time limits are fixed.
- 5.2. Delivery periods are extended or delivery dates are put back by the length of the obstruction in the event of force majeure or other unforeseeable circumstances beyond our control such as industrial action, disruption of operations, natural disasters or improper or untimely delivery by our suppliers. We commit ourselves to inform the Buyer of such events promptly in writing; We will also inform him about the expected duration of the events. If such a situation lasts more than three months, both parties are entitled to withdraw from the contract. In this case, the services received and payments shall be returned.
- 5.3. Subject to Clause 7.2 of these Sales Conditions, we are not liable for delay in delivery or non-delivery if such delay or non-delivery is attributable to our proper compliance with the regulatory requirements related to the European Chemical Directive REACH.

6. Liability for Defects

- 6.1. At the time of the delivery the Buyer is obliged to immediately inspect the goods supplied for obvious defects in accordance with Article 403 of the Law on Compulsory Rights and is obliged to inform us immediately about the discovered defects in writing. If a defect that could not be detected by a normal inspection at the time of the delivery is shown later in the warranty period specified in Clause 6.5 of these Sales Conditions, the Buyer is obliged to immediately inform us of such later detected defects.
- 6.2. Insignificant defects shall not be taken into consideration. The above provisions of Clause 6.1 also apply for supply in excess of or lower than the ordered quantity as well as for any supplies of the wrong goods.
- 6.3. Appropriately identified usage of the delivered goods in accordance with the European Chemical Directive REACH does not constitute agreement on product properties nor agreement on product usage.
- 6.4. In case a Buyer reports the defect to us in due time, we are entitled at our discretion either to remedy the defect within a reasonable period of time or perform substitute supply, whereby we have at least two attempts of achieving contractual fulfilment.

In case the defect really exists, the expenses incurred by the remedy or substitute supply shall be borne by us. If a remedy fails or is unreasonable for the Buyer, the Buyer is entitled to demand at its discretion a reduction in price or withdraw from the contract. The Buyer is entitled to claim damages in accordance with the provisions of Chapter 7 of these Sales Conditions

- 6.5. The defect-guarantee is valid for six months from the delivery of the goods. The Buyer loses the right to claim liability for defect if he does not inform us of the defect in due time, unless he proves that the defect was known or could not remain unknown to us. The limitation period for the judicial enforcement of liability for defects claims is one year counted from the date on which the Buyer informed us on the defect in due time.
- 6.6. If one of our own suppliers is responsible for a defect, the Buyer is obliged to first pursue all possible claims against such supplier, unless this cannot be reasonably expected from the Buyer. For this purpose and to the required extent, we herewith assign our rights and claims against our own supplier based on such defect to the Buyer and the Buyer herewith accepts such assignment. The Buyer shall also be obliged to pursue such claims in court or any other competent forum. Only if and to the extent claims cannot be pursued against our own supplier, the Buyer shall be entitled claim against us in accordance with the stipulations set out in these Sales Conditions.

7. Limitation of Liability

- 7.1. Our liability for damages shall be limited in accordance with the provisions of this Chapter.
- 7.2. We are liable for willful intent or gross negligence, for deception, for the guaranteed quality of goods and for damages arising from loss of life, bodily harm or damage to health caused in the sale of goods. Our liability for light negligence shall be excluded.
- 7.3. Our liability for loss and or damage is limited to ordinary damage resulting from a breach of essential contractual obligations that can be expected in the event of a breach of contract (foreseeable damage). The essential contractual obligations are obligations that enable the normal performance of the contract and for which the Buyer expected and had the right to expect to be carried out. Our liability for lost profit, non-material, coincidental and indirect damage shall be excluded.
- 7.4. Insofar as we provide technical information or consultancy services and such provision of information or consultancy services does not belong to the contractually agreed scope of services owed by us, our liability in this respect shall be excluded.
- 7.5. Exclusions and limitations of liability in accordance with the above Clauses shall also apply to our executive bodies, legal representatives, employees and all other our authorized persons and agents.

8. Withdrawal;

In the event of a breach of obligation which is not attributable to a defect of the delivered goods, the Buyer may only withdraw from the contract, if the circumstances justifying such withdrawal are due to our fault or negligence.

9. Reservation of Title

- 9.1. We reserve ownership of all goods supplied by us until receipt of all payments from the entire business transaction with the Buyer ("reserved goods").
- 9.2. In the event of a violation of the agreement by the Buyer, especially in case of delay in payment, we are entitled to withdraw from the contract and request a refund of the goods delivered. After the return of the delivered goods, we have the right to sell the goods at a reasonable price to replace the Buyer's obligations to us, and demand from the Buyer the difference in the price plus the reasonable sales cost.
- 9.3. The Buyer is entitled to resell the reserved goods in the ordinary course of business but he is not entitled to pledge the reserved goods or burden the reserved goods with any other lien. In the event of the resell of the reserved goods (regardless of whether the reserved goods are sold without or after further processing) the Buyer assigns to us all claims against its buyers arising from the resale until the final repayment of the Buyer's debt to us. Even after the assignment, the right of collection remains with the Buyer. Our right to collect the assigned claims remains untouched hereof. We undertake, however, not to collect any claims, as long as the Buyer meets its payment obligations in relation to us, does not default in payment and as long as no petition in bankruptcy or insolvency proceedings has been filed. The Buyer is obliged to provide us with information about the recovery of the assigned claims and is obliged to immediately transfer to us the collected amounts up to the amount of the due and unpaid obligations of the Buyer to us. In the event of the cancellation of the Buyer's right to collect the assigned claims, the Buyer is obliged to provide us with the necessary information and documentation for the successful collection of the assigned claims and to inform the debtors about the assignment of claims.
- 9.4. The processing or reconstitution of our goods by the Buyer is

always undertaken on our behalf. If our goods are processed with other materials or objects which do not belong to us, we thereby acquire full ownership of the new item (if the reserved goods constitute the predominant part) or co-ownership of the new item in the proportion of the value of reserved goods to the other processed materials or objects at the time of the processing. The objects resulting from the processing operations are subject to the same terms as the goods conditionally supplied.

- 9.5. If the goods and objects which do not belong to us are mixed in such a way that the objects of the Buyer constitute the predominant part, it is agreed that the Buyer transfers joint ownership to us on a pro rata basis.
- 9.6. The Buyer is obliged to keep the items that are the subject of our exclusive ownership or co-ownership with the care of a good expert. The Buyer is obliged always to insure the reserved goods fully against the usual risks and to provide us with proof of this on request. The Buyer herewith assigns to us any insurance claims.
- 9.7. If the value of the collateral given to us exceeds our total receivables by more than 25%, we are obliged, on demand by the Buyer, to release corresponding collateral or to transfer it back, whereby the choice of collateral shall be ours.

10. Miscellaneous

- 10.1. Court of jurisdiction for any disputes arising from or in connection with this contract, including any claims for damages, shall be within the jurisdiction of the courts of Zagreb (Croatia). We shall also have the option, however, to bring an action at the general place of jurisdiction of the Buyer.
- 10.2. All relations between us and the Buyer shall be governed by the Law of the Republic of Croatia (in particular, the Law on Compulsory Rights, insofar as it is not otherwise specified by these Sales Conditions). The application of the UN Convention on Contracts for International Sale is excluded.
- 10.3. These Sales Conditions are compiled in Croatian and English versions. In case of doubt or inconsistency between the two versions, the Croatian version shall prevail.