



General Terms and Conditions of Sales and Delivery in Titus d.o.o. Dekani and TitusPlus d.o.o.

April 2018, Dekani, Slovenia

1. Applicable Terms

1.1. These General Terms and Conditions of Sale and Delivery (hereinafter referred to as "Terms") contain all of the terms of the purchase and sale between Titus d.o.o. Dekani or its subsidiary TitusPlus d.o.o., both resident at Dekani 5, SI-6271 Dekani, Slovenia (hereinafter referred to as "the Seller") and the Buyer and supersede all prior correspondence, negotiations, discussions, representations and offers between them to the extent that they conflict or are in addition to the terms contained herein and no course of dealing or usage of trade shall be applicable unless expressly referred to herein.

1.2. Acceptance by the Buyer of the offer contained in the order is expressly limited to the exact terms and conditions contained herein. Any terms and conditions set forth in any purchase order or other document provided by the Buyer to the Seller, which differ from, conflict with or are not included in these Terms, shall not become a part of any contract between the Buyer and the Seller unless specifically accepted by the Seller in writing.

1.3. The Buyer, with the issue of an order accepts, and recognises these Terms. Acceptance of the goods constitutes acceptance of the Terms stated herein.

2. Product Range

2.1. The Seller submits to the Buyer an offer containing quantity, price and delivery term in accordance with the Buyer's enquiry.

2.2. Without any previous notification, the Seller can introduce a new product or eliminate an existing one from his sales catalogue, but is obliged to deliver goods for confirmed orders.

2.3. Due to constant improvements in the products, the Seller reserves the right to make changes of any kind to the technical specification of the products without previous notice.

3. Offers and Orders

3.1. Written orders of the Buyer are not binding on the Seller. Where the Buyer has standard terms of purchase, these shall not take precedence over the Sellers Terms, unless specifically agreed in writing.

3.2. The Seller guarantees the conditions stated in the offer and pro-forma invoice and is not bound by any other implied guarantees or conditions.

3.3. The order is considered complete when it contains all data needed for the production of goods, especially, but not only, the quantity, quality, type, design, specific characteristics, delivery address. If any data is missing, the Seller may rely on his knowledge of the Buyer and may fulfill the order to his best intention.

3.4. If the Buyer places a first order to the Seller for the first time, he has to provide an advance payment or otherwise guarantee the payment.

3.5. The Seller produces or delivers goods on the basis of the contents of a written order in which the Buyer refers to the number of the offer or a pro-forma invoice of the Seller and to these Terms, as well as written confirmation of receipt of order (hereinafter referred to as: "Order Confirmation"). An order placed over the phone is valid only when the Seller sends an Order Confirmation in writing. For the purposes of these Terms, "writing" also includes email and fax.

3.6. The Buyer may not cancel a confirmed order unless the Seller agrees to such cancellation.

3.7. If the Buyer breaches these Terms then the Seller may at his discretion cancel all outstanding Offers and Orders.

3.8. Failure of the Seller to complete an order does not grant the Buyer the rights to cancel other orders.

4. Minimum Order

4.1. The Seller is a high-volume supplier. For deliveries that are worth less than the minimum acceptable order of " 500 the Seller will apply an additional fee for small order processing. The conditions and the amount of the fee are defined in the valid price list.

5. Prices

5.1. The price agreed is valid for the conditions agreed in the Order Confirmation. Written quotations expire automatically 30 days from the date of issue and are subject to change or termination by notice from the Seller during that period.

5.2. Prices are subject to modification without notice and are exclusive of shipment packing. When cost changes occur between the conclusion of the contract and delivery (e.g. on raw material and supplies, energy, personnel and machine cost, freight, contractor cost, financing), the parties shall be entitled to price adjustment.

5.3. All prices are subject to adjustment on account of specifications, quantities, shipment arrangements or other terms and conditions, which are not part of the original price quotation.

5.4. Prices are exclusive of all excise duties, sales taxes and other taxes imposed by any state, municipal or other government authority; all such taxes shall be paid by the Buyer. The Buyer is responsible for obtaining and providing to the Seller any certificate of exemption or similar document required to exempt any sale from sales, use or similar tax liability.

6. Payment terms and delivery

6.1. Unless otherwise expressly stated in writing, terms are net cash 30 days from the date of invoice. The Seller reserves the right at any time to require full or partial payment in advance, or to revoke any credit previously extended, if, in the Seller's sole judgment, the Buyer's financial condition does not warrant proceeding on the terms specified.

6.2. Overdue payments shall be subject to finance charges computed at a daily compounding rate of 5% above EURIBOR daily rate. Amounts owed by the Buyer with respect to which there is no dispute shall be paid without set-off for any amounts, which the Buyer may claim, are owed by the Seller and regardless of any other controversies, which may exist.

6.3. INCOTERMS 2000 issued by the International Chamber of Commerce, Paris, is to be applied in all cases. All prices are quoted FCA warehouse Dekani, Slovenia of the Seller if not agreed otherwise. In offers or pro-forma invoices, the Seller shall take into account prices stated in the valid price list.

7. Shipment and Risk of Loss

7.1. Unless the Buyer supplies specific instructions to the contrary, shipment methods and routes will be selected by the Seller, but the Seller will not assume any liability in connection

with shipment.

All shipments will be insured at the Buyer's expense and made at the Buyer's risk, and the Buyer shall be responsible for making all claims with carriers, insurers, warehousemen and others for miss-delivery, non-delivery, loss, damage or delay.

7.2. Risk of loss for the goods shall pass to the Buyer upon the earlier delivery to the Buyer or to a carrier for shipment to the Buyer.

8. Retention of Title

8.1. Until the payment of all monies due under the business relationship, the Seller retains title to the goods delivered by him, which may only be sold on in the course of the Buyer's normal business dealings.

8.2. Shall the Buyer act contrary to the Order Confirmation or the Contract, especially in case of delay in payment; the Seller is entitled to recover the goods. The Buyer shall grant the Seller access to his premises as required to uplift the Seller's goods as required.

9. Warranty

9.1. For each product purchased from the Seller, the Seller makes the following Warranties: (i) the goods conform with the Seller's specification, (ii) the goods are free from defects in material and workmanship, (iii) at the time of delivery, the Seller has title to the goods free and clear of liens and encumbrances (hereinafter referred to as: "the Warranties").

9.2. The Warranties are conditional on (i) the Buyer storing, installing, operating and maintaining the goods in accordance with due care and the Seller's instructions, (ii) no repairs, modifications or alterations being made to the goods other than by the Seller or his authorised representatives, (iii) using the goods within any conditions or in compliance with normal due care and any parameters set forth in the Seller's specifications, (iv) the Buyer providing prompt written notice of any warranty claims within the warranty period, (v) at the Seller's discretion, the Buyer either removing and shipping the goods or non-conforming part thereof to the Seller, at the Buyer's expense, or the Buyer granting to the Seller access to the goods at all reasonable times and locations to assess the warranty claims, and (vi) the Buyer not being in default of any payment obligation to the Seller under these Terms.

9.3. The Buyer shall have three months from shipment, to provide the Seller with prompt, written notice of any claims of breach of the Warranties. The Buyer must evidence any breach of Warranty. Continued use or possession of the goods after expiration of the warranty period shall be conclusive evidence that the Warranties have been fulfilled to the full satisfaction of the Buyer, unless the Buyer has previously provided the Seller with a notice of a breach of the Warranties.

9.4. The Buyer is considered to have tested the goods in his application and accepted that they are fit for the intended purpose. The Buyer is required to make new tests if he intends to alter the application or amend the previous specifications of his application.

9.5. Compensation for losses or damages is limited to the value of the goods sold, and any Warranty is strictly limited to the Buyer.

10. Product Liability

10.1 The Seller is not liable for any damages or loss that the Buyer may suffer as a consequence of delays in the fulfilment of contractual obligations, notably, but not limited, to incorrect or inexact data, specifications, projects or any other information provided by the Buyer.

10.2 The Seller is not liable for the damage caused indirectly, especially not for lost profit, product recall, product re-work and/or other pecuniary and non-pecuniary loss of the Buyer.

10.3 The Buyer is responsible for ensuring that the goods sold are fit for the Buyer's intended purpose.

10.4 Where the goods have been specifically designed for the Buyer, the Buyer shall specify the product, shall sign off the drawings and shall agree preproduction goods comply with the

specifications required by the Buyer. It is the responsibility of the Buyer to ensure the goods are fit for purpose.

11. Force Majeure

11.1 Neither party shall be liable for any delay in fulfilment or non-fulfilment of obligations relating to the contract if the delay in fulfilment or non-fulfilment is a consequence of reasons beyond his control and when caused without his fault or negligence including, but without limitation, inability of suppliers, subcontractors and forwarding agents of the Seller to fulfil their obligations in accordance with this contract, under the condition that the Seller submits an immediate written notification to the Buyer including all details of the appearance and the reasons. Shortage of metal or other materials in the world market shall be considered a force majeure event. The terms of fulfilment shall be prolonged for the period lost due to the appearance of such reasons, if the parties still have interest in the Contract.

12. Ownership of Tools

12.1 Any rights of ownership of tools or other claims arising in the course of participation in, or bearing of, tool costs shall cease automatically and without further notice if the Buyer fails to fulfil the minimum orders agreed in the timeframes. In case of earlier termination of the contract for whatever reason, the Seller shall be entitled to charge the cost of those tools, which have not been amortised.

13. Intellectual Property

13.1 Parties hereby agree to keep all information designated as confidential or recognisable as trade or business secrets made accessible to them in connection with the contract or for other reasons confidential for an unlimited period of time and to neither record nor otherwise utilise such information unless required for the purposes of the contract.

14. Applicable Law and Jurisdiction

14.1 These Terms shall be governed and construed in accordance with the laws of the Republic of Slovenia. The invalidity of individual provision shall not affect the validity of the remaining provisions.

14.2 The legal relationship of the Parties arising from, or related to, these Terms shall be subject to the laws of the Republic of Slovenia. The application of the United Nations Convention on Contracts for the International Sale of Goods is excluded.

14.3 The place of jurisdiction for legal disputes shall be Koper, Republic of Slovenia.