

## General Terms and Conditions of Sale

*[These general terms and conditions of sale ("**Terms and Conditions**") shall constitute part of a sale agreement, unless the sale agreement refers to specific terms and conditions in which case those specific terms and conditions shall apply in conjunction with the Terms and Conditions below]*

### 1. Definitions

In these Terms and Conditions the following words have the following meanings:

"Agreement" any agreement between the Company and the Customer for the sale and purchase of Goods.

"Company" FKL DOO TEMERIN

"Customer" the person(s) or company whose order for Goods is accepted by the Company.

"Goods" any goods which the Company is to supply to the Customer.

### 2. Basis of Agreement

a) The Agreement will be on these terms and conditions to the exclusion of all other terms and conditions (including any terms or conditions which the Customer intends to apply under any purchase order or similar document). No addition or variation shall apply unless specifically agreed in writing by the parties.

b) No order shall be binding on the Company unless and until accepted or confirmed in writing by the Company. The Company reserves the right (without prejudice to any other remedy) to cancel any uncompleted order or to suspend delivery in the event of any of the Customer's commitments to the Company not being met.

c) No order which has been accepted by the Company may be cancelled by the Customer except with the agreement in writing of the Company and on terms that the Customer shall indemnify the Company in full against all losses incurred by the Company as a result of cancellation.

### 3. Price

The price of the Goods shall be as stated in the Agreement or confirmation for acceptance of the Order issued by the Company unless the Company agrees otherwise with the Customer in writing.

The Price shall be payable in the currency designated by the Company. The Company at any time with due notice to the Customer may increase the Price for reasons justifiable.

### 4. Delivery date and terms

Agreed-upon dates and terms are binding.

**A. Domestic Sales.** The title, risk of loss for the Goods delivered shall pass from the Company to the Customer the moment the Goods are delivered at the agreed point of delivery. In the absence of a written agreement as to point of delivery, delivery shall be EXW (Ex Works) per INCOTERMS 2020.

**B. International Sales.** Unless otherwise agreed in writing or indicated on the order, invoice or elsewhere in any sale agreement, title shall pass from the Company to the Customer EXW (Ex Works) pursuant to INCOTERMS 2020.

### 5. Insurance

The Company shall be responsible for insuring the Goods as per Ex Works under INCOTERMS 2020 or as indicated in the order, invoice or elsewhere in any sale agreement.

The Company will at the request of Export Customers, arrange insurance of the Goods and report shipment of the Goods to the insurers but shall not be liable for any negligence or otherwise for any error in complying with such request or omission to do so.

### 6. Payment

Payment terms shall be as established by the Company as mentioned in the Agreement. If the Customer fails to pay for one or more installments when due, or if the Buyer's financial worthiness, becomes unsatisfactory to the Company, then the Company shall have the right, in addition to other remedies available to it under the Terms and Conditions or the Contract, to (a) suspend or cancel further deliveries, (b) require immediate payment for further deliveries, or (c) require satisfactory security before proceeding with further deliveries.

Any amounts past due over thirty days will accrue interest from their due date at rate permitted under applicable law.

### 7. Packing

Unless otherwise stated prices quoted include non-returnable packing. Returnable containers will be charged for if they are not returned in good condition within thirty (30) days of delivery; the Company must be notified of the return at the date of despatch by the Customer.

### 8. Force majeure

The Company shall not be liable to the Customer or deemed to be in breach of the Contract by reason of any delay in performing or any failure to perform any of the Company's obligations if the delay or failure was due to any cause whatsoever beyond the Company's reasonable control (including, without limitation those arising from strikes, lockouts or any other industrial dispute or from Act of God, War, National or Local Government restriction, prohibition or control, fire, flood or accidents). In the event that such circumstances last for a period in excess of 180 days, the Company shall have the right to terminate the Contract.

### 9. Warranty

Subject as provided below, the Company warrants all Goods supplied by it to be free from defects in material and workmanship, but its sole liability under such warranty shall be limited to either replacing, repairing or issuing credit (at its option) for any Goods which within 24 months of delivery are returned to the Company and which the Company accepts as having been defective in materials and workmanship.

The Company shall incur no liability under this warranty:

- a) unless the Company is notified in writing within seven (7) days of the discovery of any defects by the Customer;
- b) for any Goods in which the alleged defect is found on examination to have been caused in whole or in part by misuse, neglect, overload, unsuitable lubricant, improper installation or repair, abnormal working conditions and failure

to follow any instructions issued by the Company;

- c) if the Customer alters or repairs the Goods without the written consent of the Company;
- d) if the defect in such Goods arises from any design defect in any drawing, design of specification supplied or approved by the Customer;
- e) where the defect arises because the Customer has failed to follow the Company's oral or written instructions as to the storage installation, commissioning, use or maintenance of the Goods

### 10. Intellectual Property

All patent, copyright, design, trade mark or other intellectual property rights in the Goods are and shall remain vested in the Company and nothing in these terms and conditions shall be construed as granting to the Customer a licence or other right of manufacture of the Goods.

### 11. Electronic Information

Any information provided electronically by the Company is provided 'as is' and without warranties of any kind. Such information is the copyright of the Company, and may be used solely in connection with making purchases from the Company and not for any other purpose.

### 12. Compliance with Security Standards

With the acceptance of the order the Company declares that Goods delivered to the Customer are produced, stored, prepared and loaded in secure business premises and secure loading and shipping areas and that such goods are protected against unauthorized interference during production storage, preparation, loading and transport.

### 13. Confidentiality

The Customer shall undertake to keep in strict confidence all information obtained from the Company and shall not use any such information for any purpose other than the purposes originally intended. Customer shall protect the confidentiality of all such information

with the same degree of care it uses to protect its own confidential information, but in no event less than a reasonable standard of care.

#### 14. Governing Law

The Terms and Conditions, the sale agreement, the Order and any dispute or claim arising out of them shall be governed by and construed in accordance with the relevant laws of the Republic of Serbia.

#### 15. Miscellaneous

The current version of these Terms and Conditions and any modifications or amendments supercede all prior versions of these Terms and Conditions. The most current version of these Terms and Conditions may be found at FKL's website ([www.fkl-serbia.com](http://www.fkl-serbia.com)) and is otherwise available upon request.