

1. GENERAL

- 1.1. Any sale and/or delivery of Goods and/or Services (hereafter referred to also as Product(s)) by DONIT TESNIT, d.o.o. (hereafter referred to as DONIT or Seller) to its business partners and/or Customers (hereafter referred to also as Purchaser), shall be subject to the Terms and Conditions set forth herein unless other contractual agreements have been explicitly made.
- 1.2. The purchase terms in the Customer Order or counteroffer which are inconsistent with the Terms and Conditions set forth herein shall only be applicable to the extent DONIT has explicitly consented in writing.
- 1.3. DONIT with a legal status which is governed by the commercial laws of the Republic of Slovenia (Slovenia) can only transact as B2B (i.e. business-to-business) with other entities having also a legal status.

2. ACCEPTED QUOTATION, CONFIRMED ORDER OR SIGNED CONTRACT

- 2.1 By placing an order with DONIT, the Customer confirms that he is: Legally capable of entering in binding contracts, and if located in the EU, able to produce the entity value added tax (VAT) number.
- 2.2 Accepted quotation by the Customer and Order Confirmation by the Seller or a signed contract between them concern Products from DONIT sales program. Such Products are presented in the Technical Documentation, accessible via www.donit.eu. However, product quality, technical characteristics, performance and/or other properties shall be exclusively stipulated in contractual agreements.
- 2.3 DONIT reserves the right to restrict the sale of its Products to any person, geographic region or jurisdiction. DONIT may exercise this right on a case-by-case basis. DONIT reserves the right to limit the quantities of any Product it offers. All Products' descriptions and pricings are subject to change by DONIT at any time without prior notice. Also, DONIT reserves the right to discontinue the sale of any Product at any time.
- 2.4 DONIT reserves the right to cancel or indefinitely suspend an accepted Customer Order and to refuse additional orders if: (i) the Customer does not comply with these Terms & Conditions, or (ii) the Customer becomes insolvent, ceases business, initiates debt settlement proceedings, enters in bankruptcy or insolvency proceedings, or the like proceedings which last more than thirty (30) days, or assigns assets to creditors, or (iii) if a third-party financier effecting the Customer purchase(s) is not quick enough as DONIT sees fit, or (iv) if there are over-due Receivables.
- 2.5 Until the Seller confirms the Customer Order in writing (as by e-mail, registered mail or fast-track courier), the sale contract cannot be considered concluded and the Customer Order would not yet be processed.
- 2.6 After receipt of the Order Confirmation from DONIT, the Customer Order is irrevocable without DONIT's written consent, and for any approved modification expenses will be charged.
- 2.7 All the correspondence (notifications and exchanges of information) shall be communicated via registered mail or fast-track courier to DONIT business address (Cesta komandanta Staneta 38, SI-1215 Medvode, SLOVENIA) or via electronic mail to the Customer's contact person at DONIT or to [info\[at\]donit.eu](mailto:info[at]donit.eu).

3. ORDERING

- 3.1 Customer Orders from DONIT must include the following information: (i) exact description(s) or reference code(s) and quantity of requested Product(s) or DONIT quotation number, (ii) price, and (iii) delivery instructions.
- 3.2 When the gasket Product(s) is(are) urgently requested (i.e. within five (5) working days), the corresponding usual price may be subject to a surcharge.
- 3.3 Industrial gasket Products Sale Policy Minimum order value is seventy-five Euros (75 EUR) plus applicable VAT.
- 3.4 Gasket Material Sheet Products Sale Policy Minimum order value for TESNIT®, GRAFILIT® and MICALIT®-type is one thousand Euros (1.000 EUR) plus applicable VAT, and for DONIFLEX® and DONIFLON® two thousand five hundred Euros (2.500 EUR) plus applicable VAT.
- 3.5 When an order is placed for a non-standard gasket sheet Product of TESNIT®-type, a minimum mandatory order quantity of 250 (± 5%) kg of Product weight shall apply.
- 3.6 When an order is placed for a custom gasket sheet Product, produced according to the Customer's specifications, a mandatory minimum order quantity of 300 (± 5%) sheets of 1500 mm x 1500 mm format shall apply regardless of the thickness.

4. SHIPPING & DELIVERY

- 4.1 DONIT offers various types of Product packaging which are charged according to the valid pricelist "Transport Packaging for Gasket Sheets".
- 4.2 Unless otherwise expressly agreed, shipment shall always be carried out at the Customer's risk. This risk is passed onto the Customer as soon as the Goods are handed over to the person executing the shipment on behalf of the Customer.
- 4.3 Upon DONIT notifying the Customer of shipment readiness and placing it at the disposal of the Customer, if the Customer fails to collect the Goods or have them collected, or fails to accept DONIT delivery of Goods as agreed, the Customer shall bear the risk of any associated accidental damage or loss, and DONIT shall be entitled to claim from the agreed

shipment date of Goods any expenditure associated therewith, i.e. re-storage, handling, and costs of their later riddance by DONIT according to the following: Re-storage and handling costs: free for 1 to 10 calendar days; 0.28% of the Goods net value per day for 14 up to 90 calendar days; beyond 91 days, costs of the Goods riddance by DONIT shall be charged as well.

In such cases the settlement of the Customer's obligations is a prerequisite for the release of the Goods.

- 4.4 Shipments may be subject to import fees and taxes which are due on arrival (see also Clauses 5 & 9). It is impossible for DONIT to determine these extra charges as they are country- or state-dependent. For detailed related information please contact the local customs office.
- 4.5 Unless otherwise expressly agreed, DONIT shall deliver Products EX WORKS (EXW) (Incoterms latest Version) of DONIT company using these Terms and Conditions.
- 4.6 Unless otherwise expressly agreed, the typical delivery time is four (4) working weeks for standard gasket sheet & gasket Products, and eight (8) working weeks for non-standard gasket sheet & gasket Products. The exact delivery time shall be defined in the Order Confirmation.
- 4.7 Delivery periods shall be binding only if expressly agreed in writing. Delivery periods shall begin on the date of DONIT's written Order Confirmation, however under no circumstances prior to settling by the Customer of all the details related to the Order. Upon DONIT timely notification that the Goods are placed at the disposal of the Customer, delivery periods shall be deemed to be met despite if the Goods cannot be dispatched in time through no fault of DONIT.
- 4.8 Regarding delivery periods and dates which are not expressly stipulated in the Order Confirmation, the Customer may – following two weeks of the expiry of the delivery period or date – set an adequate grace period for delivery. DONIT may only be deemed to be in default following the expiry of such a reasonable grace period.
- 4.9 DONIT may proceed to partial deliveries and services if such actions would not unreasonably affect the Customer. DONIT shall be entitled to partial invoicing for the partially fulfilled agreement.

5. PRICING

- 5.1 The prices quoted in the Order Confirmation of DONIT shall solely apply. DONIT is not accountable for any typographical or communication errors regarding pricing. Additional Services shall be invoiced separately.
- 5.2 Prices of Products are in Euro (EUR) and exclusive of VAT, unless otherwise indicated. The Customer shall bear all additional packaging costs beyond the standard packaging, freight costs, insurance charges, public fees (including withheld taxes), export or import taxes, customs and duty fees, and other applicable expenses such as for certificates and testing.
- 5.3 The Customer has to settle all taxes and governmental fees which DONIT is required to collect or pay upon sale or delivery of Products, unless the Customer provides DONIT with a direct payment authorization or a valid certificate of exemption for the Products destination jurisdiction.
- 5.4 Unless indicated otherwise in writing by DONIT, the prices are quoted EXW DONIT's place of business in Medvode or Trebnje, Slovenia, using these Terms and Conditions (according to Incoterms the latest Version).
- 5.5 The validity of quotations is thirty (30) days, unless otherwise agreed in writing by DONIT, provided that essential commodities prices and auxiliary costs remain unchanged, otherwise quotations will be subject to an adjustment.
- 5.6 DONIT reserves the right to increase at any time prices of the Goods during the execution of the agreement or before delivery date if the manufacturing costs of DONIT increase.

6. PAYMENT

- 6.1 Prepayment is usually demanded from a new Customer for the first three (3) Orders. Due payment in full for the following Orders shall be within thirty (30) days from the invoice date unless otherwise agreed in writing by DONIT. Payment of the invoice shall be considered settled on the day the payable sum is received on DONIT's bank account. Bills of exchange and cheques shall not be deemed admitted payments until they have been honoured and these can only be accepted without any obligation such as a timely presentation or a timely protest.
- 6.2 All payments shall be made in Euro (EUR). Payments in other currencies are subject to their corresponding exchange rates on the received payment date.
- 6.3 Upon the Purchaser falling into arrears, DONIT is entitled by default to immediate demand from him a penalty interest according to the related Slovene statutory rate (<https://www.bsi.si/en/>).
- 6.4 Any of DONIT's Receivables shall be immediately payable in the event of: a default in payment, a notice given in protest against a bill of exchange, or a suspension of Customer's payments (independent of the bills of exchange terms that may have been already accepted). In any of these aforementioned cases, DONIT shall only be able to conduct the remaining or future deliveries against an advance payment or a security provision, and, failing to do so within a two-week time-period, DONIT can rescind the contract without fixing another extension term.

7. RETENTION OF TITLE/OWNERSHIP RESERVATION

- 7.1 Delivered Goods shall fully remain the property of DONIT until all receivables, connected with the sold Goods, have been paid in full.
- 7.2 In case of processing, combining or mixing of such DONIT Goods (subject to retention of title) by Customer with other Customer merchandise, DONIT shall acquire co-ownership right in the resultant new property in the height of the invoiced value of DONIT Goods (sold under retention of title). When DONIT's co-ownership becomes null and void due to processing, combining or mixing by Customer with other Customer merchandise, the Customer shall immediately assign to DONIT those of its ownership right in the resultant new property in the height of the invoiced value of DONIT Goods (sold under retention of title). The Customer shall also be responsible for holding such rights in safe custody on behalf of DONIT and at his own expense.
- 7.3 The Customer may resell, process, combine or mix with other property, or otherwise integrate Goods (sold under retention of title) in normal business operations if he is not defaulting. The Customer is prohibited from taking any other disposition regarding DONIT Goods (for which it retains title). DONIT shall be promptly notified about any hypothecation or other seizure of DONIT Goods (sold under retention of title) by a third party. Any DONIT intervention costs shall be charged to the Customer if DONIT Goods cannot be collected from such a third party. If the Customer grants his buyer additional time for payment of the sales price, the Customer shall reserve title in Goods resold with retention of DONIT's title under the same terms which DONIT has applied when delivering such Goods (sold under retention of title).
- 7.4 The Customer shall immediately assign to DONIT any due Receivables resulting from a resale of DONIT Goods (sold under retention of title) or these Goods resold together with other Customer merchandise. These due Receivables shall be used to substitute DONIT Goods (sold under retention of title) as collateral in the equivalent amount value as invoiced for DONIT Goods.
- 7.5 Until DONIT issues a revocation notice, the Customer is authorized to collect Receivables assigned to DONIT. DONIT shall be entitled to such revocation if the Customer fails to meet in due course his payment obligations. Before the preconditions for exercising a revocation right are fulfilled, the Customer shall promptly notify DONIT of any assigned Receivables with respective debtors, furnish all required data for the Receivables collection, hand over all related documentation, and advise the debtors of such assignment. DONIT reserves the right to personally advise the debtors on such assignment.
- 7.6 Should the collateral value deposited in DONIT's benefit exceeds the total amount value of DONIT pending claims by more than fifty per cent (>50%), the Customer shall be entitled to request securities release of DONIT choice.
- 7.7 If DONIT claims explicitly in writing the retention of title, this shall only be understood as rescinding the contract. The Customer rights to possess DONIT Goods (sold under retention of title) shall be null and void if he fails to meet his contractual obligations.

8. WARRANTY & LIABILITY

- 8.1 It is the Customer responsibility to inspect the ordered Goods or Services from DONIT upon receipt, check their compliance as contractually agreed, and promptly notify DONIT in writing in the event of any apparent defects or damages of the original Product as delivered and this within five (5) working days from receipt, otherwise the Goods are deemed unconditionally accepted by the Customer who waives by default his claiming rights despite any apparent defect or damage.
- 8.2 Any defects found in a part of the batch of delivered Goods shall not give the Purchaser any right to reject the entire batch.
- 8.3 In the event of a Purchaser's warranty claim, DONIT shall be granted immediate access to the storage location of the delivered Goods in question for their examination. The return of Goods to DONIT for whatever reason is only permitted with a written authorization and/or instruction from DONIT. If it is determined that there was a shortcoming attributable to DONIT, DONIT will reimburse the return transport costs.
- 8.4 Minor divergences in color, purity and quality shall under no circumstances be qualified as defects nor give the Purchaser grounds for any complaint, refusal to accept the delivery, delay in payment, or dissolution of the agreement. Taking account of all circumstances, divergences which can reasonably have no or only a minor influence on the user value of Goods, shall always be considered of marginal importance.
- 8.5 DONIT cannot be held liable under any circumstances for invisible/technical defects that are discovered after six (6) months from receipt of the Goods. The Customer is obliged to expressly notify DONIT in writing - with the *proviso* that Goods were properly stored and handled as recommended in DONIT "Storing & Handling Directives" - otherwise waives by default his claiming rights despite any invisible/technical defect.
- 8.6 For claims related to gasket or gasket sheet Products, these must state the following Goods information: Order Number, Invoice Number, Details (Product type, dimensions/format, thickness), the quantity of Products non-compliant with specifications, a clear description of the defect(s) with photos, and the CMR bookmark in case of damages incurred to the Goods during transport. Regarding TESNIT® gasket sheets, the stamped identification fourteen-digit code on each sheet (if present) must be reported as well.

- 8.7 DONIT is under no obligation to consider any Customer warranty claim if this one fails to support the claim with the above required information. DONIT warranty applies to well-founded and duly justified claims, and DONIT shall remedy the non-conforming Goods by a replacement delivery.
- 8.8 In all cases where DONIT is required to pay compensation, this shall never exceed the net invoice amount of the Products or Services delivered, nor exceed the business liability insurance coverage for the case in question.

9. EXPORT CONTROL

- 9.1 DONIT Products supplied under these Terms and Conditions are subject to export controls under the laws and regulations of Slovenia and, if any, under other country's laws and regulations in force. The Customer shall comply with such laws and regulations governing the export, re-export, import, transfer and/or use of the Products, and is obligated to acquire all required Slovene and other official authorizations, permits, or licenses. Both DONIT and the Customer consent to exchange useful information, support documents, and assistance as may be reasonably required by the opposite party in order to secure the said documentation. For avoidance of any doubt in this respect, it shall be the Customer responsibility to procure such approvals. The Customer certifies that (1) he is not an entity with whom DONIT is prohibited from transacting business under current laws, (2) he is not located in any country which figures on the list of countries where the provision of Products violates current laws, (3) he agrees not to use or enable the use of the Products for any prohibited purpose by current laws or export/re-export any Product with the knowledge that it will be used for the development or production of chemical, biological, nuclear or ballistic weapons or for any criminal or illegal activity. Laws and regulations frequently vary, and it is the Customer's responsibility to be aware of the ones pertaining to import/export procedures to the Products destination country. The Customer shall defend, indemnify, and hold DONIT harmless against any liability (including attorney fees) arising from failure to comply with the terms of this Clause.
- 9.2 The Customer also declares and warrants that his employees, officers and agents shall comply with the anti-corruption laws of his country of residence and the laws of Slovenia, thus he shall not (1) authorize the giving of, or offer, or give anything of financial value to a government official, a political party or a party official, a political candidate, or an official of a public international organization, for the purpose of obtaining, retaining or directing a business to any person by (i) influencing any act or decision by the recipient or (ii) inducing the recipient to do or omit to do any action in violation of the recipient lawful duty or (iii) securing any improper advantage, or (2) authorize the giving of, or offer, or give anything of financial value to any person with prior knowledge or firm belief that all or a portion of this payment or gift will be offered, given, or promised, directly or indirectly to a government official, a political party or a party official, a political candidate, or an official of a public international organization, for the purpose of obtaining, retaining or directing a business.

10. INTELLECTUAL PROPERTY RIGHTS

- 10.1 Any intellectual property rights related to Products shall be the exclusive property of DONIT. Any use of such rights is only permissible on grounds of a prior explicitly written agreement.
- 10.2 DONIT has not vetted the likelihood that a third party intellectual property rights are not infringed as a consequence of the sale and/or delivery of the Products to the Customer, but DONIT cannot be held liable for any loss and/or damage in this respect.

11. CONFIDENTIALITY

- 11.1 Unless otherwise expressly stipulated in writing, any information provided to DONIT related to Customer Orders shall be regarded as non-confidential, unless its confidential nature is obvious.
- 11.2 The Customer is obligated to keep the information provided by DONIT confidential if its unauthorized disclosure to a third party can result in damages to DONIT. The Customer agrees to inform all of his employees who become acquainted with this information in the framework of their duties about this confidentiality Clause and bind them to abide by it.

12. STANDARDS

DONIT conducts its business and ensures Product quality according to ISO 9001 and ISO 14001 Standards.

13. PLACE OF PERFORMANCE, APPLICABLE LAW AND JURISDICTION

- 13.1 The place of fulfilment and performance of any obligation arising from DONIT deliveries is Medvode or Trebnje - Slovenia.
- 13.2 The place of jurisdiction is Ljubljana - Slovenia, and its competent courts.
- 13.3 The governing Law is the Law of Slovenia, with the exclusion of law provisions of international conflicts and the exclusion of the United Nations Convention on Contracts for the International Sale of Goods.

14. MISCELLANEOUS

Should any Clause of these Terms and Conditions in whole or in part be invalid or void, all the remainder shall retain their validity.