

GENERAL COMMERCIAL TERMS OF FERONA Slovakia, a.s.

I. INTRODUCTORY PROVISIONS

- I.1 These generally trade conditions (hereinafter only as „GTC“) **are integral part of each purchase agreement** concluded between a business company FERONA Slovakia, a.s. as a vendor and buyer according to provision § 409 and the following Act No. 513/1991 Coll. Commercial code.

II. CONTRACTUAL RELATIONS CONDITIONS

- II.1 These GTC regulate legal relations between FERONA Slovakia, a.s. as a seller and buyer who, in accordance with the GTC procedure, are interested in buying goods. These legal relations between the seller and the buyer arising at the purchase, delivery and repayment of goods are, depending on their content and buyers, adequately governed by the provisions of the relevant Slovak legislation, in particular the Civil Code of the Slovak Republic and the Commercial Code of the Slovak Republic. These GTCs also govern the obligations of the contractual parties up to the point the purchase agreement is concluded on the basis of the buyer's registration. The mutual relations between seller and buyer are also governed by the complaint's procedure outlined in Part VII. of these GTC.
- II.2 Written „**Order confirmation**“ contractual parties consider to be a conclusion of a proper purchase agreement, whereas these seller's GTCs are an integral part of it. If the contractual parties conclude a separate written contract for the same object of performance, the contractual arrangements under this purchase agreement with the Seller's GTC of the FERONA Slovakia, a.s. are valid. If the order is made on the buyer's behalf by someone at his premises, such action bounds directly the buyer in accordance with Section 16 of the Commercial Code.
- II.3 The subject of the individual purchase agreements will be a sale of metallurgical materials and services connected with them according to the buyer's requirements, which are the subject of the activity of FERONA Slovakia, a.s. The basic obligation of a company FERONA Slovakia, a.s. as a seller is to deliver the agreed goods and services at the agreed time and quality and a buyer's basic obligation is to take over the goods and to pay the agreed purchase price in full and within the agreed due date on the basis of the tax document - invoice.
- II.4 If the buyer requests a special requirement to be the subject of a purchase agreement or order confirmation, which means **material division**, it is necessary that the buyer mentions this requirement in the purchase agreement or order and he reports an offtake of the given goods at least one day in advance to salesman manager mentioned in the purchase agreement. Material division means "**business**" **division**, namely with a precision -0 +50 mm (slitting, cutting) and -0 +100 mm (burning) from the required length. The division agreement (type, deadline, preliminary price) must be a **part of agreement** as a document to assess responsibility for a possible defect. **The remainder**, which is a part of delivery and it occurs after the agreed division and it is smaller than the smallest delivered dimension, is from seller's perspective a remainder of material with smaller dimensions than a required element, in other words remainder. In case of circular plates with a diameter of more than 100 mm, seller considers the remainder to be a resting material less than 500 mm. **The seller does not divide** binding material delivered in boxes, plates from non-corrosive steels, cold-drawn black and zined plates, fabric in packages, drawn steel and goods that manufacturer delivers in a final surface treatment (not plating) and in a final shape (e.g. secondary products).



II.5 If the buyer requires goods' delivery, he is obliged to mention in the order:

- transport's subject and type, (car of FERONA, rails, other carriers, collective service, post),
- precise transport dispositions,
- person authorized to take over the goods,
- realization time.

The earliest date of delivery through the vendor's vehicles is **24 hours** since the purchase agreement was concluded or delivered. However, **it does not apply to items up to 500 kg**. As for a payment method by transferring to the seller's bank account, this period starts to elapse the date of assignment of the negotiated purchase price to the seller's bank account. Buyer is required to enter into a purchase agreement in exceptional cases, payment in cash, technical defect on the vehicle, special transport requirements, to ask the dispatcher to transport the goods. If the buyer does not meet such terms agreed in writing, he will reimburse the costs associated with the pointless shipping.

II.6 If the buyer requires to deliver an accompanying documentation **with order goods**, which means **control document (attest), Conformity declaration, Declaration on parameters or he requires to mark the goods' origin**, he is obliged to mention this requirement on the order so that it can be processed into purchase agreement or order confirmation.

II.7 The buyer undertakes to return to seller **a confirmed written purchase agreement** not later than **to 5 days** since it was delivered to him.

II.8 The buyer is obliged to deliver **order confirmation** signed by him to seller's address within **5 days** since it was delivered to him. If the signed confirmed order is not delivered, seller is not obliged to accept the buyer's order.

II.9 If the buyer receives from the seller a written proposal for a purchase agreement, whose delivery subject will be delivery of the goods and services specified in the buyer's order, contractual parties consider that by a futile expiration of 5 days from the date of delivery of the draft Purchase Contract to the Purchaser, the contracting parties expressly agreed to conclude the oral contract.

II.10 The buyer is not entitled to require additional specifications or conditions from the seller, unless they are stated in the purchase agreement or written confirmation of the order by both contractual parties.

II.11 Business communication between seller and buyer does not establish against FERONA Slovakia, a.s. a legal claim and cannot be regarded as a concluded purchase agreement. The binding conditions will be agreed in a proper written purchase agreement.

III. GOODS DELIVERY, DELIVERY CONDITIONS, TRANSPORT CONDITIONS AND EXPENSES FOR GOODS DELIVERY

III.1 If there is no agreed deadline for a time of performance and transportation between the contractual parties, they are obliged to fulfill their obligation without undue delay.

III.2 **The transportation dispositions' change** could be allowed only by company's transport dispatcher. If the seller has fulfilled his obligation arising from the order by handing the goods over to another carrier, he shall secure the change of the transport availability or the transport contract at his expenses directly at the buyer.

III.3 Seller's delay is not a breach of a purchase agreement if it is delayed for reasons beyond



his control and which are independent of his will (e.g. delayed or damaged subcontracts, barriers to transportation, etc.). Such barriers exclude the seller's liability for damage incurred by the buyer in case of a delay.

- III.4 When the goods are taken over, buyer is obliged to prove his identity with valid identity documents (identity card or passport) without prompting to do so. These documents must clearly demonstrate the identity of the buyer and the right to take over the goods. Otherwise, vendor/carrier will not hand over the goods. **As far as taking over the goods by other person than a buyer is concerned**, (e.g. by agreed carrier), entitling document to take over the goods is necessary, containing name, family name and identity card's (passport's) number of the entitled person. Otherwise, goods will not be issued. The entitled person must confirm taking over the goods **on a delivery note or a report to a car** with a name and family name, signature, identity card's (passport's) number, eventually stamp as well.
- III.5 The buyer is obliged to secure that car's unloading starts **within 15 minutes** since car's crew was enrolled in the place of transport disposition. If this condition is not fulfilled, seller is entitled to charge standing due to waiting according to the current price list. The buyer undertakes to ensure the unloading of the goods by his own mechanisms and his own workers unless he has agreed with the seller otherwise.
- III.6 **Access communication** at the transport's disposition place has to meet the criterions of a minimal road of III. class or a local communication of a minimum functional class C3, whereas assessment of its passability is within the competence of the vehicle driver, considering type of vehicle, its current technical condition, type of laden goods and weather conditions at a given moment.
- III.7 If there is a case that **there is nobody at the transport's disposition place**, driver lets third party (e.g. municipal authority) to confirm a report on driving and he drives goods back to the seller's warehouse. The buyer is obliged to pay the costs associated with the futile shipping and warehousing of the goods to the seller. If **buyer does not take over the goods** delivered by a seller within the agreed date and place, seller is entitled to contractual **fine at the height of 0,05 % daily for every, even started day of delay** from the purchased price agreed in the purchase agreement for a number of goods mentioned in the purchase agreement or order.
- III.8 If the buyer **refuses to take over the goods illegitimately** or he repeatedly does not take it over illegitimately, seller is entitled to exert towards him all costs incurred to him in this regard.
- III.9 **The buyer charges packages** as an independent item with goods. The buyer may return them at his own expenses within one year of dispatch of the goods, but not damaged and with a notification of the invoice number to which the returned packaging relates. The transportation costs of packages are covered by the side returning them. The packaging of commercial goods supplied under a purchase agreement must be treated in accordance with Act No 79/2015 Coll. on waste and on the amendment of certain laws. FERONA Slovakia, a.s. is within the meaning of the law enlisted in the Register of obliged persons and authorized organizations and fulfills the obligations arising from this Act in the field of waste separation and evaluating of package waste.

IV. PAYMENT CONDITIONS

- IV.1 The seller reserves the right to determine the buyer **a payment method** for commercial



goods. The seller is entitled to charge the purchaser for shipping according to an up-to-date transport pricelist.

- IV.2 Legitimate **complaints** to payment document is the buyer obliged to report to the seller **within the due date**.
- IV.3 Buyer does not acknowledge discounts that are not agreed in writing or other reduction of items in the valid document for any reason.
- IV.4 The buyer undertakes to pay all collection expenses.
- IV.5 If the buyer does not pay the seller the agreed purchase price for the goods within the expiration date of the **tax document, invoice**, seller has on the basis of purchase agreement right to **interest on late payment of 0,03 % per day** from the purchase price for every, even started day of delay. The seller reserves the right to suspend further deliveries until they are reimbursed in full extent, or if this condition lasts for more than 30 days, he also reserves the right to withdraw from the contract and to sell the ordered goods to a third party. In this case, seller is not late in fulfilling his contractual obligation.
- IV.6 **Transfer or rights and obligations** arising out of purchase agreements or order confirmation to third party is possible exclusively with a seller's written consent.

V. PROPERTY RIGHTS' ACQUISITION

- V.1 Buyer acquires property right to the taken-over merchandise **only after a total purchase price is reimbursed** together with fees connected with a possible delayed reimbursement.
- V.2 Once the unpaid goods are taken over, the buyer is obliged to take care of it properly and store it in a way that does not cause any damage or theft. If any obligation is breached, the buyer undertakes to pay the seller the incurred damage in full extent.

VI. FORCE MAJEURE

- VI.1 Seller and Buyer are not liable for any or all of their contractual obligations in full or in part resulting from a purchase agreement or order confirmation, if this is a result of circumstances of force majeure such as fire, floods, earthquakes, war and military operations, blockades, / export, strikes, rail dysfunction or other circumstances that directly affect the performance of the purchase agreement or order confirmation. In that case, time to meet the obligations arising from the purchase agreement or order confirmation will be extended by the period during which these circumstances persist, unless otherwise agreed.

VII. RESPONSIBILITY FOR DEFECTS

- VII.1 The person entitled to take over the goods must not condition the take-over **of the apparently undamaged delivery** by controlling its content, quantity and type in front of a vehicle's crew.
- VII.2 The buyer is obliged to report in writing **all eventual defects of the delivered goods** to the seller (as complaint – necessary data: invoice number and specification of goods' defect and which right he is exerting) without undue delay not later than **14 calendar days** since the delivery was taken over. You can use a phone to contact us: **Žilina:**



041/5638 144, Nitra: 037/6404 916, Košice: 055/6802 133, Bratislava: 02/40254 176, whereas phone contact does not replace exertion of entitlements on the basis of goods' defects complaint. Rights to defects in goods or services that may have been discovered later in the course of professional care must be exercised by the buyer at the latest **up to 6 months** since goods was delivered under the conditions given in regulation § 422 and following Commercial Code.

- VII.3 If the buyer **returns the complained business goods**, he is obliged to proceed according to seller's dispositions that he had required earlier. He must indicate in the transportation documents that they are the complained goods and indicate the number of the relevant complaint. If the claimed OT takes over the crew of the seller's vehicle at the buyer's place of purchase for the buyer, the provisions of Section 5 of Part III apply. (unloading = loading).
- VII.4 The subject of the complaint could not be **a difference in weight up to +- 1%** between a delivered and invoice goods' quantity (it applies to the item).
- VII.5 Claiming a complaint from a buyer's side does not establish the buyer's right not to pay the full purchase price. The purchase price is, in spite of the claimed complaint, fully repaid within the period agreed on the seller's tax document - on the invoice, or according to contract. If the seller accepts a buyer's entitlement arising from a complaint, he shall issue a credit note for the received performance within the scope of the acknowledged complaint unless the contracting parties agree otherwise.
- VII.6 If the buyer **illegitimately** applies a complaint illegitimately, expenses connected with dealing with it that arise to seller, have to be borne by buyer.
- VII.7 If the seller does not receive to his written opinion **in up to 15 days** a written response from a buyer, this opinion is considered to be confirmed.

VIII. PERSONAL DATA PROTECTION

- VIII.1 The company ensures personal data protection in accordance with Regulation (EU) No.2016 / 679 of the European Parliament and of the Council on the protection of individuals with regard to the personal data processing and on the free movement of such data and by the Act of the National Council of the Slovak Republic no. 18/2018 Coll. on the personal data protection and on amendments to certain acts according to which it is in the operator's position. Personal data are obtained without the consent of the concerned person, namely in accordance with Article 6, letter (b), (c) and (f) of Regulation (EC) No 2016/679.
- VIII.2 Personal data may be provided to public authorities. The operator does not transfer them to third countries.
- VIII.3 Contact to person responsible for personal data protection:
osobneudaje@zilina.ferona.sk

IX. SECURITY AND HEALTH PROTECTION

- IX.1 If the Buyer or a person authorized by him is required to enter the seller's premises in order to perform the contract, such people are required to use personal protective equipment in accordance with the applicable laws and regulations of the seller. The buyer secures personal protective equipment by himself.



IX.2 All people entering the premises are obliged **to become familiar with and follow "Rules for security and movement of people"**, which are published in the business premises for getting in contact with buyer and on the company's website **www.ferona.sk** in a part Legislative.

X. DELIVERY

X.1 The delivery of any document under this Agreement or in relation thereto between the contractual parties (hereinafter referred to as the "document") means delivery of a document by registered mail with delivery confirmation to the address specified in the header of this Agreement, delivery by courier service or personal delivery of the given contracting party.

X.2 The day document is delivered is considered to be

- a) **also a day** where a contractual party which is a recipient, **refuses to accept the delivered document** (and to do so regardless the picked way of delivery in accordance with point 1), or
- b) if the document is delivered to a contractual party through mail as a content of the postal item also the day when it is
 - ba) in vain **period for storing** determined by post for picking-up elapses, or
 - bb) this postal consignment contains a note made by a post worker that **„recipient moved out“**, **„unknown recipient“** or other note of the similar significance if this note is based on truth at the same time.

X.3 For delivery purposes through the post, the addresses of the contractual parties listed in the contract's header or order confirmation are used, except that the sending party has notified the addressee in writing of another address for delivery of documents. If there is any change in the address given for a delivery of documents, the respective contracting party undertakes to inform the other contracting party without delay of that change; in that case a new address decisive for delivery is duly notified to the contracting party prior to sending of the document.

XI. FINAL PROVISIONS

XI.1 The obligations' relations of the seller and the buyer arising out of a concluded purchase agreement or order confirmation and these unadjusted documents are governed by the provisions of the Commercial Code (Act No. 519/1991 Coll.), as amended, and other generally binding legal regulations of the Slovak Republic.

XI.2 The seller and buyer undertake that any disputes arising out of a purchase agreement or order confirmation will be settled out-of-court, if possible. Unless any out-of-court settlement occurs, any contractual party may bring a dispute to the local court of the Slovak Republic according to the location of the seller's operations.

XI.3 These GTC are coming into force on **1.9.2020**.

