

## **GENERAL TERMS AND CONDITIONS OF PURCHASE AND DELIVERY OF GOODS AND SERVICES**

These General Terms and Conditions of Purchase and Delivery of Goods and Services apply to all activities of sale and delivery of goods and services of company „Zrak“ d.d. Sarajevo unless contracting parties agreed otherwise and confirmed that in writing.

Neither Buyer nor Seller is bound by any exception or cancellation going over these Conditions unless these modifications are agreed by both parties in a written agreement signed by their authorized representatives

### **I QUOTATIONS VALIDITY AND CONFIRMATION OF CONTRACTS/ORDERS**

All our quotations shall be without obligation until we have confirmed acceptance of contract/order in writing. The Buyer is not bound by the Order unless it is made on its official Order form, contains a reference number and issued by an authorized person. We reserve the right to correct misprint, mathematical and other errors subsequently noticed in our quotations.

Order from a buyer becomes enforceable as soon as we confirm such an order in writing. Order confirmation from our side is a basis for establishment of contracting relation with buyer. We reserve the right, as seller of goods, to make a special business contract with certain buyers, without explaining their reasons.

### **II PRICES**

The Price specified in the Order of the Goods and / or Services is a fixed price and is not subject to any changes unless they are approved in writing by Buyer 's authorized representative. If the Order does not contain a specified price the Price is meant to be the Price specified in the Seller's price list after deducting agreed conditions / discount valid as on the day when the Order was received.

Unless otherwise stated, prices and terms of sale and delivery from the order confirmation are valid, in accordance with the appropriate term of INCOTERMS 2010. Prices are given without Value Added Tax (VAT), and VAT is being separately calculated and stated.

### **III PAYMENT**

Payment in country is in national currency, KM (Convertible Mark), while payment from abroad is in agreed currency. Unless otherwise stated, terms of payment from order confirmation are valid.

If we determine that buyer have no intention, or is not able, to make payment in contracted deadline, we reserve the right to undertake appropriate, necessary measures in due time in aim to protect our receivables and we do not have obligation towards buyer to particularly describe reasons of such acts neither verbally nor in written form.

Buyer that is not paying will bear all additional costs caused by their failure to perform payments.

#### **IV DELIVERY TERMS, DELIVERY TIMES AND ACCEPTING OF GOODS**

„Zrak“ d.d. Sarajevo delivers and buyer takes over the goods with the stated delivery terms. Delivery terms are defined by appropriate clause of INCOTERMS 2010 and they are given in the documents. The agreed delivery time commences when buyer receives our order confirmation, and only after solving all issues related to delivery.

Date of delivery is assumed when buyer or authorized representative of buyer have signed delivery note or bill of lading or some other document which confirms that buyer received the goods. Each delivery is accompanied by delivery note or bill of lading for certain goods, commercial invoice (original), packing list and quality certificates certified „Zrak“ d.d. Sarajevo, as well as other agreed documents.

#### **V PACKING AND MARKING OF GOODS**

The way of packing is given in quotations and order confirmations as well as in sales documents. Buyer is able to define the way of packing and special requirements of packing. Such a requirement must be made in written form, otherwise it does not have legal effect and buyer cannot require subsequent special packing.

Marking of goods is stated in sales documents. Buyer may require special marking prior to conclusion of contract (job). „Zrak“ d.d. Sarajevo must accept or reject special requirements of buyer for packing and marking of goods in writing.

#### **VI RETENTION OF TITLE**

Delivered goods remains the property of the „Zrak“ d.d. Sarajevo until payment is received for all accounts receivable from the Buyer.

#### **VII QUALITY OF PRODUCTS, CLAIMS AND RESOLVING THEM**

Quality of products is defined by valid standard for products. Special quality requirements must be contracted. Subsequent requirements by buyer regarding agreed quality are not possible. Buyer is obliged to take over the agreed and delivered quality of products.

Buyer is obliged to perform inspection of quantity and quality immediately upon receipt of goods. Buyer's claim ceases to be valid unless it is sent in writing:

- Within 8 calendar days from the date of invoice in case of evident (visible) defects
- Within 30 calendar days from the date of invoice in case of hidden defects.

Description of claimed defects must be documented (evidenced) in proper form.

After placement of a claim, the buyer is not allowed, until the procedure regarding the claim is solved, to use the goods in other purposes which would prevent verification of claim validity by impartial inspection subject, without written consent of „Zrak“ d.d. Sarajevo does not undertake responsibility for use of delivered goods in any other purpose except the contracted one.

Upon buyer's claim request for delivered goods, „Zrak“ d.d. Sarajevo is obliged to give its opinion in writing about the claim within 8 calendar days. That period may be extended for period necessary to review the claim and to give an answer. Upon request made by „Zrak“ d.d. Sarajevo, buyer is obliged to provide that proceeding of claim is performed with presence of „Zrak“ d.d. Sarajevo representatives at the location where defect was determined or where the claimed goods may be found. Article 20. In case of justified claim, „Zrak“ d.d. is entitled at its own charge to: - indemnify the missing goods, - perform replacing delivery under original (contracted) conditions, - approve decrease of price in accordance with defect of contracted and delivered goods, - approve destruction of goods, - return amount of money.

Claim may be solved by agreement of contracting parties as well.

## **VIII WARRANTY**

The Seller provides Goods' warranty for a period of 12 months from the delivery date (if it is not specified otherwise), and that also for damages which were caused by defect on his delivered parts and he guarantees that the Goods shall be of satisfactory quality conforming to

- the Contract/Order, including the Specifications and
- The technical standards in the accepted within the industry in Buyer's country or in the country of further use of the Goods

## **IX CONFIDENTIALITY**

All information provided by Buyer to Seller, shall be considered "Confidential Information" and Seller shall not:

- Use such Confidential Information, nor let or deliberately allow the use of such Confidential Information except the purpose for which it was provided; and
- It shall keep Confidential Information in strict confidence and will not place this confidential information at nobody's disposal except of its own employees who directly participate in production of Goods or in providing the Service. Confidential Information do not include:
- Information that Seller can, with documentary evidence, establish that it had in its possession prior to delivery by Buyer,
- Received from a third party without violation of an confidentiality obligation or
- Is in the public domain and is generally available to the public.

Above mentioned regulation applies also on all handover documents. Neither of the parties shall not without written agreement handover these materials to third parties, spread, copy, change or modify them.

The Seller shall return all the Confidential Information to Buyer immediately upon Buyer's request.

The Seller shall not publish or disclose to any party fact that the Seller is offering to supply to Buyer, or is supplying to Buyer, Goods or Services without the Buyer's prior written consent.

## **X CERTIFICATE OF ORIGIN, IMPORT, EXPORT, CUSTOMS CLEARANCE, EUC/IIC**

For deliveries from EU countries, the Seller is obliged to show its VAT tax number and it must issue all required documents and information (According to the EU-Directive No. 3351/83), which shall enable the Buyer to properly clear the Goods and to evidence the Goods origin.

An End User Certificate (EUC) and/or International Import Certificate are obligated to provide.

## **XI FORCE MAJEURE**

Force majeure (unforeseen events) such as weather disasters, wars, mobilisations, riots, strikes, cessation of work, import and export prohibitions and limitations, which affect fulfilment of purchase contract, relieve „Zrak“ d.d. Sarajevo from liability for nonperformance of contracted job. Buyer cannot request indemnification of damage on this basis.

In case of any limitations, either they are caused by Force majeure or other circumstances, „Zrak“ d.d. Sarajevo is obliged to immediately inform buyer verbally, and then to do that in writing as soon as all conditions necessary for written notification have been obtained.

## **XII RESOLUTION OF DEPUTIES**

In case of any disputes, contracting parties will do their best to solve dispute by mutual agreement. If dispute cannot be solved by agreement, the place of jurisdiction shall be Court in Sarajevo, Bosnia and Herzegovina.

Contracting parties may put in contract the jurisdiction of other court, that is Arbitration. In that case, contracting partners must give their written consent.

## **XIII OTHER PROVISIONS**

All correspondence will be in written form, by fax, e-mail and by post.

„Zrak“ d.d. Sarajevo is obliged to introduce buyer (business partner) with General Terms and Conditions of Purchase and Delivery of Goods and Services „Zrak“ d.d. Sarajevo is not obliged to particularly inform business partners on modifications and addendums of General Terms and Conditions of Purchase and Delivery of Goods and Services.