

## PETROL – GENERAL SALES TERMS FOR LEGAL ENTITIES

### 1. GENERAL PROVISIONS

- 1.1 These General Sales Terms (hereinafter referred to as “the GST”) regulate obligational relationships between PETROL d.d., Ljubljana, Petrol Energetika d.o.o. and Petrol Geoterm d.o.o., acting as sellers in legal transactions (hereinafter each referred to as “the Seller”), and between legal entities or sole traders, acting in legal transactions as buyers of the Seller’s products and services (hereinafter each referred to as “the Buyer”).
- 1.2 These GST refer to all relationships between the Seller and the Buyer, unless otherwise agreed between the Seller and the Buyer in a special agreement for each particular case. In order to avoid any doubts, a special agreement shall be deemed to be an agreement made in writing.
- 1.3 These GST shall only apply provided that the Seller has referred to them in a sales contract, offer or any other document based on which the transaction has been concluded (hereinafter referred to as “the transaction”), and thus, the Buyer has been given an opportunity to get informed about them.
- 1.4 The Seller reserves the right to define special terms applying to a particular transaction, which shall prevail over the GST in the case of that particular transaction. The same shall also apply in the event of any discrepancy between the provisions of the particular transaction and the GST.
- 1.5 The Seller will not acknowledge any Buyer’s terms and conditions conflicting with or deviating from these GST, unless such terms and conditions are explicitly confirmed in writing by the Seller.

### 2. CONCLUSION OF TRANSACTIONS

- 2.1 A transaction between the Seller and the Buyer shall be deemed to be concluded if the contracting parties have agreed upon the essential elements of the transaction, and/or the Seller has received from the Buyer a written declaration stating that the Buyer accepts the Seller’s offer. The Buyer’s order shall be made in writing and sent to the Seller’s address in accordance with the established business practice: either by post, telefax, e-mail or via web application.

### 3. SUBJECT OF THE TRANSACTION

- 3.1 The Seller undertakes to supply the products and/or services in accordance with the transaction agreement.

### 4. DELIVERY TIME, PLACE AND MANNER

- 4.1 The Seller shall deliver to the Buyer the agreed upon quantities and types of products and/or carry out the services within the agreed delivery time and in accordance with the agreed delivery terms. In the event of sudden unexpected increase in orders, the Seller reserves the right to change delivery time.
- 4.2 The agreed delivery time shall not be deemed an essential element of the contract in terms of Article 104 of the Code of Obligations, unless specified by a special clause (e.g. “not later than”, and similar). A contractual penalty for delay in delivery shall only be acknowledged if previously agreed upon.
- 4.3 Liquid fuels shall be sold FCA seller’s warehouse (as defined in INCOTERMS 2010); medium heating oil – fuel oil and bitumen shall be sold FCA place of dispatch (INCOTERMS 2010). At the request of the Buyer or in accordance with previous business practices between the parties, the Seller may enter into a transport contract at the expense and risk of the Buyer. In such a case, the Seller shall not be held liable for the conduct and/or acts of the carrier, and the Buyer expressly agrees to authorise tank truck drivers to sign, on his behalf and for his account, delivery notes for the products loaded into or onto a means of transport.
- 4.4 Other products shall be sold DDP place of destination in the Republic of Slovenia (INCOTERMS 2010).
- 4.5 The quantities shall be determined by counting, weighting or measuring. The quantities of motor gasoline, gas oil and extra light heating oil shall be measured by a tank truck volumetric counter at 15 °C in accordance with the applicable legislation.
- 4.6 The quantity of ethanol shall be determined by a volumetric counter and converted to volume at 20 °C.
- 4.7 The quantitative acceptance of the delivered products shall take place on the basis of measurements and the Seller’s documents. Quantity losses within the recognised tolerances defined by the applicable rules regulating

the level of usual amortisation – ullage, wastage, breakage, failure, shall be deemed to be usual tolerances and thus cannot be the subject of complaint.

4.8 By signing the handover form and/or delivery note, the services provided will be deemed to be accepted.

## **5. PRICE, INVOICING AND PAYMENT**

5.1 The Seller reserves the right to change the prices and terms specified in the price list, if, after a transaction has been concluded, new circumstances arise which may affect such prices and terms.

5.2 If a transaction has been concluded by accepting an individual offer given by the Seller, the price indicated in the offer shall apply.

5.3 Unless expressly otherwise agreed, the Seller shall invoice the Buyer separately for each delivery.

5.4 The Buyer shall pay each invoice / pro-forma invoice amount in accordance with the agreed payment terms, by remittance to the Seller's transaction account indicated on the invoice / pro-forma invoice.

5.5 The contracting parties agree that the Seller is entitled to refuse to sell products or perform a service immediately and unilaterally in the event the Buyer owes amounts to / fails to meet his payment obligations towards Petrol d.d., Ljubljana and/or other companies within the Petrol Group. The contracting parties further agree that the Seller has the right to refuse unilaterally to supply products or perform a service on deferred payment basis should any circumstances arise which may severely undermine the Seller's trust in the Buyer's capacity to fulfil his payment obligations (e.g. sharp deterioration of the Buyer's financial situation, insolvency of the Buyer, blocking of any of his transaction accounts, institution of insolvency proceedings against the Buyer), if, according to the Seller's estimation, the Buyer's creditworthiness deteriorates, or if the Buyer, at the Seller's request, fails to submit a confirmation showing the required insurance coverage.

5.6 Should any of the circumstances specified in sub-clause 5.5 occur, the contracting parties may agree on further mutual business based on payment before delivery (advance payment).

5.7 Subject to a prior agreement between the contracting parties, the Seller may also accept offsets and assignment of claims as payment. The contracting parties expressly declare and agree that the Seller may offset any debt he has towards the Buyer with any claim against the Buyer arising from their mutual business. The Seller undertakes to inform the Buyer of the offset in writing by submitting a relevant specification of the offset debts.

5.8 The payment term is deemed to start on the date of receipt of products / services, and/or upon receipt of an invoice. The payment date is deemed to be the day of receipt of payment to the Seller's transaction account.

5.9 For payments to the transaction account, it is necessary to quote the reference indicated on the invoice / pro-forma invoice.

5.10 In the event the Buyer disputes part of an invoice, he shall nevertheless be liable to pay the undisputed part of the invoice.

5.11 In the event of the Buyer's delayed payment, he shall pay statutory interest for delay payable from the first day of delay to the day of payment.

5.12 The Seller shall charge interest for delay by issuing a debit note which becomes due for payment within 8 days from its date.

5.13 The Seller shall charge reminder costs by issuing a payment reminder which becomes due for payment on the 7th day from its issue date.

5.14 Should the Buyer fail to settle two successively issued invoices for interest, the Seller shall be entitled to treat any subsequently received payments in accordance with Article 288 of the Code of Obligations. This means that the Seller shall first charge expenses, then interest and finally the principal, and shall notify the Buyer about this by submitting a specification of the received payments. Unless otherwise agreed in writing, the contracting parties also expressly agree that the obligations arising from the principal shall be fulfilled successively, one after the other as they fall due.

5.15 The products delivered to the Buyer remain the property of the Seller until paid for in full by the Buyer.

5.16 If during this time the Buyer sells the products to any third party, the Buyer shall assign to the Seller any claims against the third party arising from this sale, and shall promptly notify the Seller of such claims. The

Seller may use the assigned claims to demand payment of purchase price together with interest and costs. If the recovered amount exceeds the Buyer's debt, the Seller undertakes to transfer the surplus amount to the Buyer the following day. If the Buyer pays the full purchase price, or if other assigned claims remain after full payment from part of the assigned claims, the Seller undertakes to promptly reassign such remaining claims to the Buyer.

## 6. COMPLAINTS

- 6.1 The Buyer undertakes to notify the Seller promptly of any apparent defects regarding the quantity and quality of the products. Hidden defects must be notified immediately upon discovery. The Seller shall not be held liable for defects becoming apparent after the expiry of 6 months from the acceptance of products or services. The Seller shall consider the Buyer's complaints only if submitted in writing, in due course and justified in accordance with the provisions of the Code of Obligations. Letters of complaint shall be submitted by post to sales outlets, or by e-mail to: [veleprodaja.petrol@petrol.si](mailto:veleprodaja.petrol@petrol.si).
- 6.2 The Seller is obliged to deal with the complaint and commence with the procedure of its resolving as soon as possible, but not later than within 8 days from the receipt of complaint notice. Complaints must be resolved within a reasonable period of time, i.e. the period objectively required to carry out the necessary procedures to state the actual situation and find a solution.
- 6.3 If the contracting parties disagree as regards the actual state of disputed properties, the products / services shall be inspected by an independent accredited laboratory or an independent expert in the relevant field. If the complaint proves to be substantiated, the expertise costs shall be borne by the Seller. If the complaint proves to be unsubstantiated, the expertise costs shall be borne by the Buyer.
- 6.4 The Seller and the Buyer shall reach an agreement regarding the choice of laboratory or expert in the relevant field. Should this prove impossible, the Seller shall make the choice and order the inspection of products and/or services.
- 6.5 The Buyer undertakes to offer all necessary assistance and information to the laboratory and/or expert in the relevant field, so that their work may be carried out with the diligence of a good expert. The Seller may require from the Buyer to secure the expertise costs by deposit. The amount of deposit will be defined on the basis of a cost estimate prepared by the person responsible for the inspection of products. The Buyer's failure to secure the expertise costs by deposit shall be deemed as his withdrawal from the claim.
- 6.6 If the Buyer refuses to co-operate in the fulfilment of obligations under the previous sub-clause, the Seller shall send him a written notice stating a reasonable deadline for the fulfilment of his obligations. In the Buyer still refuses to co-operate, thus preventing or hindering the preparation of the expertise, the Buyer shall be deemed to have withdrawn from the claim, and the complaint procedure shall be deemed to be completed. In such a case the Buyer is obliged to reimburse any direct costs associated with organising the expert inspection, incurred by the Seller.
- 6.7 If the producer guarantees the effectiveness of the sold product by issuing a warranty certificate, any complaints regarding this product will be resolved in accordance with the terms specified in the warranty certificate.
- 6.8 In the event of a substantiated claim, the Buyer may:
  - require the Seller to repair or replace the products complained about;
  - demand a reduction in the purchase price;
  - withdraw from the transaction.
- 6.9 The Buyer shall not return to the Seller the products under complaint without the Seller's prior written consent. Moreover, the Buyer shall not use the products under complaint without the Seller's express consent; otherwise his right to complain regarding the products already used will expire.
- 6.10 The Seller shall only be held liable for ordinary damage suffered by the Buyer due to defects in the delivered products. The Seller shall not be held liable for lost profit, production standstill, etc.
- 6.11 The value of the Buyer's claim arising from defective products cannot exceed the value of the delivered products.

## 7. FORCE MAJEURE

- 7.1 In the event of Force Majeure, the Seller shall not be obliged either to supply the contractual quantities and types of products, or to supply the products within the specific deadline agreed upon. Further, the Seller shall not be liable for any damage resulting from Force Majeure (Article 153 of the Code of Obligations). Force Majeure is deemed to be the occurrence of circumstances beyond the reasonable control of the parties, the consequences of which cannot be predicted, prevented or avoided (unpredictable and uncontrollable external events). Besides usual reasons considered by judicial practice, the acts of government regulating in a specific way the distribution of a particular type of products, or preventing the purchase or supply of such products, shall also be deemed to be Force Majeure.
- 7.2 The Seller shall inform the Buyer in writing of the Seller's failure to fulfil his obligations arising from the transaction due to Force Majeure.
- 7.3 As long as Force Majeure lasts, the parties' contractual obligations shall be suspended, with the exception of payments for the products already supplied /services already performed.
- 7.4 If Force Majeure continues for more than a month, the parties shall agree on further steps. Should the parties fail to reach an agreement on further implementation of the transaction, either party shall have the right to terminate unilaterally the transaction by submitting written notice to the other party (Article 329 of the Code of Obligations).

## 8. CONFIDENTIALITY

- 8.1 The entire transaction including any and all documentation relating to it shall be deemed to be confidential, and the contracting parties shall protect any information with respect to their mutual operations based on the transaction, and shall prevent third party access to such information. The responsible persons of the contracting parties shall be criminally liable for disclosing any confidential information.
- 8.2 The parties agree to maintain confidentiality and use any information that is considered confidential only for the purpose of executing the transaction. The contracting parties further agree not to disclose any confidential information to any person or entity other than:
- the parent company, subsidiaries, associated or jointly controlled companies, and their employees or associates responsible for checking such information or using such information in their work.
- 8.3 The confidentiality obligation does not apply to information that:
- is known to the disclosing party before obtaining it from the other contracting party;
  - becomes publicly known without any breach of the transaction provisions;
  - has been developed independently by the disclosing party without any breach of the transaction provisions;
  - has been disclosed by the disclosing party pursuant to the requirements of a court of competent jurisdiction other state authority;
  - has been disclosed by the disclosing party to a third party on the basis of written authorisation by the other contracting party;
  - has been obtained from a third party without similar restrictions or breach of the transaction provisions.
- 8.4 The Buyer allows and authorises the Seller to forward the selected data from the accounts department to data bases managed centrally by the companies engaged in the preparation of credit rating reports.

## 9. E-COMMERCE

### 9.1 Use of Petrol's Internet Applications

- 9.1.1 The Seller offers his partners access to applications via Petrol's portal. After users have been registered, they are granted identification, password and access to the relevant applications. The users are allowed to access only the data they are entitled to use. At the Buyer's request, and in order to make transactions easier

and faster, the Seller shall offer the Buyer the option to use all internet applications accessible via Petrol's portal (e-commerce for companies) that are relevant for the business co-operation between the partners (e.g. checking of price lists, orders, delivery notes, invoices; ordering of goods ...)

- 9.1.2 The Seller undertakes to enable the Buyer access to the data which are the subject of their mutual business within 14 days from the receipt of the Buyer's request.
- 9.1.3 The Seller undertakes to protect the data checked and/or entered by the Buyer via the internet against third party access and intervention.
- 9.1.4 The Buyer shall complete the request form with the data about the authorised persons – users of applications, for whom he wishes to obtain access to software support via the internet (hereinafter referred to as “the authorised persons”), and shall forward the signed form to the Seller.
- 9.1.5 The Seller shall enable the Buyer to use the internet applications by granting the authorised person identification and the first password for access on the basis of the completed form, and shall notify the user of this by e-mail.
- 9.1.6 The Buyer undertakes to notify the Seller promptly of any change regarding the authorised persons, upon which the Seller shall forward this information to the IT organisational unit responsible for granting or denying access.
- 9.1.7 The Buyer shall protect the data on business transactions with the Seller, accessible in an electronic form, and shall deny access to such information to unauthorised persons.

## 9.2 Electronic Data Interchange

### 9.2.1 Contents, Procedures and Protection of E-commerce

The contracting parties may agree to exchange relevant business documents in an electronic form. After the parties have reached an agreement about the subject of e-commerce (business documents: e.g. orders, delivery notes, invoices ...), they shall define a technical protocol for data interchange including data protection during the transfer process).

### 9.2.2 Technical Data Interchange Protocol shall include:

- standards for data interchange (GS1-xml, Petrol, e-SLOG ...);
- data transfer (e-mail, mq, web service, ftp);
- security and encryption tools (pgp);
- electronic signing of documents (e.g. e-invoices);
- time stamping.

## 9.3 E-invoicing

The Seller offers to his Buyers the option to receive invoices (and specifications of invoices paid by credit cards) in an electronic form. Ordering can be done by sending an application form “Application for Issuing / Changing / Cancelling E-invoices for Legal Entities”.

## 10. WITHDRAWAL FROM THE TRANSACTION

10.1 In the case of a breach of obligations by the Seller, the Buyer shall send a reminder to the Seller stating a reasonable deadline for the fulfilment of his obligations. The deadline may not be shorter than 8 days. If the Supplier fails to remedy the breach within the defined deadline, the Buyer may withdraw from the transaction without notice.

10.2 The contracting parties agree that the Seller may withdraw from the transaction without notice:

- if the Buyer owes amounts to, or has failed to fulfil his payment obligations towards the Seller and/or any company within the Petrol Group;
- in the event of the Buyer's failure to pay within the deadline agreed upon for each particular transaction;
- in the case of bankruptcy, liquidation or composition proceedings against the Buyer;
- if, according to the Seller's estimation, the Buyer has become insolvent, although his insolvency has not been established by a court decision, or if the Seller may reasonably conclude from other facts that the Buyer will not be able to fulfil his obligations;

- if the Buyer has ceased to operate;
- if a court order for payment of debt has been issued against the Buyer, resulting in his accounts being blocked for more than three (3) days;
- if, according to the Seller's estimation, negative developments occur in the economic, legal or staff position of the Buyer, or any other circumstances arise which put or may put the Seller in an essentially less favourable situation, or which may severely undermine the Seller's trust in the Buyer and/or his capacity to fulfil his obligations, or which may in any way compromise, impede or prevent the fulfilment of the Buyer's obligations.

10.3 If a transaction has been concluded for an indefinite period of time, either contracting party may terminate such a transaction subject to three months' notice.

10.4 The contracting parties shall send their notices of termination / withdrawal by registered mail. The mail is deemed to be served at the latest by the end of the third working day from the date of delivery to the post office.

10.5 The notice of termination / withdrawal will take effect upon the date of service of the mail as defined in sub-clause 10.4 hereof, and shall apply proactively.

## **11. ANTI-CORRUPTION CLAUSE AND PREVENTION OF MONEY LAUNDERING**

11.1 Should, in the course of the preparation and/or conclusion of a transaction, any person offer or grant, on behalf of one contracting party, any undue advantage to the representative or agent of the other contracting party with respect to:

- obtaining new business;
- entering into a transaction under more favourable conditions;
- omission of due supervision over the performance of contractual obligations, or
- other act or omission resulting in damage to the other party, or in the acceptance of undue advantage by the representative of the contracting party, other contracting party or its representative or agent,

the transaction shall be deemed to be null and void.

11.2 The contracting parties undertake to carry out their business in accordance with the applicable regulations pertaining to the prevention of money laundering and funding of terrorism. Further, the contracting parties explicitly guarantee the lawful origin of the funds, products and other items which are the subject of transactions carried out within their financial and business activities.

## **12. VALIDITY OF GST**

12.1 If any provision of the GST or of any transaction agreement is deemed to be invalid, such invalidity shall not affect the validity of other provisions of these GST and/or of any transaction agreements adopted on their basis.

12.2 The GST shall be valid for an indefinite period of time, or until replaced or amended.

12.3 The Seller shall notify the Buyer of any intended amendment of the GST or introduction of a new version thereof by posting such notice on the company's website [www.petrol.si](http://www.petrol.si) at least a fortnight prior to the expected effective date of the amended or new GST.

12.4 Upon the announced or notified introduction of the amended or new GST, the Buyer may terminate the valid transaction by giving a written three months' notice of termination prior to the expected effective date of the amended or new GST.

## **13. FINAL PROVISIONS**

13.1 The Seller and the Buyer shall be bound solely by obligations arising from these GST and/or obligations agreed upon by the parties in writing, and the provisions of the Code of Obligations and other acts and regulations of obligatory nature.

13.2 Either contracting party shall promptly notify the other party in writing of any change of registered office address or any other relevant company data.

- 13.3 The contracting parties state that they have a joint obligation to handle packaging waste in accordance with the provisions of Article 26 of the Regulations on Handling Packaging and Packaging Waste (Official Gazette RS 84/2006 with amendments), which they have contractually transferred to companies authorised to handle packaging waste.
- 13.4 Subject to prior written consent by the Seller, the Buyer shall be entitled to transfer to third parties any transaction and/or any rights and obligations arising under it.
- 13.5 The Seller has adopted the Code of Conduct, posted on the company's website: [http://www.petrol.si/sites/www.petrol.si/files/attachment/petrol\\_kodeks\\_2012.pdf](http://www.petrol.si/sites/www.petrol.si/files/attachment/petrol_kodeks_2012.pdf). The Buyer undertakes to carry out his business in accordance with the Code of Conduct of Petrol.
- 13.6 For the interpretation and assessment of all provisions of the GST, and for the regulation of relationships with regard to all transactions, the law of the Republic of Slovenia shall apply.
- 13.7 The contracting parties undertake to settle amicably any disputes arising out of or in connection with their transactions. Should this prove impossible, the disputes shall be submitted for settlement to a court of competent jurisdiction in Ljubljana.
- 13.8 The GST are posted on the company's website [www.petrol.si](http://www.petrol.si), and apply from 1st August, 2016.