

General Terms and Conditions of Sale and Delivery – SUR TEC DOO ČAČAK

1. Scope of Application

(1) The following General Terms and Conditions constitute the basis for all statements made by **SUR TEC DOO ČAČAK** (hereinafter referred to as "SurTec") in connection with the conclusion of contracts, particularly offers, acceptance of orders, deliveries, and services. These conditions shall be deemed accepted by the contracting partner upon placing an order or, at the latest, upon acceptance of the goods. The General Terms and Conditions of SurTec shall apply exclusively. Any conflicting general terms and conditions of the contracting partner shall only be valid if explicitly accepted in writing by SurTec.

(2) SurTec's terms shall also apply in cases where SurTec performs delivery or services to the contracting partner with knowledge of the partner's terms that conflict with or deviate from its own. The scope of the ordered or offered goods or services (hereinafter referred to as "goods") shall be determined solely by mutual written agreements.

(3) Instructions issued by the contracting partner during the execution of the order shall become legally binding only if submitted in writing to SurTec and confirmed in writing by SurTec.

(4) Where these terms require that statements by the parties be made in writing, such statements must be personally signed by the issuer and delivered to the other party.

(5) The invalidity of individual provisions shall not affect the validity of the remaining provisions of these terms.

2. Conclusion of Contract, Prices, Terms of Payment

(1) All offers issued by **SUR TEC DOO ČAČAK** (hereinafter referred to as "SurTec") shall be deemed non-binding. A contract shall be deemed concluded only upon written confirmation of the order. The nature and scope of SurTec's delivery obligations shall be determined exclusively by the written order confirmation. In the absence of such written confirmation, the contract shall be deemed concluded no later than upon execution of the order. Any verbal or telephone statements made by SurTec representatives shall be legally binding only if confirmed in writing.

(2) The performance of contractual obligations by SurTec is subject to the condition that no national or international trade restrictions, legal regulations concerning chemicals or environmental protection, or embargoes (and/or other sanctions) are applicable.

(3) Unless otherwise stated in the order confirmation, SurTec's delivery and pricing terms shall be governed by the "ex works" (EXW) clause.

(4) Statutory value-added tax (VAT) is not included in the prices quoted by SurTec and shall be set forth separately on the invoice at the rate applicable on the date of service provision.

(5) Unless otherwise specified in the order confirmation or unless alternative payment terms have been explicitly agreed upon in writing, all payments shall be made net (without deduction) within seven (7) calendar days from the date of invoice.

(6) The contracting party must cover all payment transfer costs and make payments to the SurTec account specified on the invoice. Payment is considered completed only when the funds are finally credited to SurTec's account.

(7) In case of late payment, SurTec may charge interest at 8% per year above the base interest rate for the duration of the delay. SurTec also reserves the right to claim additional damages. Additionally, in case of payment delay, SurTec may, at its discretion, declare all remaining amounts due immediately and require advance payment or payment upon delivery for any future shipments.

(8) The contracting party may only delay payment if its counterclaim is either undisputed by SurTec or confirmed by a final court decision.

(9) SurTec retains ownership and copyright over all estimates, drafts, drawings, and other documents. These materials may only be shared with third parties with SurTec's explicit written consent. If no order is placed, all documents provided as part of an offer must be returned upon request. If SurTec delivers goods based on drawings, models, samples, or other documents provided by the buyer, the buyer must ensure that no third-party intellectual property rights are violated. If a third party prohibits production or delivery based on such rights, SurTec may stop all related activities and claim damages without having to verify the legal validity of the claim. The buyer must also immediately compensate SurTec for any third-party claims related to the documents they provided.

3. Delivery and Transfer of Risk

(1) Unless otherwise agreed, SurTec shall determine the delivery route and method.

(2) Delivery terms shall be specified in SurTec's offer, unless otherwise agreed.

(3) The risk of loss or damage to the goods shall transfer to the contracting party upon dispatch, as soon as the goods are handed over to the carrier or freight forwarder. This applies regardless of whether the goods are collected directly or transported by a freight forwarder engaged by SurTec, unless the parties have agreed otherwise.

(4) Upon specific request by the contracting party, SurTec shall arrange transport insurance for the shipment. All related costs shall be borne by the contracting party.

4. Delivery Deadlines

(1) Delivery dates and deadlines provided by SurTec are non-binding unless explicitly agreed otherwise in writing.

(2) Partial deliveries are permitted if they are reasonably acceptable to the contracting party.

(3) In case of delay by SurTec, compensation for damages is limited to typical and foreseeable losses. The total compensation is capped at the amount covered by SurTec's liability insurance for the relevant insured event.

(4) The limitation in paragraph (3) does not apply in cases of intentional misconduct by SurTec.

(5) Force majeure of any kind—including unforeseen transport, operational, or logistical disruptions; fire; flooding; unexpected shortages of labor, energy, raw materials, or auxiliary materials; strikes; lockouts; official orders; or other obstacles beyond SurTec's

control that hinder, delay, prevent, or make unreasonable the production, dispatch, acceptance, or use of goods - shall release SurTec from its delivery obligations for the duration and extent of such disruptions.

(6) The party affected by any circumstance described in paragraph (5) must promptly notify the other party. If such a circumstance is determined not to be temporary, the affected party may withdraw from the contract, provided that any advance payments received are fully refunded upon withdrawal.

5. Packaging

(1) Packaging shall be returned only where specifically agreed in writing or where mandatory legal provisions require otherwise.

(2) SurTec utilizes single-use pallets for delivery and shall not be obligated to accept their return.

6. Scope of Work, Warranty

(1) The quality of the delivered products and services shall be determined exclusively by the specifications explicitly stated in the product's technical documentation and safety data sheet. Any other characteristics not explicitly mentioned therein shall not constitute part of the contractual obligation. Any warranty exceeding the explicit agreement on quality - including, but not limited to, suitability for a particular purpose, specific use, durability, functionality, compatibility, subjective or objective expectations, or conformity with samples - shall exist only if explicitly agreed in writing. In such cases, the contracting party shall be obliged to provide one or more samples to SurTec, which will conduct laboratory testing and subsequently issue appropriate processing or usage instructions. The contracting party shall bear sole responsibility for the suitability and method of application of the product. SurTec reserves the right to make commercially or technically unavoidable deviations in physical and chemical properties, including color, formulation, processes, raw material usage, and order quantities, provided such deviations are not unreasonable for the contracting party.

Assembly, storage, installation, testing, operation, and maintenance instructions (hereinafter referred to as "Instructions") shall be included in the scope of delivery and provided to the contracting party only if explicitly agreed. SurTec reserves the right to deliver such Instructions together with the goods or to reference them via delivery documentation (e.g., by directing to relevant websites). The contracting party is obliged to comply with the Instructions and adhere to applicable standards, such as DIN or other industry norms. The warranty and all rights arising therefrom are exclusive. No additional warranty rights- whether explicit or implied - shall arise from promotional statements, omission, or commercial practices. To the extent permitted under applicable law, all additional statutory warranty rights are hereby excluded, particularly those relating to average subjective or objective expectations, fitness for a particular purpose, specific use, or freedom from third-party rights.

(2) All quantities, dimensions, and weights are subject to standard commercial tolerances.

(3) Product and service information (e.g., in catalogs, technical documentation, electronic media, or labels) is based on SurTec's general experience and knowledge and is intended

solely as guidance or identification. Such product specifications, including explicitly agreed characteristics or intended uses, do not release the contracting party from the obligation to independently verify the product's suitability for the intended application. Information regarding the quality and potential uses of SurTec's products shall not constitute a warranty, particularly not within the meaning of the Law on Obligations of the Republic of Serbia, unless such warranty is explicitly designated as such in writing.

(4) Should the contracting party fail to adhere to the processing or usage instructions provided by SurTec, or use materials that deviate from those tested, and the intended result is not achieved due to such deviation, any warranty obligation on the part of SurTec shall be excluded. The contracting party shall be obliged to prepare and maintain records of the processing procedures and conditions upon which the application is based.

(5) The contracting party shall duly fulfill its obligations regarding inspection and notification of defects in accordance with the Law on Obligations of the Republic of Serbia.

(6) In the event of a defect, SurTec shall have the right, at its discretion, to remedy the defect or to supply a replacement product. The right to terminate the contract or to reduce the purchase price shall exist only if the defect cannot be remedied within a reasonable period, if subsequent performance would involve disproportionate costs, is unreasonable, or is deemed unsuccessful. Subsequent performance shall be considered unsuccessful only after a second failed attempt, provided the contracting party has fulfilled its cooperation obligations. In the case of minor defects, the contracting party shall not be entitled to terminate the contract.

(7) SurTec shall be liable in accordance with statutory provisions, provided that the contracting party asserts claims for damages based on intent or gross negligence on the part of SurTec, including intent or gross negligence by its representatives or agents. Where SurTec or its agents are not liable for intentional breach of contract, liability for damages shall be limited to foreseeable, typical losses. The total compensation shall be limited to the amount covered by SurTec's liability insurance for the relevant insured event. This limitation also applies to claims for damages as a substitute of performance.

(8) In cases of ordinary negligence, SurTec shall be liable only where a material contractual obligation has been breached; in such cases, liability shall be limited to foreseeable, typical losses. The total compensation shall be limited to the amount covered by SurTec's liability insurance for the relevant insured event.

(9) Mandatory statutory liability for culpable injury to life, body, or health shall not be affected by the foregoing provisions. This also applies to statutory liability under applicable laws of the Republic of Serbia.

(10) Except as otherwise provided in the foregoing provisions, any liability on the part of SurTec shall be excluded.

(11) The limitation period for claims based on defects shall be twelve (12) months from the date of transfer of risk.

(12) The limitation period for recourse claims in the event of delivery of defective goods shall be governed by the general limitation period under the Law on Obligations of the Republic of Serbia.

(13) In the case of complaints, the contracting party shall immediately allow inspection of

the disputed products. Upon request, the disputed products must be made available to SurTec at its expense. In the case of unjustified complaints, SurTec reserves the right to charge the contracting party for transport and inspection costs.

7. Limitation of Liability

(1) SurTec is not responsible for any damages beyond what is stated in Clause 6, no matter the legal reason for the claim. This includes damages caused by mistakes during contract signing, other breaches of duty, or claims for property damage under Serbian law.

(2) This limitation also applies if the contractual partner asks for reimbursement of wasted expenses instead of requesting compensation for not receiving the service. Wherever SurTec's liability is limited or excluded, the same applies to its employees, representatives, and assistants.

8. Retention of Ownership

(1) All goods delivered by SurTec remain its property until the contractual partner has paid all amounts owed under the business relationship. If the total value of SurTec's securities exceeds the amount owed by more than 20%, SurTec must release part of the securities upon request.

(2) The contractual partner must immediately inform SurTec in writing if any third party tries to seize or interfere with goods still owned by SurTec. This allows SurTec to take legal action under Serbian law. If the third party cannot cover SurTec's legal costs, the contractual partner will be responsible for the damage.

(3) If the contractual partner resells goods that are still owned by SurTec, or goods made using SurTec products, they automatically transfer their future claims against their customers to SurTec as security. This includes all related rights, such as account balances. However, this transfer only applies up to 20% more than the total amount owed to SurTec.

(4) If the contractual partner processes the goods, it is considered to be done on behalf of SurTec. If the goods are processed together with items not owned by SurTec, SurTec becomes co-owner of the new item, based on the value of its goods compared to the others. The same rules apply to the new item as to the original goods under retention of ownership.

(5) If the goods are mixed with items not owned by SurTec, SurTec becomes co-owner of the resulting item, based on the value of its goods compared to the others. If the contractual partner's item is considered the main item, they agree to transfer part ownership to SurTec. The contractual partner must store the item on behalf of SurTec, whether they own it fully or jointly.

9. Compliance with Legal Regulations

(1) Unless otherwise agreed in writing for specific cases, the contractual partner is solely responsible for complying with all applicable laws and administrative regulations. This includes, but is not limited to, rules related to importing, transporting, storing, exporting, reselling, using, and handling the goods. The contractual partner must independently research and ensure compliance with all relevant registration, notification, and reporting obligations, especially during the above-mentioned stages of handling the goods.

(2) SurTec generally limits its role to providing information required under foreign trade regulations, such as the commercial origin of goods and statistical codes, which are included in its commercial invoices.

(3) The contractual partner agrees to strictly avoid the following types of transactions under all circumstances:

- Transactions with individuals, organizations, or institutions listed on sanctions lists under European Union regulations or U.S. export control laws;
- Illegal transactions with countries under embargo;
- Transactions that require permits—especially export permits—that the contractual partner has not obtained;
- Transactions involving nuclear, biological, or chemical weapons, or any other military-related use, for which the necessary permits have not been issued.

10. Assignment of Claims, Governing Law, Jurisdiction, and Place of Performance

(1) The contractual partner may assign claims arising from the contractual relationship only with prior written consent from SurTec.

(2) The laws of the Republic of Serbia shall exclusively apply, excluding any provisions of private international law that would refer to the laws of another country. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.

(3) The exclusive place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship shall be the competent court at SurTec's registered office, provided the other party is a business entity or legal person.

(4) Unless otherwise stated in the order confirmation, the place of performance for all contractual obligations shall be SurTec's business headquarters.

(5) Any amendments, additions, or side agreements must be made in writing to be legally valid. This requirement also applies to any cancellation or modification of this clause regarding the written form.

In case of any uncertainty or dispute regarding the interpretation of these provisions, **the Serbian language version shall be considered legally binding.**

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