



GENERAL TERMS OF SALES

Any acceptance of Buyer's order is expressly limited to acceptance of these Terms and Conditions. Seller acknowledges that these Terms and Conditions apply to all purchases by Buyer and any of its affiliates.

1. Definitions.

- **"Buyer"** means every natural or legal person that purchases Goods from the Seller.
- **"Contract"** means the purchase order issued by Buyer (including any ancillary documents provided by Buyer) and these Terms and Conditions. In the event of any conflict, the Terms and Conditions shall take precedence over other documents included in the Contract – order from buyer.
- **"Products"** means all products and services offered by the Seller.
- **"Seller"** means Modul d.o.o., Pohorska 6, 2380 Slovenj Gradec, Slovenia
- **"Services"** means the services Buyer has requested and Seller has agreed to perform for Buyer under the Contract and Terms and Conditions.
- **"Terms and Conditions"** means these General Terms and Conditions for the Purchase of Products or Services.

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2. Prices and Parity (INCOTERMS 2020).

Prices on purchase orders are fix and derive from Seller's offer.

Prices are given EXW Slovenj Gradec for closed production.

Parity can also be agreed differently, in accordance to Buyer's demand (INCOTERMS 2020).

3. Purchase Order, Samples, Order Changes.

Only Contracts in written form are acceptable. Seller confirms order with order confirmation. Production can start after production sample from the Buyer is confirmed.

Buyer reserves the right to modify the purchase order with respect to quantities, delivery schedules and/or specifications as desired by Buyer by issuing one or more change orders to Seller. Seller shall not make any changes to purchase orders or affecting the Products or Services without the prior written consent of Buyer.

If Seller's costs are reduced because of changes, Seller shall reduce the purchase order price to reflect all such quantifiable cost savings.

If Seller's costs are increased because of changes, Buyer will consider Seller's request for a reasonable adjustment to the purchase order and confirm it in written form.

4. Payment Terms.

Seller shall invoice Buyer on completed delivery of the Goods or Services. Unless otherwise agreed to in writing, the Buyer's payment terms are 30 days net insured by Insurance company of the Seller following the date Buyer receives an accurate and complete invoice, payable in the currency as stated on the invoice.

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5. Property right.

The goods remain the property of the Seller until the invoice is paid.

6. Shipping Charges.

Shipping charges are not included in the price of product and are specified extra on the Seller's offer and Buyers order.

Seller shall pack, mark and ship Products in accordance with sound commercial practices and Seller's specifications in such a manner as to prevent damage during transport and shall be clearly marked as destined for Buyer.

Buyer is responsible to define packing composition, if not, Seller will do it by himself.

7. Delivery; Title; Risk of Loss.

Time is of the essence with respect to delivery of Products or performance of Services. Seller can make partial delivery or delivery before the date(s) stated on the purchase order, but it needs to be confirmed by the Buyer.

Buyer needs to determine delivery address in the order.

If Euro pallets cannot be returned, they will be charged according to the price list.

Risk of Loss or Damage by transport is responsibility in accordance to agreed INCOTERMS 2020 by the order.

8. Delay/Force Majeure.

Seller will not be liable or held responsible for any delays or losses related to, severe weather conditions, labor disputes, governmental actions, war, riots, or other circumstances or causes beyond the reasonable control of Buyer.

9. Returned or Rejected Products.

Buyer shall have the right to inspect all Products and Services on or after the date of receipt and may reject all or any part of such Products or Services in period of 8 days after receipt, if it determines the Products or Services are nonconforming or defective. Buyer will provide Seller written notice of any defect or non-conformity within 8 days after receipt of goods.

10. Warranty/Limitation of Liability.

Seller warrants that all Products and Services furnished shall conform to all applicable specifications, be new, merchantable and of good workmanship and quality, fit for the ordinary purposes for which the Products or Services are used. Seller also warrants that the Products and Services shall comply with all applicable laws, codes, regulations and standards and with respect to Services, will be conducted with due skill and care. Seller further warrants that all Products furnished by Seller shall comply with all provisions of the REACH (Registration, Authorization and Restriction of Chemicals) and directives and/or regulations relating to European Directive and Standards for Toys Safety including the EN71/3.

11. Inspections; Audits.

Seller agrees that Buyer shall have the right to enter Seller's facility at reasonable times to inspect the facility, goods, materials and any property of Buyer covered by the purchase order. Buyer shall have the right to audit and inspect all books and records of Seller related to Seller's performance of its obligations under these Terms and Conditions.

12. Relationship between the Parties.

The relationship between Buyer and Seller is solely that of independent contracting parties, and nothing in these Terms and Conditions or any purchase order of Buyer shall be construed to create an employment, joint venture, partnership, or agency relationship between Buyer and Seller.

13. Cancellation of order.

Buyer may cancel the purchase order, but he is obligated to pay all costs incurred up by the Seller to that moment.

14. Compliance with Law.

Seller shall comply and ensure, that all his actions related to contract with Buyer comply with all applicable statutes, regulations, rules, and ordinances governing the manufacture, sale and supply.

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15. Governing Law.

The contract of sale shall be subject to the Slovenian law, and any disputes related with the Contract of Sale shall be settled by a court of law having jurisdiction over the seat of the Seller.

16. Notices.

All notices, requests, consents, claims, demands and other communications hereunder (each, a "Notice") shall be in writing and addressed to the parties at the addresses set on the order. All Notices shall be delivered by post or registered mail address of parties.