

Đuro Đaković Montaža d.o.o. Slavonski Brod

## General Terms and Conditions of Purchase of goods and services; 2022

### 1. General, area of application

- 1.1 The following general terms and conditions of purchase apply to all contracts and/or orders by Đuro Đaković Montaža d.o.o. Slavonski Brod as goods and services purchaser (hereinafter referred to as the Client). These general terms will apply to tradesmen, natural and legal persons and to all other forms of associations recognized by law acting as service supplier to the Client.
- 1.2 Supplier declares its consent to the exclusive application of these general terms for respective business between Supplier and Client. If agreements different to those of these general terms and conditions of purchase are made in order/contract the general terms and conditions of purchase shall apply subordinately to special conditions. General terms not changed with these special conditions remain in force.
- 1.3 Supplier's general terms will not be applied to relationship between Client and Supplier.

### 2. Order, subsidiary agreements, inadmissible advertising

- 2.1 Supplier can cancel Client's order in writing within two days max. following receipt of the order or invitation for contract signing if not agreed otherwise.
- 2.2 All verbal agreement, limitations, additions and/or amendments to contract to be valid have to be in writing and confirmed in written form by the Client.
- 2.3 The use of orders/contract for reference and/or advertising purpose requires Client consent in writing beforehand.

### 3. Drawings, models, tools

The Client's property rights and/or copyrights and/or other trademarks are reserved on all illustrations, drawings, models, samples, calculations, construction plans and other documents which the Client has provided to Supplier for the purpose of execution order/contract are reserved. These documents may only be used for completion of order/contract and may not be duplicated and/or made accessible to third parties without the express written agreement of the Client. All documents handed over to the Supplier for execution of order/contract are to be returned to the client after the order is complete without being asked and free of charge. The Supplier also has to impose the above obligations to third parties to which it makes the documents of the Client accessible.

The Supplier is liable to the Client for any loss and/or damage caused by a culpable offence on its part or by third parties to which it has made the documents accessible.

### 4. Responsibility for technical information

The Client's agreement to drawings, calculations and/or other documents does not affect sole responsibility of the Supplier for its services and/or risks emanating from them. This also applies for proposals, recommendations and other involvement by the Client.

### 5. Inspections

- 5.1 After prior notification in due time the Client and/or its employees and/or third parties designated by it shall have admission to the manufacturing and its storehouses of the Supplier and/or its subcontractors in order to examine the status of the work, the use of suitable material and deployment of necessary specialists and/or measures.
- 5.2 Inspections stated in 5.1 are carried out without any legal effect and shall replace neither an acceptance nor shall it represent one, nor shall it in any way limit the sole responsibility of the Supplier for the services. The fact that such inspection has been carried out is not the basis for objection that the Client with its negligence effected inadequacy of service additionally determined.

### 6. Spare parts

The Supplier guarantees that, for every order, spare and wearing parts will be available for a period of at least 10 years after the defect liability period has expired.

### 7. Transport and marking dangerous materials

- 7.1 It is up to the Supplier to examine before accepting the order, whether the articles and/or their components specified in the order are classified as dangerous goods (e.g. paints, adhesives, chemicals, namely inflammable, corrosive, explosive, poisonous, and radioactive) in the country of origin, country of destination and/or transit countries. In such cases the Supplier has to inform the Client immediately and in detail. The Supplier shall send to the Client binding declaration necessary for their forwarding no later than at the time of it written order confirmation.
- 7.2 The Supplier is obliged to consider nationally and internationally regulations for packaging, marking and declaration of dangerous goods applicable for sea, air, rail and/or road transport.  
The Supplier has to consider every additional obligatory regulation of receiving country if the receiving country was designated in the order.

7.3 The Supplier is responsible for any loss or damage which occurs as the consequence of incorrect data in the binding declaration of because existing regulations were not considered when handling dangerous goods (packaging, forwarding, storage, etc.).

**8. Export licence**

The Supplier is obliged to inform the Client in writing and not later than at the time of its order confirmation whether and to what extent export licences are necessary for the order as the whole or in part or similar legal or official requirements are to be fulfilled or the services are subject to export restrictions.

**9. Prices, invoicing, terms of payment, delay**

9.1 Prices stated in contract/order are binding. The prices do not include VAT.

9.2 Unless otherwise stated in writing the prices are CPT (designated place) in accordance with INCOTERMS 2010.

9.3 Payments are effected after full and proper performance of the contract/order and receipt of proper invoice (90 days from receipt of correct invoice). If the payment is effected prior set payment date the invoice will be deducted as follows:

Days before set payment date				
Set payment date/ Percentage	5%	3%	2%	1,5%
30 days	25-30	20-24	15-19	Do 14
45 days	37-45	30-36	22-29	Do 21
60 days	50-60	40-49	30-39	Do 29
90 days	78-90	66-77	50-65	Do 49

9.4 If instalment payments have been agreed due date, pursuant to the item 9.3 is calculated from the date of receipt of proper invoice for individual instalment. If performance of certain services has been agreed the invoiced amount become due not until this requirement has been met. If the Client has provided security to a third party because of possible defects of Supplier's services, the invoiced amount will only become due when the Supplier provides security for the Client at the appropriate amount (retaining the payment). Agreed instalment payment does not release the Supplier from its obligation to submit detailed invoice to the Client for all services and completed works in the final invoice (final settlement).

9.5 In case of advance payment the Client will pay the Supplier only after receipt of proper pro-forma invoice and advance payment guarantee. Bank guarantee has to be issued for the period exceeding date of goods/services supply for 30 days. At the Client's request, the Supplier is obliged to provide the Client with a bank guarantee for good performance and / or quality of services and / or goods. In the event that the Supplier does not submit an adequate guarantee within 15 days from the request of the Client, the Client has the right to withhold payments or terminate the contract.

9.6 After maturity the Client is only in default of payment following the reminder from the Supplier.

9.7 The Client does not come into default of payment if it erred in good faith regarding the existence of an objection raised by the Supplier on the invoice amount or the right of lien.

9.8 In case of delay the Supplier has the right to default interest according to Republic of Croatia regulations.

9.9 Payments by the Client do not mean under any circumstances an acknowledgment of final acceptance of service and its faultless service.

**10. Offsetting, clearing**

10.1 The Client is entitled to objection to offsetting rights in accordance with Republic of Croatia Law of obligation.

10.2 The Client has the right to request and the Supplier is obliged to accept offsetting of the claims which the Client has towards the Supplier's affiliated companies pursuant to Republic of Croatia Companies act (ZTD RH).

10.3 Disputes regarding the amount of remuneration to be paid to the Supplier do not entitle the Supplier to discontinue its services wholly or in part.

**11. Dates, delayed services**

11.1 Dates indicated in the contract/order are binding. Premature services require written agreement of the Client.

11.2 The Supplier is obliged to inform the Client immediately in writing if circumstances arise or become recognizable which show that the dates cannot be kept.

11.3 Beside request for fulfilment of obligations the Client is entitled to demand from the Supplier contractual penalty of 0,3% of the price of contract/order for each started day but no more than 5% in whole of contractual price pursuant to



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item 9.1. Regardless of contractual penalty the Client is entitled to demand from the Supplier compensation for any other damage he suffered caused by delay.

11.4 The Client can, at the Supplier costs, perform the services not yet provided by the Supplier or have it performed by third party at the Supplier's expense if the Supplier is late and the Client set additional date which unsuccessfully expired and/or if the Supplier refuses to service or if there are special circumstances which justify this taking into consideration mutual interests. In the case of substitute performance the Supplier will, at his expense, procure all information necessary for this and hand over all documents in its possession for proper execution of contract/order.

In this case and if the Supplier and/or third party engaged by the Supplier have intellectual property rights required for fulfilment of obligations from the service the Supplier will at his expense and to the necessary extent to enable the Client to use these rights. In any case the Supplier will exempt the Client from claims and complaints arising from third party rights.

## **12. Claim assignment**

Claims against the Client may only be assigned with its prior written agreement.

## **13. Risk transfer**

The Supplier bears the risk in accordance with dates and delivery conditions agreed upon for each case.

## **14. Documents**

The Supplier is obliged to indicate the order number of the Client as well as markings agreed upon by the contract on all shipping documents. Otherwise any consequences (e.g. further delays, additional costs) will be borne by the Supplier.

## **15. Liability for defects, notice of defects**

15.1 The Supplier guarantees that its services meet the acknowledged rules and the state of art as well as standards and regulations have the agreed properties and warranted characteristics and are free from material defects.

15.2 The Client has the right of arising from legal liability for defects in accordance with Republic of Croatia Law of obligation. The Client is entitled to eliminate the defect himself or have it eliminated by thirds at the expense of the Supplier if the Supplier does not eliminate it within reasonable time. The Client can demand an advance from the Supplier on its necessary expenditure for this.

15.3 In accordance with preceding item the item 11.4 is applied regarding the obligations of the Supplier.

All costs incurred by defect elimination in particular for disassembly, assembly, travel, freight, packaging, insurance, customs duties and other charges, tests and technical acceptance are to be borne by the Supplier.

15.4 The claims of the Client due to defects prescribe 36 months after the passage of risk. (Article 13).

15.5 In case of minor repair the claims of the Client due to defect are extended for the period in which the Client was deprived of using the product. But, if due to defect the services had to be replaced or rectified the period of prescription starts over when the repair or substitute product is accepted.

## **16. Product liability, indemnity, insurance cover**

16.1 As far as the Supplier is responsible for a product fault or breaching legal or official safety regulations it has to exempt the Client from any claims and/or any compensation by third parties on the first written request. Moreover, the Client has the right to reimbursement of all expenditures and in particular those in connection with recalls of service (product) that could not be eliminated. In this case the Supplier will inform the Client about the nature and extent of recalls beforehand. Further legal claims of the Client are reserved.

16.2 The same applies if product faults are down to services done by Supplier's subcontractors, sub suppliers.

16.3 The Supplier is obliged to keep itself sufficiently insured against product liability and to submit this to the Client at the Client's written request.

## **17. Liability for environmental protection**

The Supplier is liable for all losses and compensations caused by its product which violate the regulations on environmental protection related to environment protection, air, water, waste disposal or any other regulation related to environment protection. In this connection the Supplier will exempt the Client from any claims for compensation by third parties.

## **18. Liability**

18.1 The Supplier is liable within framework of Republic of Croatia Law of obligation.

18.2 The Supplier will indemnify the Client against all claims from third parties whose claims refer to Supplier's activities, its assistants and/or sub suppliers connected to Client's contract/order.

## **19. Force majeure**

Only natural disasters and war are considered as events of force majeure.

## **20. Cancellation**

The Client can cancel the contract/order if the Supplier stops its delivery or in case insolvency proceedings started against the Supplier.

**21. Third parties rights**

The Supplier vouches that his services and/or materials do not injure any rights to third parties including trademarks rights and/or copyrights. In case of any third party claims the Supplier has to exempt the Client from any such claims. The exemption obligation refers to all compensation of all expenditures which accrued to the Client from and/or in connection with third parties claim.

**22. Sub suppliers**

If the Client finds in appropriate and necessary for timely execution of the service the Client is entitled to make direct payment to the Supplier subcontractors and sub suppliers under the condition that they are regarded as payment for services rendered to the Client. The Client shall, for such amounts, reduce its payments to the Supplier.

**23. Partial ineffectiveness**

In case individual provisions of these conditions are being ineffective the effectiveness of remaining provisions remains unaffected. Contractual parties commit themselves to immediately replace ineffective contractual provision with the one which comes closest to the ineffective contractual provision.

**24. Jurisdiction, applicable law**

24.1 All claims arising from or in connection with contracts/orders concluded between the Client and the Supplier the parties will try to solve mutually but if they do not succeed and if not stated otherwise court of jurisdiction is court in Slavonski Brod.

24.2 Competent law is the law of Republic of Croatia.

24.3 These General Terms and Conditions of Purchase of Goods and Services are written in Croatian language and translated to English language. In case of any discrepancies the Croatian version will prevail.

**25. Health, safety and environment protection**

25.1 For the purpose of fulfilment the requirements of ISO 14001 : 2015, ISO 45001:2018 and SCC : 2011 the Client has adopted "Directive for Supplier" with the objective: Prevention of work related injuries and environment protection.

The Supplier is obliged to comply with all requirements prescribed by „Directive for Supplier“, as well as all requirements prescribed by applicable legal regulations. Client is certified according SCC:2011 standard for Health, Safety and Environment.

Supplier company (subcontractor) contracted and engaged in project execution, unless certified according SCC : 2011 standard, is to fulfill SCC:2011 standard requirements, throughout 2nd party Audit, according to the document 003, „SCC Check List acc. to Document 010“.

**26. Code of conduct**

The Client operates in accordance with the principle of ethics, applicable laws and principles of Global Compact Initiative of United Nations. The Supplier commits itself to operate in accordance with principles of Global Compact Initiative of United Nations., code of conduct of United Nations. By entering business relation with the Client the Supplier commits itself to sign the statement about acceptance of Code of conduct for subcontractors and suppliers. This statement is constituent part of these General terms. The Supplier will sign the statement and return it, within 8 days, to the Client. If the Supplier does not return signed statement within prescribed time the Client has the right to cancel contract/business relationship and demand compensation for damage.