

GENERAL TERMS AND CONDITIONS

1. GENERAL

- 1.1. These general terms and conditions of M Sora d.d. Žiri govern mutual rights and obligations between M SORA d.d. (hereinafter referred to as: the seller) and the buyer, and apply to the orders of goods and services which the seller supplies or provides, respectively. These general terms and conditions (hereinafter referred to as: terms and conditions) apply also if the seller supplies the products only or provides the services only.
- 1.2. Contractor is any legal or natural person who partially or in whole perform services on behalf of the seller.
- 1.3. Should the buyer's terms and conditions differ from the seller's ones the latter shall prevail. Even if the seller fails to explicitly state that they do not agree with the terms and conditions of the buyer the seller's terms and conditions shall apply. Terms and conditions apply to all cases even if not mentioned specifically.
- 1.4. Should any provision of these terms and conditions be invalid this does not affect the validity of other provisions. Both the seller and the buyer undertake to replace any such provision with a valid one without undue delay. Any discrepancies from the terms and conditions are subject to a written consent of the seller.

2. FIRM AND SEAT OF THE SELLER

- 2.1. M SORA d.d.
Trg svobode 2, 4226 Žiri

3. QUOTE AND ORDER

- 3.1. The seller shall accept orders and sell goods and provide services in accordance with these terms and conditions.
The seller shall make a quote on the basis of survey or measurements. In certain cases that are to be decided at the seller's own discretion the seller may require a written order from the buyer to make a quote.
- 3.2. With new developments the buyer is obliged to ensure that level markers are placed next to all openings, before the surveying process takes place.
- 3.3. Unless specifically stated otherwise in the quote itself any quote submitted is for information purposes only.
- 3.4. The surveys are performed by a duly authorised person of the seller who at the same time personally checks the site where the works are to be carried out. If the buyer performs the surveying themselves the seller shall not be held responsible for errors

- arising out of inaccurate measurements. The same applies if the order is sent by e-mail or facsimile without prior measurements being undertaken by the seller.
- 3.5. The buyer is obliged to warn the surveyor of any potential hidden obstacles (poor installation, poor plasterwork etc.), otherwise the buyer shall assume responsibility for the costs resulting from damages caused to installations or plasterwork during the installation procedure.
 - 3.6. The seller does not provide the service of structural analyses. If it turns out that the order has to be changed on account of structural analyses or changes made the buyer shall cover the costs incurred in relation to any such changes.
 - 3.7. The measurement sheet and the quote comprise overall dimensions of the subframe and the overall dimensions of the window, respectively. All drawings are made following the „look from the inside“ principle. The same applies to entrance doors. The only exception to this is a model of the entrance door whose drawing has a text „as seen from the outside“ added.
 - 3.8. Alternatives are not included in the sum of items.
 - 3.9. By placing an order, the buyer is entitled to a one-time survey of the building; each additional survey shall be charged by the seller at a price of 200 EUR per survey; if the building is situated abroad the higher price may be charged and the buyer shall be informed thereof in advance. If, after the survey has been completed, the buyer refuses to accept the quote, they shall not be reimbursed for the money they paid for the services provided. If the building is not ready at the time when the surveyor's visit is scheduled, an additional visit shall be charged for.
 - 3.10. Such extra pay amounts to 100€ for small orders. Any order amounting to less than 500€ is considered small order.
 - 3.11. By signing the statement, the buyer confirms the entitlement to the application of reduced tax rate as stipulated under the Value Added Tax Act. Upon the survey(s) and upon the first bank wire, respectively, the buyer shall state the exact address to feature on the invoice as well as a VAT ID number if they are liable to pay VAT. Any subsequent changes cannot be considered by the seller.
 - 3.12. Before confirming the quote the buyer must inspect the quote thoroughly (i.e. they have to verify the drawings and data), and in case of any ambiguities require an explanation from the seller to avoid any misinterpretations concerning the implementation, dimensions and calculations; ambiguities identified at a later stage cannot be the subject of any of the buyer's complaints.
 - 3.13. If an error in the surveying process is due to the seller's mistake the latter shall remedy such error.
 - 3.14. The buyer's request for an explanation concerning the ambiguities submitted after the contract had already been concluded does not justify the change of the order placed and does not constitute grounds for filing a complaint.

- 3.15. Should the buyer make demands that are professionally unacceptable the seller shall merely issue a warning to the buyer. Should the latter insist on such demands the seller shall waive any liability for damages. Should the buyer make demands that are not in line with the professional standards the seller reserves the right to change the warranty conditions.
- 3.16. The seller's quote shall be deemed accepted following:
- a written confirmation by the buyer;
 - the payment, either partially or in whole, of the agreed amount;
 - a delivery of security for payment;
 - the fulfilment of any other condition explicitly stated in the quote itself;
 - any other affirmative action if the business relationship between the seller and the buyer is a well-established one and the seller considers such action as relevant.
- 3.17. In all cases listed above it is deemed that the buyer has thoroughly examined the quote, that they understand it, that the quote is in line with their requirements and that they are familiar with the general terms and conditions of M Sora d.d.
- 3.18. Any agreements, quotes and confirmations between the seller and the buyer are valid only if made in writing. Oral agreements are not valid and enter into force only when the parties hereto sign any such agreement in writing.
- 3.19. The buyer may amend any information that might affect the ordering of goods or the provision of services no later than 3 business days following the confirmation of the quote. Any such amendment is valid only if made in writing. Once the above-stated period expires no amendments are possible or the costs arising out of or in connection with them are to be covered by the buyer.
- 3.20. The quote is valid for 30 days. If a new quote is issued it shall replace the previous one.
- 3.21. The seller reserves the right to refuse to do business with any company, person or entity.

4. PRICES AND PAYMENT TERMS

- 4.1. Prices are determined and expressed in Euro.
- 4.2. Price per unit includes neither the value added tax nor the costs of installation. VAT is charged and stated separately.
- 4.3. The seller determines and changes their prices at their own discretion, and shall charge the buyer for the supply of goods and the provision of services at prices indicated in the quote.
- 4.4. The quote contains the payment terms as well.
- 4.5. If there are several discounts stated in the quote they cannot be combined, but rather each subsequent discount shall be charged from the new base amount.

- 4.6. An advance payment discount is reduced by the amount of interest in accordance with the Consumer Protection Act, official consolidated text, ZVPot-UPB2 (Official Gazette of the Republic of Slovenia, No. 98/2004 as amended).
- 4.7. Orders that include the installation by the seller can be paid as follows: 100% advance payment at the time of placing the order or 50% advance payment and the balance of 50% at least 7 days before the installation or as agreed.
- 4.8. Orders that do not include the installation by the seller can be paid as follows: 100% advance payment at the time of placing the order or 50% advance payment and the balance of 50% at least 7 days before the delivery or as agreed.
- 4.9. In case the seller grants a discount to the buyer who decides to pay the entire amount in advance such discount shall only be applied upon 100% advance payment following the confirmation of the quote.
- 4.10. The buyer shall wire the purchase price to one of the bank accounts stated in the quote or invoice.
- 4.11. The seller may issue partial invoices.
- 4.12. In case of late payment or non-payment the seller shall issue a reminder to the buyer. In case of non-payment the seller retains the title on the goods even after the latter had been delivered to the buyer until the buyer has paid the purchase price in full. Until they pay the purchase price in full the buyer shall treat the goods with all due diligence.
- 4.13. In case of non-payment or late payment the seller reserves the right to take the goods back (non-installed components as a whole, installed components - only the casements). The buyer shall enable the seller an unhindered access to these components as well as to take them away.
- 4.14. In case of installing the products for which the purchase price has not been paid in full the seller reserves the right to be reimbursed for the benefits the buyer has had by using such products.

5. DELIVERY, INSTALLATION AND ACCEPTANCE

- 5.1. The envisaged delivery deadline determined by the seller shall start running on the 3rd day following the completion of the following conditions: the quote is confirmed and the purchase price is paid in accordance with the payment terms. If during the implementation of the transaction it turns out that certain technical issues have to be clarified in order to correctly and professionally fulfil the service which could not have been anticipated by either party such delivery deadline shall be extended accordingly.
- 5.2. If following the confirmation the buyer requires certain items from the confirmed quote to be changed or additional components and works to be supplied and implemented, respectively, the deadline envisaged for the completion of the task shall be extended accordingly and shall start running again on the 3rd day following the moment when, after additional surveys had been done, all conditions under clause 5.1 have been met.

- 5.3. The seller shall either by telephone or in any other appropriate manner inform the customer of the date of delivery and installation at least three days before they begin with the installation.
- 5.4. The buyer may accept the goods from Monday to Friday between 8 am and 2 pm with a 24-hour notice. Once taken away by the buyer the goods may neither be returned nor may the buyer demand from the seller to have them replaced. Furthermore, any joinery items the installation of which is arranged by the buyer themselves may not be the subject of any defective product claims if such defects may be the result of unprofessional installation or damages during transportation. If the buyer accepts the joinery themselves, they are obliged to inspect it before the transportation, and notify the seller of any shortcomings - later complaints will not be considered.
- 5.5. In case of new developments, level markers shall be prepared before the surveying process, otherwise the seller shall not be held responsible for the height of the door. The buyer is obliged to warn the seller and the installation crew of any potential obstacles (hidden tubing, plumbing, wiring...), otherwise they shall cover the costs resulting from damages caused to installations as well as the costs of delay in the installation process.
- 5.6. If the buyer falls behind with the acceptance of goods by more than 10 days, they shall be charged the demurrage as per the applicable price list, and the very moment they fall behind the given time limit they shall also become liable for the risks of unintentional destruction or damage to goods.
- 5.7. If the seller extends the delivery deadline the buyer and the seller may agree on a reasonable extension of the time limit for the acceptance of goods as well without indemnity for the delay.
- 5.8. The seller shall not be held responsible for any damage if the delay is longer than 30 days. In case of delay not longer than 90 days the seller shall be liable for damages up to 3% of the value of the concluded transaction. At a certain phase of the project partial deliveries are possible as well.
- 5.9. The seller's obligations under the agreement shall enter into force only once the buyer's obligations had been complied with in full. If the buyer refuses or fails to fulfil the obligations within a reasonable time limit the seller may withdraw from the agreement and demand to be reimbursed for the damage incurred.
- 5.10. Unless they are explicitly stated in the quote the works listed hereunder are not included in the proforma invoice although they might be necessary for a successful and sound installation of the joinery:
- use of a car lift;
 - use of an aerial platform;
 - use of a lift bucket;
 - setting up a scaffolding;
 - obtaining consents to block the roads in areas where the legislation so requires (e.g. city centres).

Unless they were explicitly stated in the quote M SORA d.d. shall charge the buyer for the costs incurred in relation to renting or using the equipment as well as the costs of obtaining the required consents. By confirming the quote, the buyer undertakes to pay such costs.

- 5.11. The seller reserves the right to change the windows or the anticipated method of installation provided the circumstances have arisen that neither of the party was able to foresee at the time of concluding the transaction. This involves mainly replacing old windows when the openings were not prepared as agreed beforehand etc.
- 5.12. Any potential tasks not included in the quote such as hammering the wall, masonry works, sealing, paintwork, plasterwork shall be charged extra.
- 5.13. During installation, the seller shall ensure that the working site is always clean, without any waste, and is obliged to dispose of any waste and separate it properly.
- 5.14. Treatment of the reveals with plaster boards, provided the latter is included in the quote, shall be implemented up to phase 1. It includes the installation of the boards, sealing of the joints and points of attachment as well as treatment of the joints with lateral components. The finishing is not included in the quote.
- 5.15. Should the buyer opt for the installation under the RAL guidelines they shall ensure that the surface of the reveals is well smoothed.
- 5.16. If the buyer orders a wrong product or if they fail to fulfil their obligations after they had placed the order, the seller may demand to be reimbursed for the costs incurred in relation to this. The amount of costs resulting from the cancellation of the order depends on the phase of the order (call, supply of materials, manufacture). If it turns out that a wrong product was ordered the latter cannot be returned - these are custom-made products.
- 5.17. If the seller provides a delivery without installation the buyer is responsible for unloading of the products. The buyer is obliged to ensure that the driveway to the facility where the cargo vehicle is to be unloaded is free of any obstacles. The liability for products is passed to the buyer at the time the vehicle carrying the products arrives at the site of unloading.
- 5.18. If the seller provides delivery without installation the buyer must inspect all components immediately after acceptance, and shall notify the seller of any potential defects within three days. Failing to do that, it shall be deemed that the components they accepted had no defects.
- 5.19. Visual quality of the glass shall be assessed in accordance with the Guidelines for assessing visual quality of construction glass available at http://www.m-sora.si/sj/files/default/katalogi/smernice_vizualna_steklo_gradbenistvo.pdf.
- 5.20. The buyer is obliged to provide security and protection of the site during installation.
- 5.21. Before installation, the buyer shall remove any obstacles that might hinder smooth installation, and shall thus ensure unhindered course of works.

- 5.22. At the time of installation, the buyer shall ensure that the driveway to and the entrance of the facility are free of any obstacles. At the same time, they shall provide free power supply (220V).
- 5.23. M SORA does not provide electric installations or connections.
- 5.24. RAL installation materials have a UV resistance of 2-6 months. If the buyer fails to finish the façade within this period they shall provide adequate protection for the materials.
- 5.25. The services of dismantling, installation, finishing works and disposing of old components shall be charged extra and are not included in the price of components. The installation involves anchoring the component into an opening made beforehand by using special turbo screws for concrete and by sealing it according to the type of installation selected. The seller shall not be held responsible for damages caused to the reveals during a dismantling procedure.
- 5.26. The buyer shall be present either in person or through an adequately authorised person (written authorisation is required) both at start and upon completion of installation and shall accept the goods.
- 5.27. Upon completion of installation the buyer shall together with the installer inspect the facility and sign a Report on items installed which shall have all relevant comments and agreements noted down. In case of the buyer's absence it shall be deemed that the goods accepted had no defects or shortcomings.
- 5.28. If the goods are to be delivered abroad the buyer shall ensure that the seller adjusts the products so the latter meet specific requirements of the relevant country. To this aim they shall submit all specific requirements to the seller at the very first inquiry, and shall check them again before placing the order. If they fail to do this and do not provide the required information on time, the buyer shall be responsible for any products not meeting specific requirements of the relevant country.
- 5.29. If the buyer delegates the supervision of the construction site to an adequate professional the latter shall appoint supervisors, and shall inform the buyer and the seller thereof.
- 5.30. Supervisors shall have the right to inspect all the documents provided such control falls under the scope of fulfilling the seller's contractual obligations.
- 5.31. If so requested by the supervisor the seller shall participate in the implementation of such control.
- 5.32. Any unforeseen or additional tasks are subject to the conclusion of a written agreement. The implementation of these tasks is subject to the written consent of the buyer.

6. REPAIRS AND MAINTENANCE

- 6.1. The customer shall maintain and use the products in accordance with the manufacturer's and supplier's instructions otherwise they will not be able to assert any claims.

- 6.2. Upon receiving the invoice, each buyer shall also receive a printed copy of Instructions for use and maintenance together with a warranty certificate. The text is available also on the seller's web site. Any handling with the product not in line with such instructions will annul the warranty for good.
- 6.3. If the buyer incurs damage for reasons on the side of the seller the maximum amount of damages shall be limited to 10% of the transaction concluded. The seller shall not be held responsible for damage if the latter results from the breach of contract due to negligence.
- 6.4. Once two years have passed from the date on which the buyer accepted the completed transaction, they may no longer invoke defective workmanship. The seller provides a 2-year warranty for their own products while others are subject to the warranty granted by respective manufacturers. For insulation glass a 5-year warranty applies.

LARCHWOOD

- 6.5. Larchwood is extremely sensitive to lime. When larchwood comes in contact with lime dark spots will be formed on the window frame that cannot be removed. This, however, is not covered by the warranty.
- 6.6. Oil applied to larchwood washes away with rain. Consequently, the oil shall be re-applied every 6 months.
- 6.7. With wood of coniferous trees, larchwood in particular, there is a possibility of resin dripping from hidden pockets (at high temperatures, summer months, exposed areas etc.). Larchwood in particular contains high amounts of resin. The latter can be removed from the surface of the window during colder periods when it is cured. Resin dripping from the hidden pockets of the wood of coniferous trees is a natural phenomenon and is thus not covered by the warranty.

COLOUR NUANCES

- 6.8. In case of repeated order colour nuances are not and cannot be the subject of complaint.
- 6.9. Wood is a natural material. Therefore, nuances of colour and structure are not covered by the warranty.

GLASS

- 6.10. External condensation is due to specific microclimate conditions and is the consequence of excellent insulation properties of glass. The phenomenon is of physical nature and is temporary, and as such is not covered by the warranty.

Contemporary construction methods and sealing materials which are getting better and better have led to a situation where there is hardly any circulation of air in the buildings. Ordinary ventilation usually does not provide enough fresh air to the interior

which might lead to mould formation and damage on account of increased humidity. Heating systems with lower temperatures (e.g. floor or wall heating systems) may also contribute to the formation of condensation, especially if such systems are not adequately sealed on the outer walls.

The seller recommends that a detailed ventilation plan be drawn up. The ventilation and heating concept shall be prepared by a professional who considers not only the quality of insulation of individual parts but also the ventilation of the entire building.

The humidity in the interior shall at all times be below 55% of relative humidity, otherwise damage to window components due to increased humidity levels cannot be excluded.

In order to prevent or decrease the condensation we recommend that the following measures be taken:

- regular and adequate ventilation;
- prevention of overpressure in the building;
- the best possible circulation of air around the windows; curtains, internal shutters and objects next to windows (e.g. flowers) hinder access of warm air to windows.

- 6.11. In certain situations, especially when different parts of a large glass panel heat unevenly, with differences over 40 degrees Celsius, thermal break might occur that is not covered by the warranty. By ordering tempered glass the buyer may prevent the occurrence of thermal break, and may contribute to better stability of glass surfaces with minimum costs.
- 6.12. In order to decrease the possibility of condensation, while planning, one should not forget about the effects the heating has on glass joints and angle glass joints as well as on large glass surfaces in general.
- 6.13. In case of tempered glass visual anomalies might be formed which can be seen as waves or rainbow effect (the consequence of anisotropy). This is a possible result of glass tempering that cannot be avoided and is not covered by the warranty.
- 6.14. A special feature of tempered glass is that it can break without any apparent reason. The phenomenon is called the spontaneous breakage, and is not covered by the warranty. The cause of the breakage is the molecule of nickel sulphide that has a negative temperature elongation. While the glass molecules shrink when the glass is cooling down the nickel sulphide molecule expands. If the molecule finds itself in the middle of the glass (in the field of tension stress) local stress is formed that might exceed the tension stress of the glass, and the latter might break. Even though this is a rare phenomenon, the possibility of spontaneous breakage might be minimised under the requirements of EN 14179 by exposing glass to additional testing called Heat

Soak Test (HTS). Tempered glass is usually not subject to such testing yet it may be performed at the request of the buyer at an extra cost.

- 6.15. Due to different types of coating different colour nuances may be observed from the outside, both for ordinary and tempered glass, especially when it is cloudy. These nuances are not covered by the warranty.
- 6.16. The warranty also does not cover the rattling and the sagging of decorative grid profiles.

GENERAL

- 6.17. With angled windows the casement and the frame shall be sanded so you will be able to open the windows. This, however, depends on the profile of the window and the angle of the inclined plane.
- 6.18. Other warranty conditions are contained in the warranty certificate which is handed over to the buyer together with the invoice.
- 6.19. Adjustments of components are not covered by the warranty. The warranty also does not cover the process of remedying defects that are the result of incorrect handling with the joinery (single-handed opening and closing of large components). The customer shall enforce the warranty in writing with clearly listed defects and the invoice attached thereto. In case of legitimate complaint, the seller shall remedy the defect without undue delay or within 45 days as of written request for remedying the defect as stipulated by law. If repairer comes in vain the buyer shall pay for one hour of work as well as for the commuting costs.
- 6.20. The period during which the manufacturer provides spare parts shall be another 3 years following the expiry of the warranty period.
- 6.21. The seller reserves the right to fulfil the warranty requirements either by repairing the existing components or replacing them with new ones.
- 6.22. M Sora d.d. represents and warrants that their products are manufactured under the conditions prescribed by the standard governing the CE marking. All information is available at: www.m-sora.si
- 6.23. Warranty period starts running on the date determined in the Report on the components installed.
- 6.24. If the installation was not carried out by the seller the buyer shall be liable for the installation. Components not installed by the seller are not covered by the warranty.
- 6.25. In case of complaint the customer shall contact the seller either by telephone or e-mail at servis@m-sora.si.
- 6.26. A complaint does not mean the buyer may retain any potential amounts to be paid.
- 6.27. The buyer is familiar with the fact that the joinery has to be regularly maintained and adjusted if required. For more information on this see the warranty certificate. Warranty certificate/instructions for use can be found at: www.m-sora.si

- 6.28. Buyer's lack of understanding of the quote or of the terms and conditions is not covered by the warranty.

7. DISPUTE RESOLUTION

- 7.1. The seller and buyer shall endeavour to resolve any disputes among them by agreement. Should this not be possible the Local Court in Škofja Loka shall have jurisdiction over the matter. In cases which in accordance with the provisions of Article 32 of the Contentious Civil Procedure Act (ZPP) fall outside the jurisdiction of the Local Court in Škofja Loka the District Court in Kranj shall have jurisdiction over the matter.

8. FINAL PROVISIONS

- 8.1. These terms and conditions shall apply as of 1 June 2019 and until cancelled.
- 8.2. The buyer agrees with the seller's storing and using the buyer's data for business purposes under the applicable legislation. The seller shall not pass the buyer's data to any third party.
- 8.3. All technical details as well as samples, brochures, catalogues, drawing and similar shall remain intellectual property of the seller and are protected by copyright in terms of reproduction and use.
- 8.4. If the job is to be carried out abroad (supply of goods and/or provision of services) these terms and conditions shall be translated into the official language of the country where job is to be carried out. The buyer shall receive these terms and conditions in the Slovene language as well as in the official language of their country. Individual provisions of these terms and conditions shall be construed in accordance with the Slovene version of the text.

Director M SORA d.d.

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