

GENERAL PURCHASING CONDITIONS

Chromos boje i lakovi d.d.

These General conditions of Purchase shall apply to all deliveries of the Supplier and shall regulate purchasing in general.

For the purposes of these General Terms and Conditions, "Buyer" means Chromos boje i lakovi d.d., and "Supplier" means any supplier for Chromos boje i lakovi d.d. as a buyer.

ORDERS AND DELIVERIES

The Purchaser's order shall be made in writing and confirmed in writing by the Supplier.

PRICING

Prices stated in the respective Buyer's order are valid for the respective delivery, unless otherwise agreed.

The prices stated in the order are exclusive of VAT.

PLACE OF PERFORMANCE

The place of performance and payment is the seat of the Buyer, unless not otherwise stated in the order.

QUANTITY

The quantity of goods stated in the order shall not deviate by more than 10% upon delivery without the Buyer's prior consent. Partial deliveries are acceptable if approved by the Buyer in writing.

ORDER CONFIRMATION

The Supplier shall send to the Buyer a written order confirmation with the exact delivery date. The Supplier shall notify the Buyer of every impediment that could delay the delivery.

If the conditions for delivery are not fulfilled, the Buyer can charge the Supplier for the damage arising from not fulfilling the conditions and may arrange for a substitute delivery with the other Supplier (covering purchase), except if an agreement about a delayed delivery is made in writing.

QUALITY REQUIREMENTS

The Supplier shall be obliged to guarantee to the Buyer that all the goods supplied according to the order are in compliance with the requirements as regards the quality and other conditions quoted in the Supplier's offer and mutually agreed specification. Shelf life and storing conditions shall be evident from the specification. Shelf life of delivered goods shall be at least 75% of the whole shelf life.

Safety data sheets shall comply with the REACH regulation. The Supplier shall be obliged to report to the Buyer any changes made to the specifications or safety data sheets.

In case of changes in the formulation of the product or changes during the procedure of its production, which could result in the change of the agreed quality parameters or usage (installation) of the products, the Supplier shall be obliged to inform the Buyer (Chromos boje i lakovi d.d.,) of these changes and get the Buyer's approval.

PACKAGING AND LABELLING

Each shipment shall be equipped with a list including the Supplier's and Buyer's name, the content of the shipment and the Buyer's order number.

Labelling hazardous chemicals shall be in compliance with the EU legislation and REACH regulation.

The Supplier is obliged to equip the goods delivered to the Buyer, correctly and entirely in accordance with the

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applicable legislation. The Buyer can demand from the Supplier to specially designate the goods and can reject the goods or demands for the faults to be eliminated at the Supplier's costs if not designated in the agreed manner.

The Buyer shall return all the empty returnable packaging on the Supplier's costs.

GOODS ACCEPTANCE AND CLAIMS

The goods can be delivered every working day from Monday to Friday, from 7.30 a.m. to 1.00 p.m., unless agreed otherwise. For the Supplier's acceptance of the claimed goods is valid the same.

The following shall be enclosed to the delivery documents:

- Delivery note with a specification according to lot or an invoice,
- Certificate of analysis for input materials,
- Manufacturer's check Weighing note for goods delivered in tanks,
- CMR consignment note for intra-community supply or export,
- EUR.1 or invoice with a declaration of preferential origin for goods with preferential origin from import or a declaration of preferential origin for domestic goods, respectively.
- Permit for carriage of goods in international road transport (in case of supply of goods from import).

The Supplier is obliged to submit the Buyer all necessary information or statements in accordance with the applicable legislation regarding Buyer's responsibility to report on: - excise; - Intrastat; - packaging and waste packaging; - waste electrical and electronic equipment.

The quality of goods supplied must be appropriate for the purpose for which the buyer is buying it. The goods supplied shall be inspected and approved by the Buyer whereas the Buyer may accept the supplied goods based on the trustworthy relationship with the Supplier. To this end, the Supplier shall inspect the goods before consignment.

Delivery documents are obligatory part of each delivery. All delivery documents shall include the Buyer's order number and commercial name of the goods. An integral part of delivery documents for all raw materials is Certificate of analysis, which provides the basis for the quality acceptance of raw materials. If the quality determined does not comply with the quality stated in the Certificate of analysis, the costs of testing shall be charged to the Supplier. In case of delivery of more than two different batches of the same material ordered, the costs of additional testing shall be charged to the Supplier, unless not otherwise agreed in written.

In case that the quality of goods is unsatisfactory or the delivery of goods delayed, the Buyer is not obliged to accept or pay such goods, which also applies to any partial delivery not yet implemented. If the Buyer rejects the goods, the Supplier shall be notified. The expenses and risk for the rejected goods shall be borne by the supplier.

The consequences of breakdowns in production, which are due to the poor quality of goods delivered, shall be borne by the Supplier. The costs are calculated for each individual case separately, the basis being the loss in turnover due to the production quantity decrease, production standstills or extraordinary change and additional work on account of poor quality.

The Buyer shall notify the Supplier in writing about the quantity claims and visible defects immediately upon receipt of the goods. The Buyer shall notify the Supplier in writing of hidden defects as soon as these are discovered. The

notification shall include a detailed description of the defect and a call to eliminate the defect.

The Supplier shall answer the Buyer in writing within 24 hours from the receipt of the claim. The Supplier shall inform the Buyer about the cause for nonconformities and actions that have been carried out to prevent recurrence of nonconformities.

The Supplier obliges not to disclose any information or know-how obtained during this business to a third party without a prior written consent by the Buyer.

Any dispute between the Supplier and the Buyer shall be settled amicably. In case that an agreement is not reached, a dispute shall be settled at the competent court in Zagreb. The Croatian law shall apply.

INVOICES AND PAYMENTS

The payment term shall begin to run with the date of receipt of the goods or services provided or invoice date.

All invoices for the goods supplied according to this order shall be submitted for payment to the addressee, unless the person or the company, to whom the order was addressed, notifies the Supplier otherwise prior to delivery.

The invoice shall be issued no later than at the end of the month for a delivery carried out in the respective month.

ORIGIN OF GOODS

The Supplier shall be obliged to submit the Buyer a valid confirmation about the origin of the goods upon delivery at the latest. The Supplier shall be obliged to submit Short-term or Long-term Supplier's declaration for products having preferential origin status, in which the customs tariff for the delivered goods shall be quoted too. The Supplier shall be obliged to submit the Buyer a proper declaration, even if the goods are not of preferential origin.

ANTI-CORRUPTION CLAUSE

In case that it has been proven that the Supplier, directly or indirectly, provided or offered any person employed with the Buyer or carrying out purchasing transactions for the Buyer according to any of the commercial engagements, any financial or other material reward and benefit in order to make the Buyer conclude that transaction with a certain Supplier, the Supplier and the Buyer agree that the Buyer may request and achieve such transaction be cancelled or annulled. In such an event, the parties shall hand over one another everything received from the other party in this transaction, at which it applies that firstly the Supplier returns the received to the Buyer, and only then the Buyer returns the received to the Supplier. In such a case, the Buyer is entitled to receive compensation as if the Supplier did fulfil none of the commitments arising from the annulled transaction. The Supplier will pay a penalty in the amount of 20% of the value of (total) transaction for any proven violation, at which the Buyer keeps the possibility to claim a higher amount if compensation exceeds the value of a penalty.

SPECIAL RIGHTS

The Supplier guarantees that none of the goods delivered violate the intellectual property of third parties.

GENERAL PROVISIONS

General Purchasing conditions of Helios Group shall be valid irrespective of whether the Supplier submits his general business conditions upon issuing the offer. Any deviation from the Buyer's purchasing conditions is taken into consideration only if agreed in writing.

This General Purchasing conditions are valid for Chromos boje i lakovi d.d., Zagreb.

The Supplier is notified and agrees that the data is processed by our software system.

Chromos boje i lakovi d.d.

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Member of  **HELIOS** Part of  **KANSAI PAINT**

Trgovačko društvo upisano je u sudski registar Trgovačkog suda u Zagrebu; MBS 080010237 • Temeljni kapital: 86.322.000,00 HRK, uplaćen u cijelosti i podijeljen na ukupno 287 740 redovnih dionica • IBAN: HR5024070001100614406 kod OTP banka d.d.; IBAN: HR9523600001101409992 kod Zagrebačke banke d.d.; MB: 3221245; OIB: 61150947001; Uprava: Gunther Vesko; Ivan Marković.

The trading company is registered in the court register of the commercial court in Zagreb; MBS 080010237 • Share capital: 86.322.000,00 HRK, paid in full and divided into a total of 287 740 ordinary shares; • IBAN: HR5024070001100614406 at OTP banka d.d.; IBAN: HR9523600001101409992 at Zagrebačka banka d.d.; MB: 3221245; OIB: 61150947001; Management board: Gunther Vesko; Ivan Marković.