

# GENERAL TERMS AND CONDITIONS

## FOR THE PROCUREMENT OF PRODUCTS AND/OR SERVICES

[General Terms and Conditions]

### 1. DEFINITIONS

- 1.1. In these General Terms and Conditions, the terms mentioned here, unless provided otherwise by the context, shall have the following meanings in both singular and plural:

<b>KING ICT</b>	means KING ICT limited liability company for business information services 10010 Buzin (City of Zagreb), Buzinski prilaz 10, Republic of Croatia Phone: +385 [1] 6690 800 Email: <a href="mailto:king@king-ict.eu">king@king-ict.eu</a> Website: <a href="http://www.king-ict.eu">www.king-ict.eu</a> VAT-ID: HR67001695549
<b>Order form</b>	means an Purchase order form (PO) for the purchase of Products and/or Services;
<b>Confidential information</b>	means all the information and data that the Party has clearly marked as confidential or those that are to be treated by their nature as confidential [regardless if they are marked as 'confidential' or not], regardless of their transmission or presentation, either technical or commercial, that one of the parties has disclosed to the other or that the Party got or received as a result of concluding or performing its obligations from the Order form;
<b>Seller</b>	means a legal / natural person from which KING ICT orders Products and/or Services, and who may be:  (i) A domestic Seller with a registered seat in the Republic of Croatia;  (ii) A Seller from the European Union [EU] with a registered seat in an EU member country that is not a domestic Seller;  (iii) A foreign Seller with a registered seat outside of the Republic of Croatia, i.e. outside of an EU member country;
<b>Products</b>	means products [or any of its parts], including software, that are not the subject of the Order form [for example, material, equipment, spare parts, instruments, generic goods etc.];

<b>Workday</b>	means every day except for Saturday, Sunday and days that are official holidays in the Republic of Croatia;
<b>Specification</b>	means any description or Specification of Products and/or Services, including all plans and drawings on which KING ICT and the Seller have agreed or which [in lack of such an agreement] the Seller delivered or which were published by the Seller or [in case that such communication does not exist] the standard published Specification for Products and/or Services;
<b>Services</b>	means any of the Services [or any of their parts], as stated in the Order form;
<b>Party</b>	means KING ICT or the Seller;
<b>Parties</b>	means KING ICT and the Seller jointly;
<b>Data Protection Legislation</b>	means any law, statute, declaration, ordinance, directive, legislative act, order, regulation, ordinance, rule or any other binding limitation [that is occasionally amended, consolidated or which re-enters into force], and which refers to the protection of individuals with regard to the personal data processing which a Party is subject to, including REGULATION [EU] 2016/679 OF THE EUROPEAN PARLIAMENT AND THE COUNCIL of 27 April 2016 on the protection of individuals with regard to the personal data processing and free movement of such data and on repealing the Directive 95/46/EC [General data protection regulation], Correction of the Regulation [EU] 2016/679 of the European Parliament and the Council of 27 April 2016 on the protection of individuals with regard to the personal data processing and on the free movement of such data and repealing the Directive 95/46/EC [General Data Protection Regulation].

## **2. APPLICATION AREA**

- 2.1. These General Terms and Conditions regulate the general rules and conditions under which KING ICT, in the capacity of a contracting entity, procures Products and/or Services from the Seller based on an Order form.
- 2.2. The General Terms and Conditions are an integral part of the Order form and apply on all the issues that are not regulated by the Order form, unless their application [entirely or partially] is explicitly excluded.
- 2.3. In case of mutual disagreement in the provisions and terms and conditions stated in the Order form and the provisions of these General Terms and Conditions, the provisions and terms and conditions contained in the Order form shall prevail over the provisions of the General Terms and Conditions.

- 2.4. The terms and conditions and the provisions of the Order form shall be considered a complete and binding contract concluded between KING ICT and the Seller, unless there is a contractual relationship between the Parties that refers to the Products and/or Services ordered by means of an Order form and the provisions of such a contract comprise an integral part of this Order form. In case of disagreement between the Order form and such a contract, the provisions of the contract apply.

### **3. CONFIRMATION, REPEAL OR CANCELLATION OF THE ORDER FORM**

- 3.1. KING ICT issues an Order form based on the offer of the Seller that is in accordance with the requirements of KING ICT for Products to be delivered, i.e. Services to be performed, including the price, time schedule, place of delivery of the Products and/or provision of Services and other special terms and conditions related to the delivery of Products and/or performance of Services.
- 3.2. Within 3 [three] Workdays at the latest, the Seller shall submit an Order confirmation exclusively by means of email to the email address of the contact person stated in the Order form. If the Seller does not send an Order confirmation or does not reject the Order form within 3 [three] Workdays counting from the receipt of the Order form, upon the expiration of the deadline of 3 [three] Workdays it shall be considered that the Order form has been entirely accepted.
- 3.3. KING ICT retains the right:
- 3.3.1. to repeal an Order form exclusively by means of email sent to the Seller without any right to compensation to the Seller under the condition that the repeal was sent before KING ICT has received the Order confirmation;
  - 3.3.2. to demand from the Seller at any time to cease the execution of the Order form without being entitled to the lost profit but rather only entitled to the compensation for the actually occurred and documented costs;
  - 3.3.3. to withdraw from the part of the Order form and demand from the Seller only a partial fulfilment or terminate the Order form entirely, regardless of any possible fault of the Seller and without any costs for KING ICT. In that case, the Seller is entitled to demand from KING ICT the payment for only those Products or Services for which it has been proven that they were carried out by the date of the partial withdrawal from the fulfilment or cancellation of the Order form, reduced by all the possible deductions and savings ensuing from or referring to the partial withdrawal from the fulfilment or termination of the Order form.
- 3.4. Any amendments to the Order form produce a legal effect exclusively if agreed in writing by the authorised representatives of the Parties. Any verbal agreements or any verbal statements of the representatives of the Parties shall have no legal effect or oblige any of the Parties.
- 3.5. Any change in the data of a Party made in the court register, and which refer to the change in the firm, seat, business address, founder, business bank of a Party, during the conclusion and execution of the Order form as well as their contact persons stated in the Order form, shall not be considered a change in the Order form and the Party to which the above-mentioned change refers shall be obliged to inform the other Party thereof in writing within 10 [ten] days counting from the day of the change of the said data.

### **4. PRICE**

- 4.1. The Price of the Products and/or Services represents the value of the Products and/or Services that KING ICT shall pay to the Seller and is stated in the Order form. The Price

can be expressed either in the total amount or in unit prices without stating the total price of the Products and/or Services.

- 4.2. The Price [total or unit price] of the Products and/or Services includes all the appertaining costs, fees, dues, i.e. all other expenditures that may occur during the realisation of the Order form, except for the Value Added Tax [VAT], which is to be expressed separately on the invoice and calculated pursuant to the valid legal regulations. If the subject of the Order form are Products and/or Services exempt from the payment of VAT, the invoice shall state that the VAT has not been calculated and the relevant legal basis shall be mentioned.
- 4.3. The Price [total/unit price] of the Products and/or Services is fixed/unchangeable while the Order form is valid.

## **5. INVOICE ISSUING / PAYMENT**

- 5.1. The payment of the contracted price takes place based on the issued original invoice.
- 5.2. The Seller shall issue the invoice for the delivered Products or for the performed Services to KING ICT within 3 [three] Workdays from the day of the delivery of the Products at the latest, i.e. if the subject of the Order form is a Service, by the time of the signing of the Acceptance Protocol [Protocol].
- 5.3. Under the condition that the invoice is correct and issued in accordance with the provisions of this article of the General Terms and Conditions, the deadline for the fulfilment of the obligation of KING ICT in terms of the payment of the invoice starts from the date of receiving the invoice.
- 5.4. The calculation period for which the invoice is issued cannot exceed one month [unless it has been determined otherwise in the Order form]. The delivery date must be identical with the date of the mutual signing of the Protocol. In case that the signature dates on the Protocol do not match, it shall be considered that the Protocol was signed on the latter date.
- 5.5. The invoice is submitted exclusively electronically to the email address [KingHR\\_Racuni@king-ict.eu](mailto:KingHR_Racuni@king-ict.eu), whereby it must be drafted and issued in accordance with the accounting, tax and other forced regulation and international accounting standards.
- 5.6. As an attachment to the invoice, the Seller is obliged to submit a signed delivery note for the Product or a mutually signed Protocol [calculation of the Services, hourly rate etc.] for the Services. The invoice must by all means indicate the number of the Order form to which the invoice refers. One invoice can refer only to one Order form.
- 5.7. In case of issuing an invoice in electronic format, the same must be issued in any of the structured forms, whereby the system of KING ICT receives the invoice in electronic format.
- 5.8. If the invoice is not issued properly, it does not create the obligation to pay the same; and KING ICT shall return the original invoice to the Seller for correction, whereby the Seller is obliged to resubmit the invoice within 3 [three] days in the way defined in the provision of paragraph 4 of this article, in which case the deadline for the fulfilment of KING ICT's obligation for the payment of the invoice starts from the date of the receipt of a properly issued invoice.

## Payment of financial obligations to domestic Sellers

- 5.9. Should the financial obligation be due on a holiday, the payment of the financial obligation shall be made on the next Workday.

## The payment of financial obligations to Sellers from the EU and foreign Sellers

- 5.10. Should the financial obligation be due on a Saturday, Sunday or any other non-working day or holiday in the Republic of Croatia / the country of the Seller, the payment of the financial obligation shall be carried out on the first following Workday in the Republic of Croatia / country of the Seller.
- 5.11. Each Party shall cover its bank expenses for transactions based on the payment of the delivered Products and/or performed Services.

## **6. DELIVERY DEADLINE AND PLACE OF DELIVERY**

- 6.1. The Seller is obliged to deliver the Products, i.e. carry out Services, within the deadline and in accordance with the delivery dynamic schedule stated in the Order form.
- 6.2. Unless explicitly agreed otherwise, the deadline for the delivery of Products or performance of Services starts on the day of the Order confirmation. The day to be considered as the day of the delivery of the Products and/or performed Services shall be the date of the receipt at the location defined in the Order form by KING ICT. Should the delivery include Services, the day to be considered as the day of the delivery shall be the day of the takeover, i.e. the date of the mutually signed Takeover Protocol.

## **7. CONTRACTUAL PENALTY**

- 7.1. If the Seller cannot deliver a Product and/or carry out Services within the agreed term, it is obliged to immediately inform KING ICT of the delay, state the reason for the delay and assess the new deadline for the delivery of Products and/or performance of Services.
- 7.2. Should the Seller be late with the delivery of Goods and/or performance of Services, whereby the delay implies not starting the delivery of the Products and/or performance of Services or non-completion of the delivery of Products and/or non-performance of Services pursuant to the deadlines defined in the Order form, the Seller is obliged to pay to KING ICT the contractual penalty for each day of the delay in the amount of 0.5% of the value of the Order form unless determined otherwise in the Order form. The maximum amount of the contractual penalty that KING-ICT is entitled to charge to the Seller is 10% of the total value of the Order form unless determined otherwise in the Order form.
- 7.3. Regardless of the right to charge a contractual penalty, KING ICT is entitled to terminate the Order form due to the delay in the delivery after the expiration of a reasonable additional term for the fulfilment of the Seller's obligation defined in a written notification sent to the Seller in the way envisaged in article 19 of the General Terms and Conditions.
- 7.4. With regard to the realised amount of the contractual penalty, upon a successful takeover, KING ICT is authorised to issue a contractual penalty invoice to the Seller that the Seller is obliged to pay in the term stated in the invoice.

## **8. DELIVERY AND PACKING**

- 8.1. The right of the Seller to reserve the title to the delivered Products is excluded. In deliveries including Services, the risk transfers from the Seller to KING ICT at takeover. For deliveries that do not include Services, the risk is transferred when KING ICT receives them at the destination. If the seat of the Seller and the place of the delivery are in the EU, Incoterms®2016 for DDP [place of delivery] apply, except if the Order form provides otherwise. If the seat of the Seller and the place of the delivery are not in the EU, Incoterms®2016 for DAP [destination] apply if not provided otherwise in the Order form. A partial delivery as well as a delivery lower or higher than contracted is permitted only if KING ICT previously gave its explicit written approval for it. Any delivery must be accompanied with a delivery note stating, among other things, the details on the net weight per item and the Order form number.
- 8.2. Unless KING ICT requests a certain type of transport, the goods must be delivered in the way causing the lowest cost. Otherwise, the Seller shall bear all the additional costs. During the delivery of Products and performance of Services, the Seller must fulfil all the legal requirements connected with export, customs and foreign trade and obtain the permits necessary for export, except if according to the relevant foreign trade regulation KING ICT or a third person is responsible for the obtaining of the necessary permits and not the Seller. The Seller is obliged, in the shortest possible term but in any case before the date of the delivery, to send in writing to KING ICT all the information and data necessary to KING ICT in order for it to be able to abide by all the relevant foreign trade regulations regulating export and import as well as re-export of Products and/or Services, including the following 'Data on the Control of Export and Foreign Trade' – 'Classification number for Export Control' for each Product and/or Service according to the U.S. Commerce Control List, ECCN, if the Products / Services are subject to U.S. administrative export regulations; and – all relevant numbers of the Export Products List; and – the statistic designation of the goods according to the valid classification of goods for the statistics on foreign trade and the HS designation [Harmonized System]; and – the country of origin [non-preferential origin]; and – upon the request of KING ICT: the Seller's statements on the non-preferential origin [for Sellers from the European Union] or other preferential confirmations [for foreign Sellers with a registered seat outside of the Republic of Croatia i.e. outside of an EU member country].
- 8.3. In case of a change in the origin, features of the Products and/or Services or valid foreign trade regulations, the Seller is obliged to update and in the shortest possible term send to KING ICT written notifications on the data for export control and foreign trade but anyhow not later than the delivery date. Direct deliveries to KING ICT's clients are to be sent according to need/request of KING ICT in neutral packaging and with delivery documents in the name and on behalf of KING ICT. The Seller is obliged to submit a copy of those delivery notes to KING ICT.
- 8.4. The costs of packaging are included in the price. The Products shall be packaged and marked in accordance with the instructions of KING ICT. In all circumstances, packing and packaging must ensure the protection for the Products against damage or decrease in quality under the usual transportation conditions. The packaging material must be marked in accordance with the valid legal regulations. Wooden packaging and/or pallets used during the delivery of the Products must be treated in accordance with legal requirements and bylaws.

## **9. PARTICIPATION OF SUBCONTRACTORS**

- 9.1. If the subject of the Order form are Services, the Seller is entitled to partially cede the performance of the Services only to a subcontractor that it mentioned in the offer and that KING ICT has accepted.
- 9.2. If the Seller did not state the subcontractor in its offer and if during the provision of the Services the need arises to appoint one [hire], or if the Seller decides to hire, instead of the one until then or beside the current subcontractor, another/new subcontractor, the Seller is obliged to obtain KING ICT's written agreement before hiring it.
- 9.3. The approval provided to the Seller for the appointment of a subcontractor has no influence on the legal relations and mutual rights and obligations between KING ICT and the Seller, nor does it exempt the Seller from its responsibility to perform the Order form.
- 9.4. The Seller is responsible for the selection and work of the subcontractor.

## **10. ACCEPTANCE, SHORTCOMINGS, RESPONSIBILITY AND INTELLECTUAL PROPERTY**

- 10.1. If in the Products delivered in accordance with the Order form there are any: (a) defects in material and workmanship; or (b) the Product has not been delivered in accordance with the ordered quantity; or (c) the Product was delivered with visible shortcomings; or (iv) other deviations have been noticed compared to the Specification, KING ICT is authorised to reject to take them over without any correction, request a correction of the shortcomings within the given term, accept the Product with a correction of the price or return the same to the Seller with a full refund of paid amounts [price]. After the notification sent by KING ICT, the Seller shall timely and at its own expense replace or correct the rejected Product or the one that has to be corrected. If, upon KING ICT's request, the Seller does not replace the defected Product or does not replace it timely in accordance with the plan of the delivery, KING ICT is authorised, at its own discretion: (i) to replace or correct such a Product and charge the costs to the Seller; (ii) cancel the Order form without any previous notification, return the rejected Product to the Seller at the Seller's expense, whereby the Seller is obliged to timely return the amount that KING ICT had paid for the returned Product or (iii) demand a price reduction.
- 10.2. The Seller is obliged to continuously document the works on the performance of the Services that are in process and submit regular reports to KING ICT's contact person on the same. Upon KING ICT's request, the Seller shall put at the disposal any collected data, work documents or other data related to the Services. After the Services have been completed, the Seller shall enable KING ICT to inspect the Services, including a report on the completion of the Services. KING ICT shall approve or reject the performed Services in writing, either entirely or partially, within 5 [five] Workdays from the day of the receipt of the report on the completion of the Services, whereby the above does not diminish the Seller's obligation to immediately and at its own expense correct all the shortcomings of the Services, of which KING ICT informed it, within a term of 5 [five] Workdays counting from the receipt of such a notification. Otherwise ICT is entitled to request the performance of the works by a third Party at the expense of the Seller.
- 10.3. In case of an impending danger, e.g. in order to avoid its own injury, or if the Seller does not rectify the shortcomings within the deadline of paragraph 2 of this article, KING ICT is entitled to procure the Products and/or Services from third persons without any shortcomings and without a previous notification, not bringing into question its claims

based on the guarantee towards the Seller or repair or have the Products with shortcomings repaired at the Seller's expense. The Seller is obliged to compensate and exempt KING ICT from any responsibility for disputes ensuing from the violation of any right to patent, copyright, trademark or registered design and guarantee unlimited use of the delivered Products and/or carried out Services to KING ICT.

- 10.4. Not bringing into question any other obligations, the Seller shall compensate and exempt KING ICT from the responsibility for any claims based on the responsibility for the Products that third parties have towards KING ICT as a consequence on the Products delivered by the Seller. The plants or Products delivered by the Seller must have the necessary safety features and comply with the valid safety standards. The Seller is obliged to respect the valid EU directives, the croatian Product Safety legislation and any provision [in the current, valid edition] based on the same, as well as the currently valid version of the European standards, Croatian standards and other similar regulations. Plants and Products delivered by the Seller must have CE designations required by the valid EU directives and the Croatian legislation. Upon delivery, the Seller submits to KING ICT EU compliance statements together with short technical descriptions as well as the instructions and demands for the installation if necessary. Moreover, the Seller must timely inform KING ICT on the changes in the material, production procedures, parts of the subcontractors and EU compliance statements.
- 10.5. When delivering Products that include equipment to be assembled by KING ICT or a third party, the Seller shall, in the necessary measure, submit to KING ICT all the necessary documents, including assembly instructions, data lists, installation instructions, instructions for processing, storage, management and maintenance, lists of spare and non-consumable parts etc. The delivered documents / developed systems /requirements and management instructions must be in the English language and, if so requested by KING ICT, in the Croatian and/or other languages. KING ICT retains the right to request a proof of the Seller's system for checking the quality and the Seller's documents on the performed quality checks and at any time perform a supervising check at the Seller's location. The Seller shall compensate KING ICT for the costs of the supervising check if shortcomings in the control system during the check are found.

## **11. MATERIAL, DOCUMENTS, DRAWINGS, TECHNICAL SOLUTIONS AND SOFTWARE DEVELOPMENT**

- 11.1. Material ordered by KING ICT is the property of KING ICT and the Seller is obliged to separately store, mark and keep the same without any compensation with the care of a good businessman. All documents such as plans, drawings, models and the developed software systems become the property of KING ICT even in case of a cancellation of the Order form and shall be submitted to KING ICT upon its request. The Seller gives KING ICT the exclusive and irrevocable sublicense for the use without claiming any additional fee, unlimited in terms of content, time as well as an appropriate permit for the use of a specific item ensuing from the Order form. The Seller shall submit all the documents, technical solutions and the developed software without any compensation when necessary.
- 11.2. All tools, forms, samples, models, profiles, drawings, standard sheets with the Specifications, printing templates, material and software submitted by KING ICT, as well as those delivered to KING ICT by the Seller, are KING ICT's intellectual property and without a previous written agreement of KING ICT they will not be available to any third party or be used for any other purpose except for that agreed upon in the Order



form. The Seller explicitly states that it possesses all the necessary authorisations, certificates as well as all other permits necessary for the execution of the Order form, and that it will submit those documents to KING ICT upon request. If special approvals of state management bodies, permits or acceptance procedures are necessary for the execution of the Order form, the Seller shall obtain the same timely without any special fee.

## **12. INFORMATION, MATERIAL DECLARATION, RoHS, PACKAGING, HAZARDOUS CARGO AND ENVIRONMENTAL PROTECTION**

- 12.1. The Seller is obliged to provide for KING ICT's disposal all the necessary and useful information on Products and/or Services to be delivered, i.e. carried out, which in particular refers to the instructions for proper storage and, in chemicals, the technical safety sheet in accordance with the Regulation [EU] no. 1907/2006 of the European Parliament and the Council on the registration, evaluation, approval and limitation of chemicals [REACH] and the Law on the implementation of the Regulation [EU] no. 1272/2008 of the European Parliament and the Council on the classification, designation and packaging of substances and mixtures. Furthermore, the Seller is obliged to additionally warn KING ICT of the possibility of hazardous waste occurrence or waste oil from the Product that it delivers and thereby draw the attention to the type and possibilities for the disposal.
- 12.2. The Seller guarantees that the Products delivered based on the Order form are in accordance with RoHS [Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment] and thus in accordance with the EU directive ROHS on the ban of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment [directive 2011/65/EU] at the moment of delivery.
- 12.3. If the delivered Products are not in compliance with the RoHS standards, the Seller is obliged to compensate any damage that occurs as a consequence of such a delivery to KING ICT not bringing into question any possible warranty claims of KING ICT. If the Seller delivers legally permitted Products, which are legally subject to limitations with regard to the substances and/or obligation, to inform on the substance [e.g. REACH - registration, evaluation, approval and limitation of chemicals], the Seller is obliged to declare such substances in the format defined by KING ICT, by the moment of the first delivery of the Products at the latest. The previous applies only to laws applied in the seat of the Seller or KING ICT, or at the place that KING ICT defined as the place of delivery. If the delivery refers to Products that are classified in accordance with international provisions as hazardous cargo, the Seller is obliged to inform KING ICT thereof in the Order confirmation at the latest and submit the technical safety sheet. If the Seller is the importer of such Products into the Republic of Croatia, the technical safety sheet must be entered in the HZTA register (Croatian Institute of Public Health - Department for Toxicology).
- 12.4. The Seller shall take over the responsibility for the health and safety of its employees at the workplace, respect the laws and bylaws on environmental protection, occupational safety and fire protection and in the best possible way encourage and demand compliance with the Code of Ethics of its employees. The Seller is responsible for any omissions in the organisation of the works and violation of regulations as well as for any consequences that may occur because of it when carrying out the contracted works. The costs for the implementation of occupational safety measures, fire and environmental protection are included in the contracted price of the Services. The Seller is obliged to undertake all the prevention measures for the purpose of preventing pollution of the environment and any other negative impact on the environment. The

created waste must be selected, collected separately, stored and sent to the final processing by an authorised processor and track must be kept pursuant to the law. KING ICT invites any potential Sellers, who intend to start a business relationship with KING ICT, to previously inform themselves on the policies of the quality management system, environment, information safety management and protection of the health and safety at work in KING ICT at <https://king-ict.com/about-us/>.

### **13. RISK OF INCIDENTAL DETERIORATION OR DAMAGE**

- 13.1. The risk and consequences of incidental deterioration or damage of the Products, equipment and material that the Seller must deliver to KING ICT, as well as the equipment and material submitted to it in order to perform the Services or ensured by KING ICT, and over the performed Services [or their part when the Services are carried out in stages], until the moment of successfully performed delivery of the Products, equipment and material or takeover of the Services, is borne by the Seller.

### **14. INSURANCE / BANK GUARANTEE**

- 14.1. For the purpose of an orderly fulfilment of the Seller's obligations taken over by the Order confirmation, KING ICT may demand from the Seller:
- 14.1.1. to obtain at its own expense from an eminent insurance company a responsibility insurance and extend it for a faulty Product against the responsibility towards third persons and towards employees and to submit evidence on the payment of the premium for every insurance;
  - 14.1.2. to obtain from a bank acceptable to KING ICT an unconditional bank guarantee payable upon first call, issued in favour of KING ICT, with a minimum term of validity of 30 days longer than the contracted delivery term for the Products and/or performance of the Services.

### **15. REPRESENTATIONS AND WARRANTIES**

- 15.1. The Seller represents and warrants:
- 15.1.1. the Products shall be delivered, i.e. Services shall be performed in the term, type, price, quantity and quality and in accordance with the conditions of the Order form;
  - 15.1.2. that it has all the rights and authorisations to conclude and execute the obligations from the Order form;
  - 15.1.3. all decisions, approvals or agreements based on the regulations and acts of the Seller necessary to conclude and/or execute the Order form, exist, are final and entirely valid;
  - 15.1.4. the Seller has all the authorisations for the execution of the obligations taken over by the Order form and is authorised to deliver all Products and/or provide Services without any violation of the regulations or rights of any third parties [or if there are any limitations, there are waivers with regard to the same];
  - 15.1.5. there are no and will be no other rights and/or burdens and/or counterclaims of third persons on the delivered Products that exclude, limit, decrease or in any other way disable KING ICT in acquiring all rights in their full scope that based on the delivered Products belong to it;

- 15.1.6. The Products must strictly abide by the description and Specification and in every aspect be appropriate for the purpose that KING ICT explicitly stated as its requirement and of a satisfactory quality;
  - 15.1.7. The Products shall be without any defects in the design, material, workmanship and performances and shall not contain or bring into any equipment or system computer viruses of any type and/or other computer programmes that destroy, disturb or cause damage;
  - 15.1.8. that Products and/or Services, just like any and all Seller's intellectual property or intellectual property of third persons put at the disposal of KING ICT pursuant to the Order form, shall not violate any patent, copyright, trademark, business secret or any property right of a third person;
  - 15.1.9. the deliveries of Products and/or performance of Services must be in accordance with all the relevant laws, legal requirements and regulations;
  - 15.1.10. to obtain all the necessary permits, approvals, licences and authorisations necessary for the fulfilment of obligations towards KING ICT, all pursuant to the Order form;
  - 15.1.11. are not launched or threatened by any court, administrative, arbitration or other procedures against the Seller, against the members of its management or supervisory boards, whose outcome could have a negative impact on the ability of the Seller to properly carry out the obligations taken over by the Order form;
  - 15.1.12. the Order form and the appertaining documents shall be properly signed/confirmed by the legal representatives of the Seller or persons authorised by the Seller for representation, specially authorised for actions undertaken towards KING ICT and representing a legal, binding and valid obligation;
  - 15.1.13. in case of finding out about any fact that may somehow cause a situation that is significantly different than the one guaranteed with these General Terms and Conditions, it will inform KING ICT thereof without any delay. Any change in such changed circumstances does not preclude from given guarantees.
- 15.2. All representations and warranties of paragraph 1 of this article shall be comprehensive, accurate, truthful and up to date and must be abided by until there is any actual or potential obligation of the Seller towards KING ICT based on the Order form, as if they were repeated with regard to the then existing circumstances.

## **16. CONFIDENTIALITY**

- 16.1. Except in the measure established in this article of the General Terms and Conditions [hereinafter: Confidentiality], each Party:
- 16.1.1. shall treat the Confidential information of the other Party as confidential and protect the confidential data of the other Party as their own confidential data;
  - 16.1.2. shall use the Confidential information of the other Party exclusively for the special purposes or purposes for which they were disclosed, and
  - 16.1.3. shall not publish or in any other way confide the Confidential information of the other Party without any previous written agreement; and:

- 16.1.3.1. shall not reveal the Confidential information of the other Party or in the presence of any other person except for persons who must know it in connection with the Order form;
  - 16.1.3.2. advise any person to which the Confidential information of the other Party must be disclosed on their obligations in connection with the confidential information before such disclosure and ensure their abidance of such an obligation; and
  - 16.1.3.3. undertake all reasonably necessary measures with the aim of ensuring the Confidential information of the other Party against theft, loss or unauthorised disclosure.
- 16.2. The obligation to keep Confidentiality of paragraph 1 of this article does not prevent any of the Parties to:
  - 16.2.1. reveal from time to time the Confidential information to its professional consultants, auditors or legal advisors under the condition that, before disclosing the Confidential information, the same take over the obligation to protect the Confidentiality of that information on the level that is not lower than the one envisaged with these General Terms and Conditions;
  - 16.2.2. reveal Confidential information to its related companies up to the level that is necessary to such a related company for the performance of the Contract [delivery of Goods and/or provision of Services], under the condition that the Party is primarily responsible for any possible violation of the Confidentiality obligation by its related company.
- 16.3. Each Party may disclose Confidential information that would otherwise be the subject of the provision of paragraph 1 of this article, in the following cases:
  - 16.3.1. such disclosure is demanded by an applicable law or an order of the relevant court or based on a binding order or instruction of a tax or fiscal body or another regulator; or
  - 16.3.2. Confidential information is legally possessed by the recipient party without the obligation that limits the disclosure at the moment of the receipt by the party that announces them; or
  - 16.3.3. on the day before disclosure, the Confidential information becomes a part of the public domain, except by violation of the provision of paragraph 1 of this article.
- 16.4. The Seller is obliged not to use the KING ICT name, logo or brand in any marketing, promotion or announcement without a previous written approval of KING ICT.

## **17. PERSONAL DATA PROTECTION**

- 17.1. KING ICT and the Sellers are obliged to abide by all the valid data protection regulations in processing personal data that it obtains in the business relationship and not to process personal data except for those that are necessary for the execution and/or administration of the Order form.
- 17.2. The data of the Seller [court register data, address, phone numbers, as well as any other information necessary for the correspondence with modern communication tools, sites, contact persons, ordered products and quantities to be delivered or Services], acquired by KING ICT in connection with such business transactions shall be automatically processed only for the execution of the Order form, in particular for the

needs of the administration and issuing of an invoice. For technical reasons, such data shall perhaps be stored on the servers of companies that are related companies of KING ICT.

- 17.3. Each Party shall undertake all reasonable steps in order to ensure the reliability of every employee or any contracted subcontractor who may have access to personal data in a business relationship, ensuring in any case that the access is strictly limited to those individuals who must access the relevant personal data necessary for the execution of the Order form.

## **18. RULES ON DATA PROCESSING FOR THE SUBPROCESSOR**

- 18.1. The provisions of this article will apply to all contractual relationships between KING ICT and the Seller when the Seller acts as KING ICT's data sub-processor in the delivery of Products or the performance of Services based on the Order form.

- 18.2. In case of data sub-processing the Seller is bound by provisions regulating data protection, and therefore obliged:

18.2.1. to process personal data only on documented instructions provided in a timely manner by KING ICT, and to inform KING ICT of any documented instruction considered to potentially lead to illegal data processing;

18.2.2. to ensure that persons authorised to process the personal data (employee, authorised representative, subcontractor) have committed themselves to confidentiality or are under an appropriate statutory obligation of confidentiality;

18.2.3. to take all appropriate Technical and organisational measures [»TOMs«] required to ensure an appropriate level of data security considering the possible risks, including but not limited to the pseudonymisation and encryption of personal data; the ability to ensure the ongoing confidentiality, integrity, availability and resilience of processing systems and services; the ability to restore the availability and access to personal data in a timely manner in the event of a physical or technical incident; a process for regularly testing, assessing and evaluating the effectiveness of technical and organisational measures for ensuring the security of the processing;

18.2.4. within its best knowledge and capability to provide assistance to KING ICT to ensure compliance with data protection requirements in relation to data protection impact assessments; prior consultation with supervisory authorities; informing data subjects of a personal data breach; informing a supervisory authority of a personal data breach; exercising the rights of data subjects;

18.2.5. to process personal data only during the necessary time to deliver Products or perform Services, i.e. until KING ICT requests from the Seller the return all processed personal data and existing copies of it;

18.2.6. to enable KING ICT to perform a compliance control regarding the Sellers' data protection obligations, without disrupting regular business of the Seller, and to comply with reasonable requests from KING ICT to improve compliance with these obligations provided compliance is controlled during the processing of data;

18.2.7. to inform KING ICT of a data breach without delay and at the latest within 2 hours of becoming aware of it by providing all available information regarding

the data processed in the execution of the Order form and to assist KING ICT in implementing measures to mitigate the consequences of any potential data breach;

18.2.8. to compensate KING ICT for any damage resulting from a data breach caused by violating these obligations, of these obligations or the fault (intention or negligence) of the Seller or its employee, authorised representative or subcontractor in the delivery of the Products and/or the performance of the Services;

18.2.9. to process personal data within the territory of the Republic of Croatia, otherwise to request a prior written authorisation regarding the data export.

18.3. The Seller undertakes to sign an Addendum, forming an integral part of the Order form such as these General Terms and Conditions, defining the data controller, the subject-matter and duration of the processing, the nature and purpose of the processing, the type of personal data and categories of data subjects, a list of TOMs and contact details of the DPO [if appointed].

## **19. ORDER FORM CANCELLATION**

19.1. Each Party may, if the other Party does not fulfil any of the obligations taken over by the Order form and/or violates the provisions of these General Terms and Conditions, in the way envisaged by article 20 of these General Terms and Conditions, send a written warning to the other Party in which it will describe in detail the said violations and leave a term of 8 [eight] days in which the said violations have to be corrected. Should the violations not be removed, the Order form shall be considered cancelled upon the expiration of the left term and the Party responsible for the cancellation is responsible for the damage.

19.2. KING ICT may cancel the Order form before the delivery with an immediate impact by sending to the Seller a written statement on the cancellation in the way envisaged by article 20 of these General Terms and Conditions, after which the Seller shall terminate all the deliveries and/or execution of the Order form. KING ICT shall pay to the Seller a just and reasonable compensation for the incomplete production at the moment of cessation of the work but such a compensation does not include the loss due to lost profit or any other consequential loss.

19.3. In any of the following events, it shall be particularly deemed that there has been a violation of an obligation from the Order form and/or these General Terms and Conditions:

19.3.1. if the Seller does not fulfil, is late with the fulfilment or does not abide by any of the obligations towards KING ICT based on the Order form and/or any obligation from the General Terms and Conditions even after the subsequent term left, or does not correct the consequences of such an action;

19.3.2. The Seller becomes bankrupt and/or insolvent or if a pre-bankruptcy procedure, a bankruptcy procedure or a liquidation procedure is launched against it or if Seller comes under a special management pursuant to the relevant regulation, or

19.3.3. The Seller distorts the reputation of KING ICT by its actions or omissions;

- 19.3.4. The Seller violates the data confidentiality obligation of article 16 of these General Terms and Conditions;
  - 19.3.5. The Seller or a person authorised by the Seller severely violates legal or internal regulations of KING ICT in relation to health protection, safety and environment;
  - 19.3.6. The Seller intends to cede a financial claim and/or transfer its rights or obligations from the Order form contrary to the provision of article 23 of these General Terms and Conditions.
- 19.4. The cancellation of the Order form, regardless of the legal basis of the cancellation, does not have any impact on the rights and legal remedies of the Party created before the cancellation.
- 19.5. The provisions and the conditions of the Order form that, due to their nature, have to be implemented also after the cancellation or expiration or if they refer to events that may occur after the cancellation or expiration of the Order form, shall apply even after the cancellation or expiration. All obligations based on the damage compensation remain in force even after the cancellation or expiration of the Order form.

## **20. NOTIFICATIONS**

- 20.1. Unless otherwise regulated by the provisions of these General Terms and Conditions in an individual case, all notifications and/or requirements and/or approvals or other announcements that the Parties shall submit to each other in connection with the execution of the Order form, shall be submitted in writing as follows:
- 20.1.1. in person; or
  - 20.1.2. posted by registered mail; or
  - 20.1.3. by email.
- 20.2. In case of sending notifications and/or demands and/or agreements or other email notifications, the same must be sent to the email address provided in the Order form.
- 20.3. It shall be considered that the delivery of the written notification and/or demand and/or agreements and/or other notifications have been properly executed:
- 20.3.1. if delivered in person, at the moment of delivery;
  - 20.3.2. if sent by registered mail [delivery receipt mandatory] 3 [three] days after sending it;
  - 20.3.3. if sent by email, at the moment when it was successfully sent [Delivery Receipt] as noted on the server for sending such messages, under the condition that the condition of the provision of paragraph 2 of this article is entirely fulfilled and that the sender has not received any notification that the delivery was not delivered or that the recipient was absent.
- 20.4. The same notification and/or demand and/or agreement or another notification may be delivered also by a combination of the above described ways, in which case, for the purpose of proving that it was sent, it suffices that the sending was successful only in

one of the above ways unless otherwise regulated in the General Terms and Conditions or Order form.

## **21. FORCE MAJEURE**

- 21.1. Force majeure is defined as an extraordinary circumstance that is out of control of any of the Parties and which none of the Parties at the time of concluding the Contract/accepting the Order form could not reasonably foresee or prevent. It includes but is not limited to: government restrictions, war, riots, blockades, sabotages, embargo, strikes, fires, floods, epidemics and/or anything else outside of the reasonable control of the Party on whose action it has an impact. In case of occurrence of an event interpreted as force majeure, the Party that is significantly hindered in fulfilling its obligations taken over by concluding and accepting the Order form is obliged to immediately, verbally and then also in writing within 3 [three] days, inform thereof the other Party and state the assessed scope and duration when it will not be able to fulfil its obligations and undertake all the reasonable measures in order to rectify the consequences of force majeure and fulfil its obligations even if with a delay. Omitting to submit such notifications - responsibility for the damage that the Party suffers due to not having sent a notification. If, due to force majeure, the Seller is permanently hindered in fulfilling its obligations, KING ICT is entitled to unilaterally cancel the Order form with immediate effect immediately upon the receipt of the notification of force majeure.

## **22. ANTI-CORRUPTION CLAUSE**

- 22.1. The Seller represents and warrants that it, including its employees and subcontractors, shall not, in the name or for the sake of the Order form, make payments, give loans, donations, promises or offer payments, loans, donations of any amounts in money or anything else that is valuable, directly or indirectly: (i) to or for the benefit of any official or employee of any government or agency; (ii) any person of KING ICT, agency, consultant or other persons dealing with KING ICT; (iii) any political party, official person or candidate; (iv) any other person if the party that makes or offers such payments, loans, donations or promises or offers knows or has a reason to know that such payments, loans or donations shall be directly or indirectly provided or paid to any state official or employee or political party or candidate or official person; (v) offer payment or other execution to any other person or entrepreneur that would violate the law or regulations of any country in which the Order form is to be executed or the country of residence of such a person or the seat of such an entrepreneur or the seat of the Party.

## **23. ASSIGNMENT OF CLAIMS / TRANSFERRING RIGHTS AND OBLIGATIONS**

- 23.1. No right or obligation based on the Order form entirely or partially [including the right to receive amounts to be paid] cannot be assigned or transferred to third persons without a previous written approval of KING ICT.
- 23.2. KING ICT is authorised to transfer rights and obligations from the Order form to companies related to KING ICT. In terms of these General Terms and Conditions, a related company is a company that directly or indirectly controls KING ICT, that KING ICT directly or indirectly controls or is directly or indirectly under the joint control just like KING ICT, following from which such a related company is not considered a third person in terms of these General Terms and Conditions.

## **24. GOVERNING LAW AND JURISDICTION**



- 24.1. The General Terms and Conditions, the Order form as well as all disputes ensuing from it shall be governed and interpreted in accordance with Croatian material law, with the exclusion of any collision rules that would point at the legislation of another country. Moreover, the Parties exclude the application of the provisions of the UN Convention on Contracts for the International Sale of Goods [Vienna, 1980] to the Order form [Vienna, 1980].
- 24.2. All disputes or disagreements ensuing from the General Terms and Conditions and/or Order form, or in relation with the same, the Parties shall try to resolve amicably based on a mutual agreement.
- 24.3. All disputes ensuing from or in connection with these General Terms and Conditions, Order form, including disputes referring to the issues of a valid occurrence, violation or cessation, as well as to the legal effects ensuing from these, shall be finally resolved before the relevant court in Zagreb.

## **25. ACCEPTANCE OF THE GENERAL TERMS AND CONDITIONS, AMENDMENTS**

- 25.1. The General Terms and Conditions are drafted in writing and available in the business premises of KING ICT and on KING ICT's website: [www.king-ict.eu](http://www.king-ict.eu).
- 25.2. By signing the Order form, the Seller confirms that it is familiar and agrees with the content of the General Terms and Conditions, that the same is clear and that it understands them and that it accepts the rights and obligations ensuing from them in full scope.
- 25.3. KING ICT retains the right to amend the General Terms and Conditions in accordance with the legal regulations and bylaws as well as the business policy.
- 25.4. In case of an amendment of the General Terms and Conditions, the amended General Terms and Conditions apply to the Order form to be issued after the amendment has entered into force.
- 25.5. In case of any amendment of the General Terms and Conditions created as a consequence of a change in the forced regulations, the amended General Terms and Conditions apply also to the found business.
- 25.6. Any amendments to the General Terms and Conditions go into force and are applied upon the expiration of a deadline of 15 [fifteen] calendar days from the day when the amendments were made available, whereby considered as the day in which the amendments were made is the first day of the publication at the KING ICT's website. KING ICT shall endeavour, in good faith and on an individual basis, to timely inform the Sellers by email on the publication of the amendments to the General Terms and Conditions.
- 25.7. It shall be considered that the Seller has accepted the amendments to the General Terms and Conditions if it does not inform KING ICT that it does not accept them before the proposed date of their going into effect. In case of disagreement with the amended General Terms and Conditions, the Seller must give notice to KING ICT stating the reasons for disagreement with such amendments within 10 [ten] calendar days from the day: (i) when the amendments were made available according to article 25.6 or (ii) when the Seller received a notification in case a notification is sent. The Seller and KING ICT should then proceed to negotiation to determine mutually acceptable terms of further cooperation, whereby the reason for the disagreement cannot be amendments to the General Terms and Conditions which do not interfere with or change the legal and economic/commercial nature of the existing contractual

relationship. Each party retains the right to unilaterally terminate an Order if a mutually acceptable agreement is not reached, in which case during the period of the cancellation deadline the amendments to the General Terms and Conditions shall not apply to the Order.

## **26. FINAL PROVISIONS**

### Nullity

- 26.1. If at any moment any or several provisions [or any of its parts] of these General Terms and Conditions and/or Order form for any reason become invalid, unfeasible or null in any of its aspects, this fact shall have no effect on the other provisions of the General Terms and Conditions and/or Order form. The Parties shall replace such a provision jointly with a new, valid and feasible one that will in the largest possible measure enable the realisation of the goal that was attempted to be achieved with the provision for which it was established that it is invalid, unfeasible or null.

### Waiver

- 26.2. KING ICT shall not consider a delay or omission of actions related to the realisation of any right or legal means as its waiver from it or from any other right or legal means.

### Public disclosure

- 26.3. The Seller is not authorised to make any public announcements or other announcements referring to its relationship with KING ICT or the Order form without a previous written approval of KING ICT.

### Language

- 26.4. These General Terms and Conditions are drafted in the Croatian and English language. The Croatian and the English version of the General Terms and Conditions shall be interpreted with the same legal effect, however, in case of conflict between the Croatian and the English version, the content and the meaning of the provisions of the General Terms and Conditions in the Croatian language shall prevail.

### Going into effect

- 26.5. The General Terms and Conditions shall enter into force and apply fifteen (15) days after the date of their publication on the KING ICT website [www.king-ict.eu](http://www.king-ict.eu), i.e. 14 December 2023. The General Terms and Conditions from 2 December 2019 shall cease to apply on the date of entry into force of these General Terms and Conditions.