**GENERAL TERMS AND CONDITIONS FOR THE PROCUREMENT OF GOODS IN INA GROUP COMPANIES (GTC)**

The General Terms and Conditions for the Procurement of Goods in INA Group Companies (hereinafter: GTC) contain general rules and conditions under which the INA Group companies as Purchasers buy Goods from Sellers based on Contracts.

The GTC is considered an integral part of the concluded Contracts for the procurement of Goods and apply to all matters not regulated by Contract.

In cases where there is a conflict between the provisions of the Contract and the provisions of the GTC, the provisions of the Contract shall prevail.

**1. DEFINITIONS**

1. **Call Off**: a request for the delivery of a specific amount and type of Goods, which is issued solely within the framework of the Frame Contract and constitutes an individual binding document for the Purchaser and the Seller in accordance with the provisions of these General Terms and Conditions (GTC). If the Call off is issued electronically from the SAP system or the Ariba system, it is valid without the Purchaser’s signature and without the need for the Seller's signature.
2. **INA Group:** INA-INDUSTRIJA NAFTE, d.d. and companies/legal entities in which INA-INDUSTRIJA NAFTE, d.d., as the parent company, has ownership or management control rights in accordance with the provisions of the Companies Act, or joint venture companies in which INA Group companies have a stake.
3. **Purchaser:** a company/legal entity that is a member of the INA Group and is listed in the Contract as the Purchaser of Goods
4. **MOL Group:** MOL Plc. and companies in which MOL Plc., as the parent company, directly or indirectly holds more than 50% of the voting rights or in which MOL Plc., directly or indirectly, has a majority ownership or controlling interest based on a Contract concluded with other owners.
5. **Seller:** a natural person/legal entity who sells Goods to the Purchaser based on the Contract. The Seller may be.
6. **domestic seller:** a legal entity/natural person with a registered office, i.e., permanent residence in the Republic of Croatia;
7. **seller from the European Union (hereinafter EU):** a legal entity/natural person with a registered office, i.e., permanent residence in an EU member state, who is not a Domestic Seller;
8. **seller from a "third" country:** a legal entity/natural person with a registered office, i.e., permanent residence outside the Republic of Croatia or outside an EU member state.
9. Specific rules of this GTC or the Contract may apply to a certain type of Seller, in which case it must be evident from the relevant provision of the GTC/Contract which type of Seller the provision applies to. If the general term Seller is used in the provisions of the GTC/Contract, such a rule applies to all Sellers regardless of the place of registration of their registered office or residence.
10. **Goods:** an item that can be the subject of a sale (e.g., materials, equipment, spare parts, instruments, generic goods, etc.) and which the Purchaser buys from the Seller based on the Contract.
11. **Contract:** a contract or contractual relationship concluded in writing between the Purchaser and the Seller, based on which the Seller sells, and the Purchaser buys Goods. The Contract can be concluded by signing by all contracting parties or by accepting the Bid, or accepting the Purchase Order (in accordance with the exception referred to in item 12 of this Article). Frame Contracts are a special type of Contract, where the Purchaser is not obliged to purchase a pre-determined and contracted Goods in advance, but the purchase is made in accordance with the Purchaser's actual needs by concluding special Contracts or issuing Call Offs by the Purchaser, whereby the term Contract also includes the contract or contractual relationship based on concluding Frame Contracts, as well as concluding the mentioned special Contracts and confirming/accepting Call offs. An integral part of the Contract minimally includes this GTC, as well as other clauses and documents necessary for the realization of the Contract.
12. **Data Processing Agreement:** a Contract concluded as an annex to the Contract in case the Contract involves the processing of personal data. The Data Processing Agreement is concluded based on the requirements arising from the General Data Protection Regulation (GDPR).
13. Specific rules of this GTC may specifically apply to the Frame Contract, where it will be evident from the relevant provision of the GTC that the provision specifically applies to such Contracts. Also, specific rules of this GTC may specifically apply to Purchase Orders and Call Offs, where it will be evident from the relevant provision of the GTC that the provision specifically applies to such acts. If the general term Contract is used in the provisions of the GTC, such a rule applies to all Contracts, including Frame Contracts, Purchase Orders, and Call Offs.
14. The Contract binds the Purchaser and the Seller only if it is mutually signed, unless otherwise stipulated by this GTC.
15. By the Purchase Order, the offer of the Seller is accepted, and the Seller is obliged to deliver the Goods, without the need for the Seller's signature/confirmation. If the Purchase Order does not comply with the accepted offer, the Seller must notify the Purchaser within 3 days from the date of receipt of the Purchase Order whether they accept or reject it. If the Seller does not respond to the acceptance/rejection of the Purchase Order, it is considered that the Seller has rejected the Purchase Order.
16. A Purchase Order issued electronically from the SAP system or the Ariba system, with a total net value below EUR 1,000.00, is valid without the Purchaser's signature.
17. **Contracting Parties:** the Seller and the Purchaser jointly.

**2. PRICE**

1. The price of Goods represents the value of the Goods that the Purchaser pays to the Seller and is stated in the Contract/Purchase Order.
2. The price in the Contract/Purchase Order may be stated either in total amount or in the form of unit prices without stating the total price of the Goods (in the case of Frame Contracts where the quantity of Goods is not known in advance).
3. The price of Goods includes all related costs associated with the purchase and delivery of the Goods at the agreed parity.
4. The unit/total price of the Goods does not include VAT, which will be calculated according to applicable legal regulations and separately stated on the invoice issued by the Seller to the Purchaser.
5. If Goods are delivered for which VAT will not be charged or if the Goods are exempt from VAT, the invoice must state that VAT has not been charged, citing the relevant and applicable legal basis.
6. The unit/total price of the Goods is fixed/unchangeable for the delivery of Goods from the Contract/Purchase Order/Call Off.

**3. INVOICING AND PAYMENT**

1. After the delivery of Goods, the Seller will issue an invoice to the Purchaser for the delivered and accepted Goods no later than 2 business days from the date of delivery. The Purchaser has the right to withhold payment of any outstanding part of the price until the Seller fulfills their obligations based on liability for material defects.
2. The delivery date stated on the invoice must be identical to the delivery date on the handover document.
3. In the case of a Frame Contract, the Seller issues a separate invoice for each Call Off.
4. The invoice can be issued on paper or in electronic form, in accordance with applicable legal regulations.
5. In the case of issuing a paper invoice, the invoice is delivered to the Purchaser's address stated in the Contract/Purchase Order.
6. In the case of issuing an electronic invoice, it is primarily issued in a structured format (e.g., XML format) and is sent through an information intermediary. In the case of issuing an electronic invoice in another electronic format, the Purchaser's prior consent is required.
7. In addition to legally prescribed elements according to the VAT Act, a domestic invoice must also contain the following:
8. Date of DCR (debtor-creditor relationship) and payment deadline;
9. Number of the Contract/Call Off under which the invoice is issued;
10. Parity.
11. If the invoice is not valid or not issued in accordance with the provisions of this Article, the Purchaser will return the invoice to the Seller for correction, and the Seller must resend the corrected invoice to the Purchaser within 3 business days. In the case of an incorrect invoice, no payment obligation arises.
12. The Purchaser will pay the correct invoice within 60 days from the delivery date.
13. An invoice issued by a foreign Seller will be issued in accordance with the legal regulations of the Seller's country and it must also contain the elements listed in paragraph 7 of this Article. In the case of a Seller from the EU, the invoice must contain the Seller's valid VAT ID number.
14. **Calculation of payment deadlines for domestic Sellers and default interest**

If the due date falls on a non-working day (non-working days are: Saturday, Sunday, holidays, and other non-working days determined by legal regulations in the Republic of Croatia), the obligation will be settled on the next banking day. In the case of late payment, the Seller has the right to charge default interest at the rate of the applicable statutory rate from the due date until the date of payment, taking into account the number of calendar days in the year. The payment deadline for calculating default interest is 15 (fifteen) days from receipt.

1. **Calculation of payment deadlines and default interest for Sellers from the EU and "third" countries**

In the event that the payment obligation falls due on a Saturday, the obligation shall be settled on the previous banking day. If the payment obligation falls due on a Sunday, public holiday, or other non-working day determined by legal regulations in the Republic of Croatia / Seller’s country, the obligation shall be settled on the next banking day in the Republic of Croatia / the Seller’s country. Bank charges incurred in Croatia shall be borne by the Purchaser, while all other bank charges (including correspondent bank fees, if any) incurred outside of Croatia shall be borne by the Seller.

Any payment made after the agreed payment deadline, in accordance with the aforementioned, shall be considered a late payment. In the case of late payment, the Seller is entitled to charge default interest at the rate of the 1-month EURIBOR plus 2 percentage points (p.p.) per annum, in the case where the payment currency is EUR, or at the rate of the 1-month Term SOFR plus 2 percentage points (p.p.) per annum, in the case where the payment currency is USD. EURIBOR denotes the 1-month EURIBOR rate published in the Bloomberg information system on the first business day of the month of delay. The 1-month Term SOFR denotes the rate of the 1-month “CME Term SOFR reference rate” administered by CME Group Benchmark Administration Ltd. (or any other entity taking over the administration of this rate) as published on the due date on the Bloomberg page displaying this rate (or, in the event this rate does not appear on such a page or screen, on the successor or substitute page on such a screen displaying this rate, or on the appropriate page of another information service that publishes such rates from time to time), and/or on <https://www.cmegroup.com/market-data/cme-group-benchmark-administration/term-sofr.html>.

Default interest is calculated based on the actual number of days elapsed from the due date of the payment to the date of fulfillment of the payment obligation, considering a 360-day year.

The deadline for the payment of calculated default interest is 15 (fifteen) days from its receipt.

**4. CALL OFF**

1. In the case of Frame Contracts, the Purchaser shall issue a separate Call Off to the Seller for each ordered delivery.
2. The Call off shall contain the following information:
3. The number and date of the Call Off,
4. the number of the Contract,
5. a description and quantity of the Goods,
6. the unit and total price of the Goods,
7. the parity, time, and deadline for delivery,
8. other necessary information.
9. After the Purchaser issues the Call Off, the Seller must confirm the Call off within 5 (five) calendar days from receipt. If the Seller does not respond to the Call off within the specified period, the Call off shall be deemed confirmed. The Seller has the right to refuse confirmation solely of the delivery date, in which case the Seller is obliged to propose an alternative delivery date for all or specific items in the Call off, which the Purchaser may accept or reject. The proposed amendment to the delivery date in the Call off cannot exceed the deadline stipulated in the Contract, if such a deadline is agreed upon. Once the Seller confirms the Call off or fails to respond within the specified period, or the Purchaser confirms the new date or accepts only some of the proposed dates while rejecting others, the Call off becomes binding in relation to the confirmed items. The Seller is then obligated to deliver, and the Purchaser is obligated to accept the Goods ordered and confirmed in the Call off. The Purchaser may, for justified reasons, amend or withdraw an issued Call off, but only with the Seller’s written consent. The Seller shall not unreasonably withhold such written consent.
10. The Call Off shall be delivered to the Seller in accordance with Article 19 of this GTC.

**5. CALCULATION OF OTHER TIME LIMITS**

1. It is determined that all other deadlines under the Contract shall be calculated in calendar days, unless specifically regulated by the Contract to be calculated in business days.
2. A business day is considered any day except Saturday, Sunday, holidays, and other non-working days determined by legal regulations in the Republic of Croatia.
3. If the last day of a period calculated in calendar days falls on a day that is not considered a business day, the deadline for execution shall fall on the next business day.

**6. TIME AND PLACE OF DELIVERY / DELIVERY TERM**

1. The Seller shall deliver the Goods to the Purchaser within the deadline, at the location, and according to the parity defined in the Contract.
2. In the case of a Seller from the EU or a Seller from "third" countries, the parity is defined based on INCOTERMS 2020 or the latest edition.

**7. INSPECTION**

1. In order to determine the quality of the Goods, the Seller is obliged to allow the Purchaser the right to inspect the Goods at the manufacturer's factory at the Purchaser's expense, of which the Purchaser will timely notify the Seller in writing.
2. For the purposes of inspection, the Seller shall provide the Purchaser's authorized inspector with all necessary means for the successful completion of the inspection.
3. The Seller must provide the necessary certificates and other documents specifying the technical properties of the Goods. These documents must be presented to the Purchaser's authorized inspector.
4. All inspections must be carried out before the Goods leave the manufacturer's factory and should be conducted in such a manner as not to unnecessarily disrupt the production process.
5. If the inspection determines that the Goods do not meet the provisions of the Purchaser's technical specification, the authorized inspector will issue a notice of rejection.
6. After the deficiencies are corrected, the Goods shall be subjected to reinspection/testing at the Seller's expense. If during the reinspection/testing it is found that the deficiencies have not been corrected or new deficiencies are found, the Purchaser has the right to:
7. not accept the delivery of such Goods and request their replacement with other appropriate Goods,
8. request a price reduction for the Goods,
9. terminate the Contract.
10. In the event that the Purchaser decides not to carry out the inspection, of which the Purchaser will timely notify the Seller in writing, the Seller is obliged to carry out the inspection of the Goods at the manufacturer's factory during production and before shipment.
11. The inspection carried out by the Purchaser's authorized inspector, or in cases where the inspection is carried out by the Seller, does not release the Seller from any of their contractual obligations, including but not limited to obligations regarding visible and hidden defects, or warranty obligations.
12. The Seller is obliged to deliver to the Purchaser a Certificate of Quality and Quantity and a Certificate of Control of the manufactured Goods.

**8. PACKAGING, SHIPPING AND HANDOVER AND ACCEPTANCE OF THE GOODS**

1. The Goods shall be delivered in standard packaging and labeled in accordance with the applicable regulations for that type of Goods.
2. The Seller is obliged to inform the Purchaser in writing of the readiness of the Goods for delivery no later than 5 business days before the delivery, specifying the description, quantity, and value of the Goods for delivery, and in the case of Frame Contracts, the Call Off number as well.
3. Upon handover of the Goods, the Seller is obliged to enclose a Delivery Note and other necessary documents depending on the type of Goods being delivered.
4. The Seller is obliged to include in all documents accompanying the Goods, in addition to their catalog numbers, the Purchaser's Goods ID number listed in the list of Goods from the Contract/Purchase Order.
5. In the process of handing over the Goods, the Purchaser’s authorized person shall certify by signing the Delivery Note that the Goods have been received in the quantity stated on the Delivery Note and without visible external defects/damages. For Goods that are measured or weighed, the handover shall be deemed successful if the discrepancy does not exceed the permissible deviation regulated by the Contract. If such a deviation is not regulated by the Contract, the applicable trade customs at the place of delivery shall apply.
6. If during the handover of the Goods discrepancies are found between the quantities of Goods in the Contract and the actual delivered quantities of Goods, or if external defects/damages are found on the Goods, the Purchaser will only accept the agreed/ordered quantity of Goods, or the Goods that do not have visible external defects/damages.
7. However, such a delivery will not be considered proper, and the Seller, in addition to the obligation to deliver the entire ordered quantity of Goods for the period until full and proper delivery, will be obliged to pay the Purchaser a contractual penalty for the delay, if any.
8. All costs of repeated delivery shall be borne by the Seller.
9. If even the repeated delivery is not proper or is not carried out within the period to which the contractual penalty applies, the Purchaser has the right to terminate the Contract without the obligation of providing any further additional deadlines.

**9. TRANSFER OF RISK AND OWNERSHIP OVER THE GOODS**

Upon handover of the Goods at the contracted place, the ownership right over the Goods and all associated risks of accidental loss or damage to the Goods are transferred to the Purchaser. If the Goods are to be installed or assembled by the Seller or a person for whom the Seller is responsible, the risk is transferred to the Purchaser at the moment the installation or assembly is completed.

**10. COMMERCIAL WARRANTY**

1. The Seller guarantees the quality of the Goods during the warranty period, in accordance with the statement in the commercial warranty/warranty certificate for the Goods issued by the manufacturer of the Goods.
2. The statement on the commercial warranty shall be delivered to the Purchaser on a durable medium no later than at the moment of handover of the Goods.
3. The statement on the commercial warranty must be expressed in a simple and understandable manner and contain:
4. a clear statement that the Purchaser has rights under the liability for material defects of the Goods and based on the Law governing obligations towards the Seller for free, and that the commercial warranty does not affect the rights under the liability for material defects,
5. the name and address of the guarantor,
6. the procedure that the Purchaser must follow to implement the commercial warranty,
7. the specification of the Goods to which the commercial warranty applies and
8. the conditions of the commercial warranty.
9. Failure to comply with the obligations from paragraphs 2 and 3 of this Article does not affect the validity of the commercial warranty.
10. If the manufacturer has not issued a statement on the commercial warranty/warranty certificate for the Goods, or has issued it without describing the warranties belonging to the Purchaser and the manner of their realization, then based on the Contract, the Seller guarantees that the Goods delivered under the Contract are new, unused, that they meet the Purchaser's requirements specified in the technical specification for the Goods, as well as other properties specified in the Quality Certificate of the manufacturer/Seller.
11. The Seller guarantees the quality of the Goods during the warranty period specified in the Contract, counting from the day the Goods are handed over to the Purchaser. The Purchaser may request the repair or replacement of the Goods during the warranty period, regardless of when the defect appeared. The Seller undertakes to, upon the Purchaser's complaint, during the warranty period, eliminate the defect/malfunction of the Goods or deliver new, correct Goods/part thereof to the Purchaser, without any further costs to the Purchaser. In the case of minor repairs, the warranty period is extended by the number of days the Purchaser was deprived of the use of the Goods. When the Goods or their significant part is replaced, the warranty period begins anew from the replacement or return of the repaired Goods.
12. If the Seller does not comply with the obligations under the warranty, the Purchaser has the right to either rectify the defect/fault in the Goods themselves or through a third party, or if the fault cannot be rectified, to purchase the appropriate replacement goods. The cost of rectifying the fault or purchasing replacement Goods is borne by the Seller, provided that the Purchaser must act with due diligence when exercising these rights. In any case, the Purchaser retains the right to terminate the Contract for the above reasons.
13. Regardless of the manner in which the Seller has provided the warranty for the quality of the Goods (in the form of a warranty certificate or a contractual provision regarding the warranty for the quality of the Goods), the Seller's warranty for the quality of the Goods does not exclude the application of contractual provisions on the Seller's liability for defects in the Goods (visible and hidden).
14. The Purchaser in any case has the right to compensation for damages under the general rules of liability for damages, including damages suffered on other of their goods due to the defect in the Goods.
15. The provisions of the Civil Obligations Act of the Republic of Croatia shall apply to anything that is not regulated by this GTC article.

**11. LIABILITY FOR HIDDEN DEFECTS OF GOODS**

1. If after the handover of the Goods it is found that there are hidden defects in the Goods, the Purchaser is obliged to notify the Seller in writing of the defect without delay, but no later than 8 days from the day the defect was discovered, with the obligation of the Purchaser to describe the identified defects in the written notice.
2. The Seller is obliged to inspect and return the Goods for which a complaint has been submitted and eliminate the specified defect or, if this is not possible, deliver a new part/item of the Goods to the Purchaser, depending on the Purchaser's request. When exercising the right to eliminate the defect, the Purchaser has the right to choose between repair and replacement of the Goods, unless the chosen method of eliminating the defect is impossible or if it would cause disproportionate costs to the Seller considering all circumstances, especially the value of the Goods without the defect, the significance of the defect, and the question of whether the repair or replacement can be carried out without significant inconvenience for the Purchaser. All transportation and insurance costs as well as other costs related to the complaint and elimination of defects are borne by the Seller. The repair or replacement of defective Goods shall be carried out free of charge, within a reasonable period from the moment the Purchaser notified the Seller of the defect, and without significant inconvenience to the Purchaser, considering the nature of the Goods and the purpose for which the Purchaser required the Goods. During the repair or replacement, the Purchaser is obliged to make the Goods available to the Seller, and the Seller is obliged to take over the Goods and bear the costs of the handover. If the defective Goods, which were installed or assembled in accordance with their nature and purpose before the defect appeared, need to be repaired or replaced, the obligation to eliminate the defect includes the obligation to remove the defective Goods and install or assemble the replacement or repaired Goods or bear the costs of such removal and installation or assembly.
3. The Seller is liable for material defects regardless of whether the Contract transferred or committed to transferring the Goods to the Purchaser’s ownership, and whether the Purchaser paid or committed to paying their price.
4. The Seller is liable for hidden defects for a period of 6 (six) months from the day of handover.
5. If the Seller does not act in accordance with the above, i.e., does not eliminate or replace the defective Goods, the Purchaser has the right to either rectify the defect themselves or through a third party, or if the defect cannot be rectified, to purchase the appropriate replacement goods.
6. The cost of rectifying the defect or purchasing replacement Goods is borne by the Seller, provided that the Purchaser must act with due diligence when exercising these rights. In any case, the Purchaser retains the right to terminate the Contract for the above reasons. In the previously described case of defect rectification, the Seller will be obliged to pay the value of the labor and materials used by the Purchaser to rectify the defects if the Purchaser rectifies the defects themselves or to pay the cost incurred by the Purchaser to a third party for rectifying the defects if the Purchaser engaged a third party for defect rectification.
7. Regardless of the other rights mentioned in this Article, the Purchaser in any case has the right to compensation for damages under the general rules of liability for damages, including damages suffered on other of their goods due to the defect in the Goods.
8. The provisions of the Civil Obligations Act of the Republic of Croatia shall apply to anything that is not regulated by this GTC article.

**12. INTELLECTUAL PROPERTY**

1. In the case of purchasing Goods protected by some form of intellectual property rights, the Seller agrees to provide the Purchaser the necessary level of rights to use such intellectual property, which is essential for the use and application of the Goods by the Purchaser for the purpose for which the Purchaser is purchasing the Goods. The Seller also acknowledges that the fee for using such intellectual property of the Seller or their subcontractor or the manufacturer of the Goods by the Purchaser is included in the price of the Goods.
2. If a claim is made or proceedings are initiated against the Purchaser for alleged infringement of intellectual property rights, the Seller will, at their own expense, take all necessary measures (pay the required fees, conduct legal proceedings, etc.) to defend and/or indemnify the Purchaser from such claims.

**13. CONTRACTUAL PENALTY**

1. If the Seller is late with the delivery within the delivery period defined by the Contract, they will be obliged to pay the Purchaser a contractual penalty for each day of delay until complete and proper fulfillment, amounting to 0.5% of the Contract value. The maximum amount of the contractual penalty that the Purchaser is entitled to claim from the Seller is a total of 10% of the Contract value. The Purchaser has the right to demand a contractual penalty even if its amount exceeds the damage suffered, or even if no damage was suffered. If the damage suffered by the Purchaser is greater than the amount of the contractual penalty, the Purchaser has the right to demand the difference to full compensation. The period during which the contractual penalty is calculated also represents a subsequent appropriate period for the fulfillment of the Seller's contractual obligation. If the Seller does not fully and properly deliver the Goods even after reaching the maximum amount of the contractual penalty, the Purchaser has the right to terminate the Contract without the need to grant any further subsequent deadlines to the Seller.
2. In Contracts with multiple deliveries of Goods, the contractual penalty for delay within the delivery period defined by the Contract/Call off is calculated for each day of delay, amounting to 0.5% of the value of the delivery for which there is a delay, or the value of the Call Off in Frame Contracts. The maximum amount of the contractual penalty per delivery/Call off is 10% of the value of the delivery/Call Off. If the Seller does not fully and properly deliver the Goods even after reaching the maximum amount of the contractual penalty, the Purchaser has the right to partially terminate the Contract for the respective delivery or terminate the Call Of without the need to grant any further subsequent deadlines to the Seller. The cumulative amount of the contractual penalty for multiple deliveries cannot exceed 10% of the Contract value. Upon reaching the specified cumulative amount, the Purchaser also has the right to terminate the Contract, without the need to grant any further subsequent deadlines for delivery to the Seller.
3. The Seller is aware of the delivery deadlines for the Goods, and the Purchaser is not obliged to specifically warn the Seller regarding the agreed deadlines and their delay in delivery, nor are they obliged to specifically demand the delivery of the Goods while retaining the right to claim the contractual penalty.
4. The Purchaser is only obliged, if the Goods are not delivered even after reaching the maximum amount of the contractual penalty, to inform the Seller whether they are terminating the Contract or continuing with its execution, and the Purchaser must set a new subsequent deadline for the delivery of the Goods to the Seller. If the Purchaser does not inform the Seller of the foregoing, the Contract remains in force.
5. In the event of continuing with the execution of the Contract, the new subsequent deadline for the delivery of the Goods is not subject to the contractual penalty unless the contracting parties agree otherwise in writing.
6. Regarding the accrued amount of the contractual penalty, the Purchaser has the right to issue an invoice to the Seller for the amount of the contractual penalty, which the Seller is obliged to settle within 14 days of receiving the invoice.
7. The contractual penalty that may be agreed upon in the Data Processing Agreement is independent of the contractual penalty regulated by the Contract and may be collected regardless of the agreed contractual penalty stipulated in the Contract.
8. In the case of a contractual penalty agreed upon in the Data Processing Agreement, the Purchaser also has the right to issue an invoice for the amount of the contractual penalty, which the Processor is obliged to settle within 14 days of receiving the invoice.

**14. TERMINATION OF CONTRACT**

1. Each contracting party has the right to terminate the Contract if the other contracting party violates its provisions, as well as the provisions of this GTC, and does not remedy such breaches within a subsequent appropriate period determined by this GTC, or if such a period is not defined by the GTC, within a subsequent appropriate period granted by the other contracting party.
2. The notice of breach is delivered by the contracting party to the party in breach in written form, by one of the communication methods defined in the "OFFICIAL COMMUNICATION" provision of this GTC, from which the subsequent period begins to run, except in cases where the subsequent period is directly determined by this GTC due to a breach of contractual obligations, in which case it is not necessary to send a notice for the subsequent period to begin. If the party in breach does not remedy their breaches in the subsequent period, the other party has the right to terminate the Contract, of which they must inform the violator in the same manner.
3. In the event of termination of the Contract, the Purchaser retains the right, with prior notice to the Seller before making the purchase, and at the Seller's expense, to purchase replacement Goods from another supplier that will correspond in type, quality, and quantity to the undelivered Goods, according to applicable market conditions, acting with the care of a prudent businessman. However, the Seller will be obliged to continue fulfilling the remaining part of the Contract if only a Call Off is terminated.
4. In addition to the aforementioned in paragraph 1 of this Article, the Purchaser reserves the right to unilaterally terminate the Contract with immediate effect in the event of the following conduct of the Seller, which is considered a gross breach of the Contract:
5. If the Seller seriously violates the provisions of the Data Processing Agreement, or if
6. the Seller breaches the confidentiality obligation of this GTC, or
7. the Seller, through their statement or behavior/action, damages the business reputation of the Purchaser, or
8. in the case of repeated breaches (delays/improper performance) of contractual obligations by the Seller, or if
9. if it is evident from the Seller's conduct that they will not fulfill their contractual obligation even within a subsequent period, or if the Seller declares that they will not fulfill their contractual obligation at all, or if
10. the Seller becomes illiquid and/or insolvent, or if a bankruptcy petition is filed against the Seller or such proceedings are initiated, or if liquidation proceedings are initiated against the Seller, or if the Seller comes under special management according to relevant legislation, or if
11. the Seller or their authorized person seriously violates the legal or internal regulations of the Purchaser related to health, safety, and environment, which apply at the premises/location of INA Group members, or if
12. the Seller or their authorized person violates the Purchaser's Code of Ethics.
13. The Purchaser also has the right to terminate the Contract if the execution of the Contract is not possible without processing personal data that is found to violate data protection regulations, without any adverse consequences for themselves or without the obligation to compensate the Seller for any damages.
14. In the event of termination of the Contract, the Purchaser has the right to claim and retain the accrued contractual penalty, penalties for breaching HSE provisions, accrued contractual penalty under the Data Processing Agreement, as well as other amounts based on the agreed performance guarantees and other agreed security instruments.
15. The provisions of Articles 10, 11, 12, 13, 16, 18, 21, 22, 26 of this GTC, as well as all other provisions of this GTC and the Contract of which this GTC is an integral part that are expressly or by their nature intended to remain in force after the termination of the Contract, will remain in full force and effect after the termination of the Contract and regardless of the termination, until they are fulfilled or until their regular expiration.

**15. FORCE MAJEURE**

1. Force majeure shall be understood as any circumstance whereby the fulfillment of a contractual obligation by one Contracting Party becomes impossible (partially or entirely) due to extraordinary external events occurring after the conclusion of the Contract and before the fulfilment of the contractual obligation, which could not have been foreseen at the time of concluding the Contract, nor could they have been prevented, avoided, or removed by the Contracting Party, and for which neither Contracting Party is responsible.
2. If the fulfillment of a contractual obligation by one Contracting Party becomes permanently and entirely impossible, the obligation of the other Contracting Party shall cease as well, and the Contract shall be deemed to have been terminated by force of law.
3. If the fulfillment of a contractual obligation by one Contracting Party becomes impossible due to events previously described as force majeure, the affected party shall immediately inform the other Contracting Party orally (by telephone) and in writing no later than within 3 business days from the occurrence/cessation of the force majeure event, providing an assessment of the extent and duration of the inability to fulfill the contractual obligation. The Contracting Party failing to comply with this requirement shall be liable to the other Contracting Party for any damage suffered due to the failure to provide such a notice. As soon as possible, the Contracting Party affected by force majeure shall provide the other Contracting Party with other relevant evidence establishing the occurrence and duration of the force majeure event. The Contracting Party failing to comply with this requirement shall be liable to the other Contracting Party for any damage suffered due to the failure to submit such a notice.
4. If the Seller is prevented from fulfilling their contractual obligations due to a force majeure event for more than 30 (thirty) days, the Purchaser shall have the right to unilaterally terminate the Contract immediately upon receiving the notice of the occurrence of the force majeure event without any detrimental consequences to themselves or obligation to compensate the Seller for any damage, to which the Purchaser irrevocably agrees.

**16. PERFORMANCE GUARANTEE**

1. If a performance guarantee is agreed upon, it shall be in the form of a bank guarantee regulated in Contract.
2. The basic criteria for accepting a bank guarantee are:
3. the acceptability of the issuing bank,
4. payability upon first written demand,
5. that it is without cavil or objection,
6. unconditional and irrevocable,
   1. with a minimum validity period of 30 days beyond the contracted delivery period/validity of the Contract.
7. Instead of a bank guarantee, the Seller may deposit an interest-free monetary deposit in the same amount to the Purchaser’s IBAN specified in Contract.
8. Termination of the Contract does not affect the validity of the bank guarantee and any rights and obligations of the Contracting Parties arising from the bank guarantee and this provision.
9. The termination of the Contract does not affect the interest-free cash deposit paid pursuant to paragraph 3 of this Article or the Purchaser's right to retain the interest-free cash deposit and collect their claims from it for the purpose for which it was paid.

**17. CESSION OF CLAIMS AND ASSIGNMENT OF CONTRACT**

1. The Seller cannot cede their monetary claim under the Contract, in whole or in part, to a third party without the prior written consent of the Purchaser.
2. Neither Contracting Party may transfer the Contract to a third party without the prior written consent of the other Contracting Party.
3. The written consent must be signed by the person(s) authorized to represent the Contracting Party giving the consent. Otherwise, it shall have no legal effect.

**18. CONFIDENTIALITY**

1. The Contracting Parties mutually agree that the Contract, documents and information related to the realization of the Contract, as well as documents and information related to the other Contracting Party and their business, received or obtained by one Contracting Party from the other party at any time and in any manner, shall be considered business secrets and confidential (Confidential Information) and shall not be disclosed or made available to third parties without the prior written consent of the other Contracting Party nor used for purposes outside the scope of the execution of the Contract.
2. This obligation to maintain the confidentiality of Confidential Information does not apply to the following information:
   1. Publicly known information or information that becomes publicly disclosed later on – unless the confidential information is published due to the intent or negligence of the Contracting Party receiving the information,
   2. information available to the Contracting Party receiving the information prior to the date of the Contract,
   3. information that the Contracting Party receiving the information obtained from a third party not bound by an obligation of confidentiality regarding such information,
   4. information disclosed or revealed in accordance with the law, stock exchange regulations, or official regulations or orders of some other competent body, to the prescribed extent and form.
3. Disclosure of Confidential Information shall not in any way be construed as a direct, indirect, or other granting of a license, ownership right, copyright, title, or interest of any kind to the receiving party regarding the Confidential Information.
4. The Contracting Parties have the right, without the prior written consent of the other Contracting Party, to disclose Confidential Information to their Affiliated Companies and persons providing them with financial-accounting, consulting, insurance, or other similar financial or legal services, to the extent necessary for the provision of such services. However, before disclosing Confidential Information to such persons, the Contracting Party must ensure the obligation of confidentiality regarding the Confidential Information from each such person in written form and with content consistent with the confidentiality provisions of this Article.
5. For the purposes of this GTC, an “Affiliated Company” is defined as: a legal entity that controls and/or is controlled by the Contracting Party, and/or a legal entity controlled by the legal entity controlling the Contracting Party. “Control” means (i) ownership or control (direct or indirect) of more than fifty percent (50%) of the equity capital with voting rights of the subject company or legal entity, (ii) more than fifty percent (50%) of the voting rights at the general meeting of the subject company or legal entity on all or substantially all matters, (iii) the right to appoint or dismiss members of the board of the subject company or legal entity who have a majority of voting rights at board meetings on all or substantially all matters, and/or (iv) the right to influence the subject company or legal entity based on a contract or other legal relationship.
6. The Contracting Party that has made Confidential Information available without authorization and contrary to the provisions of this Article shall be liable to the other Contracting Party for the damage suffered as a result.
7. The obligation to maintain confidentiality of information remains in effect for two (2) years after the termination or expiration of the Contract. If the applicable law prescribes a longer period for maintaining the confidentiality of Confidential Information, the obligation to maintain confidentiality for such Confidential Information shall apply according to the applicable law.

**19. OFFICIAL COMMUNICATION**

1. All official notices that the contracting parties send to each other in the course of executing the Contract must be communicated exclusively in writing, using one of the following methods of communication:
   1. By registered mail to the address of the contracting party’s registered office.
   2. By electronic mail to the email addresses of the contact persons of the contracting parties indicated in the Contract/Purchase Order.
2. If a Call Off is issued through the Ariba system, it shall be delivered, confirmed, modified, and rejected through the same system.
3. If a Purchase Order is issued through the Ariba system, it shall also be delivered through the same system.
4. By delivering the notice in the specified manner to the other contracting party, the notice shall be deemed properly delivered on the date it was sent.

**20. MODIFICATIONS AND AMENDMENTS TO THE CONTRACT**

1. Amendments and modifications to the Contract shall only be legally effective if agreed in writing and duly signed by authorized representatives of both contracting parties, unless otherwise provided by this GTC.
2. Any oral agreements or any oral statements by representatives of the contracting parties shall have no legal significance and shall not bind either contracting party.
3. Changes in the Purchaser’s or Seller’s data recorded in the court registry, especially changes regarding the company name, registered office, founders, bank details of the Purchaser/Seller, during the conclusion and implementation of the Contract, as well as their contact persons indicated in the Contract, shall not be considered as amendments to the Contract. The contracting party to whom the above change relates shall be obliged to notify the other contracting party in writing within 10 business days from the occurrence of the change in such data unless a shorter period is specified in the Contract.

**21.** **SETTLEMENT OF DISPUTES AND THE GOVERNING LAW IN CASE OF DOMESTIC SELLERS**

1. The contracting parties agree that they will attempt to resolve any dispute arising from or related to the Contract primarily through mutual agreement.
2. If the contracting parties are unable to resolve the dispute arising from or related to the Contract within a reasonable time through mutual agreement, they agree to refer the dispute for resolution to the court in Zagreb having subject matter jurisdiction. It is established that Croatian law shall apply to the validity and interpretation of the Contract and GTC, and in the event of a legal dispute concerning their application.
3. The provisions of this Article shall also apply to any dispute arising from any termination, including in connection with the termination of the Contract.
4. Termination of the Contract does not affect the validity of the provisions of this article, and the contracting parties agree that the provisions of this article shall continue to apply even in such a case.

**22. SETTLEMENT OF DISPUTES AND THE GOVERNING LAW IN CASE OF EU SELLERS AND ”THIRD COUNTRY” SELLERS**

1. This GTC and all Contracts of which this GTC forms an integral part, and all disputes arising therefrom shall be governed by Croatian law, excluding any conflict of law rules that would refer to the laws of another jurisdiction. The contracting parties also exclude the application of the United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980) to the concluded Contract/Call Off.
2. The contracting parties will endeavor to resolve any disagreement or dispute arising from or in connection with this GTC and the Contracts of which this GTC forms an integral part through negotiations. If an agreement is not reached within 30 (thirty) days, either party may, by written notice to the other party, refer the matter to arbitration as specified in the following provisions of this article.
3. All disputes arising out of or in connection with this GTC and all Contracts of which this GTC forms an integral part, including disputes relating to issues of their valid formation, breach, or termination, as well as legal consequences arising therefrom, shall be finally resolved by arbitration before the Permanent Arbitration Court of the Croatian Chamber of Economy and in accordance with the applicable Rules of Arbitration of the Permanent Arbitration Court at the Croatian Chamber of Economy (the Zagreb Rules).
4. For disputes with a value up to EUR 100,000.00, the number of arbitrators shall be one (1). For disputes with a value of EUR 100,000.00 or more, the number of arbitrators shall be three (3).
5. The language of the arbitration shall be English.
6. The place of arbitration shall be Zagreb, Croatia.
7. The arbitration tribunal shall decide according to the governing law stipulated in this article, and not ex aequo et bono.
8. The contracting parties waive their right to appeal against the arbitration award to any court or judicial authority. The arbitration award shall be final and binding on the contracting parties and may, if necessary, be enforced by any court or other competent authority.
9. The provisions of this article shall apply to any dispute arising from and in connection with the termination of the Contract.
10. Termination of the Contract shall not affect the validity of the provisions of this Article, and the contracting parties agree that the provisions of this Article shall continue to apply in such cases.

**23. ACCESSION TO THE CONTRACT**

1. The Seller agrees that if any member of the INA Group, as the Purchaser, concludes a Contract for the supply of certain Goods (hereinafter in this Article: the Basic Contract), during the validity of the Basic Contract, any member of the INA Group shall have the right to accede to the Basic Contract at any time. Accession to the Basic Contract is carried out by issuing a signed Declaration of Accession (hereinafter: the Declaration) by the acceding member of the INA Group, which shall be submitted to the Seller at the address of their place of business specified in the Contract by registered mail. In the case of signing the Declaration of Accession with a qualified electronic signature, it shall be delivered by electronic mail to the email address of the Seller's contact person specified in the Contract.
2. The legal effects of accession to the Basic Contract shall start applying between the Seller and the acceding member of the INA Group upon receipt of the Declaration by the Seller. In the case of sending the Statement of Accession by electronic mail, it shall be deemed received on the date it was sent. All terms and conditions defined in the Basic Contract shall apply to the members of the INA Group that have acceded to the Basic Contract, regardless of the quantity of Goods that the INA Group members actually purchase from the Seller. The invoice for the delivered Goods shall be issued by the Seller directly to the acceding member of the INA Group.
3. In the event of delay or violation of HSE provisions with respect to any of the INA Group members that have acceded to the Basic Contract, the Seller shall be obliged to pay the calculated penalty directly to the respective INA Group member. If the Seller has provided the Purchaser with a performance guarantee under the Basic Contract, then in the case of accession by any INA Group member, the Seller shall provide a performance guarantee to the acceding INA Group member under the conditions of the Basic Contract in the amount defined in the Declaration.
4. The Seller irrevocably agrees and accepts that in the event of a breach of the contractual relationship with the Purchaser or any of the INA Group members that have acceded to the Basic Contract, the Purchaser and the acceding INA Group members have the right to terminate their Contracts with the Seller. Termination of the Contract shall only affect the relationship between the Seller and the party terminating the Contract and shall not affect the Contracts that other INA Group members (who have not terminated the Contract) have with the Seller.
5. If during the validity of the Basic Contract, the Seller and the Purchaser mutually agree to amend and/or supplement the Basic Contract, it shall be deemed that the acceding INA Group members also agree to such amendments unless they declare termination of the Contract concluded with the Seller by accession to the Basic Contract within 7 (seven) business days from the receipt of the Seller's notice of the amendments and/or supplements to the Basic Contract.
6. Upon the expiration of the Basic Contract’s validity, all Contracts concluded between the Seller and the INA Group members based on the Statement of Accession shall also cease to be valid. However, the expiration of the Basic Contract’s validity shall not affect the obligation to pay for the Goods delivered before the expiration, nor the obligation of the Seller to deliver the Goods to the Purchaser or the acceding INA Group member if they were ordered before the expiration of the Basic Contract’s validity.

**24. CODE OF ETHICS**

1. By submitting a Bid or signing the Contract, the Seller also declares that they are familiar with the content of INA Group's Code of Ethics, that they understand it clearly, and fully accept its terms.
2. The full version of the INA Group Code of Ethics is available on the official website: <https://www.ina.hr/app/uploads/2023/09/Code-of-Ethics-2023_eng_corr-6.9.-2.pdf>.

**25. TRADE CONTROLS AND ECONOMIC SANCTIONS**

1. "Sanctioned Person" means any individual or entity listed on any of the specially designated persons or entities lists maintained by a Sanctioning Body, including periodic modifications, supplements, or replacements of those lists, including but not limited to, the Specially Designated Nationals (SDN) and Blocked Persons lists maintained by the U.S. Office of Foreign Assets Control (OFAC), the consolidated list of financial sanctions targets maintained by Her Majesty's Treasury (HMT), or any similar list maintained by, or any public announcement by, any Sanctioning Body.
2. "Sanctions" mean any laws, regulations, orders, directives, requirements, rules, or conditions concerning economic or financial sanctions or trade embargoes or related restrictive measures relevant to the Contract, which are imposed, prescribed, or enforced by any Sanctioning Body from time to time.
3. "Sanctioning Body" means the following: (i) the United States of America; (ii) the United Nations; (iii) the European Union; (iv) the United Kingdom; (v) Croatia; or (vi) the relevant governmental institutions and agencies of any of the foregoing, including but not limited to OFAC, the United Nations Security Council, the European Union, and Her Majesty's Treasury.
4. Notwithstanding any other provision to the contrary, neither the Purchaser nor the Seller is obligated to fulfill any obligation otherwise required by the Contract (including but not limited to the obligation to (i) perform, deliver, accept, sell, purchase, pay or receive money to, from, or through any natural person or legal entity, or (ii) engage in any other activities) if such fulfillment would be in violation of, inconsistent with, or expose the Contracting Party to punitive measures or investigation under any Sanctions.
5. Each Contracting Party represents and warrants to the other Contracting Party, upon making an offer or concluding the Contract, that the performance, delivery, and execution of the bid or Contract do not violate or conflict with any applicable law or regulation (including but not limited to any Sanction) and warrants that all obligations of the relevant Contracting Party under the bid or Contract can be performed at any relevant time without exposing any Contracting Party, their Affiliates, employees, officers, directors, or agents to the risk of violating Sanctions. Specifically:
   1. Each Contracting Party represents and warrants, including concerning each entity within their Affiliates, that during the validity of the bid or Contract, it is not a Sanctioned Person, is not owned or controlled by, nor acting on behalf of a Sanctioned Person, and agrees to promptly notify the other Contracting Party in writing if this status changes.
   2. Each Contracting Party shall, upon reasonable written request by the other Party, provide (if legally able to do so) all necessary information to the other Contracting Party to determine whether the other Contracting Party, their Affiliates, or any of its or their employees, officers, directors, advisors, or agents have become or are reasonably likely to become a Sanctioned Person.
6. If the actions of one Contracting Party would be contrary to Sanctions or would mean a violation of regulations or exposure of that Contracting Party to punitive measures under Sanctions ("Affected Contracting Party"), then the Affected Contracting Party shall, as soon as reasonably possible, send a written notice to the other Contracting Party stating that they are unable to fulfill the obligation, using one of the communication methods defined in the "OFFICIAL COMMUNICATION" provision of this GTC. Once the Affected Contracting Party has sent such a notice, they have the right to immediately suspend the compromising obligation (either payment or performance) as long as the Affected Contracting Party is unable to fulfill their obligation in a way that does not violate Sanctions. In such a case, they also have the right to unilaterally terminate the Contract with immediate effect without any adverse consequences for themselves, in which case a termination notice is sent to the other Contracting Party in writing, using one of the communication methods defined in the "OFFICIAL COMMUNICATION" provision of this GTC. If the relevant obligation concerns the payment for products/Goods already delivered/received, the compromising payment obligation remains frozen, meaning that late payment interest does not accrue as long as the Affected Contracting Party cannot make the payment in a manner that does not violate Sanctions.

**26. DATA PROTECTION**

1. In processing personal data, the Contracting Parties are obliged to comply with Regulation 2016/679 of the European Parliament and the Council on the protection of individuals concerning the processing of personal data and on the free movement of such data, repealing Directive 95/46/EC (hereinafter: General Data Protection Regulation).
2. Under the Contract, both Contracting Parties are considered Data Controllers regarding the processing of personal data of contact persons. The Contracting Parties may process the following contact data: name and surname, email address, telephone number, and signature, as well as the resume, if and when provided, for the purposes of executing the Contract.
3. If employees or other natural persons who have a legal relationship with the Seller or with any other person having a legal relationship with the Seller, and for the execution of the Contract, have access to the business premises of INA Group companies, INA d.d., and that INA Group company will collect their personal data in advance before entering the business premises of the INA Group company, the Seller is obliged to inform such persons of the applicable policies, such as the Data Protection Policy, Access Control Policy at INA Group locations, and the Video Surveillance Policy at INA Group locations before transferring their data and/or before directing such persons to the business premises of the INA Group company. INA's policies, as well as information on the processing of personal data, are available at the link: <https://www.ina.hr/en/about-ina/privacy-policy>.

**27. ACCEPTANCE OF GTC**

1. By submitting a Bid or concluding a Contract, the Seller confirms that they are familiar with the content of this GTC, that it is clear and understandable to them, and that they fully accept it.
2. The Purchaser is entitled to amend and/or supplement the provisions of this GTC at any time.
3. The Purchaser will publish the amended GTC on the INA, d.d. website and will notify the Seller (in accordance with the "OFFICIAL COMMUNICATION" provision of this GTC or by delivery to the email address registered in the court register) no later than 15 (fifteen) calendar days before the amended GTC comes into force.
4. In case of disagreement with the amended GTC, the Seller is obliged to contact the Purchaser within 10 (ten) calendar days from the date of receipt of the notice of amendment of the GTC, stating the reasons for the disagreement with such amendments. In such a case, the Contracting Parties will enter into negotiations to define mutually acceptable conditions for further contractual cooperation, where the reason for disagreement cannot be the amendments to the GTC that do not interfere or change the legal and economic/commercial nature of the existing contractual relationship. If a mutually acceptable agreement is not reached, the GTC that make an integral part of the existing Contract will continue to make integral part of the existing Contract.
5. If the Seller does not respond to the Purchaser within the aforementioned period of 10 (ten) calendar days, it will be considered that they have accepted the amended GTC.

This GTC will enter into force on October 11th, 2024.

Publication of the GTC on the INA, d.d. website on September 25th, 2024.