



GENERAL  
CONDITIONS  
OF OPERATION  
OF EPILOG D.O.O.

# General Conditions of Operation of Epilog d.o.o.

## 1. SCOPE

The General Terms and Conditions (hereinafter “Terms and Conditions”) of EPILOG, d.o.o. stated below shall apply to all contracts concluded between EPILOG, d.o.o. and another contracting party (hereinafter the “Client”) for all supplies and services provided by EPILOG, d.o.o., without EPILOG, d.o.o. having to expressly refer to these Terms and Conditions in each individual case.

By signing the Contract, or, in the case that a written contract has not been concluded, by receiving the goods or services (contract execution), the Client shall also recognise these Terms and Conditions for any potential further transactions between the contracting parties.

These Terms and Conditions shall be available at all times on Epilog’s website under **General Conditions Of Operation of Epilog** and the Client can download them and print out at any time. Once the Client submits an order, it shall be deemed that the Client is fully aware of these Terms and Conditions, including warranty terms. Any general terms and conditions of the Client shall not be applicable, regardless of any different provision in the Client’s general terms and conditions and irrespective of where and in what manner the Client’s terms and conditions are made public and of whether EPILOG, d.o.o. is aware of them.

In the event that the provisions of the Contract concluded between EPILOG, d.o.o. and the Client are in conflict with the provisions of these Terms and Conditions, the provisions of the Contract shall prevail. Any changes or side agreements shall be confirmed by the contracting parties in writing. Changes or side agreements confirmed in writing shall only apply to the respective transaction.

The Client’s general terms and conditions shall only apply if EPILOG, d.o.o. has expressly confirmed them in writing for each individual case, and only in the confirmed scope. The confirmation shall be explicit and shall not be inferred on the basis of conduct implying intent (e.g., by confirming an order).

In line with the Personal Data Protection Act of the Republic of Slovenia and the relevant European legislation, EPILOG, d.o.o. declares that any personal data of the Client shall only be processed for the purpose of executing the Contract and ensuring support to the Client. Data transferred to third parties shall not exceed the extent of the intended purpose. By submitting an order, the Client shall also agree with the transfer of data to the electronic data processing system. In any event, EPILOG, d.o.o. shall implement measures as required by the applicable regulations with regard to personal data protection.

In the case that individual provisions of these Terms and Conditions are not valid, this is without prejudice to their legal validity in principle and to the validity of the other provisions in these Terms and Conditions. In such a case, the contracting parties shall come to an agreement that is as close to the invalid provision as possible.

## 2. DEFINITION OF TERMS

Contractor:	The company Epilog proizvodnja, trgovina in storitve d.o.o., registered office at Tehnološki park 22A, 1000 Ljubljana, Slovenia.
Client:	The Contractor’s customer, buyer or client, cooperating with the Contractor within the scope of carrying out their business activity.
Offer:	A definitive and, as a rule, binding offer drawn up by the Contractor, which serves as the basis for signing the Contract. The Offer forms part of the Contract.
Contract:	A contract between the Contractor and the Client in which the subject-matter and the terms and conditions of cooperation are set out for a specific project.
Software:	All software that is developed for and supplied to the Client by the Contractor and is the copyright work of the Contractor.
Standard Software:	Software by other manufacturers supplied by the Contractor or integrated as modules or operating systems in the Contractor’s own Software.

**Confidential Information:** Confidential Information means any data, regardless of their form (written or oral), obtained by the Client within the scope and as a result of implementing activities within a project, or disclosed by the Contractor to the Client with the intention of working on a project. Confidential Information represents a business secret. Confidential Information shall also comprise proprietary data and confidential data. Proprietary data means all data based on industrial property rights, including all trademarks, trade names, logos, and other distinguishing marks, as well as all confidential data of the Contractor. Confidential data are data relating to the Contractor's operation, including but not limited to the Contractor's know-how, manufacturing and technical documentation, computer programmes, business plans, prices, products, financial data, commercial and other contracts, as well as data specified as confidential by the Contractor, who shall inform the Client thereof, or data for which the Client should or could have foreseen that their unauthorised disclosure or transmission to third parties could cause damage to the Contractor.

### **3. SERVICES PROVIDED BY THE CONTRACTOR**

The Contractor is present in the market for the development and implementation of information systems in logistics. Within the scope of its activities, the Contractor provides the following services:

- development, delivery and sale of licences of its own Software,
- delivery and sale of Standard Software,
- implementation of the supplied Software,
- orientation and training of users at the Client's premises,
- maintenance and support of the Software,
- consultancy in the field of informatics in logistics,
- other services within the scope of carrying out its activities.

### **4. OFFERS AND CONTRACTS**

All contracts, orders and agreements are only legally binding when duly signed by the legal representative of the Contractor or by a person authorised in writing by the Contractor, and are only binding in the respective given scope.

In principle, Offers can be changed and are not binding for the Contractor unless so stated in the Offer itself. The Contractor's workers shall not submit statements departing from these Terms and Conditions unless they have been authorised to do so in writing by the Contractor's legal representative.

### **5. ORDER**

The Contractor shall provide services and potential supplies on the basis of the substance of a written order from the Client, where the latter refers to the number of a relevant Offer or proforma invoice. The Client's written order shall only be binding for the Contractor if it has been confirmed in writing by the Contractor.

An order placed by telephone shall only be valid in the case that the Contractor confirms the telephone order to the Client in writing.

In the case that the Client acts in contradiction to an order that has been confirmed or to a contract that has been concluded, in particular in the case of a delay in payment, it shall be considered that the Contractor has withdrawn from the order, unless expressly stated otherwise in writing.

Any potential subsequent requirements for changes and extensions of an order shall be agreed upon in writing. The Contractor shall be entitled to charge the Client for any additional costs incurred as a result of requests for changes and extensions of an order. In the case of such changes and extensions, the Contractor shall also be entitled to a postponement of the originally agreed deadlines.

By submitting a written order or signing a contract, the Client confirms that it has verified the Offer that is the subject of the order and that the services and supplies defined therein correspond to its

requirements. Services and supplies provided prior to having been specified in detail in an Offer, without an Offer, or in addition to an Offer, as well as services and supplies defined as “variable” in their description, shall be charged separately and in accordance with the actual time spent, unless agreed otherwise by both parties.

The Contractor hereby points out and explicitly refers to the fact that given the current state of technical development, it is not possible to create entirely faultless software. With regard to the software solutions created and/or supplied and/or implemented, the Contractor therefore informs the Client that their use in accordance with the user’s manuals, on the recommended hardware and system software, and in accordance with current good practice will bring the same results as the use of these software solutions in the test environment on the same hardware and with the same set of data.

## **6. CYBER SECURITY**

The Client shall be in charge of and responsible for appropriate infrastructure and for ensuring an appropriate level of IT infrastructure security (hardware and software). The Contractor shall not bear any responsibility for any cases of cyber-attacks or attempts thereof.

## **7. STANDARD SOFTWARE**

With Standard Software the Client shall obtain the right to use such software for the needs of its business activity in line with the provisions of the respective Standard Software manufacturer. The Contractor shall guarantee that the transfer to the Client of the right of use for the needs of the Client’s business activity is not contradicted by the rights of third parties. It shall be deemed that by ordering Standard Software the Client confirms that prior to the conclusion of the Contract, it familiarised itself thoroughly with the software’s functionality set.

In the case of Standard Software supply, or in the case that the Contractor’s Software incorporates modules or operating systems of other manufacturers, the Contractor shall not be responsible for the operation of and/or faults in such Standard Software or modules, or for faults resulting from such software.

For Standard Software, the warranty terms and guarantees provided by the manufacturers of such software shall apply, and the Client may only file claims against the manufacturer of the software in question.

## **8. PROJECT MANAGEMENT**

Project organisation corresponding to the size and complexity of the project, as well as appropriate project management, shall be unconditional prerequisites for the successful implementation of the relevant software solutions. The scope and content of the Contractor’s and Client’s services in the field of project management are determined in the Contract. If not otherwise agreed by the contracting parties, the provisions of the Offer and/or order shall apply.

Both contracting parties shall mutually and immediately inform each other of any circumstances that may significantly impede the progress of a project. This applies regardless as to whether these circumstances occur in their respective spheres of responsibility, or in a sphere of responsibility of the other contracting party or of third parties. In such a case, authorised representatives of the contracting parties shall decide unanimously on relevant measures in order to achieve the original project goal to the greatest possible extent.

Organisational concepts and programmes are drawn up with regard to the type and scope of binding information, documentation and tools made available to the Contractor by the Client. The Client hereby agrees to ensure that appropriately qualified (co)workers, devices, premises and/or other personnel or items will be available at the Client’s location on the dates agreed in advance. The Client shall meet all of its own costs associated with cooperation. The Client shall cooperate with the Contractor in drawing up functional specifications. The Client shall undertake to provide the Contractor with internet access to the Software supplied and all necessary infrastructure if this is required for the execution of the order or Contract.

In the event that the Software and/or any hardware supplied by the Contractor does not function as specified in the functional specification, or if the Contractor fails to provide its services in line with the functional specification, the Client shall take appropriate measures. In particular, the Client shall avoid causing damage or exasperating damage already incurred, shall protect saved data, continually check results as notified by the software, and determine and describe in detail any errors and faults occurring in the functioning of the Software or hardware, or in services provided by the Contractor. This data material shall be collected in such a way that it is written on computer-readable media and that it can be reconstructed at a relatively low cost.

The contracting parties mutually agree that in the period of the duration of this contract, they shall not exert influence on (co)workers of the opposing party to cease working for the opposing party, nor shall they initiate cooperation in any way with the (co)workers of the opposing party. In the case of a breach of this obligation, the parties shall agree on a flat-rate contractual penalty in the amount of the two-year gross income of the (co)worker in question, to be paid to the opposing party by the party that has exerted influence on the work of the (co)worker, or that has commenced cooperation of any kind with the (co)worker.

In order for the Contractor to be able to offer rapid support to the Client in the case of warranty, or any other support, a remote access system shall be set up. Each contracting party shall cover the related costs incurred in its own premises (for hardware, software, telephone connection, etc.). Authorised representatives of the contracting parties shall jointly decide on the type of technical solution and on relevant security aspects. If damage is caused to the Contractor or additional costs are incurred due to the unavailability of remote access for which the Client is responsible, such additional costs may be charged separately to the Client. The Contractor shall not be liable for any potential damage or loss resulting from the unavailability of remote access.

## **9. DELIVERY**

The date of delivery is considered to be the date of the start of production operation (“go-live”) of the system, i.e., the date when the final user starts working with the system. As of the date of delivery, the Client assumes responsibility for the risk of loss and damage.

## **10. PRICES, TAXES AND FEES**

Unless stated otherwise, all prices are stated in Euros (EUR) excluding VAT, and only apply to the individual respective order. Prices exclude the costs of supply, transport, insurance, and installation, or of any interventions carried out on the equipment at the Client’s premises, unless stated otherwise in the Offer.

The offer price shall be established on the basis of a special price list for the individual Client, which shall already include any possible rebate and discounts, or the price agreed upon with the Client on the basis of negotiations.

Received orders, confirmed by the Contractor, shall be fulfilled by the Contractor at the price that applied at the time of placing the order. The Contractor shall have the right to amend the prices in the case that the Client fails to order the services within the deadline foreseen by the proforma invoice or Offer. The Contractor shall also have the right to amend the price in the case of any changes made to the specified quantities, plans, infrastructure, or specific features, or in the case of other changes to the agreement between the Contractor and the Client.

In the event that in the period from submitting the order or concluding the Contract until the execution of the order, the factors affecting the pricing (e.g., costs of labour, energy or Standard Software) increase or decrease by more than 5%, the Contractor shall reserve the right to amend the price accordingly.

Any travel costs, daily allowances, costs of accommodation, bank guarantees, working visas, and any fees with regard to the Contract shall be charged to the Client separately. The Contract or the Offer shall specify the arrangement in detail, otherwise the usual norms in line with Slovene business practice shall apply.

## **11. DEADLINES AND THE RIGHT TO WITHDRAW**

The Contractor shall endeavour to comply with the agreed implementation deadlines as far as possible. The target implementation deadlines can only be respected if the Client fully completes the necessary works, hands over documentation, confirms the received functional specifications, and meets its obligation to cooperate.

Informative delivery periods shall be stated in the Offer and/or proforma invoice issued by the Contractor. The delivery period shall be determined jointly by the Contractor and the Client for each individual order.

The final delivery period shall be defined in the order confirmation sent by the Contractor to the Client. The Contractor shall be responsible to the Client for timely and accurate supply in the case that a written order sent by the Client has been confirmed in writing by the Contractor.

The Contractor shall not be responsible for delays in delivery and for price increases resulting from inaccurate, incomplete or subsequently amended data and information or documentation made available by the Client. Any costs incurred as a result of this shall be covered by the Client.

Either of the contracting parties may set the deadlines anew due to unpredictable and unexpected events, e.g., force majeure, natural disasters, shortfalls/delays of the suppliers of the respective parties.

## **12. PAYMENT**

Terms of payment shall be stipulated in the Offer. Payment is executed to the transaction account stated in the invoice and within the set payment deadline also stated in the invoice. The usual payment period is 15 days from the issuing of the invoice. Payment shall be deemed to be executed when the amount is in the Contractor's account.

In the case of delayed payments, the Contractor shall have the right to charge interest on late payment and to recover all costs incurred with regard to recovery of payment. Furthermore, the Contractor shall reserve the right not to fulfil or supply the remaining orders and/or parts of orders, and to do so without any obligations or consequences due to failure to fulfil a contractual obligation or obligations arising from Offers based on other open orders.

Respecting the agreed payment deadlines shall be a prerequisite for the Contractor to implement the supplies and/or fulfil the contracts.

In the event that the Client fails to respect payment deadlines, or if the Contractor learns of circumstances it deems likely to result in the reduction of the Client's creditworthiness, the Contractor may require advance payment for yet unfulfilled supplies. Payment is fulfilled with direct payment to the Contractor.

If several receivables are open towards the Client, the Client's payments shall be accounted for by the oldest respective receivable. Any costs incurred shall always be settled first, followed by interest and finally the principal amount receivable.

The Client may offset its liabilities towards the Contractor only with its own recognised and legally established receivables towards the Contractor. The Contractor shall retain the property right on the goods, products and documentation intended for the Client as the user until payment in full.

## **13. ASSIGNMENT OF RECEIVABLES, COMMUNICATIONS**

By accepting these Terms and Conditions, the Client shall undertake not to cede any receivable towards the Contractor without its prior written confirmation.

## **14. NOTIFICATIONS**

The contracting parties shall agree that email messages are also deemed to be made in writing.

## **15. COPYRIGHT AND RIGHTS OF USE**

The Client shall agree to respect all of the Contractor's intellectual rights.

All Software developed and supplied by the Contractor for the Client is a copyright work owned by the Contractor, and as such is protected by the Copyright and Related Rights Act of the Republic of Slovenia. Even if the Client cooperates in the development of Software, the Client shall not obtain any rights to this Software.

The Contractor shall be the sole owner and bearer of all intellectual property rights on supplies and implementations, and on all future adaptations, upgrades or adjustment, including but not limited to software, pictures, photographs, animations, video, audio, music, texts and additional project-related programmes, including the pertinent programme and user documentation.

Unless stipulated otherwise in the Contract, upon the payment of the last instalment of the contractual price, the Client shall obtain for the Software non-transferrable, non-exclusive permission to use the copyright work for the purpose of supporting logistics processes in the company of the end user for the period of duration of use of the Software as stipulated by the Contract. In the Contract, the parties shall define in detail any territorial limitation for the use of the Software.

The right to use (licence) described above shall not give the Client the right to copy, alter, or distribute the Software. The Software may not be rented, lent, leased, or used for further sale, nor may the Software, with its help and/or by way of reverse engineering, be used to offer or sell services to third persons. Any enabling of access to third persons to use the Software shall be excluded in line with the Copyright and Related Rights Act.

In the case of a breach of the intellectual property rights of the Contractor, and/or in the event that the services or Software are used contrary to the intended purpose of supply, the Contractor shall have the right to revoke all of the rights to the use of the services and/or Software, and to demand the recovery of costs, whereby in this case full compensation must be paid.

## **16. LIABILITY FOR DEFECTIVE PRODUCTS, GUARANTEE PERIOD**

The guarantee period for flawless operation of the installed Software shall be 1 (one) year from the date of its delivery. The Client shall use the Software with the diligence of a good businessperson and in line with the Contractor's instructions.

During the guarantee period, the Contractor shall, free of charge, eliminate all faults in the operation of the supplied Software and of any hardware supplied by the Contractor. Appropriate access to the server shall be a prerequisite for the aforementioned elimination of faults (in accordance with the agreed specification).

During the guarantee period, the Contractor shall test the Software free of charge, and, after having received notification of a fault in the operation of services accepted by the Client, eliminate the fault within the agreed deadlines. Functional operation of the Software that is not in line with the specifications defined in the Offer, or with specifications expressly agreed and confirmed in writing by the contracting parties at a later date, is deemed to be a fault that shall be eliminated by the Contractor free of charge within the guarantee or maintenance period.

In the case of doubt with regard to a Software fault, the rule shall apply that a Software fault is a fault that is also evident with the same application and the same data in another equivalent environment. We cannot speak of a Software fault if the problem occurs due to incorrect settings of hardware, unreliable operation of the operating system, a full disk, a physically damaged data file, the presence of a computer virus, tampering with the Software by an unauthorised person, inappropriate use of the Software package, irregular settings of the Software package by the user, natural disasters (flood, fire, earthquake, lightning, etc.), voltage surges, after moving or after the new installation of the Software on a different computer. If the Client mistakenly or without appropriate findings and documentation claims that there are deficiencies or faults, and if additional costs are thus incurred by the Contractor, such costs shall be charged separately.

The Client's grievance with regard to the warranty shall be terminated with the Client's interventions in, repairs or attempts to repair the equipment, and in the case that the equipment has been tampered with by an unauthorised third person. The Contractor shall provide consulting, support, elimination of faults and deficiencies for which the Client is responsible, as well as other changes and

alterations, against payment. This shall also apply to the elimination of faults in cases where the Client or a third person has altered, upgraded or tampered with the Software in any other way.

In the case that the Software supplied by the Contractor includes modules or operating systems of other manufacturers, the Contractor shall not be responsible for the operation of such software and/or for faults in the Software made by the Contractor caused by such software.

For hardware, Standard Software and other supplied goods, the warranty shall apply as offered by the supplier of the equipment or goods unless agreed otherwise. Any other agreement shall be concluded in writing.

The intervention response time shall respect the obligation to exercise best efforts. In the case that the Client wishes to shorten the intervention response time, a contract on maintenance and support can be signed between the Client and the Contractor, in which all conditions of servicing shall be agreed and their costs shall be reassessed for each Client individually.

The Contractor shall not take on any (additional) obligations with regard to maintenance of the Software or ensuring intervention stand-by duty. Any out-of-guarantee interventions shall be agreed upon on the basis of a maintenance and support contract.

## **17. MAINTENANCE AND SUPPORT**

Software development, on the one hand, and its maintenance and support, on the other, are two separate tasks. Acceptance of the Software may be followed by further consulting through maintenance and support.

A separate Offer shall be drawn up or a separate Contract shall be concluded for maintenance of the Software, warranty period extension, the provision of stand-by intervention, and the scope of services to be performed in this regard by the Contractor.

An Offer and/or a maintenance and support contract may be concluded for a period of 10 (ten) years. At the Client's request, maintenance and support can be extended for a further 2 (two) years, subject to the conclusion of a new maintenance and support contract, with which the terms of servicing shall be agreed and the costs shall be reassessed. The terms of servicing and the price may also change during the term of the contract, in the event of any change in quantities, plans, infrastructure, or specific features, as well as in the event of other changes in the agreement between the Client and the Contractor, or if factors affecting pricing (e.g., costs of labour, energy or raw materials) have changed.

After 12 (twelve) years following the acceptance of the Software, the Contractor shall no longer provide maintenance for the Software or provide updates ("End of Service").

## **18. CHANGED TERMS AND CONDITIONS**

In the event that circumstances arise after the signing of the Contract that make it difficult for the Contractor to fulfil its obligations arising from the Contract, or if, due to such circumstances, the purpose of the Contract cannot be achieved, in both cases to the extent that the order/Contract clearly no longer meets the expectations of the contractual parties, the Contractor may withdraw from the Contract without notice.

## **19. DATA PROTECTION AND CONFIDENTIALITY**

Both contracting parties shall agree not to disclose any information on their contractual agreements, or any inside information or information regarding the opposing contracting party gained due to their cooperation, to third parties for the period of the duration of the Contract or after its termination. Such information shall be protected and kept as a business secret. Specifications, sketches, schemes, calculations, formulas, instructions, lists, letters, minutes, contractual documents, and other data in material and non-material form shall also be deemed to be a business secret.



If there is a possibility that either party may suffer significant damage due to the disclosure of a business secret even after the expiry of the contractual relationship, the data shall continue to be kept confidential, and in any case shall remain confidential for a period of at least 5 (five) years after the termination of the contractual relationship. Any party disclosing a business secret shall be liable for material and non-material damages.

Termination of the contractual relationship for whatever reason shall not prejudice the rights and duties ensuing from this provision.

## **20. LIABILITY FOR DAMAGES**

The Contractor shall not be liable for the Client's loss of profit and/or other property and non-property damage. The above limitation of liability shall be annulled if damage is caused intentionally or due to gross negligence. In no case shall the Contractor be liable for damage exceeding the total amount paid to it based on the Client's order.

The Contractor shall not be liable for indirect loss. The Contractor shall not be liable for any loss of data. The Contractor shall not be liable for any loss suffered by the Client as a result of the Client's delays in meeting contractual obligations, in particular due to incorrect or inaccurate data, specifications, designs, or any other kind of information provided by the Client. Furthermore, the Contractor shall retain the right to demand compensation from the Client for any possible costs, loss or damage associated with the aforementioned factors. The Client shall undertake to ensure appropriate data protection and data backup.

The Contractor shall not be liable for any damage caused to the Client as a result of the conduct of a third party, or directly or indirectly through the Contractor (e.g., by introducing a virus into the system, sabotage, cyber-attack, etc.).

The Contractor and the Software shall not be liable for the safety of people and equipment. Safety functions must be ensured by the individual automation subsystems in all cases.

In no case shall the Contractor be liable for damages exceeding the amount received on the basis of the Client's order.

## **21. PLACE OF PERFORMANCE, TERRITORIAL JURISDICTION**

For disputes arising from this relationship, the competent court shall be the court of the Republic of Slovenia, the court in Ljubljana. If not agreed otherwise, the provisions of Slovene law of obligations applicable to business contracts shall apply exclusively to both parties, even in the case that the order is implemented outside the territory of Slovenia. The use of the UN Convention on Contracts for the International Sale of Goods is excluded.

## **22. APPLICABILITY**

These Terms and Conditions shall apply as of 1 April 2021.

