

# **General Purchasing Terms and Conditions of TÜV Rheinland Bulgaria EOOD**

(hereinafter referred to as "TR Bulgaria")

## **1. General Matters / Scope of Validity**

- 1.1. The following terms and conditions apply exclusively to all purchases of both products and services (hereinafter collectively referred to as "services") made by TR Bulgaria.
- 1.2. TR Bulgaria does not recognize any terms and conditions of the company being commissioned to perform the services by TR Bulgaria (hereinafter referred to as "the Supplier") that contradict these Purchasing Terms and Conditions in full or in part, unless TR Bulgaria has expressly agreed to their validity in writing.
- 1.3. The present General Purchasing Terms and Conditions of TR Bulgaria will still apply if TR Bulgaria unconditionally accepts services knowing that the company has contradictory terms and conditions.

## **2. Scope of services**

- 2.1. The scope of the services to be performed by the Supplier is determined in accordance with the corresponding TR Bulgaria's order from or the individual agreement in question.
- 2.2. The Supplier is responsible for the supervision, monitoring and inspection of the performance of services, as well as for the organisational integration into TR Bulgaria's operating process.
- 2.3. The Supplier confirms that it has received detailed information on the nature and scope of the service(s) agreed to in the assignment and therefore it is not possible for any additional receivables to be claimed as a result of a lack of knowledge.

## **3. Delivery of goods, packaging and transportation**

- 3.1. The delivery will take place DDP (in accordance with Incoterms 2015) to the address stated in TR Bulgaria's order. If no address is stated in the order, the delivery will be made to the following address: TÜV Rheinland Bulgaria EOOD, 23A Dragan Tsankov Blvd., 1113 Sofia, Bulgaria.
- 3.2. The goods are to be properly packed and identified and must reach their destination by the most suitable means of transportation possible in a defect-free state.
- 3.3. The Supplier will be liable for damages that are caused as a result of insufficient packaging or inappropriate transportation.

## **4. Service period and delay**

- 4.1. Services by the Supplier take place at the agreed time or within the agreed time frame.
- 4.2. If for some reason, for which the Supplier is responsible, the Supplier does not adhere to the deadlines, TR Bulgaria will be entitled to request a contractual penalty of 0.20% of the total price for the order in question for each day of delay. This contractual penalty is limited to 3% of the total price for the order in question for each contractual breach from the part of the Supplier in connection with the stipulations in clause 4.1. The contractual penalty will be due immediately without any reminder being necessary and without any effect on any of TR Bulgaria's other legal rights, including the right to require the performance of the agreement or compensation from the Supplier. The contractual penalty will be offset against any claims to compensation from TR Bulgaria.

- 4.3. As soon as the Supplier knows or does not know in a grossly negligent manner that the deadline for the service cannot be met at all or will be delayed or that the service will not be performed in accordance with the order, it must inform TR Bulgaria of this immediately in writing, stating the reasons hereof. Without any impairment of TR Bulgaria's rights as a result of this breach of contract, the contractual parties will decide together whether and how the situation that has occurred can be resolved to the satisfaction of TR Bulgaria.
- 4.4. Agreed service times or service periods are binding.
- 4.5. Irrespective of this, the Supplier will in any case inform TR Bulgaria in writing of the precise actual service date not later than 3 business days before the performance of the corresponding service(s). The information must include the order number.
- 4.6. If the Supplier delivers goods to TR Bulgaria, it will be obliged to state the name of the requester at TR Bulgaria and the TR Bulgaria order number on a label that must be attached to the exterior of the packaging. In addition the Supplier will be obliged to state the following information (if known) on a label that must be attached to the exterior of the packaging.
- Brief description of the product
  - Number of items per box or package
  - Barcode of the number of items per box or package (EAN128)
  - Serial number of the product
  - Barcode of the serial number (EAN128)
  - Weight of the box or package
  - Country of origin
  - Delivery or production date
  - Name and address of the supplier
  - All additional information required under any national or international law

## **5. Inspection for defects in delivered goods**

- 5.1. TR Bulgaria will inspect the goods after delivery for obvious or easily discernible defects.
- 5.2. If TR Bulgaria determines that there is a defect, TR Bulgaria will notify the Supplier of this within ten (10) business days
- (a) of delivery, if a defect of this kind is obvious or easily discernible at the time of delivery
  - (b) immediately after it is discovered, if the defect is only discovered later, e.g. when unpacking, when installing, or at the time when the product is used for the first time.
- 5.3. If a notification is made about goods in accordance with clause 5.1, the risk for the defective products will be transferred to the Supplier when it receives the notification. Depending on the particular case, the Supplier must either repair or replace the defective goods within the corresponding legally defined terms. In both above mentioned cases the Supplier will bear any and all costs connected to either the repair of goods or their replacement.

## **6. Transfer of ownership**

Ownership and risk with regard to the delivered goods will be transferred to TR Bulgaria when the delivery is fully performed in accordance with clause 3.1.

## **7. Amendment procedure**

- 7.1. If TR Bulgaria would like to make an amendment to the services ("Amendment"), it must send a written amendment order ("Amendment Order") to the Supplier. The Supplier will then submit a calculation of the price deviations caused by the amendment together with any suggestions for modification of the amendment order. TR Bulgaria may decide at its own discretion whether the suggested amendments should be made. The amendment will be

performed after written notification from TR Bulgaria. If this is not provided, the Supplier will continue to perform the services as originally agreed.

- 7.2. The Supplier may not make any amendments to the services without a prior written approval from TR Bulgaria.

## **8. Retention of title to materials provided by TR Bulgaria**

- 8.1. All materials, parts, containers and special packaging provided by TR Bulgaria will remain the property of TR Bulgaria. Processing or alteration by the Supplier will be performed on behalf of TR Bulgaria. If goods subject to retention of title by TR Bulgaria are processed with other items not belonging to TR Bulgaria, TR Bulgaria will acquire joint ownership of the new items in line with the ratio of the value of its item to the other processed items at the time of the processing.
- 8.2. If goods subject to retention of title by TR Bulgaria are indivisibly mixed with other items not belonging to TR Bulgaria, TR Bulgaria will acquire joint ownership of the new items in line with the ratio of the value of its item to the other processed items at the time of the mixing.

## **9. Cooperation**

- 9.1. The parties will cooperate in a trusting manner and will inform each other immediately of deviations from the agreed procedure or if there are doubts relating to whether the manner of proceeding is correct.
- 9.2. If the Supplier realises that its own information and requirements are defective, incomplete, unclear, or infeasible, it must inform TR Bulgaria of this and the consequences discernible to it immediately.
- 9.3. Each of the parties will name a contact person who will be responsible for the performance of the contractual relationship.
- 9.4. The parties must inform each other immediately of any change in the person names. Until a notification of this kind is received, the contact named previously and/or the contact's representative will be entitled to submit and receive declarations within its previous power of representation.
- 9.5. The parties will review at regular intervals the progress and hindrances in the performance of the agreement, in order to be able to intervene in directing the performance of the agreement.

## **10. Payment and invoicing**

- 10.1. The agreed payment can be found in each order from TR Bulgaria or in the individual agreement concluded between the parties.
- 10.2. The payment in accordance with clause 10.1 will include all additional costs, expenses and outlay by the Supplier, unless other arrangement is expressly made in an individual agreement.
- 10.3. If reimbursement for travel and additional costs is agreed in the individual agreement, reimbursement will only be made in exchange to the submission of detailed individual accounts.
- 10.4. Invoicing must take place within 90 days of completed delivery/service.
- 10.5. The service performed is to be documented by executing a bilateral protocol of performance to be signed by duly authorized representatives of the parties.
- 10.6. Unless there are written agreements stating differently in place, the payment will be made within thirty (30) business days of receipt of the invoice issued by the Supplier in accordance with clause 10.8.

- 10.7. The payment will be made by bank transfer or by other means at the discretion of TR Bulgaria.
- 10.8. The invoice must meet the legal requirements of the Accountancy Act, the Value Added Tax Law as well as any other applicable legal stipulations in force on the territory of Republic of Bulgaria and state the order number and the requester at TR Bulgaria.
- 10.9. TR Bulgaria will have the right to offsetting and retention in line with the regulations of the Obligations and Contracts Act as well as in compliance with any other applicable legal act of Republic of Bulgaria.

## **11. Warranties and additional remedies**

- 11.1. The Supplier guarantees that delivered goods will meet the contractual agreements and specifications as well as will comply with any particular purpose for acquiring these goods thereby stated by TR Bulgaria.
- 11.2. This guarantee will remain in place for the legal warranty period.
- 11.3. The Supplier guarantees that the goods meet all legal requirements and regulations in both Bulgaria and EU as well as meet the safety, quality and environmental requirements that are standard in the industry at the time the delivery is made.
- 11.4. The Supplier guarantees that services will be performed on time, competently and professionally, in accordance with the relevant agreements and will satisfy the strictest standards of the industry in question that are valid at the time the service are performed.
- 11.5. The Supplier is aware that the timely performance of services at a high level of quality is of decisive importance to TR Bulgaria.
- 11.6. Otherwise, TR Bulgaria will be entitled to full legal claims in case of defects in the services performed by the Supplier and the legal periods of limitation will apply.
- 11.7. At its own discretion TR Bulgaria may request from the Supplier a directly enforceable, unconditional and irrevocable guarantee from a major Bulgarian bank or a major international bank, approved by TR Bulgaria, at the expense of the Supplier, figuring out at 5% of the total order value, in order to guarantee adherence to the Supplier's guarantee obligations.
- 11.8. The Supplier guarantees that it will support TR Bulgaria in order the latter to adhere to all applicable national or international laws without any limitation and at no additional cost to TR Bulgaria.
- 11.9. If the Supplier delivers goods for which replacement parts and/or consumable items could be needed, the Supplier guarantees that it is in a position to supply replacement parts and consumable items for the these goods for a period of at least 5 years.

## **12. Intellectual property rights**

- 12.1. All service results in connection with the Supplier's activity within this agreement, in particular also further developments and improvements of processes and methods developed by TR Bulgaria, will be the exclusive property of TR Bulgaria.
- 12.2. If service results are capable of being protected, the Supplier grants TR Bulgaria a non-exclusive, transferable, free, irrevocable, worldwide right of use with no time limitation.
- 12.3. Supplier is not entitled to claim compensation for the right of use. These have already been settled by the payment agreed for the service.
- 12.4. The Supplier guarantees that goods that it delivers are its own original developments or have been legally acquired and that its services do not breach any industrial property rights whatsoever or any other third party rights.
- 12.5. The Supplier will indemnify and hold TR Bulgaria harmless against any third party claims for breach of intellectual property rights, including trademark, patent, and copyrights, and will also

compensate TR Bulgaria for any damages that it incurs in the form of damages or expenses (e.g. the costs of legal proceedings).

- 12.6. If a claim is made in accordance with clause 12.5 or TR Bulgaria is justified in assuming that a claim could be made in the future, the Supplier must ensure at its own expense so that either TR Bulgaria obtains the rights to continue using and exploiting the services performed or to replace or modify the services in such a way that there is no longer a breach in place. The services replaced or modified in this way must be approved by TR Bulgaria.

### **13. Performance of services**

For services for TR Bulgaria or its customers performed by the Supplier on site in TR Bulgaria's premises or (virtually) from another location via the TR Bulgaria IT network, the following additional terms and conditions will apply:

- 13.1. During the performance of these services, the employees, contractors, or advisors ("Staff") of the Supplier must meet the requirements of TR Bulgaria and, if there are no requirements of this kind in place, must meet the general requirements for professional competence and expertise in the sector in question. If the Staff is insufficiently qualified for the performance of the services, TR Bulgaria will have the right to require the removal of this Staff.
- 13.2. The Supplier must provide all materials and equipment, including tools, as required for the performance of the services.
- 13.3. TR Bulgaria will be entitled to perform an inspection of the materials and equipment used by the Supplier for the performance of the services and to determine the identity of the entire Staff employed by the Supplier in the fulfilment of the agreement. The Supplier guarantees that the entire Staff is in a position to identify itself at any time with identification papers.
- 13.4. If, when inspecting the materials and equipment used by the Supplier for the performance of the services, TR Bulgaria justifiably rejects them either in part or in full, the Supplier will be obliged to replace the rejected materials and equipment immediately.
- 13.5. If services are performed in TR Bulgaria's premises or in the premises of TR Bulgaria's customers, the Supplier must familiarize itself in advance with the situation on site where services are to be performed if this may have an influence on the performance of the contractual obligations. Any costs stemming in connection with the aforementioned familiarization will be born by the Supplier solely.
- 13.6. TR Bulgaria will be entitled to equip the Staff of the Supplier with the necessary identification signs required for access for the time it will spend in TR Bulgaria's premises or its customer's premises in accordance with the relevant internal regulations.
- 13.7. The Supplier must ensure that its presence and the presence of its Staff in TR Bulgaria's premises or its customer's premises impedes the uninterrupted working processes of TR Bulgaria and of third parties to the smallest possible extent.
- 13.8. The Supplier and its Staff must familiarize themselves with the content of the regulations and policies for TR Bulgaria's premises or those of its customer. This will also include among other things the regulations and policies on IT security, general conduct, general safety, health and the environment protection. The Supplier will ensure that its Staff adheres to the regulations and policies listed under the present clause 13.8.
- 13.9. TR Bulgaria may require that the Staff of the Supplier and of the Subcontractors working on behalf of the Supplier (with the approval of TR Bulgaria) sign individual adherence declarations.
- 13.10. The Supplier alone is responsible for the proper remuneration of its Staff as well as for the payment to the responsible authorities of any taxes, social security charges as well as any other costs connected with the employment of its Staff. The Supplier will indemnify TR Bulgaria at all times with regard to any receivables of this kind claimed by any third parties as a result of unpaid or insufficiently paid wages, taxes or other contributions legally due by the Supplier.

13.11.

- a) In the event of violation of the aforementioned obligations by the Supplier or by its Subcontractors, TR Bulgaria shall be entitled to an immediate special right of termination of the contracts existing between the Supplier and TR Bulgaria.
- b) The Supplier shall fully exempt TR Bulgaria from any third party claims, obligations to third parties, costs of legal defence as well as all fines which accrue to TR Bulgaria from a committed or claimed violation of any of the obligations under the present clause 13. by the Supplier or by a Subcontractor hired by it.
- c) The Supplier undertakes to inform TR Bulgaria immediately of any claims by any third parties as well as of the commencement of any legal proceedings against the Supplier or against one of the Subcontractors hired by it in connection with the performance of services and work for TR Bulgaria.

13.12. The Supplier shall ensure that its Staff as well as the Staff of its Subcontractors has valid all necessary permits and licences.

#### **14. Storage and return of documentation**

14.1. The Supplier will be obliged to store all business and operational documentation with which it is provided properly and in particular to ensure that such documentation cannot be viewed by third parties. Throughout the term of the contractual relationship, the documentation made available must be returned to TR Bulgaria upon request, after the end of the contractual relationship it must be returned to TR Bulgaria immediately and without any request from TR Bulgaria.

14.2. The Supplier will not be entitled to exercise any rights of retention with regard to the documentation as defined in clause 14.1.

#### **15. Acceptance of services**

15.1. Whether TR Bulgaria performs an acceptance depends on the type of service to be performed.

15.2. TR Bulgaria must inspect the product delivered by the Supplier with the participation of the Supplier (performance of tests and demonstrations, etc.)

15.3. The fulfilment of the service features must be proved in accordance with determined acceptance criteria (acceptance test).

15.4. Upon the acceptance a bilateral protocol of performance is to be executed and signed by duly authorized representatives of the parties, which will confirm the compliance of the agreed service. A list of the defects determined during the acceptance will be attached. Any defects that remain after acceptance will be corrected under the guarantee in accordance with a schedule to be drawn up together by both parties.

15.5. If no defects have been found during the acceptance TR Bulgaria will accept the services under the contract for services immediately after the successful acceptance test.

15.6. If the Supplier does not manage to provide proof of the agreed service features by the final deadline or, if necessary for reasons for which it is at fault, within an appropriate grace period given by TR Bulgaria, TR Bulgaria may withdraw from the agreement in full or in part after the expiry of the grace period.

15.7. TR Bulgaria retains the right to raise claims for defects that have been fraudulently concealed by the Supplier within a period of 3 years from the time of acceptance.

#### **16. Subcontractors**

The awarding by the Supplier of subcontracts to third parties (Subcontractors) is not permitted unless expressly otherwise agreed in an individual agreement.

## **17. Liability**

- 17.1. The Supplier will be liable within the legal regulations.
- 17.2. The Supplier will also be obliged to indemnify and hold TR Bulgaria harmless against any third party claims to compensation for damages upon its first request, if the cause is within the Supplier's area of control and organisation and the Supplier itself is liable to the claiming party.
- 17.3. The Supplier must insure itself appropriately against all liabilities mentioned in this clause and is obliged to allow TR Bulgaria to view the insurance policy if necessary. Claims to compensation for damages by TR Bulgaria are not limited to the sum insured in each case.

## **18. Confidentiality**

- 18.1. "Confidential information" in the sense of these General Purchasing Terms and Conditions is all information, documents, images, diagrams, expertise, data, samples, and project documentation surrendered, transferred or otherwise disclosed by TR Bulgaria to the Supplier during the term of the assignment or the agreement between TR Bulgaria and the Supplier. This also includes copies of this information in paper and electronic form.
- 18.2. All confidential information that is transmitted or otherwise made available in accordance with these General Purchasing Terms and Conditions by TR Bulgaria to the Supplier:
  - a) May only be used by the Supplier for the fulfilment of its contractual obligations to TR Bulgaria, unless there is an expressly deviating written agreement with TR Bulgaria in existence,
  - b) May not be duplicated, distributed, published or passed on in any way by the Supplier,
  - c) Must be treated in a confidential manner by the Supplier, in the same way that the Supplier also treats its own confidential information, in any case at least not less carefully than in accordance with the objectively necessary level of care.
- 18.3. The Supplier will only make the information disclosed to it by TR Bulgaria accessible to the employees who need it for the performance of services as part of the agreed performance of services for TR Bulgaria. The Supplier will ensure that these employees enter into an agreement to maintain confidentiality to the same extent as that determined in these General Purchasing Terms and Conditions.
- 18.4. The obligation listed in clause 18.2 will not apply to any confidential information if the Supplier is able to prove that:
  - a) The information was already generally known at the time of publication or became known to the general public without any breach of these General Purchasing Terms and Conditions, or
  - b) The Supplier received the information from a third party, who was entitled to pass on the information to the Supplier, or
  - c) The information was already in the possession of the Supplier before it was transmitted by TR Bulgaria, or
  - d) The Supplier developed the information independently irrespective of its transmission by TR Bulgaria.
- 18.5. Any confidential information whatsoever disclosed by TR Bulgaria remains sole property of TR Bulgaria.
- 18.6. The Supplier hereby agrees that, upon request by TR Bulgaria at any time during the performance of the services and without a separate request from TR Bulgaria after the end of the assignment or the individual agreement, it will immediately (i) return all confidential information, including all copies of it to TR Bulgaria or, at TR Bulgaria's request, (ii) destroy the confidential information, including all copies of it, and confirm this destruction to TR Bulgaria in writing.

- 18.7. This confidentiality obligations will enter into force after the commissioning of the Supplier by TR Bulgaria or upon conclusion of an individual agreement between TR Bulgaria and the Supplier.
- 18.8. The Supplier will not make the confidential information available to any third party for a period of 5 years after the end of the Agreement nor will it exploit the confidential information itself.
- 18.9. The eventual assignment or agreement concluded with TR Bulgaria will not result for the Supplier in any express or implied assignment or granting of authorisations or rights by TR Bulgaria to patents, registered designs, design patents, draft applications, copyrights, templates or trademarks or their utilisation.
- 18.10.
- (1) The Supplier will be obliged to pay a contractual penalty of EUR 50,000.00 for each case of breach of this confidentiality obligation.
  - (2) Each individual violation will be considered a separate breach. The defence of continuation of offence is excluded.
  - (3) TR Bulgaria reserves the right to make claims for further compensation for damages resulting from any confidentiality violations committed by the Supplier. The contractual penalty, however, will be offset against any claims for compensation for damages.

## **19. Data protection**

The Supplier must adhere to the data protection regulations valid at the time of delivery, irrespective of the areas that the delivery is made from and to.

## **20. Right to termination**

- 20.1. Both contractual parties will have the right to terminate the contractual relationship on important grounds with a 20 business days notice.
- 20.2. TR Bulgaria may terminate the agreement without notice if the Supplier becomes insolvent, insolvency proceedings are initiated against it, or if corresponding procedural applications were rejected because of lack of volume to cover the costs, or if other important grounds for termination are found by TR Bulgaria.
- 20.3. Termination must take place in writing in order to be effective.
- 20.4. In any case of termination the Supplier will be paid for the goods and services already delivered and accepted by TR Bulgaria at the moment of termination and will not have any rights for other indemnification.

## **21. Export control**

The Supplier guarantees that the services comply with all applicable export control laws and regulations of the European Union, the United States of America and the United Nations.

## **22. Environment**

- 22.1. The Supplier must meet in full the environmental regulations in accordance with the Bulgarian and European law, including, but not limited to EU Directive 2002/95/EC "Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment ("RoHS Directive") and the Waste Management Act of Republic of Bulgaria.
- 22.2. The Supplier will provide TR Bulgaria with all necessary environmentally relevant information on the products purchased from it.
- 22.3. The Supplier will provide TR Bulgaria with all necessary information relating to the packaging data as well as to the disposal of the products purchased from it.



- 22.4. The Supplier guarantees that all goods that it delivers meet the requirements of the RoHS Directive and the Waste Management Act of Republic of Bulgaria accordingly.
- 22.5. The Supplier must compensate TR Bulgaria for all damages and expenses (including costs for legal proceedings) and for claims by third parties relating to a breach of the RoHS Directive, the Waste Management Act of Republic of Bulgaria as well as any other applicable environmental regulations by the Supplier.
- 22.6. In case of an environmental accident or environmental pollution caused by the Supplier, the Supplier must inform TR Bulgaria of this and take appropriate measures for dealing with the accident or pollution. The Supplier will also do its best to prevent another similar accident or similar pollution.

## **23. Compliance**

- 23.1. TR Bulgaria is a part of TÜV Rheinland AG, which is a member of UN Global Compact, and TR Bulgaria will adhere to the principles laid down therein. TR Bulgaria expects without limitations from the Supplier that it will also comply with and adhere to the principles of the UN Global Compact (for further information, see [www.unglobalcompact.org](http://www.unglobalcompact.org)).
- 23.2. The Supplier states that it will adhere to the following basic principles listed in clauses 23.2 to 23.18 within its contractual relationship with TR Bulgaria.
- 23.3. The Supplier will adhere to all valid laws and regulations in Bulgaria and if the services are not performed for TR Bulgaria in Bulgaria the valid laws and regulations of the country in which the service recipient has its legal headquarters.
- 23.4. In doing so, the Supplier will adhere to the highest known standards, including the applicable specifications for manufacture, pricing, sale, and distribution.
- 23.5. The Supplier guarantees that it will protect the basic rights of children and that it will not exploit any child labour. All of the Supplier's employees must have reached the minimum age in accordance with the national law at the place of employment. The Supplier also guarantees that it will not exploit forced labour nor will it use any other kind of involuntary labour.
- 23.6. The Supplier guarantees that it treats its employees with dignity and respect and does not use corporal punishment, threats of violence or other forms of physical, sexual, psychological or verbal force against them.
- 23.7. The Supplier guarantees that it does not discriminate against its employees in any way, nor does it tolerate such discrimination. In particular, the Supplier will not discriminate between its employees by means of its recruitment practices and personnel management on the basis of nationality and origin, religion, age, social or ethnic background, sexual orientation, gender, political views, or disability. This relates but is not limited to salaries, bonus payments, promotions, disciplinary measures and the termination of employment relationships.
- 23.8. The Supplier respects the right of the employees to enter into associations / organisations and into collective negotiations in accordance with the applicable law as well as the right of the employees to communicate with the Supplier's management openly and without reprisals about their working conditions.
- 23.9. The Supplier will provide its employees with a safe workplace that complies with all pertinent health and safety laws and regulations. As a minimum, appropriate access to drinking water and sanitary installations, fire safety and sufficient lighting and ventilation must be guaranteed.
- 23.10. The Supplier accepts that wages make an essential contribution to satisfying the basic needs of employees. The Supplier will adhere to at least all of the wage and working time laws and work guidelines applicable at the place of performance. This includes laws and guidelines on minimum wages, overtime, maximum working hours, piece rates, and other components of compensation.
- 23.11. The Supplier will ensure that its employees receive compensation in addition to their wages for the contractually agreed working hours for their overtime. This compensation will

correspond to the national laws of the country of performance. If there are no legal regulations on this there, the overtime compensation will be at least equal to the level for regular working hours.

- 23.12. The Supplier will adhere to all applicable environmental laws, regulations, and guidelines. Where possible, environmentally friendly products or fair trade products will be offered and treated as equal to products with conventional pricing.
- 23.13. The Supplier will refrain from:
- (a) Offering or granting money, gifts, trips, or other benefits to employees, brokers, representatives and contractors of TR Bulgaria or third parties who have business relationships with TR Bulgaria,
  - (b) Offering contractors or their associates monetary or other benefits,
  - (c) Transferring or using money from illegal and immoral business transactions or in order to conceal their original source (money laundering) or using money whose origin it is not able to document or whose sources are in doubt.
- 23.14. The Supplier will ensure by means of legally compliant measures that its employees and staff members do not cause any damages to TR Bulgaria by means of embezzlement, fraud, theft, damage or destruction.
- 23.15. The Supplier must disclose conflicts of interest of any kind (as a result of participations or performance of services for competitors of TR Bulgaria) in a timely manner.
- 23.16. The Supplier will not employ any subcontractors for the manufacture of its products who do not adhere to the basic principles described in clauses 23.3 to 23.15.
- 23.17. Making false, misleading or manipulative statements in connection with tendering and contract award procedures, as well as in the performance of services, is a criminal offence that TR Bulgaria will be entitled to report immediately to the authorities.
- 23.18. If the regulations listed in clauses 23.3 to 23.17 are breached by the Supplier, this will constitute important grounds for termination of its assignment by TR Bulgaria without notice in accordance with clause 20.2.
- 23.19. TR Bulgaria will be entitled to have audits performed, including on the Supplier's premises, in order to ensure that these basic principles are followed. In this process, it is sole responsibility of each individual Supplier to guarantee adherence to the principles and rules stated here in clause 23.
- 23.20. In connection with these audits relating to these requirements, the Supplier will allow TR Bulgaria and its representatives unlimited access at any time to its business premises and access to all relevant records. TR Bulgaria will be granted access even without prior notice.

## **24. Force majeure**

If work is interrupted for TR Bulgaria or its client, in particular as a result of strike, lockout, short time work, system failures, or other cases of force majeure, TR Bulgaria can request an interruption in the Supplier's work without incurring additional costs for TR Bulgaria.

## **25. Applicable law, and arbitration**

- 25.1. The Bulgarian substantive law shall apply and govern all relations between TR Bulgaria and the Supplier.
- 25.2. All disputes between the parties shall be settled in a spirit of goodwill and by mutual agreement. If this proves impossible, all disputes, including the disputes concerning or related to the interpretation, invalidity, implementation or termination of each individual agreement between TR Bulgaria and the Supplier shall be decided by the competent civil court, under the rules of jurisdiction laid down by the Civil Procedure Code of Republic of Bulgaria. The language of the proceedings shall be Bulgarian.

## **26. Miscellaneous**

- 26.1. Additions and alterations to these General Purchasing Terms and Conditions including this stipulation must be made in written form in order to be effective.
- 26.2. If a stipulation of the present General Purchasing Terms and Conditions is fully or partially legally invalid or infeasible or if it later loses its legal validity or feasibility, this will not affect the validity of the other stipulations of these General Purchasing Terms and Conditions. The same will apply if it becomes apparent that the General Purchasing Terms and Conditions contain loopholes. In lieu of an invalid stipulation or a stipulation incapable of implementation or for the purpose of closing the loophole, an appropriate stipulation will be applied that, to the extent permitted by law, most closely reflects the intended meaning and purpose of the respective stipulation.