

## GENERAL TERMS AND CONDITIONS OF PROCUREMENT OF KLIMAOPREMA d.d.

### Introduction

These General Terms and Conditions of Procurement (hereinafter: General Terms and Conditions) apply to purchase orders and procurement contracts of Klimaoprema d.d. (hereinafter: the Contracting Authority). The following implies the equivalence of the contract and the purchase order, and all terms and conditions apply to both types of documents and forms of contracting a business relationship.

The General Terms and Conditions apply to the procurement of equipment, materials, products (hereinafter: goods), provision of services and/or performance of works for the needs of the Contracting Authority, unless the procedure and terms and conditions of procurement are otherwise regulated by special regulations applicable to project procurement and/or specific circumstances of individual Departments of the Company.

By accepting the order or signing the contract, these General Terms and Conditions shall become an integral part of the order and/or contract and apply to the relations between the Contracting Authority and the Supplier. In case of departure from the General Terms and Conditions in the contracts/purchase orders, the provisions in the contracts/purchase orders shall apply.

These General Terms and Conditions shall prevail over the general or special conditions of the Supplier or exclude them in their entirety. The General and Special Terms and Conditions of the Supplier shall be binding for the Contracting Authority only in the event of an explicit written agreement.

Individual terms and names for the purposes of these General Terms and Conditions:

- "supplier" shall mean a legal or natural person who, on the basis of a contract/purchase order, delivers services, goods and/or works for the needs of the contracting authority;
- "purchase order" shall mean a written order of goods, works and/or services from the Supplier, which must at least contain data on the Contracting Authority, the number and date of issue, data on the Supplier, the subject of procurement, quantity, price (if any), the required delivery time, the agreed deadline and terms of payment, the bid number (if any) and the delivery parity;
- "contract" shall mean a written agreement for the procurement of goods, works and/or services from the Supplier, consisting of these General Terms and Conditions and additional special contractual terms and conditions, if applicable. The Contract shall be binding for the Contracting Parties only if it is signed by both Contracting Parties.

Both the purchase order and the contract shall represent a contractual relationship concluded in writing between the Contracting Authority and the Supplier, on the basis of which the Supplier shall perform the ordered or agreed services/works/goods for the needs of the Contracting Authority, and the Contracting Authority shall pay the price to the Supplier for them.

The Contracting Parties shall exchange the signed copy of the purchase order/contract exclusively by e-mail in .pdf format (signed by electronic signature, or as a scan of the originally signed document) and such delivery shall be deemed proper, and such a purchase order/contract shall be considered as the original.

By making a statement as part of the bid or by signing/accepting the contract/purchase order, the Supplier declares that they are familiar with the contents of these General Terms and Conditions of Procurement, that they are clear and understandable to them and that they fully accept them.

### Bid and conclusion of contracts / purchase orders

The bids shall correspond to the query of the Contracting Authority; their preparation is free of charge and not binding for the Contracting Authority. The proposed price list shall be charged only with an explicit prior agreement.

The Contracting Authority shall procure the goods/works/services through a written order (including electronic communication) in the form of a purchase order or contract.

The Supplier shall check each purchase order received from the Contracting Authority to ensure that there are no obvious errors, ambiguities and omissions or that the specifications selected by the Contracting Authority are appropriate for the intended purpose. In the event that the purchase order

contains such errors, omissions or incorrect specifications, the Supplier shall immediately notify the Contracting Authority of any necessary changes or clarifications to the purchase order.

The Supplier shall confirm each purchase order and/or modified purchase order no later than within 4 working days of receipt of the order unless the Contracting Authority has indicated a different acceptance deadline on the purchase order. Acceptance shall be deemed as written acceptance of the Supplier on the standard company paper with a letterhead, the e-mail of the Supplier on the acceptance of the purchase order sent from the official e-mail addresses of the Supplier or the signature of the Supplier on the purchase order issued by the Contracting Authority.

If the Supplier, after the expiration of the deadline defined in these General Terms and Conditions or the deadline specified on the purchase order, fails to accept the order or delivers the goods without an explicit acceptance of the order, the Contracting Authority shall be entitled to refuse such acceptance of the order or delivery.

By accepting the purchase order, it is deemed that a contract has been concluded between the Contracting Authority and the Supplier. Any verbal agreements that precede the sending of the purchase order and that are not included in the purchase order or contract shall not be binding for the Contracting Authority.

In exceptional cases, the Contracting Authority shall be entitled to require changes to the goods/services/works that are the subject of the procurement even after the conclusion of the contract/acceptance of the purchase order, provided that the Supplier can be reasonably expected to make such changes. Such changes to the contractual relationship shall take into account the effect of the requested changes on both Contracting Parties, in particular the increase or decrease in costs and the effects on the agreed delivery time. The Supplier shall not be entitled to an increase in the price or a change in the agreed deadlines for the delivery of goods or the provision of services, if, when accepting the requested changes, it did not inform the Contracting Authority about the increase in the price or the extension of the deadlines and the Contracting Authority accepted the increase in the price and the extension of the deadlines.

Amendments to the contract/purchase order shall have legal force only if agreed in writing, and any verbal agreements or any verbal statements of the representatives of the Contracting Parties shall have no legal significance or be binding for either Contracting Party.

In the case of concluding contracts for the procurement of indicative quantities of goods, services and/or works, until the order has been confirmed by written acceptance of the Supplier, the Contracting Authority shall be entitled to revoke the order without giving reasons. The revocation of the order shall be considered timely if it was sent before the acceptance of the order.

In certain cases, the Contracting Authority may request a bid guarantee in the event that the Supplier does not withdraw its bid within the validity period thereof, refuses to sign the Procurement Contract or fails to provide a performance guarantee, which the Contracting Authority defines in the bid submission query.

If in an individual case the Supplier has to reimburse the costs of third parties, these shall be specified in the bid, with the specification of each item by quantity and unit and total prices.

### **Price**

The price of goods/services/works (hereinafter: the Price) shall be deemed an essential item of the contract and/or the purchase order. The price shall be determined by the bid or price list of the Supplier explicitly accepted by the Contracting Authority and is an integral part of the purchase order and/or contract.

All related costs, fees, levies (excluding VAT), or all other expenses that may arise during the performance of the contract/purchase order, including storage or maintenance costs until the date of delivery, shall also be included in the price.

The unit/total price shall not contain the calculated amount of VAT, but shall be separately calculated and specified on the bid and invoices issued by the Supplier to the Contracting Authority on the date of incurrance of the tax liability. If services/works are performed or goods are delivered that are exempt

from payment of VAT, the invoice should indicate that VAT has not been charged, specifying the applicable legal grounds.

Unless otherwise regulated by the contract/purchase order, the prices for confirmed orders and/or the concluded contract shall be valid and fixed for the entire duration of the contractual relationship, i.e. until the delivery of the entire agreed quantity of goods/services and/or the expiration of the contract, except in the case of price reductions or special prices applied by the Supplier during the term of the contract/purchase order.

If there is a change in taxes, excise duties or customs duties, the Supplier shall waive the right to increase the contract price upon delivery. This provision shall not apply to the change in value added tax calculated on the delivery of goods/works/services to the Contracting Authority.

In the case of a contract without a defined quantity and/or validity period, the new price list of the Supplier shall apply to the Contracting Authority only with its written approval. In the absence of such approval, the Contracting Authority shall be entitled to terminate the contract without notice or cancel the order without any consequences, with immediate effect.

The Supplier shall notify the Contracting Authority in writing of changes to the price list for future purchase orders at least 45 days before their entry into force.

### **Calculation of deadlines**

Deadlines under the contract/purchase order shall be calculated on a calendar basis, unless the contract/ purchase order specifically regulates that they shall be calculated according to working days.

A working day shall be deemed every day except Saturday, Sunday, public holiday and non-working day determined by legal regulations in the Republic of Croatia. If the last day of the deadline calculated on a calendar basis falls on a day that is not considered a working day, the deadline shall expire on the next working day.

### **Payment terms**

The Supplier shall issue an invoice in accordance with the terms of the contract/purchase order.

The payment of the contract price shall be made on the basis of the issued invoice, after the Record on the handover of services/works/goods (or a document with the same purpose, for example, the delivery note) has been previously signed between the authorized representatives of the Contracting Authority's Management Board and the Supplier. However, this provision shall not apply in the event of an agreement on advance payment.

In the case of partial delivery, if provided for in the purchase order/contract, an invoice may be issued for the performed part of the service and/or the delivered goods and the performed works with a signed Record on the handover of part of the service/works/ or a signed Delivery Note in the case of goods.

The invoice may be issued on paper or in electronic form, in accordance with legal regulations. In the event of a paper invoice, the invoice shall be submitted to the address of the Contracting Authority specified in the contract/purchase order and by e-mail in accordance with the instructions on the purchase order.

In addition to the stipulated elements under the VAT Act, the invoice shall also contain the following information:

- date, place and delivery terms
- date of handover of services/works/goods with the Handover Record or with the Delivery Note
- payment due date
- purchase order number and date
- department of the Contracting Authority for which the procurement is carried out (information shall be provided by the Contracting Authority in the purchase order or after the conclusion of the contract)
- quantity and name of services/works/goods performed
- price of services/works/goods performed, classified according to the tax rate
- total price
- separately stated VAT and the amount of tax classified by tax rate

and other data defined in the contract/purchase order, if applicable.

In the event that the invoice sent by the Supplier to the Contracting Authority is incomplete or incorrect, the Contracting Authority may reject it and request the issuance of a new one, and the Supplier shall not be entitled to charge default interest on the rejected invoice.

If, in an exceptional and individual case, the Contracting Parties agree in writing that the Contracting Authority will pay the costs of services/goods of third parties and other expenses, these expenses shall be specified on the invoice, classified by items, quantity, unit and total prices and corroborated by copies of the corresponding invoices.

The payment deadlines shall run from the proper receipt of the correct invoice, the Handover Record/Delivery Note and possibly other documents on the acceptance/delivery of the service/goods/works specified in the contract/purchase order.

The payment obligation shall be due within 60 (sixty) calendar days from the receipt of the correct invoice, unless a different payment deadline is specified in the purchase order/contract.

In the event of defective deliveries, the Contracting Authority shall be entitled to withhold payment in a proportionate amount until the proper performance of the delivery.

### **Provision of services and performance of works by suppliers and sub-suppliers**

The Supplier provides services on their own or hires third parties integrated into its operative organization, which do so at their own risk. The Supplier shall be entitled to assign partial performance of services/works only to the sub-supplier specified in their bid, which the Contracting Authority has accepted.

If the Supplier has not specified a sub-supplier in their bid, and the need to hire a sub-supplier arises during the performance of services/works or the Supplier decides to hire another/new sub-supplier instead of the previous sub-supplier, the Supplier shall obtain the written approval of the Contracting Authority before hiring a sub-supplier. Any hiring or change of a sub-supplier shall not affect the accepted price from the bid.

The consent given to the Supplier to hire a sub-supplier shall not affect the legal relations and mutual rights and obligations between the Supplier and the Contracting Authority or relieve the Supplier from liability for the performance of the contract/purchase order. The Supplier shall be responsible for the selection and works of the sub-supplier.

When fulfilling the contract/purchase order, the Supplier undertakes to act professionally, independently, ethically and with the due care and diligence of a prudent businessman, The Supplier warrants that the services/works will be provided by trained and qualified personnel.

If the Supplier becomes aware of circumstances that call into question the performance of the contract/purchase order, for which it is reasonable to expect the supplier, its employees or sub-suppliers to notice and/or anticipate them in accordance with the knowledge, experience and rules of the profession, they shall notify the Contracting Authority thereof in writing and without delay.

The Supplier shall be liable to the Contracting Authority for damage caused by its employees or a sub-supplier to the property of the Contracting Authority. The Supplier shall ensure that its employees and sub-suppliers keep the place of work tidy and safe and shall indemnify the Contracting Authority from any claims of third parties for non-compliance with this provision, as well as compensate the Contracting Authority for everything paid on these grounds to third parties/competent authorities.

### **Delivery deadline, delay in delivery and fulfilment before the deadline**

Delivery deadlines are determined by the purchase order and/or contract. The delivery deadline shall be binding and can be changed only with the written consent of the Contracting Authority.

If a specific period is set for the fulfilment of obligations, this period shall run from the moment when the Supplier receives a purchase order or on the date of the last signature on the contract, unless otherwise agreed in the contract/purchase order.

As soon as the Supplier becomes aware that they can no longer fully or partially fulfil their contractual obligations, or cannot do so in a timely manner, they shall immediately inform the Contracting Authority thereof, stating the reasons for the delay, the expected duration of the delay and the proposed new delivery deadline. The notice shall be submitted in writing. If the Supplier fails to provide such a notice, it may not invoke this circumstance before the Contracting Authority as a reason for the delays.

If the Contracting Authority does not agree with the new delivery deadline, the Contracting Authority reserves the right to cancel the order in part or in full and request the reimbursement of any costs and damages. The Contracting Authority shall be entitled to accept or reject the Supplier's request for an extension of the delivery deadline.

If the Supplier learns that there will be a delay in the delivery for reasons attributable to force majeure, the Supplier shall immediately notify the Contracting Authority in writing of such circumstances and offer a new delivery deadline.

Partial services and/or deliveries are allowed only with the prior written consent of the Contracting Authority.

If the Supplier fails to fulfil its obligations within the stipulated period, except in the event of force majeure of which the Contracting Authority has been duly notified, the Contracting Authority shall be entitled to charge the Supplier a contractual penalty of 0.5% of the agreed value for each calendar day of delay, up to a maximum of 10% of the total value of the contract/purchase order. The Contracting Authority shall reserve the right to charge a contractual penalty in the event of late fulfilment. If the damage caused to the Contracting Authority is greater than the contractual penalty, the Contracting Authority shall also be entitled to claim the difference up to the full compensation.

In case of delivery of goods/works/services before the deadlines specified in the contract/purchase order, the Contracting Authority shall be entitled to refuse such delivery.

### **Place of performance**

The place of fulfilment of obligations under the contract/purchase order is the address (domestic or foreign) for delivery specified in the purchase order/contract specified by the Contracting Authority or otherwise.

Each delivery shall contain a delivery note with the order number on it. It shall contain exact details of the content of the delivery, such as quantity, dimensions, weight, etc.

If the provision of services and/or performance of works takes place at the location of the Contracting Authority, the Supplier shall meet the safety and organizational requirements for external contractors and/or internal operating regulations applicable at the location in question. The Supplier shall also meet all other requirements presented to them at the site. In the event of non-compliance with this provision, the Supplier shall indemnify the Contracting Authority from any claims of third parties, as well as compensate the Contracting Authority for everything paid to third parties/competent authorities for the violation of this provision.

Before commencing the provision of services, the Contracting Authority shall submit any security and/or organizational requirements for external companies. In the event that the Contracting Authority fails to submit them before the commencement of works, the Supplier shall warn thereabout and ask for organizational/security or other requirements.

### **Packaging and Transport**

The Supplier shall pack, mark, store, keep and dispatch the goods in accordance with applicable regulations and product specification, including the specific requirements of the product for packaging, storage and transport. The supporting documents shall specify the risk category and any other details,

if any are stipulated by applicable regulations. This may include the submission of a valid and complete safety data sheet.

The goods shall be packaged in a way that prevents damage during transport. Packaging should only be used to the extent necessary to achieve this purpose. The Supplier shall accept return packaging if required by law and other applicable regulations.

### **Hazardous substances and REACH Regulation**

In case of delivery of hazardous products (including chemicals, substances and the like), the Supplier shall pack, identify and dispatch them in accordance with the applicable national/international requirements.

The Supplier shall also comply with the applicable regulations on transport, shipping and hazardous goods. The Supplier shall be liable for damages and assume all costs incurred for non-compliance with these regulations, including whether its sub-suppliers comply with these regulations.

All shipments that cannot be accepted due to the Supplier's failure to comply with these regulations shall be stored at the Supplier's expense and risk. The Contracting Authority shall have the right to determine the content and condition of such shipments.

If the Supplier is considered a supplier for the purposes of Article 3, paragraph 32 of REACH Regulation (Regulation (EC) 1907/2006), they shall be liable for fulfilling their obligations regarding the delivery of goods. The Supplier shall immediately inform the Contracting Authority if a substance is present among the ingredients of a product supplied by the Supplier in a concentration above 0.1% of mass fraction that meets the criteria of Articles 57 and 59 of REACH Regulation or is listed in Annex XIV of REACH Regulation. The same requirements shall apply to packaging.

### **Right of ownership over goods**

The right of ownership over the goods shall be transferred by handing over the goods to the Contracting Authority, without limitation and regardless of the payment of the price.

Exceptionally, under the terms of an individual contract, if the Supplier conditions the transfer of ownership rights on the payment of the purchase price, the Supplier's retention of ownership rights shall cease at the latest on the date of payment of the purchase price for the delivered goods/service.

Notwithstanding the preceding paragraph, the Supplier shall authorize the Contracting Authority to use/resell the goods within the course of ordinary business and assign the claims arising from the resale even before the payment of the purchase price.

### **Cooperation of the Contracting Authority**

The Contracting Authority shall ensure the cooperation envisaged by the contract.

If the Contracting Authority fails to provide the necessary cooperation services or fails to provide them adequately, the Supplier shall immediately submit its complaint in writing to the e-mail address: [nabava@klimaoprema.com](mailto:nabava@klimaoprema.com).

If the Supplier fails to fulfil this obligation to submit a complaint, the Contracting Authority shall not be deemed to have violated its obligation to cooperate and the Supplier may not invoke the lack of cooperation.

### **Handover**

The delivery of the goods shall always be accompanied by a signed delivery note from the Supplier and a certificate of compliance with the requirements of the Contracting Authority, and/or additional documentation and/or samples, as applicable, in accordance with the requirements of the purchase order/contract.

The Supplier shall immediately upon the total completion, that is, delivery of the services/works/goods, or upon the completion of a particular phase or part of the services/works/goods in accordance with the contract/purchase order inform the Contracting Authority of the performed service/works or delivery of the goods.

Upon receipt of the said notice, the Contracting Parties shall start the handover procedure in the presence of the representative of the Contracting Authority and the Supplier's representative. In the event that no defects are identified during the handover, the representatives of the Contracting Parties shall draw up and mutually sign the Handover Record, and the beginning of the warranty period (if applicable), unless otherwise provided for in the contract/purchase order.

At the time of mutual signing of the Record on the Handover of Services/Works/Goods, it shall be deemed that the services/works/goods covered by it have been duly and fully performed.

If defects are found during the handover, then the handover of services/works/goods shall not occur, but in this case the representatives of the Contracting Parties shall draw up and sign a separate Record in which they shall determine the nature of the identified defects and set a deadline for their elimination. The said deadline shall be deemed a subsequent appropriate deadline for the performance of the service/works/goods.

The Supplier shall immediately remedy the identified defects. If, due to the aforementioned elimination of defects, the Supplier exceeded the originally agreed deadlines for the performance of the service/works/goods, despite the subsequent appropriate deadline referred to in the previous paragraph, it shall also pay to the Contracting Authority the amount of the contractual penalty for the period of delay from the original deadline, in accordance with the provisions of these General Terms and Conditions of Procurement.

If the Supplier fails to eliminate the identified defects within the period determined in a separate Record, the Contracting Authority shall be entitled to eliminate the identified defects themselves or through a third party at the expense of the Supplier. In this case, the Contracting Authority shall pay the Supplier the price of the service/works/goods minus the expenses caused by the elimination of the said defects and any compensation for damage.

### **Quality and liability for defects**

The Supplier guarantees that all delivered goods and their parts are new and original and shall deliver the ordered goods in accordance with the purchase order/contract and all accompanying documentation (in particular plans and technical descriptions of the goods) and in accordance with international, national and technical standards. The goods shall have the usual characteristics and characteristics which the Contracting Parties have specifically agreed and shall correspond to the standard characteristics of the Supplier's goods. If the Supplier is aware of the purpose for which the Contracting Authority will use the goods, the goods shall also have characteristics for known use.

The Supplier may not make any change to the goods or the product without the prior written consent of the Contracting Authority.

The Supplier guarantees that the services will be provided in accordance with the contract/purchase order, with the care of a prudent businessman and by applying and complying with all applicable standards for the subject of procurement and the rules of the profession, as well as the applicable regulations for the agreed type of service/goods/works.

The Contracting Authority shall inspect the goods as soon as reasonably feasible or, in the event of immediate resale, as soon as its customers notify the Contracting Authority of the inspection and any defects.

### **Complaints about quantity and quality**

The Contracting Authority undertakes to make a complaint about the received quantity immediately after the handover, but no later than 5 working days after the handover, and inadequate quality immediately upon becoming aware thereof, but no later than 6 months after the handover.

The Supplier shall eliminate any defect after receiving the complaints no later than 30 days from the receipt of the complaint or within a shorter period, if so specifically agreed between the Supplier and the Contracting Authority and compensate the Contracting Authority for any damage (e.g. cost of production downtime, waste, etc.). All costs related to the complaint, in particular the costs of returning the goods

to the Supplier, the costs of considering the complaint, inspection and testing, and the costs of procuring the appropriate goods, shall be borne by the Supplier.

In case of the Supplier's inactivity or in cases of emergency, the Contracting Authority shall reserve the right to remove the identified defects on their own or with the help of a third party. The related costs shall be borne entirely by the Supplier.

Unless otherwise specified in the contract/purchase order, the liability of the Supplier for visible and hidden defects in the services/works performed shall be determined in accordance with the relevant provisions of the Croatian Civil Obligations Act.

### **Risk of accidental demise or damage**

The risk and consequences of accidental demise or damage to the equipment and materials that the Supplier must deliver to the Contracting Authority in the framework of the provision of services/works/goods (as well as to the equipment and materials that have been handed over or insured by the Contracting Authority for the purpose of performing the contract/purchase order) and to the performed services/works, delivered goods (or their part when the services/works/goods are performed in phases/parts), until the moment of successful handover of services/works/goods, shall be borne by the Supplier.

### **Data confidentiality**

The Contracting Parties agree that documents and information related to the performance of the contract/purchase order, as well as documents and information related to the other Contracting Party and its business received or obtained in any way at any time by one Contracting Party from the other Contracting Party, shall be considered a business secret and confidential data and as such shall not be disclosed or made available to third parties without the prior written consent of the other Contracting Party or used for purposes that fall outside the scope of the performance of the contract/purchase order.

The Supplier shall protect as a business secret all data and documents submitted to them by the Contracting Authority for the performance of the work. All documentation (drawings, technical documentation, plans, including models and samples, templates, etc.) received by the Supplier from the Contracting Authority shall remain the property of the Contracting Authority. At the request of the Contracting Authority, the Supplier shall return the said documentation to the Contracting Authority. The said documentation may not be forwarded or reproduced, but may be used only for the purposes of performance of the agreed work. In addition to these general terms and conditions of procurement, a confidentiality agreement shall also apply to protect trade secrets. In case of inconsistency between the general terms and conditions and the agreement, the provisions of the agreement shall apply.

The Contracting Party which has made available confidential data without authorization and contrary to the provisions of this Article shall be liable to the other Contracting Party for the damage incurred.

### **Compliance Code and Anti-Corruption Provisions**

The Contracting Authority seeks to perform its activities in a fair and honourable manner, and in its operations applies high ethical and safety standards, as well as standards related to environmental protection and sustainable development. The Contracting Authority is a signatory to the United Nations Global Compact and the principles of protection of human rights, labour, environmental protection and implements an anti-corruption policy in its supply chain.

The Contracting Authority has adopted and made available to the public basic policies and codes of conduct in accordance with the highest international standards that ensure compliance with these principles, and bind suppliers in a business relationship with the Contracting Authority.

The Contracting Authority's Code of Conduct, the Supplier's Code of Conduct and the Contracting Authority's Anti-Corruption and Anti-Bribery Policy are publicly available on the Contracting Authority's website: [www.klimaoprema.hr](http://www.klimaoprema.hr) and define the guidelines and standards that the Contracting Authority



expects external partners and suppliers to adhere to. The Supplier's Code of Conduct and the Contracting Authority's Anti-Corruption and Anti-Bribery Policy shall also form an appendix to these General Terms and Conditions of Procurement.

The Supplier shall organize its business in accordance with the Contracting Authority's expectations in terms of human rights and environmental protection, as well as other sustainability issues as stated in the Contracting Authority's basic policies and codes.

Depending on the specific case, the Supplier shall demonstrate compliance with the said documents. The Supplier shall forward the fundamental provisions of the Contracting Authority's Code of Conduct to its sub-suppliers and shall ensure that it and its sub-suppliers comply with them.

In accordance with the Contracting Authority's Anti-Corruption and Anti-Bribery Policy, it is strictly forbidden to give and receive benefits that constitute bribery in the Contracting Authority's company. The Supplier shall not request, accept or give any privileges or benefits that would serve the purpose of bribery. The contract with the Supplier which violates the aforementioned Policies may be terminated without notice and with compensation for damages to the Contracting Authority.

The Contracting Parties shall ensure that all their employees, other consultants and sub-suppliers are involved in the prevention of corruption, and in particular those who were or will be involved in the preparation of contracts, negotiation of contracts, conclusion of contracts and performance thereof, and that the provisions of this Article shall fully apply to them.

The Contracting Authority encourages its customers, suppliers and other business partners to report suspicions of corruption or any fraudulent actions and/or actions in conflict with the Code of Conduct as well as laws or regulations.

Violations of these compliance codes and anti-corruption policy may be reported anonymously via the *Concern Line* available at the website of the Contracting Authority [www.klimaoprema.hr](http://www.klimaoprema.hr)

The Concern Line is an online system for reporting concerns about ethical issues and is available to employees, external consultants, contractors, employees of temporary employment companies, clients, suppliers, business partners of the Contracting Authority and affiliated companies. The Concern Line is a voluntary and confidential mechanism that provides for the possibility of anonymous reports.

The personal data of persons who disclose the relevant information are treated confidentially and shall not be forwarded to other services or persons.

With regard to the collection and processing of personal data, the Supplier and the Contracting Authority shall act in accordance with the relevant legislation on the protection of personal data, in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (GDPR), as well as the contractual provisions on the protection of personal data, in order to protect the privacy of natural persons whose personal data are being collected.

### **Force majeure**

Force majeure shall mean the case when the fulfilment of the contractual obligation in whole or in part by one of the Contracting Parties becomes impossible due to extraordinary external events occurring after the conclusion of the contract/acceptance of the purchase order, and before the fulfilment of the contractual obligation, which could not have been foreseen, nor could the Contracting Party have prevented, avoided or remedied them. Such inability to fulfil obligations shall in no way result from negligence or deliberate unlawful conduct in the fulfilment of obligations of the Contracting Party under the contract/purchase order.

A force majeure event shall include events such as fires, floods, earthquakes and other natural disasters of such a magnitude as to prevent the performance of contractual obligations, riots and revolutions, sabotage, war or terrorist activities, epidemics or embargoes on the transport of goods or similar events.

A strike or suspension of work, as well as any changes in market conditions, shall not be considered a force majeure event.

If the fulfilment of the contractual obligation of one of the Contracting Parties has become impossible due to the events previously described as force majeure, the party affected by such an event shall notify the other Contracting Party of the occurrence as well as the termination of such an event, immediately verbally (by phone), and in writing no later than 10 days from the date of the occurrence/termination of the force majeure event, and provide an estimate of the scope and duration of the impossibility of fulfilling the contractual obligation, as well as the measures that can be taken to minimize the delay. The Supplier shall invest reasonable efforts to minimize any delay caused by force majeure.

The Contracting Party which fails to comply with the above shall be liable to the other Contracting Party for the damage suffered because of the failure to give such a notice. As soon as possible, the party affected by the force majeure event shall present to the other Contracting Party, at its request, other relevant evidence from which the occurrence and duration of the force majeure event can be determined.

The Contracting Party affected by the force majeure event shall notify the other Contracting Party without delay when the force majeure ceases.

In the event of force majeure lasting more than six months, the other Contracting Party shall have the right to terminate the contract in writing without notice.

### **Applicable law and competent court**

The Contracting Parties shall try to resolve all disputes amicably. If this would not be possible, the court at the seat of the Contracting Authority shall be competent to resolve disputes between the parties.

In legal transactions with an international element, the law applicable to the relationship between the Contracting Authority and the Supplier shall be the law of the country in which the Contracting Authority has its registered office, with the explicit exclusion of the application of the provisions of private international law and the provisions of the UN Convention on Contracts for the International Sale of Goods (Vienna Convention on the International Sale of Goods - CISG).

### **Final provisions**

The Supplier shall be allowed to list a business relationship with the Contracting Authority or refer to it in information and advertising materials only with the express written consent of the Contracting Authority.

The purchase order/contract shall not authorize the Supplier to represent the Contracting Authority, unless exceptionally defined in the contract.

The Supplier may not transfer the contract with the Contracting Authority to another, without the prior written consent of the Contracting Authority.

The Supplier shall immediately notify the Contracting Authority in writing of any transfer of the contract by force of law and of any changes to the name of its company. The Supplier may not assign its monetary claim under the contract/purchase order, in whole or in part, to a third party without the prior written consent of the Contracting Authority.

If any provisions of the General Terms and Conditions or legal transactions become inapplicable, it shall not affect the validity of the remaining provisions of these General Terms and Conditions and/or legal transactions in which these General Terms and Conditions are included.

The General Terms and Conditions of Procurement are available on the Contracting Authority's website: [www.klimaoprema.com](http://www.klimaoprema.com).

In Samobor, on 16<sup>th</sup> April 2024

Director of Procurement

Gjana Bekić

