

## General Terms and Conditions BULGATECH Ltd

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Version: 1.00 date 22 May 2009.

### **1. Definitions.**

In these General Terms and Conditions, the following terms are defined and set forth below:

**BULGATECH:** Bulgatech OOD, with its registered office at Pestersko Chaussee Boulevard 13-4, 4000 Plovdiv (Bulgaria) and official registered at the court of Plovdiv (Bulgaria) under company file nr. 2491/2001. With Taxation number: 116 585 5252 Bulstat number: 115 632 245 and VAT number BG115632245.

**Customer:** Any person or legal entity who purchases products / services from Bulgatech or enters into a contract with Bulgatech or who is in discussion / negotiation with Bulgatech on the conclusion of a contract.

**Contract:** Any agreement formed between Bulgatech and the Customer, any alteration or additional to such an agreement, and all legal acts and other transactions carried out in preparation or in performance of that agreement.

**Works:** all works resulting from for providing products / services for which Bulgatech is contracted for or works resulting from for providing products / services which are consequently followed hereafter. All in the widest sense of understanding.

**Intellect Products:** Product created by human brain like for example working methods, designs and consultancies / advises.

### **2. Application.**

These General Terms and Conditions are applicable to all offers and purchase orders and/or contracts (and/or changes or additions thereto). Conditions of Purchase, tender or other General Terms and Conditions of the Customer are not applicable, if and to the extent they are not included in the order confirmation.

If any provisions of this General Terms and Conditions or the Purchase Order and/or Contract proves to be void for whatever reason, this does not effect the validity of the other provisions.

These General Terms and Conditions are also applicable on all agreements with Bulgatech, wherefore subcontractors are needed to be involved.

### **3. Offers.**

The offers made by Bulgatech are non-binding and are valid for a period of 30 days unless other indicated.

The prices mentioned in the offers are excluding VAT and other taxes, levy, and advances which are initiated by law, unless otherwise indicated. Every offer is based on normal conditions, including receiving of proper information on time.

Any calculations, plan(s), schedules or other documents which are attached to an offer remain the property of Bulgatech and are to be returned postage-paid at first request of Bulgatech.

Without permission of Bulgatech they may be not multiplied nor to be handed over to third parties.

Receiving of offers and /or other documents is no reason for Bulgatech to accept as an order. Non-accepting will be informed to the customer as soon as possible.

In case the customer will not use the products / services of Bulgatech, Bulgatech is entitled to invoice the costs which were made specific for the customer's offer.

In case after the date of agreement one or more of the cost price factors are increased, even when they are foreseen, Bulgatech is entitled to increase the agreed price accordingly.

### **4. Contract.**

Bulgatech will consider the contract as final at the moment that works for execution of the contract has been started after mutual confirmation and/or acceptance by the customer or accepted and/or confirmed when the order / agreement in written has been signed and stamped.

Always a signed contract will be prepared for the works, even after starting of the works before signing the contract.

## General Terms and Conditions BULGATECH Ltd

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Cancelling of the final contract by the customer, 10% of the contract value (incl. VAT) as cancellation costs will be charged without prejudice to the right of Bulgatech to claim compensation, including loss of profit.

### **5. Execution of the works.**

The works as described in the contract will be executed to our best knowledge and ability considering the demands of good workmanship based on the present known level of science. Unless else agreed the agreement is considered as based on effort.

When and required for a good execution of the works needed, Bulgatech has the right to subcontract specific works to third parties.

The customer is obliged to provide in time all necessary information, which are indicated by Bulgatech as needed or whereof the in reasonability the customer should understand that these are needed for execution of the works.

In case that necessary information is not provided in time Bulgatech remains the right to postpone execution of the works and/or to charge the customer for additional costs against the applicable tariffs.

Bulgatech is not responsible for damage, of any kind, caused by considering wrong and/or not complete information provided by the customer, unless this incorrectness or incompleteness information should be recognizable for us.

In case it is needed by Bulgatech or its subcontractors for execution of the works on another location as the office facility of Bulgatech additional costs for travelling and lodging will be paid by the Customer. In case additional costs are organized and pre-paid by Bulgatech, these cost will be charged to the customer with additional 10% service fee.

In case of changes / additions of any kind to the works, Bulgatech will inform the customer as soon as possible for consequences to the execution of the works and/or additional costs.

In case of remarks / comments on the delivered works the customer has to inform in written Bulgatech. When no remarks / comments are received within 5 working days the works are considered as final.

### **6. Secrecy / confidentially**

Bulgatech declares that all information provided by the customer will be treated as confidential information and without permission of the customer not to be used for other purposes then considered needed for execution of the works and to keep secret to anybody who is not involved in the project.

Bulgatech is authorized to use data, generated from the works, for statistical or purposes for comparison, unless these data can be reduced to individual customers.

### **7. Intellectual property**

In case Bulgatech is using the mind for preparation or execution of the works, the legal intellectual rights related to remains property of Bulgatech. It is the customer not allowed as well to multiply this products, to publish, to explore as well to hand over to third parties without our permission.

The customer declares that all information provided by her will not be in conflict with legal regulations or the protected rights of third parties. The customer declares to secure Bulgatech from all direct- and indirect-consequences related to claims towards Bulgatech due to violation of this guarantee.

### **8. Force Majeur.**

Neither party is responsible for non-observance of its obligations with respect to the contract and/or order only in case of Force Majeur such as but not limited to war, revolution, civil unrest, riots, nation-wide strikes, acts of God, plague, embargoes, earthquakes, fire, flood and other cases beyond control of the parties.

In case of a Force Majeur situation Bulgatech will inform the Customer as soon as possible.

During the period of Force Majeur the works will be postponed. In case the period takes longer than 2 months that Bulgatech cannot fulfill its tasks, both parties are entitled to end the contract without claim of damage.

In case Bulgatech fulfilled already partly its tasks, or will be able to fulfill its tasks partly then Bulgatech is entitled to charge the works done and is the customer obliged to for payment considering it as a separate contract.

## General Terms and Conditions BULGATECH Ltd

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### **9. Liability.**

In case Bulgatech is liable, the liability is limited as follows:

The liability of Bulgatech, as far as covered by its liability insurance, is limited to the value paid by the insurance company.

In case the insurance is not paying and/or the damage is not covered by the insurance, the liability of Bulgatech is limited to the invoice value for that part of the works which the liability is related to.

In case of a contract period longer than 6 months, only the liability is valid for the period of the last 6 months.

For consequential damage Bulgatech is never responsible.

For damages caused by (temporary) not optimal functioning of data communication Bulgatech is never responsible.

### **10. Costs for collection.**

In case the customer is in default or in delay of one or more of its obligations, all reasonable costs for obtaining are for account of the customer. At least the customer is indebted:

- for the first euro 3000,- : 15%
- for the more till euro 6000,-: 10%
- for the more till euro 15000,-: 8%
- for the more till euro 60000,-: 5%
- for above euro 60000,-: 3%

In case Bulgatech can prove that higher costs has been made, which were reasonable necessary, these will be also for account of the customer.

### **11. Payments.**

Payments has to be made based on the invoice within 30 days after invoice date. The transfer date as indicated on our bank copy will be considered as prevailing and therefore considered as date of payment.

The customer is obliged to return to Bulgatech the Bulgarian part of the invoice signed and stamped within 5 working days after invoice date.

After 30 days the customer is in default; the customer is starting from the moment of default obliged to pay interest over the invoice value of 1% per month, unless the legal interest is higher the legal interest is applicable.

In case of liquidation, bankruptcy or moratorium of the customer, the claim of Bulgatech towards the customer and the obligations of the customer will be per direct claimable by Bulgatech.

Payments made by the customer will be considered first for payment of all costs and interest, second for most pending invoices even if the customer is indicating that the payment is applicable for an invoice with later date.

### **12. Law in force.**

The Bulgarian law will be in force.

In case disputes, including these which are considered by one party, cannot be solved mutually in a reasonable way, they will be solely judged by legal arbitration by Bulgarian court.

### **13. Changes and registration of the General Terms and Conditions.**

The latest version of the General Terms and Conditions is valid. Bulgatech Ltd allows herself to update the General Terms and Conditions without notice

In case a contract is signed at the moment an earlier version was valid, this version remains valid during this contract period.

The latest version of the General Terms and Conditions is published at the website of Bulgatech: [www.bulgatech.com](http://www.bulgatech.com)