

## **1 Introductory provisions**

The purpose of these "General Conditions of Contract" is to define the general contractual conditions which shall apply in the case of the obtaining and maintenance of a certificate, especially the rights and duties of both the Certification Body and the Applicant or Client/Orderer, except in cases when such conditions are differently defined in the contract. Upon conclusion of a corresponding contract about the use of a certificate, together, if so agreed, with any mark of conformity (also referred to as: "the Licensing Agreement" or "the Contract") these General Conditions of Contract shall become a constituent part of such a contract.

The herein-described General Conditions of Contract shall apply to all contracts which may be concluded in the field of certification, within the scope of work of ZAG's Certification Service, which acts as part of ZAG as a certification body.

## **2. Definition of Terms**

The terms used in these General Conditions of Contract are defined in Section 2.0 of ZAG's procedure: P.C. 15-001 "Certification", with the additional assumption that the certification body referred to in these conditions is ZAG.

## **3. Conclusion and implementation of the contract**

### **The subject of the concluded contract**

The subject of the concluded contract is the license for the use of a certificate for products which are the subject of a certification procedure, which is also defined in the contract, together with the type of certificate to be issued.

### **The basis for certification**

The basis for the certification of the products concerned shall be a technical specification. The latter may be a harmonised European standard (hEN), a European Assessment Document ("EAD"), a European Technical Approval Guidelines ("ETAG"), a Slovenian Technical Approval ("STS"), a Slovenian national standard ("SIST"), or any of the Certification Body's certification schemes.

### **The costs of the certification procedure**

The Certification Body ZAG will charge the Applicant or Client/Orderer all costs which are incurred for performed services. Such costs are classified as either costs for processing of application for certification, costs which are incurred for all work performed up to the time of issuing of a certificate, costs for the issuing of a certificate, costs which are incurred for all work performed after the issuing of a certificate, and costs for the maintenance of any such issued certificate.

Costs for the performance of any service are defined on the basis of the Official Price List of the Certification Body ZAG, as follows:

- either on the basis of the amount of time needed to perform individual services, taking into account the prices per hour quoted on ZAG's Official Price List, or any other agreed prices per hour,
- or on the basis of the price of particular services according to ZAG's Official Price List (based on the value of one ZAG point, "T"), or any other agreed prices for such services.

In the Contract costs are defined for the complete scope of services which are included in the Contract.

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The costs of maintenance of a certificate shall be charged from the day of its issue up until the day of its permanent withdrawal or suspension. Such costs shall also be charged for periods during which the certificate is temporarily suspended or withdrawn.

If, during the certification procedure, it is found that additional testing and/or calculations need to be performed since the requirements of the technical specification for an individual product are not fulfilled, the costs which may arise due to such work shall be charged as additional costs. In every case the client will be notified about this in advance.

Travelling expenses, i.e. the per diem allowances, mileage, motorway charges, and costs of the use of public transportation and/or ZAG's own vehicles, as well as the costs of overnight accommodation (if necessary), which are incurred during the performance of work according to the concluded contract, are additional costs which shall be charged to the Applicant or Client/Orderer separately, after the business journey has been completed, in accordance with the valid legislation, taking into account the rates stated in the ZAG's Official Price List.

### **Deadlines and the method of payment of costs**

The Applicant or Client/Orderer shall, in a timely manner, pay the pay the Certification Body all costs that may arise in connection with the certification procedure, together with, if applicable, any payable Value Added Tax.

Invoices issued by the Certification Body for work performed shall be settled by the Applicant or Client/Orderer by the contractually defined deadline. The Certification Body shall have the right to retain all relevant documents, i.e. any outstanding certificate or reports, until such time that the relevant invoice is settled.

The Applicant or Client/Orderer shall make all payments to the Certification Body's account, No. 01100-6030345794 at URSJP, the Public Payments Administration of the Republic of Slovenia.

In the case of overdue payments the Certification Body shall have the right to charge, and the Licensee the duty to pay interest on such payments at the rate which is defined by law for interest on late payments. In such cases the Certification Body shall also have the right, in accordance with its business policy, to make unilateral changes to the stated payment conditions (e.g. by insisting on payment in accordance with a proforma invoice, or on the provision of sufficient collateral), while at the same time giving the Applicant or Client/Orderer adequate written notice about the implementation of such steps.

Payments by means of mutual compensation, as well as chain and multiple compensation payments, assignments and cessions, shall have the same status as any payments made directly to Certification Body's bank account at the Public Payments Administration of the Republic of Slovenia.

### **Basic rights and duties of the Client/Orderer (Licensee)**

As a signatory to the concluded contract, the Client/Orderer (Licensee) confirms that he is fully acquainted with the Certification Body's documents "Certification" and with these General Conditions of Contract, and agrees with all the rights and duties which proceed from them. The currently valid versions of these two documents are accessible on ZAG's web pages ([www.zag.si](http://www.zag.si)).

The Client/Orderer (Licensee) therefore agrees to manufacture the product for which a license for the use of a certificate is granted in accordance with the requirements of the applicable technical specification or certification scheme.

The Licensee agrees to allow representatives of the Certification Body unobstructed access, during normal working hours, to those of his premises where work is performed relevant to the certification procedure,

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without prior notification. Such access shall apply to all parts of the Licensee's production plant and to other premises where activities take place in connection with the certification procedure and to all personnel involved in this procedure, as well as to all relevant documents and records, location, equipment and subcontractors.

The Licensee agrees to fulfill certification body's instructions about use of certification documentation, not to use product certification in such a manner as to bring the certification body in disrepute or to be considered misleading. If copies of the certification documentation are provided, the documents shall be reproduced in their entirety.

### **Surveillance**

The Certification Body will carry out continuous surveillance in order to determine whether or not the Licensee is carrying out the duties proceeding from the applicable technical specification or certification scheme. Such continuous surveillance shall be performed in the way which is defined in the technical specification or certification scheme. The Certification Body will also perform surveillance of the ownership, use and publication of any issued certificate or the ZAG mark of conformity.

### **Notification of changes**

It is the duty of the Licensee to notify the Certification Body about each and every intended change which could affect the properties of any certificated product. In such cases the Certification Body shall have the right and duty to decide whether the intended change or changes is/are such that additional testing and/or surveillance is needed.

The Licensee shall also notify the Certification Body in writing:

- about each and every significant change in the Licensee's organization or personnel structure, as well as about any change in the Licensee's authorized representative according to the concluded contract,
- about each and every change in the status or ownership of the Licensee's organization,
- about the occurrence of any factors which indicate that the product may no longer fulfil the provisions of the applicable technical specification or certification scheme, and
- about any changes which may occur with regard to the validity or content of the applicable technical specification.

It is the duty of the Certification Body to notify the Licensee in writing:

- about any changes in the certification requirements,
- about any changes in the Certification Body's authorized representative according to the concluded contract.

### **Complaints**

The Licensee shall maintain records about any complaints made by purchasers or final users of a certificated product, as well as about all corrective actions which may be implemented as a consequence of such complaints. The Licensee shall notify the Certification Body once annually, in writing, about the existence of any such records, and, if so requested by the representative of the Certification Body, present these records for inspection by the latter.

### **Informing of the Public**

The Certification Body shall, within a period of 30 days from the date of issue of any certificate and after settlement of all financial obligations on the part of the Licensee, make a public announcement regarding

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the issuing of such a certificate for the product which is the subject of the certification procedure. At the same time the Licensee shall have the right to state publicly that the product to which the certificate refers is in conformity with the provisions of the technical specification.

A list of currently valid certificates is provided on ZAG's web pages ([www.zag.si](http://www.zag.si)).

### Confidentiality of data

The Certification Body shall ensure that all personnel engaged in certification shall maintain the confidentiality of data and any other information received or obtained by means of examinations/investigations, tests, inspections and surveillance.

All relevant documents prepared by the certification body ZAG shall be delivered *to the applicant for certification only*, or to his appointed representative. They will be despatched from the Certification Body by regular mail to the address given on the application form, or in the contract, or in any written authorization supplied by the applicant / client. Subject to the obtaining of an adequate written agreement from the applicant / client, the certification body may despatch any of the above-described documents to any interested third party.

If a legitimate request is received from any competent state body, the Certification Service will despatch copies of issued documents to these bodies, but will nevertheless notify the client before doing so, unless the sending of such a notification has been expressly forbidden by the body concerned.

The Licensee agrees that the Certification Body may make available to any accreditation body any data obtained within the scope of the certification procedure inasmuch as such data are needed for the performance of an accreditation audit and upon condition that the accreditation body is bound to an equal level of confidentiality regarding such data as the Certification Body itself. The Licensee complies with the participation of observers, if applicable (exp.: representatives of accreditation body).

### Suspension or cancellation (withdrawal) of the licence to use a certificate

The licence to use a certificate can be, temporarily or permanently, suspended or cancelled (withdrawn). The reasons which shall cause such a suspension or cancellation (withdrawal) of the licence to use a certificate, as well as the procedure which the Certification Body shall use to do this, are defined in the Certification Body's document: "*Certification*".

In the cases that reasons occur which are sufficient to justify the suspension of the license to use a certificate, the Certification Body shall dispatch notice of such an intended suspension to the Licensee. If, on the other hand, reasons occur for the cancellation (withdrawal) of the license, then it is the duty of the Licensee to notify the Certification Body about the existence of such reasons. The time to suspension / cancellation (withdrawal) of the license shall depend upon one or more of the following reasons:

Situation which provides grounds for cancellation	Time to cancellation
(a) Non-fulfilment of requirements which affect safety	immediate suspension
(b) Non-fulfilment of requirements which do not affect safety	max. 30 days (determined by the Certification Body, taking into account the type of product)
(c) Delay in the payment of financial obligations to the Certification Body	30 days after payment of an invoice has become due
(d) Non-fulfilment of other conditions of the Contract	max. 60 days

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Situation which provides grounds for cancellation Time to cancellation

(e) Changes in requirements for conformity when a technical specification is changed. Negotiable

Situation which provides grounds for withdrawal Time to withdrawal

(f) Withdrawal at the Licensee's request:

cessation of production when production ceases

other reasons 3 months from their occurrence

The Certification Body shall notify the Licensee about an intended cancellation / withdrawal of the license to use a certificate by registered mail, and shall therein state the reason or reasons for such a cancellation / withdrawal, as well as the date upon which the license shall be deemed to be cancelled / withdrawn.

The Licensee is obliged to take into account legal disclaimer in the notice of the imposition of sanctions and to stop using the certification documents and advertising material that contains a reference to the latter.

### **Changes regarding the validity and/or content of the applicable technical specification**

In the case when any change or changes occur to the validity and/or content of the applicable individual technical specification (i.e. to a STS, EAD or ETAG) which the product that is the subject of the agreed certification procedure must fulfil, then the Licensee shall notify the Certification Body in writing about such an event. Such notifications shall contain all necessary information about which provisions have been changed and about their changed content, as well as about when they are to be implemented.

If, on the other hand, any change or changes occur to the requirements for the product stated in a harmonized or national standard and/or in any corresponding certification scheme, then the Certification Body shall, equally, notify the Licensee in writing about such an event. Such notifications shall contain all necessary information about which provisions have been changed and about their changed content, as well as about when they are to be implemented.

In both of the above-described cases the Licensee shall, within the deadline defined by the Certification Body, or, in the case of an STS, EAD or ETAG, by the competent technical assessment and approval body, notify the Certification Body, in writing, as to whether or not he intends to implement the prescribed changes.

If the Licensee agrees with the prescribed changes and the defined deadline for their implementation, and subject to the fulfilment of the condition that the results of any additional tests and/or surveillance are positive, the Certification Body and the Licensee will conclude a written annex to the concluded contract in which the way in which already issued documents are to be changed is, if necessary, defined.

However, in any of the following cases:

- that the Licensee states that he is not prepared to implement the prescribed changes within the deadline defined by the Certification Body or, in the case of an STS, EAD or ETAG, by the competent technical assessment and approval body,
- that the Licensee does not provide a written reply to the notification of the Certification Body within the deadline defined by the latter,
- that the conditions for the implementing of the changes become obsolete,
- that the results of any additional tests and/or surveillance are negative,

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the validity of the license to use the certificate which is the subject of the concluded contract shall cease with the day upon which the changes are to be implemented, unless the Certification Body decides otherwise.

### **Authorized representatives**

In order to facilitate the efficient fulfilment of their contractual obligations, each of the contracting parties shall name its own representative(s).

### **Termination of the contract**

The concluded contract shall, in principle, be valid an unlimited period of time. However, either of the signatories may withdraw from its obligations according to the contract by giving written notification to the other signatory under the following conditions:

- in the case that the Licensee wishes to terminate the contract, he shall give the Certification Body 90 days notice in writing of such an intention, and termination shall take place on condition that the Licensee has settled all his outstanding financial obligations to the Certification Body for work carried out by the latter up to the time of notification of his intention to terminate the contract,
- in the case of unilateral termination of the contract by the Certification Body, the latter shall provide a sufficient explanation of the reasons for such a termination, and the Contract shall cease to be valid on the date determined in this explanation.

The Certification Body will notify the Licensee about any intended changes to the General Conditions of Contract and about the Licensee's right to terminate the contract if the latter does not agree with them. Such notifications will be despatched by the Certification Body to the Licensee by regular mail or by electronic mail, at the latest by a deadline of 15 (fifteen) days before the implementation of any such intended changes. The updated version of the General Conditions of Contract will be published on the Certification Body's web pages: [www.zag.si](http://www.zag.si).

If the Licensee does not agree with the above-mentioned intended changes to the General Conditions of Contract, then he may withdraw from the contract by sending an adequate written notification about this by recorded delivery, at the latest by a deadline of 15 (fifteen) days after receipt of the corresponding written notification from the Certification Body.

## **4. Final and transitional provisions**

### **Changes or amendments to the concluded contract**

Any changes or amendments to the concluded contract shall apply only in the case when both parties sign an appropriate annex to the aforesaid contract.

In the case when either the Licensee or the Certification Body fails to fulfil its contractual obligations, the other signatory to this Contract shall have the right – after delivering a warning in writing to the other party – to terminate the Contract and to demand corresponding damages.

### **Settling of disputes, language use**

Both signatories are resolved to settle any disputes arising from the execution of the concluded contract primarily by a process of agreement. However, if this should prove to be impossible, they agree that such matters shall be settled by the competent Court in Ljubljana.

Both signatories to the concluded contract agree that either the Slovenian or the English language shall be used for mutual communication within the framework of the contract, but that the contract itself, and its execution, shall be subject to Slovenian law.

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### **Discrepancies between the provisions of the General Conditions of Contract and those of the concluded contract**

In the case of any detected discrepancies between the provisions of these General Conditions of Contract and those of any contract for the license to use a certificate and/or mark of conformity which may have been concluded after the implementation of the aforementioned conditions, the provisions of the latter, i.e. of the concluded contract, shall prevail.

### **Validity of the provisions of the General Conditions of Contract**

These General Conditions of Contract shall be used in relation to contracts, for the the obtaining of a license to use a certificate and/or mark of conformity, that have been concluded after the implementation of these conditions.

All contracts for the obtaining of a license to use a certificate and/or mark of conformity that were concluded before the implementation of these General Conditions of Contract shall remain in force until the contractual obligations proceeding from them have been fulfilled.

These General Conditions of Contract shall come into effect as of July 1st, 2017.