

## GENERAL TERMS AND CONDITIONS FOR THE SUPPLY OF GOODS

These **General Terms and Conditions for the Supply of Goods** (hereinafter referred to as the "**General Terms**") shall apply to all **Contracts** and/or **Agreements** and/or **Purchase Orders** for supply (hereinafter referred to as the "**Contract**") executed between **Agropolychim AD**, on one side, and an individual or legal entity, hereinafter referred to as the "**Supplier**," on the other side. Under these agreements, the Supplier agrees to sell and deliver, and **Agropolychim AD** agrees to purchase and accept goods as specified in the aforementioned **Contracts** and/or **Agreements** and/or **Purchase Orders**.

### **SECTION I: SUPPLY CONTRACT**

1. All supplies are subject to a written contract (agreement) between **Agropolychim AD** and the **Supplier**, explicitly specifying the scope and subject of the supply, delivery terms, delivery schedule, payment terms, required documentation, and other conditions.
2. **Agropolychim AD** will not accept deliveries that are not based on a written purchase order issued by the company and signed by a duly authorized person.
3. Neither the **Contract** nor its individual clauses may be used as grounds by either party to assert or claim the existence of a commercial agency or brokerage relationship between **Agropolychim AD** and the **Supplier** or any representative authority between them.
4. The **Supply Contract**, purchase orders, their acceptance, as well as all annexes, amendments, and supplements to the clauses of the **Contract**, and all related communications and notifications, shall only be valid if made in writing.
5. All annexes to the **Contract**, such as technical specifications, requirements, special testing protocols, specific instructions regarding packaging, labelling, loading, and others agreed in the **Contract** or referred to therein, shall form an integral part of the **Contract**.

### **SECTION II: DELIVERY AND ACCEPTANCE**

6. The place of delivery is the premises of **Agropolychim AD** in Devnya, Bulgaria.

/1/ All deliveries must strictly comply with the terms specified in **Agropolychim AD**'s purchase order.

/2/ Any deviations from the agreed terms, designs or models provided by **Agropolychim AD**, or samples from **Agropolychim AD** or the **Supplier**, or designs produced per the purchase order, including material or construction defects, entitle **Agropolychim AD** to decide whether such defects are substantial enough to render the goods unsuitable for their contractual or customary use. In such cases, **Agropolychim AD** may accept the non-compliant goods at the **Supplier**'s expense and risk, without financial liability, or refuse them. In the latter case, the goods will be considered undelivered.

/3/ **Agropolychim AD** assumes no liability for rejected items or excess delivered goods, even if they are temporarily stored by **Agropolychim AD**. Such storage is at the **Supplier**'s expense, risk, and cost, and shall not be construed as a deposit contract.

8. For each delivery, **Agropolychim AD** must be notified at least 48 hours before the delivery date by sending a copy of the shipment notice to **Agropolychim AD**'s address. The notice must include all essential delivery details.

9. /1/ The delivery and acceptance of the agreed goods in terms of quantity shall take place at the delivery location during unloading and after an inspection carried out by representatives of both parties.

/2/ The quantity of the delivered goods, measured in the relevant units (e.g., meters, pieces, pairs, net weight), shall be verified based on the **Supplier**'s specification.

10. **Agropolychim AD** shall be responsible for unloading the goods in Devnya at its own expense.

**11. Agropolychim AD** is entitled to submit a claim to the **Supplier** for any missing quantities and/or visible defects within ten working days following the date of the protocol mentioned in Clause 9(1). If the delivered goods are packaged, the claim period for missing quantities and visible defects coincides with the relevant warranty period.

**12. Agropolychim AD** is not obligated to accept partial deliveries unless explicitly agreed upon in the **Contract** and only as an exception.

### ***SECTION III: DELIVERY PERIOD***

**13.** The delivery period or date agreed upon between the parties is strictly binding.  
**14. /1/** The **Supplier** may deliver the goods before the agreed dates only with the prior written consent of **Agropolychim AD**.

*/2/* Such early delivery shall not alter or affect the other obligations of the parties or the **Contract**'s provisions regarding warranty periods, claims, payment terms, etc.

**15. /1/** If **Agropolychim AD** fails to provide the assistance specified in the **Contract** for the production or transportation of the goods in a timely manner, or if it modifies drawings, instructions, or other documentation provided to the **Supplier**, causing significant difficulties in production or transportation, the **Supplier** may request an extension of the performance deadline. However, this extension shall not exceed the period of delay caused by **Agropolychim AD**.

*/2/* Any extension of the deadline must be formalised through a mutually signed agreement, which shall form an integral part of the **Contract**.

**16. /1/** If the **Contract** for the delivery of machinery and equipment does not specify a delivery deadline for individual parts, the **Contract** shall be considered fulfilled upon delivery of the final part without which the machinery or equipment cannot be operational.

*/2/* **Agropolychim AD** retains its right to request the delivery of missing parts.

### ***SECTION IV: DELIVERY QUALITY***

**17.** All delivered goods must fully comply with the quality requirements specified in the **Contract**.  
**18.** If the quality of the goods is not specified in the **Contract**, the Bulgarian State Standards (BDS) shall apply. In the absence of a Bulgarian State Standard or in the case of imported goods, international standards shall apply.

### ***SECTION V: PACKAGING AND LABELLING***

**19.** All delivered goods must be appropriately packaged in accordance with Bulgarian legislation, applicable standards, and/or trade practices. The packaging must ensure the integrity of the delivery, considering the nature of the goods, the mode of transport, transfers between vehicles, and the duration of transport.

### ***SECTION VI: TECHNICAL AND COMMERCIAL DOCUMENTATION***

**20. /1/** The **Supplier** must deliver a complete set of documentation along with the goods (or in another manner specified in the **Contract**), including invoices, packing lists, drawings, shipping documents, certificates, warranty cards, installation and user manuals, machinery passports, customs documents (for imported goods), diagrams, plans, etc.

*/2/* The **Supplier** must provide **Agropolychim AD** with information regarding the country of origin

(production country) of the goods as required under Directive (EU) 2022/2464 of the European Parliament and Council of 14 December 2022, amending Regulation (EU) No. 537/2014, Directive 2004/109/EC, Directive 2006/43/EC, and Directive 2013/34/EU on sustainability reporting and **Agropolychim AD**'s obligation to inventory its direct and indirect greenhouse gas emissions (Scopes 1, 2, and 3). This information must be included in the packing lists and invoices. Failure to provide this information may result in the refusal of the delivery.

/3/ For the supply of chemical substances and/or mixtures, the **Supplier** shall provide up-to-date versions of the (extended) Safety Data Sheets, prepared in accordance with Commission Regulation (EU) 2020/878 of 18 June 2020, amending Annex II to Regulation (EC) No 1907/2006 of the European Parliament and of the Council concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). For products falling under Regulation (EU) 2019/1009 of the European Parliament and of the Council of 5 June 2019 laying down rules for the making available on the EU market of fertilising products, as well as amending Regulations (EC) No 1069/2009 and (EC) No 1107/2009 and repealing Regulation (EC) No 2003/2003, the **Supplier** shall provide Declarations of Conformity as per Annex V and/or a Declaration of Classification into the relevant Component Material Category as per Annex II of the cited Regulation.

/4/ If no deadline for the provision of technical documentation (including drawings, specifications, installation, maintenance, and operational instructions, etc.) is stipulated in the **Contract**, the **Supplier** shall provide such documentation in a timely manner to ensure the proper installation, operation, and maintenance of the machinery in accordance with standard practice.

/5/ The technical documentation must be prepared in the language of the **Contract**.

**21.** All documents delivered to **Agropolychim AD** under the **Contract** become the property of **Agropolychim AD**, which may use them without any restrictions and/or additional payment.

**22.** Any delay in the delivery of documentation shall be considered a delay in the delivery of goods and will have the same consequences and legal effects as provided in these General Terms, the **Contract**, and/or the applicable laws.

#### ***SECTION VII: INTELLECTUAL PROPERTY RIGHTS***

**23.** The **Supplier** provides a guarantee to **Agropolychim AD** against any claims or penalties related to materials, technologies, or methods used in the performance of the **Contract** that are based on patents, licenses, designs, models, trademarks, and/or acts of unfair competition.

**24.** In the event of a dispute over intellectual property rights (patents, know-how, copyrights, trademarks, designs, etc.), the **Supplier** shall, at its own expense, contest all allegations judicially or extrajudicially and/or immediately replace the delivered goods at its own risk, cost, and expense with identical goods that are not subject to third-party intellectual property rights.

#### ***SECTION VIII: CONFIDENTIALITY AND TRADE SECRET PROTECTION***

**25.** The **Supplier** undertakes not to disclose to third parties any confidential information obtained during bilateral negotiations and/or made known during the performance of the **Contract**, both during its term and for ten years after its execution.

**26.** Upon request by **Agropolychim AD**, the **Supplier** shall return all written confidential information, including all copies thereof, immediately upon termination of the **Contract** or upon completion and discharge of all obligations under the **Contract**, whichever occurs earlier.

#### ***SECTION IX: TRANSFER OF OWNERSHIP AND RISK***

**27.** Ownership of the delivered goods shall be transferred in accordance with the provisions of the Bulgarian legislation. All risks of loss or damage to the goods shall pass to **Agropolychim AD** as per the delivery terms agreed upon in the **Contract**, in line with INCOTERMS 2020.

**28.** The **Supplier** is obligated to deliver goods free of any ownership or other third-party rights that may be asserted against **Agropolychim AD**.

#### ***SECTION X: PRICE***

**29.** The price of the goods shall be specified in the **Contract**. The price is final and not subject to change.

**30.** The agreed price includes all costs, expenses, duties, fees, taxes, and profits of the **Supplier**, unless otherwise stipulated in the **Contract**.

#### ***SECTION XI: PAYMENTS***

**31.** Unless otherwise specified in the **Contract**, **Agropolychim AD** shall pay the price of the delivered goods within 30 (thirty) days from the issuance date of the original invoice, but not earlier than 20 (twenty) days from its receipt by **Agropolychim AD**. The original invoice must contain all the required details in accordance with the Accounting Act.

**32.** Invoices, together with accompanying documents (e.g., certificates, waybills, specifications, etc.), must be sent by registered post with acknowledgment of receipt or by courier, addressed to the "Accounting and Taxes" Department of **Agropolychim AD**, and also via email to **wip@agropolychim.bg**.

**33.** All payments shall be made via bank transfer. Payment obligations of **Agropolychim AD** under Clause 31 of these General Terms shall be considered fulfilled on the date **Agropolychim AD** submits the bank transfer order to its servicing bank.

**34.** Bank charges for transfers in BGN and EUR are shared between the parties: the charges for outgoing transfers, including those of the remitter's correspondent bank, are borne by the remitter, while the charges for incoming transfers, including those of the beneficiary's correspondent bank, are borne by the beneficiary. Bank charges for transfers in other foreign currencies are entirely at the expense of the remitter, including charges of the relevant correspondent banks.

#### ***SECTION XII: OCCUPATIONAL SAFETY AND HYGIENE***

**35.** All deliveries of goods, plans, machinery, mechanical tools, and personal or collective protective equipment must comply with the laws and regulations of the Republic of Bulgaria concerning occupational safety and hygiene, as well as any other safety conditions relevant to worker safety and the adaptation of work processes to human needs. When delivering the aforementioned goods, plans, machinery, tools, and equipment, the **Supplier** must provide **Agropolychim AD** with documentation certifying that all general or specific requirements, as outlined in the **Contract** and specified herein, have been met regarding occupational safety and hygiene.

#### ***SECTION XIII: WARRANTIES***

**36.** The **Supplier** is responsible for the quality of the delivered goods during the warranty period, particularly for the quality of the structures and materials of delivered machinery and equipment (unless manufactured according to a design by **Agropolychim AD**), as well as for the agreed qualities specified in the **Contract**.

**37.** The warranty period shall be defined in the **Contract**. If no such period is specified, the warranty period for any delivered goods shall be 18 (eighteen) months from the date of delivery. If a longer warranty period is required by statutory law, such longer period shall apply.

**38.** The **Supplier** guarantees that the delivered goods are absolutely new and free from any defects in materials, design, or workmanship. If **Agropolychim AD** discovers such a defect during the warranty period, the **Supplier** shall, at its own risk and expense, immediately repair and/or replace the defective parts. If the **Supplier** fails to do so within a reasonable timeframe (not exceeding 5 (five) working days),

**Agropolychim AD** reserves the right to undertake the necessary actions for repair and/or replacement at the **Supplier's** risk and expense. For all replaced parts, a new warranty period shall commence within the original 18-month warranty period. In cases of downtime caused by such defects, the warranty period shall automatically be extended by the duration of the downtime.

**39.** The **Supplier** guarantees that the delivered goods will function reliably and meet the parameters specified in the **Contract**. In the event of inefficient operation, **Agropolychim AD** shall have the right to compensation as specified in the **Contract** or to terminate the **Contract** at the **Supplier's** risk and expense, with the choice being at the sole discretion of **Agropolychim AD**.

**40.** If the commissioning of delivered machinery is delayed due to the late provision of drawings, instructions, or other guidelines by the **Supplier**, the warranty period shall be extended by the duration of the delay.

#### ***SECTION XIV: SERVICING AND SPARE PARTS***

**41.** The **Supplier** shall ensure servicing and the supply of spare parts during the warranty period and for 5 (five) years following the expiration of the warranty period. The conditions for servicing and the supply of spare parts after the warranty period shall be subject to an additional agreement between the parties.

#### ***SECTION XV: PENALTIES***

**42.** In the event of a delay in a payment, the defaulting party shall owe the other party a penalty equal to the statutory interest rate for each day of delay.

**43.** In the event of improper performance (delayed, partial, or poor performance) of the delivery, the defaulting party shall owe the other party a penalty of 0.7% of the total **Contract** price per each commenced week of delay, up to a maximum of 15%.

**44.** In the event of termination or cancellation of the **Contract** due to the fault of one of the parties, the responsible party shall owe a penalty of 15% (fifteen percent) of the total **Contract** value. The same penalty shall be owed by the **Supplier** for failing to fulfil its obligations under Clauses 25 and 26.

**45.** Penalties are due automatically without the need for special notification. The party entitled to the penalty may offset the amount against its obligations to the other party.

#### ***SECTION XVI: FORCE MAJEURE***

**46./1/** If either party is hindered or delayed in performing its obligations under the **Contract** due to an unforeseen or unavoidable extraordinary event occurring after the conclusion of the **Contract** (e.g., natural disasters, fires, floods, wars, civil unrest or uprisings, acts of violence, governmental demands, or regulations), it must notify the other party in a timely manner about the force majeure event and its potential consequences for the performance of the **Contract**.

**/2/** During the force majeure period, the performance of obligations and the corresponding counter-obligations shall be suspended.

**47.** If the force majeure event lasts for more than three months, either party may terminate the **Contract** by providing written notice, which shall take immediate effect upon receipt. In such cases, no compensation shall be due.

#### ***SECTION XVII: DISPUTE RESOLUTION***

**48.** All disputes arising from or related to these General Terms and/or the **Contract**, including disputes concerning their interpretation, validity, performance, or termination, as well as disputes regarding filling

gaps in the General Terms and/or the **Contract** or adapting them to newly arisen circumstances, shall be referred for resolution to the competent Bulgarian court.

#### ***SECTION XVIII: APPLICABLE LAW***

**49.** These General Terms and the concluded **Contract** shall be interpreted in accordance with the clauses of **INCOTERMS 2020 DDP at Agropolychim's warehouse in Devnya** and governed by the laws of the Republic of Bulgaria.

#### ***SECTION XIX: FINAL PROVISIONS***

**50. Agropolychim AD** may amend and/or supplement these General Terms at any time, provided it notifies the **Supplier** in writing of the changes. The amendments and/or supplements shall take effect from the beginning of the month following the month in which the notification was made.

**51.** Under these General Terms, "ordinary time as required by the circumstances" within the meaning of Article 13 of the Bulgarian Obligations and Contracts Act (OCA) is defined as 30 (thirty) calendar days, while "an appropriate term for performance" within the meaning of Article 87 of the OCA is defined as a period of 5 (five) working days.

**52.** Under these General Terms, "confidential information" shall be treated as any information (in written, oral, or any other form) that includes, but is not limited to, technical, financial, commercial, legal, or any other data provided to the **Supplier** during or in connection with the performance of its obligations under the **Contract**, as well as information the **Supplier** gains access to, becomes aware of, or creates as a result of or in connection with the execution of the **Contract's** subject matter. Exceptions to this definition include:

- Information already known to the **Supplier** before its disclosure, which can be substantiated by its records;
- Information lawfully provided to the **Supplier** by a third party not in connection with the performance of its obligations under the **Contract**;
- Information that becomes publicly available without any breach of the **Supplier's** obligations under the **Contract** or applicable laws;
- Information that must be disclosed by law to a competent state authority, provided that the **Supplier** has taken all necessary measures to protect the information from further disclosure.

**53.** In case of a conflict between the provisions of the **Contract** and these **General Terms**, the provisions of the **Contract** shall prevail.

**54.** These **General Terms** were adopted at a meeting of the Board of Directors as recorded in Protocol No. 2 dated 14 January 2000 (effective as of 20 January 2000) and were amended and supplemented at meetings of the Board of Directors on 5 April 2001 (effective as of 10 April 2001), meeting of the Board of Directors of 25 November 2013 (effective as of 2 December 2013), meeting of the Board of Directors of 19 February 2016 (effective as of 22 February 2016), and meeting of the Board of Directors of 6 December 2024 (effective as of 1 January 2025).