

COOPERATION AGREEMENT

1. Parties

- (i) ZAVOD ZA PREVERJANJE AVTENTIČNOSTI ZDRAVIL (*i.e. Slovenian Medicines Verification Institute Slovenia*) (Business ID/Company Number: 7174322000), whose registered office is at Dunajska cesta 156, 1000 Ljubljana, Slovenia (hereinafter also referred to as “**MVIS**”); and
- (ii) [..], (Business ID/Company Number: [..]), VAT identification number: [..], whose registered office is at [..] (hereinafter also referred the “**Company**”).

Both MVIS and the Company are hereinafter also individually referred to as a “Party” and collectively as the “Parties”.

The Company is entering into this Agreement as a **MAH** and as a legal entity selling pharmaceutical products of the MAH/MAHs listed in Appendix 1 to this Agreement.

The Company is a representative of the MAH/MAHs listed in Appendix 1 to this Agreement and is willing to take over all their responsibilities with regard to establishment of the SiMVS, as defined in this Agreement. Furthermore, the Company represents and warrants to the MVIS that it has been authorized and has obtained all necessary consents to enter into this Agreement on behalf of the MAH/MAHs listed in Appendix 1 to this Agreement.

2. Definitions

“**Agreement**” means this Cooperation Agreement and its appendices;

“**Associated Company**” means a company which is associated with another company if:

- one company has control of the other, or
- both companies are under the control of the same person or group of persons.

“**Confidential Information**” means any and all information, including technical and/or commercial information and other material of a Party relating to, without limitations, its business, business plans, financial details, customers, partners, intellectual property, facilities, products, techniques and/or processes whether in oral, written, electronic or other form or medium, that is specifically marked or otherwise communicated as being confidential at the time of disclosure or reasonably should be understood as being confidential. MVIS’s Confidential Information includes EMVO’s documents and other confidential information;

“**Data**” means information uploaded, processed, transferred, generated or stored in the EMVS and/or the SiMVS as set out in the Directive and the Delegated Regulation (in particular its Article 33, paragraph 2);

“**Delegated Regulation**” means the Commission Regulation (EU) 2016/161 of 2 October 2015 supplementing Directive 2001/83/EC of the European Parliament and of the Council by laying down detailed rules for the safety features appearing on the packaging of medicinal products for human use, as amended from time to time;

“**Directive**” means the Directive on Falsified Medicines 2011/62/EU of 8 June 2011 amending Directive 2001/83/EC on the Community code relating to medicinal products for human use, as regards the prevention of the entry into the legal supply chain of falsified medicinal products, as well as, the relevant implementing Slovenian laws, as applicable;

“**EMVO**” means the European Medicines Verification Organization, which is the non-profit legal entity established to set up and manage the European Hub in accordance with the Directive and Delegated Regulation;

“**EMVS**” means the European Medicines Verification System, which is set up and managed in accordance with Chapter VII of the Delegated Regulation. The EMVS consists of the European Hub and the National Systems and allows the wholesalers and retailers to verify the authenticity of medicinal products in accordance with the provisions of the Directive and the Delegated Regulation;

“**European Hub**” means the component of the EMVS that serves as a central information and data router for the transmission of Data to and from the National Systems;

“**MVIS**” means the Slovenian Medicines Verification Organization, which is responsible to set up and manage the National System in accordance with the Directive and the Delegated Regulation;

“**SiMVS**” means the Slovenian National Medicines Verification System implemented by MVIS;

“**MAH**” means the holder of marketing authorization for a medicinal product with effect on the territory of Slovenia. It is understood for the purpose of this Agreement that any parallel importer of medicinal products in Slovenia is also considered as a MAH;

“**National (Medicines Verification) System**” or “**National System**” means a national medicines verification system that is connected to the European Hub and allows the wholesalers and retailers to verify the authenticity of medicinal products in accordance with the provisions of the Directive and the Delegated Regulation;

“**Security Breach**” means event that endangers the security and/or the functioning of the EMVS and/or the SiMVS, including but not limited to, any security breach leading to the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or unauthorized access to Data or (other) Confidential Information, as well as the unauthorized upload of data or the upload of illegitimate data on the EMVS or the SiMVS.

Any other capitalized terms not defined in this Agreement are given the meaning allocated to them in the Directive and/or the Delegated Regulation.

3. Background and purpose of the Agreement

In the application of the Directive and the Delegated Regulation, a National Medicines Verification System will be set up in Slovenia. The Slovenian Medicines Verification System, SiMVS, will be part of the European Medicines Verification System and will be implemented by MVIS by the end of 2018 (hereinafter also referred to as “**Implementation Phase**”). SiMVS will be operational by the date, as stipulated in the Directive and the Delegated Regulation.

The primary non-profit purpose of MVIS is:

- to act as National Medicines Verification Organization in Slovenia,
- to develop, test, implement, operate and maintain the National Medicines Verification System (SiMVS) in Slovenia, as well as
- to develop, test, implement, operate and maintain the link with the European HUB in compliance with the EMVS and all Blueprint requirements.

According to the Directive and the Delegated Regulation, the costs of operation and maintenance of the National Medicines Verification System, and the costs of financing the

Implementation Phase will be borne by marketing authorization holders for medicinal products in the relevant market. Therefore, the Company, together with other MAHs, is responsible for the aforesaid costs of the SiMVS.

The purpose of this Agreement is to agree on:

- the financing obligations of the Company in relation to the operation and maintenance of the SiMVS, and the costs of financing the Implementation Phase,
- the invoicing of the Company by MVIS and
- other Parties' related obligations.

The Parties agree that amendments to EU legislation regarding the Directive and the Delegated Regulation may lead to extra responsibilities on the Parties or to any other change in circumstances related to this Agreement, in which case the Parties may need to update or amend this Agreement accordingly. Furthermore, the Parties agree to update or amend this Agreement, if necessary, based on the agreement between MVIS and EMVO or MVIS and its IT service provider.

4. Obligations of MVIS

MVIS undertakes to:

- (i) develop, test, implement, operate and maintain the SiMVS in compliance with the Directive, Delegated Regulation and this Agreement;
- (ii) take appropriate security measures to protect the confidentiality of the Data in the SiMVS;
- (iii) cooperate in good faith with the Company and other MAHs in the development, testing, implementation, operation and maintenance of the SiMVS;
- (iv) grant access to the SiMVS only to persons designated by the Agency for Medicinal Products and Medical Devices of the Republic of Slovenia ("AMPMD") as licensed wholesalers and retailers of medicinal products and their authorised representatives so as to allow the necessary IT service providers to access the system; and
- (v) process in the SiMVS the Data of MAHs that have signed an agreement with MVIS and that have connected and entered into the European Hub, unless otherwise required by AMPMD.

MVIS will publish on its official website, or in some other manner deemed appropriate by MVIS, information about changes in the circumstances of its legal status (e.g. registered address and address of management, representative etc.) and about the process of the development and implementation of the SiMVS.

Upon due request in compliance with applicable law, MVIS may provide the competent national authorities with access to the Company's Data available in the SiMVS within the scope and in accordance with Article 39 of the Delegated Regulation.

5. Obligations of the Company

The Company undertakes to:

- (i) perform its obligations set out in the Directive, Delegated Regulation and this Agreement duly and in a timely manner and report to MVIS on the performance of such obligations as reasonably requested by MVIS;
- (ii) timely pay the respective amounts according to Section 6 of this Agreement;
- (iii) inform MVIS in writing of any changes in the circumstances of its legal status (e.g., registered address and address of management, representative etc.) or of the legal status of any MAH it represents in accordance with this Agreement, and of any changes

- in the status of the marketing authorizations for medicinal products for which it, or any of MAH it represents in accordance with this Agreement, is the holder;
- (iv) designate a contact person for the purposes of this Agreement and communicate it to MVIS;
 - (v) report to MVIS on the performance of its obligations under this Agreement, the Directive and the Delegated Regulation;
 - (vi) directly connect and enter the Data to the European Hub;
 - (vii) cooperate in good faith with MVIS in the development, testing, implementation, operation and maintenance of the SiMVS.

The Company warrants that the Data relating to the medicinal products, for which it is the MAH or the representative of the MAH, have been entered in the European Hub correctly, fully, accurately and not misleadingly, and that such Data will ensure the proper functioning of the SiMVS and EMVS in compliance with the Directive and the Delegated Regulation when used by other MAHs, wholesalers and retailers.

6. Financing of the SiMVS

6.1 Fees

The Company, together with other MAHs, will pay to MVIS **an annual flat fee** (the “**Annual fee**”). The Annual fee will cover:

- yearly expenses for operation, maintenance and further development (e.g. updates and upgrades) of the SiMVS and
- Slovenia’s share of the costs of the European Hub and
- all necessary and legally compulsory activities of MVIS in relation to SiMVS and
- the costs of financing the Implementation phase.

If the Company represents and is responsible for more MAHs, the Annual fee will be charged according to the number of MAHs listed in Appendix 1. The invoicing of the Annual fees will begin from 1.2.2019¹ onwards in accordance with the payment schedule as will be specified in Appendix 2 to this Agreement. The Company agrees to pay any Annual fee within the deadlines as will be stipulated in Appendix 2 of this Agreement.

The costs of the Annual fee, the detailed payment schedule and the increase of the Annual fee for later signature of this Agreement are specified in Appendix 2 to this Agreement (in accordance with Article 18 of this Agreement). The Company acknowledges that the Annual fee, specified in Appendix 2, may change in accordance with the following paragraph. In such a case, the Annual fee in Appendix 2 will be updated accordingly and the Company will be notified thereof in writing.

MVIS has the right, at any time during the term of this Agreement, to increase the Annual fee:

- in case of the decrease of the number of MAHs; and/or
- if MVIS’s service provider and/or EMVO increases its fees or if they charge additional fees from MVIS; and/or
- if the fees related to the implementation, operation, maintenance or further development of the SiMVS increase due to reasons such as higher implementation and/or maintenance cost or due to any other reasons; and/or
- in any other case estimated by MVIS to be a reasonable cause for the increase of the Annual fee.

¹ Annual fee is determined for each calendar year for period starting on 1 January (or from eventual later date of establishment of relationship between Parties based on this Agreement) and ending on 31 December of the same calendar year.

Any such increase of the Annual fee, solely in accordance with the provisions defined in the previous paragraph, shall be confirmed in accordance with MVIS' Statute. MVIS is obliged to notify the Company of any such increase in the Annual fee in advance, but not later than 30 days before effective day of the increase.

6.2 Payment terms

All payments will be made in euros. The Annual fee does not include any value added tax (VAT)², which will be, if relevant in accordance to the applicable laws, calculated and/or charged in addition to the Annual fee. The Company will be responsible for the payment of any withholding taxes, similar taxes, duties levies and such payments relating to the fees payable under this Agreement. The invoice will be issued in January for each calendar year. The maturity of the amounts in the invoices shall be in accordance with payment deadlines as set out in Appendix 2 to this Agreement.. Interests for delayed payments will accrue in accordance with the Slovenian act regulating statutory default interest rate.. In addition to any other rights and remedies available to MVIS in accordance with law and/or EMVO's recommendations and/or EMVO's guidelines, if the Company is in delay of its payment obligation, MVIS will i) notify AMPMD of the non-fulfilment of the Company's obligation under Article 31 paragraph 5 of the Delegated Regulation and ii) reserve the right to initiate the suspension of the upload of the Data of the relevant defaulting MAH(s) to the SiMVS through EMVS – EU Hub until the due fulfilment of the payment obligations, whereas any liability of MVIS to the Company and to MAHs the Company represents in accordance to this Agreement, in case MVIS suspends the upload of the Data to the SiMVS in accordance with this provision, is explicitly excluded.

The Company's invoicing address or electronic invoicing details will be specified in Appendix 2. The Company will inform MVIS immediately in case of any changes in its invoicing address.

If the Annual fee is paid by a third party on behalf of the Company, the Company will in any case remain solely responsible and liable for the compliance with this Agreement, including the Directive and the Delegated Regulation.

7. Intellectual Property Rights

The Intellectual Property Rights to the SiMVS and the EMVS will be held by MVIS, EMVO and/or their subcontractors and/or service providers. The Company and the users of the SiMVS and the EMVS will not obtain any Intellectual Property Rights to the SiMVS or EMVS.

8. Ownership and right of Data

Any person that lawfully generates Data in the SiMVS or EMVS will be the owner of and responsible for such Data in accordance with Article 38 of the Delegated Regulation. Except for the Data listed under Article 33 paragraph 2 of the Delegated Regulation and the information on the status of a unique identifier for the sole purpose of verification (Article 38, paragraph 1 of the Delegated Regulation), the Data will not be accessible for any other party. However, MVIS may allow access to all Data in the SiMVS to national competent authorities as provided for under Article 39 of the Delegated Regulation.

The Company has the right of access only to the Data for medicinal products for which it is the MAH or is duly authorized for this purpose as the representative of the MAH. The Company bears full responsibility for its actions when accessing the Data.

² MVIS is liable for VAT.

MVIS will only grant access to the SiMVS and the Data contained therein to the competent authorities for its territory for the purposes set out in Article 39 of the Delegated Regulation and in so far as they concern MVIS's own territory, unless otherwise required under the Directive, Delegated Regulation, or under relevant legislation applicable to MVIS.

9. Processing of personal data

If either Party processes the other Party's Personal Data, the Parties will conclude a separate data processing agreement before beginning the processing activities. The data processing agreement will include terms and conditions in accordance with applicable data protection laws, including the EU General Data Protection Regulation.

10. Security breaches

If the Company becomes aware of a Security Breach, it will notify MVIS immediately. The notification will contain: (i) the nature of the Security Breach, including the categories and number of persons affected, and the categories and number of relevant Data records; (ii) the consequences of the Security Breach; (iii) measures that are or will be undertaken by the Company to repair the Security Breach and limit its consequences; and (iv) the measures that are or will be undertaken by the Company to prevent such Security Breach in the future.

In the event of a Security Breach, the Company will upon MVIS's request: (i) cooperate with MVIS in investigating the Security Breach; (ii) take all reasonable steps to repair the Security Breach and limit its consequences; (iii) take all reasonable steps to prevent the recurrence of such Security Breaches in the future; and (iv) assist MVIS in measures required by applicable law.

11. Confidentiality

For the purposes of this Agreement, the Parties may provide Confidential Information to each other. Each Party receiving Confidential Information from the other Party will:

- (i) use the other Party's Confidential Information only for the purposes of this Agreement or as otherwise provided under the Directive or the Delegated Regulation;
- (ii) keep the other Party's Confidential Information secret and confidential and not disclose it to any third party, except as expressly permitted under this Agreement or the Directive or the Delegated Regulation;
- (iii) exercise the same degree of care and protection with respect to the other Party's Confidential Information as it exercises with respect to its own proprietary and confidential information of same kind, but in no case less than with reasonable care; and
- (iv) take necessary precautions to prevent unauthorized use or disclosure of the other Party's Confidential Information, and to notify immediately the other Party upon becoming aware of the same and take necessary measures in order to reduce the effects of such unauthorized misuse or disclosure.

Each Party may disclose the other Party's Confidential Information to its affiliates or subcontractors on a need to know basis for the purpose of this Agreement and under at least as stringent confidentiality obligations as set out in this Section 11.

The confidentiality obligations set out in this Section 11 do not apply to material and information that:

- (i) is generally available or otherwise public without the receiving Party being in breach of this Agreement; or
- (ii) the receiving Party has received from a third party without breach of confidentiality; or

- (iii) was in the possession of the receiving Party without confidentiality obligation prior to receiving the information from disclosing Party; or
- (iv) the receiving Party has independently developed without using the information or material received from the disclosing Party.

Upon termination of this Agreement, the receiving Party will return to the disclosing Party the Confidential Information received from it or, upon the disclosing Party's request, certify destruction of the same. The receiving Party will, however, be entitled to retain such material as is required by applicable law.

The obligations under this Section 11 will remain in force after termination of this Agreement.

12. Force Majeure

Neither Party will be liable for delay or damage caused by an impediment beyond the Party's control nor for delay or damage which the Party could not have reasonably taken into account at the time of conclusion of this Agreement and the consequences of which the Party could not have reasonably avoided or overcome. A strike, lockout, boycott and other similar industrial action will also be considered a force majeure event even when the Party concerned is the target or a party to such an action.

A force majeure event suffered by a subcontractor of a Party will also be considered a force majeure event in relation to that Party if the work to be performed under subcontracting cannot be done or acquired from another source without incurring unreasonable costs or significant loss of time.

Each Party will without delay inform the other Party in writing of a force majeure event and the termination of the force majeure event.

13. Limitation of liability

MVIS does not warrant that the SiMVS does not and will not contain any errors or defects (whether visible, hidden or likely to occur in the future). MVIS does not warrant that the SiMVS will function without faults.

MVIS will not be liable for the actions of EMVO and of the persons to whom access to the SiMVS and the EMVS has been provided. MVIS will not be liable for the content, integrity, or completeness of the Data in the SiMVS or the EMVS and for such Data being up to date.

Neither Party will be liable towards the other Party for any indirect or consequential damages. The total aggregate liability of a Party towards the other Party under this Agreement will be limited to the amount of payments received by MVIS from the Company under this Agreement. The limitation of liability will not apply, if the damage has been caused by (i) wilful misconduct or gross negligence; (ii) breach of confidentiality obligations; or (iii) breach of Intellectual Property Rights.

14. Term and termination

This Agreement enters into force when it has been signed by the duly authorized representatives of both Parties. This Agreement is concluded for an indefinite period of time.

Since this Agreement covers the execution of compulsory legal provisions as set out in the Directive, the Delegated Regulation, and possible other applicable legislation, both Parties acknowledge and agree that this Agreement may only be terminated:

1. if the Company no longer acts as a MAH or a MAH representative on the Slovenian market; or
2. if the applicable legislation ceases to apply to either the Company or MVIS; or
3. if the agreement between EMVO and MVIS for the use of the European Hub is terminated for any reason; or
4. if one Party commits a material breach of this Agreement and fails to remedy such breach within thirty (30) days after having been given written notice in respect thereof. For the avoidance of doubt, Company's failure to pay any of its payment obligations within the deadlines stipulated in Appendix 2 and Section 6.2 of this Agreement will be deemed as the material breach of this Agreement.

The respective Party will, as soon as possible but not later than 30 days before the termination date, inform the other Party of the termination event from the previous paragraph.

In case of any of the termination events stipulated in items 1 to 3 of the second paragraph, the respective Party will have the right to terminate this Agreement without any liability to the other Party.

In case this Agreement is terminated by either Party, the Company will be obliged to pay any fees that MVIS will have invoiced to the Company in accordance with the provisions of this Agreement up to the date of the Agreement's termination and will have no rights whatsoever to be refunded of the already paid fees (neither as a whole nor pro rata).

Sections 7, 8, 11, 13 and 17 will survive the termination of this Agreement.

15. Anti-Corruption Clause

MVIS and the Company agree on the rules on combating corruption as defined in the Appendix 3 of this Agreement.

16. Amendment and assignment

Amendments and modifications to this Agreement are valid only if they are made in writing and signed by the duly authorized representatives of both Parties.

The Company may assign this Agreement, in whole or in part, to any of its Associated Companies or to any of the MAHs listed in Appendix 1 to this Agreement with MVIS' prior written consent, which MVIS will not unreasonably withhold. Any attempted assignment in violation of this provision will be invalid.

MVIS may assign this Agreement, in whole or in part, without the Company's consent at any time, it being agreed that MVIS will inform the Company about such assignment and the reasons thereof MVIS's earliest convenience.

17. Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement and supersedes and replaces any prior proposals, negotiations, agreements and other written or oral communications between the Parties relating to the subject matter of this Agreement.

18. Governing law and dispute resolution

This Agreement is governed and construed under the laws of Slovenia, excluding its choice of law rules.

In case of any dispute between the Parties arising out of or in connection with this Agreement and/or any contractual or non-contractual (including pre-contractual) matters in connection with its conclusion, validity, interpretation, enforcement, performance and termination, whether arising during the Term or thereafter ("Dispute"), the Parties will attempt to resolve such a Dispute amicably by referring the Dispute by written notice to the respective duly authorized representatives of the Parties for discussions and with the aim of resolving the Dispute.

If the Parties cannot resolve the Dispute within further thirty (30) calendar days from the receipt of the written notice, either Party may commence the court procedure according to the last paragraph of this Section.

Notwithstanding the previous paragraphs, either Party will be entitled to apply to a competent court in Ljubljana for injunctive relief pending the resolution of a Dispute in accordance with the provisions of this Agreement.

In the event that the negotiations do not lead to an amicable solution, such Dispute will be finally settled by the competent court in Ljubljana. The language of the court procedure will be Slovenian.

19. Appendices

- Appendix 1 List of MAHs
- Appendix 2 Annual fee and invoicing
- Appendix 3 Rules on combating corruption

At the date of the signing of this Agreement, the Annual fee and the detailed payment schedule have not been specified yet. MVIS will calculate the Annual fee and specify the payment schedule and other information in accordance with Appendix 2 within first 6 months of year 2018 and will inform the Company thereof in writing.

Appendices constitute an integral part of this Agreement and are regarded as its inseparable part. If there is any discrepancy between the main body of this Agreement and the any of the Appendices, the main body of this Agreement will prevail.

20. Signatures

This Agreement has been drawn up and executed in two (2) identical copies (which may also be electronic) of which each Party has received one (1) copy.

MVIS	[Company]
Name: Mitja Pirman	Name: _____
Title: Director	Title: _____
Place and date: _____	Place and date: _____

Appendix 1
List of MAHs

The Company is the representative and enters into this Agreement on behalf of the following marketing authorization holders in Slovenia:

- 1) Name, Business ID, registered address;
- 2) Name, Business ID, registered address...]

MVIS	[Company]
Name: Mitja Pirman	Name: [REDACTED]
Title: Director	Title: [REDACTED]
Place and date: [REDACTED]	Place and date: [REDACTED]

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**Appendix 2
Annual fee and invoicing**

Annual fee:

Annual fee per 1 (one) MAH (VAT excl.): EUR 10,000.00

Annual fee in total for MAHs (VAT excl.): EUR

Increase of Annual fee for later signature:

The Annual fee, as set out in the previous title of this Appendix 2, and as may be increased in accordance to the provision of point 6.1. of this Agreement, shall be increased as follows:

- i) if the Company signs the Agreement (and submits it to MVIS) until 30 June 2018: 0.00%;
- ii) if the Company signs the Agreement (and submits it to MVIS) until 31 December 2018: 10.00%;
- or
- iii) if the Company signs the Agreement or submits it to MVIS after 31 December 2018: 20.00%.

Payment schedule:

Installment	Payment Deadline	Amount to pay (VAT excl.) without increase
Annual fee for 2019	15 March 2019	
Annual fee for 2020	15 March 2020	

Increase of Annual fee are payable within the same deadline as amounts of Annual Fee (without increases).

Invoicing information:

Company's name			
Company's Address			
Invoicing Address or electronic invoicing details			
VAT number			
Purchase order process	A specific purchase order process is NOT applicable	Yes	No
	The following Purchase Order Number is needed:	Yes	No
	Use the following details for the Purchase Order process: _____	Yes	No

MVIS	[Company]
Name: Mitja Pirman	Name: _____

Title: Director	Title: [REDACTED]
Place and date: [REDACTED]	Place and date: [REDACTED]

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Appendix 3

Rules on Combating Corruption (ICC standard clause)

Paragraph 1

Each Party hereby undertakes that, at the date of the entering into force of the Agreement, itself, its directors, officers or employees have not offered, promised, given, authorized, solicited or accepted any undue pecuniary or other advantage of any kind (or implied that they will or might do any such thing at any time in the future) in any way connected with the Agreement and that it has taken reasonable measures to prevent subcontractors, agents or any other third parties, subject to its control or determining influence, from doing so.

Paragraph 2

The Parties agree that, at all times in connection with and throughout the course of the Agreement and thereafter, they will comply with and that they will take reasonable measures to ensure that their subcontractors, agents or other third parties, subject to their control or determining influence, will comply with the following provisions:

Paragraph 2.1

Parties will prohibit the following practices at all times and in any form, in relation with a public official at the international, national or local level, a political party, party official or candidate to political office, and a director, officer or employee of a Party, whether these practices are engaged in directly or indirectly, including through third parties:

- a) **Bribery** is the offering, promising, giving, authorizing or accepting of any undue pecuniary or other advantage to, by or for any of the persons listed above or for anyone else in order to obtain or retain a business or other improper advantage, e.g. in connection with public or private procurement contract awards, regulatory permits, taxation, customs, judicial and legislative proceedings. Bribery often includes: (i) kicking back a portion of a contract payment to government or party officials or to employees of the other contracting Party, their close relatives, friends or business partners or (ii) using intermediaries such as agents, subcontractors, consultants or other third parties, to channel payments to government or party officials, or to employees of the other contracting Party, their relatives, friends or business partners.
- b) **Extortion or Solicitation** is the demanding of a bribe, whether or not coupled with a threat if the demand is refused. Each Party will oppose any attempt of Extortion or Solicitation and is encouraged to report such attempts through available formal or informal reporting mechanisms, unless such reporting is deemed to be counter-productive under the circumstances.
- c) **Trading in Influence** is the offering or Solicitation of an undue advantage in order to exert an improper, real, or supposed influence with a view of obtaining from a public official an undue advantage for the original instigator of the act or for any other person.
- d) **Laundering the proceeds of the Corrupt Practices** mentioned above is the concealing or disguising the illicit origin, source, location, disposition, movement or ownership of property, knowing that such property is the proceeds of crime. "Corruption" or "Corrupt Practice(s)", as used in this ICC Anti-corruption Clause, shall include Bribery, Extortion or Solicitation, Trading in Influence and Laundering the proceeds of these practices. 4 ICC Anti-Corruption Clause

Paragraph 2.2

With respect to third parties, subject to the control or determining influence of a Party, including but not limited to agents, business development consultants, sales representatives, customs agents, general consultants, resellers, subcontractors, franchisees, lawyers, accountants or similar intermediaries, acting on the Party's behalf in connection with marketing or sales, the negotiation of contracts, the obtaining of licenses, permits or other authorizations, or any actions that benefit the Party or as subcontractors in the supply chain, Parties should instruct them neither to engage nor to tolerate that they engage in any act of corruption; not use them as a conduit for any corrupt practice; hire them only to the extent appropriate for the regular conduct

of the Party's business; and not pay them more than an appropriate remuneration for their legitimate services.

Paragraph 3

If a Party, as a result of the exercise of a contractually-provided audit right, if any, of the other Party's accounting books and financial records, or otherwise, brings evidence that the latter Party has been engaging in material or several repeated breaches of Paragraphs 2.1 and 2.2 above, it will notify the latter Party accordingly and require such Party to take the necessary remedial action in a reasonable time and to inform it about such action. If the latter Party fails to take the necessary remedial action or if such remedial action is not possible, it may invoke a defence by proving that by the time the evidence of breach(es) had arisen, it had put into place adequate anti-corruption preventive measures, as described in Article 10 of the ICC Rules on Combating Corruption 2011, adapted to its particular circumstances and capable of detecting corruption and of promoting a culture of integrity in its organization. If no remedial action is taken or, as the case may be, the defence is not effectively invoked, the first Party may, at its discretion, either suspend or terminate the Agreement, it being understood that all amounts contractually due at the time of suspension or termination of the Agreement will remain payable, as far as permitted by applicable law.

Paragraph 4

Dispute resolution body, rendering a decision in accordance with the dispute resolution provisions of the Agreement, shall have the authority to determine the contractual consequences of any alleged non-compliance with this Anti-corruption Clause.

Notwithstanding the foresaid, in accordance to the Article 14 of the Slovenia Integrity and Prevention of Corruption Act the Agreement in which a person promises, offers or gives any undue advantage to the representative or agent of a public sector body or organisation on behalf or for the account of another contracting party for the purpose of

- obtaining business;
- concluding business under more favourable terms or conditions;
- omitting due supervision over the implementation of contractual obligations or
- any other act or omission which causes a public sector body or organisation damage or by which the representative or the agent of the public sector body or organisation, the other contracting party or its representative, agent or intermediary are put, in a position to obtain an undue advantage,

shall be deemed null and void.

MVIS	[Company]
Name: Mitja Pirman	Name: _____
Title: Director	Title: _____
Place and date: _____	Place and date: _____