

Translation Industry Cooperation Agreement (Translation) between MFTE, PROFORD and SZOFT

(a.k.a. "the Hungarian Covenant")

This is the 2020 version (with changes from the 2013 version in tracked changes). The term "Translation Service Provider" was changed throughout the document to "Language Service Provider", and this particular change is not shown in tracks.

PREAMBLE

The objective of this document prepared jointly by the Association of Hungarian Translators and Interpreters (~~AHTI~~MFTE) and the Association of Professional Translation Service Providers (Proford) and the Association of Freelance Translators and Interpreters, Hungary (SZOFT) is to set out the core principles of business cooperation between Translation Service Providers and their subcontractors (Translators and Revisers).

~~AHTI and~~MFTE, Proford and SZOFT have recognised the need to create a professional and business agreement regulations that isare based on mutual consent; ~~regulations which and~~ promote efficient, forward-thinking and professional cooperation between Translation Service Providers and representatives of the translation industry, and which also provide a point of reference with respect to the terms of cooperation; quality, technical and other resources, as well as the practical implementation of fee-related requirements.

To date, no other agreement has been signed in Hungary based on the mutual agreement of both sides that would take the values and interests of the market's demand and supply side into consideration. This Agreement aims to set clear and feasible rules for all stakeholders.

It is no coincidence, therefore, that the lack of consensus in basic professional matters has spurred tension between the parties on many occasions. ~~This Agreement has~~ These rules have been created jointly by ~~Proford member~~ Language Service Providers and ~~Translators and Revisers~~ their subcontractors (Translators and Revisers having ~~the professional~~ required by law and/ or the appropriate expertise), with their mutual consent, regarding each other as equal professional partners. Both sides accept the basic principles set out in this Agreement, the adherence to which the parties can mutually expect from one another in the future.

The ~~Agreement is~~ requirements and recommendations set out in this document are primarily aimed at representatives of the translation industry and players of the translation market, i.e. Language Service Providers and Translator and Reviser professionals; at the same time, however, we also anticipate interest from educational institutions providing translation and interpreting courses and from end users on the demand side.

1. Definition of Terms

1.1 Language Service Provider

An organisation ~~providing that~~ provides translation, interpreting and associated services.

1.2 Translator (~~Certified~~ Specialised Translator)

A person with the qualifications required by the effective laws or the necessary expertise who performs (specialised) translations.

1.3 Reviser/Editor

~~The~~ A person performing the task specified in section 1.57.

1.4 Source Language

The language of the text ~~or speech~~ serving as the basis of translation and revision.

1.5 Target Language

The language into which the source language text is translated.

1.6 Translation

Translation refers to services the outcome of which is the rendering of a source language text recorded on an electronic data storage device or on paper into a target language text recorded on an electronic data storage device or on paper.

1.7 Revision/Editing

Revision/editing refers to services whereby a translation ~~commissioned by the Translation Service Provider and~~ generated by the Translator is checked by a Reviser based on the requirements of the specific language as it is used today. This includes the checking of the translation's punctuation, spelling, grammar, language use and style, as well as the terms applied in the translation against the terminology of the specific profession. Depending on the type of text, its final use and the client's needs, linguistic and professional revision may be performed by two resources: a linguist and a subject matter expert. Revision is performed by checking the target text against the source text in a comprehensive manner.

1.8 Target Language Review

~~Review of the target language text and the correction of any spelling, punctuation, grammar, language use or stylistic errors.~~ The target language text is checked against the source text linguistically and/or according to the specialisation field, without comprehensively comparing the target language text to the source language text.

1.9 Translation Quality Assurance (QA)

Software aided translation checking to filter out technical errors.

1.10 Machine Translation

Machine translation is an automated translation procedure, where the source language text is translated into the target language with the use of IT tools and computer software.

1.11 Post-Editing of Machine Translation

Post-editing and correction of machine translation output

1.12 Computer-Assisted Translation (CAT) Tool

The CAT tool allows the Language Service Provider to create a translation memory and terminology database for each of its clients and/or topics, and to use the documents provided to it for reference as a translation memory during the translation process. The CAT tool enables the Language Service Provider to coordinate the work of several Translators online simultaneously, so the overall translation project may be coordinated on an online interface.

1.12.1 Translation Memory (TM)

A translation memory built up with a CAT tool contains segment pairs. During the translation/revision process, the software alerts the user of any matches between the source language text and the translation memory in use; as a result, the Language Service Provider can ensure that recurring texts are translated consistently.

1.12.2 Term Base (TB)

The term base created with the CAT tool functions as a smart dictionary, and enables the user not only to record word pairs, but also to add information in connection with the use of the specific term, such as definition, context-related use, forbidden terms, etc. The CAT tool alerts the user of any matches between the source language text and the term base in use.

1.12.3 Alignment

If the Client provides the Language Service Provider with previous translations in addition to the appropriate source language documents, the Language Service Provider can align them with the CAT tool and subsequently use them as a translation memory.

1.12.4 Repetition

Repetition refers to a statistical match between the sentences (segments). Therefore, a word appearing several times in the text does not, in itself, qualify as repetition.

1.13 Translation Quality

1.13.1 Revised Translations (T+E)

The revised translation is correct in terms of its spelling, punctuation, grammar, language use and style, and its content corresponds to that of the source language text. Obviously, even revised translations can be modified further, but the purpose of such modifications is not to

correct errors but to tailor the text to individual expectations.

1.13.2 Translations Fit for Revision (T-only)

The translation may not contain substantive errors, linguistic mistakes, misinterpretations or omissions. Such translations do not require sentence-level modifications to the text; the text can be perfected through minor changes, primarily at the level of words.

1.13.3 Translations of Unacceptable Quality

The quality of a translation will be deemed unacceptable if corrections to its language use and substance, as well as sentence-level changes are needed to make it acceptable. Likewise, the quality of a translation will be unacceptable if the Translator/Reviser or Language Service Provider failed to use the terminology and reference materials provided by the Client appropriately or did not adhere to the translation guidelines.

2. Terms of Cooperation

2.1 Master Agreement and Individual Orders

It is recommended that the provisions concerning the legal relationship of the Language Service Provider and Translators/Revisers are laid down in master service agreements at the beginning of the cooperation. In all respects, this relationship builds on the general principles of mutual cooperation and the exercising of rights in good faith. Due to the intertwining of the business interests of the Language Service Provider and Translators/Revisers and the typically multi-year duration of the cooperation, greater emphasis is placed on these aspects than would otherwise be typical in legal relationships under the Civil Code. For the sake of foreseeability, it is recommended that the Language Service Provider and the Translator/Reviser set a standard rate in advance for each language combination, and determine the cases of potential deviation from these (e.g. surcharge for urgency or very specialised text, text with legibility issues, text requiring substantial preparation or post-formatting that is not directly processable with CAT tools, etc.) and the normal daily volume.

Before work on individual orders is commenced, it is recommended to send a written Purchase Order to the Translator/Reviser with respect to each project, which contains the details of the specific assignment on the basis of the master agreement, and will serve as a basis for invoicing. As regards its legal effect, a verbal agreement is equivalent to a written one, however, for the sake of verifiability, it is recommended to write down the terms of the assignment.

Invoicing schedule and frequency depends on the agreement between the parties (e.g. monthly summary) - taking legal regulations into consideration. Once the Translator/Reviser has confirmed the assignment and the acceptance of the written Purchase Order, the work shall be considered as having been ordered, and the terms and conditions of the assignment agreed upon (exact deadline, delivery format, scheduling, reference materials, compulsory QA

check, CAT exports to be delivered to the client) may not be disputed. Any subsequent modifications to the terms and conditions (delivery deadline, volume to be translated, etc.) by either party could impact the financial terms and conditions of the agreement, in which case a new written Purchase Order is to be issued. In case of a lapse of interest on the Language Service Provider's side due to changes on the Translator/Reviser's side (e.g. late delivery), the Language Service Provider shall be entitled to cancel the specific order.

The written Purchase Order shall include the following:

- date of order,
- deadline of delivery, partial deliveries,
- description of the assignment (language pair, task, topic, etc.),
- terms of payment (unit of payment, weighting, price),
- mode of delivery (format, file type, file name),
- formal and technical instructions and client-specific language requirements,
- file(s) to be translated/revised, as an attachment or in the form of hyperlink(s), supplementary material, TMs and TBs, as an attachment or in the form of hyperlink(s).

The Language Service Provider should inform the Translator of all project stages and the Translator's role in the process.

2.2 No Subcontracting

Unless otherwise agreed upon by the parties, the agreement shall refer to the assignment being carried out by the Translator/Reviser personally, without any subcontracting. Subcontracting the assignment undertaken without the knowledge and consent of the Language Service Provider shall be considered a breach of contract and carry the necessary legal consequences, regardless of the final quality of the service delivered.

2.3 Non-Disclosure and Non-Competition

Typically, the written framework contract/written agreement contains non-disclosure and non-competition provisions binding upon the Translator/Reviser.

2.3.1 Non-Disclosure

When determining the expected level of confidentiality, it shall be taken into account that, as a mediated service provider, the Translator/Reviser has limited knowledge concerning the business interests and risks of the Language Service Provider and its clients. For this reason, the Translator/Reviser shall also proceed with due care in this respect during the performance of the agreement, fully aware that the translation activity carries multiple risks with respect to confidentiality (confidential information of the Language Service Provider's client learned from the translatable documents, the business relationship between the Language Service Provider and its client, workflows, resources and prices of the Language Service Provider, etc.). Based on the general requirements of clients ordering the translation services, in the context of confidentiality the Translator/Reviser may be reasonably required to delete from their computers all materials pertaining to the assignment after delivery has been completed. It may

also be justified to prohibit the complete or partial copying of the source text into online machine translation tools, since the operator of the online machine translation tool may, in certain cases, acquire ownership of such content. The Translator/Reviser shall also make sure not to disclose any confidential information regarding their work in personal communications or in online media that enable the identification of the Language Service Provider, its client and/or the content of the assignment.

2.3.2 Data Security

All participants of the translation process shall comply with the effective domestic and EU data protection laws, as amended from time to time.

2.3.3 Non-Competition

The business contacts of the Language Service Provider are protected by a non-competition obligation in relation to those clients from whom Translator/Reviser has not had any previous direct work orders for translation/revision services. This obligation applies provided that the Translator/Reviser is aware of the identity of the Language Service Provider's client. It may be stipulated as a minimum requirement that the Translator/Reviser may not undertake any direct assignments from the client without the Language Service Provider's knowledge and consent, and may not contact the client directly with any business propositions for the same services. When working on an assignment, the Translator/Reviser may not establish contact with the Language Service Provider's client without the Language Service Provider's involvement.

The duration of the confidentiality requirement is to be agreed between the parties, but generally it is restricted to 2 years from the last relevant assignment.

2.4 Certification of Professional Experience, References

The Language Service Provider is entitled to request any information concerning the professional experience and project history of the Translator/Reviser which it deems necessary in order to assess and verify the Translator/Reviser's qualifications, competence, experience and service quality, provided that it does not violate any confidentiality obligation. The Language Service Provider shall use the data requested (documents certifying academic qualifications, CV, list of references, etc.) exclusively for this purpose, and may not use such documents to secure other assignments in the performance of which it has no intention of involving the Translator/Reviser or of which the Translator/Reviser is unaware. If it wishes to send such documents to its clients, it shall obtain, in each individual case, consent from the Translator/Reviser, and provide information to the latter on the potential business opportunity.

Without the prior written consent of the Language Service Provider, the Translator/Reviser may not indicate the work completed for the former on its list of references so that the business relationship between the given Language Service Provider and its client becomes apparent. In order to indicate as reference, the work performed for the Language Service

Provider, the Translator/Reviser must request consent from the Language Service Provider; granting of the consent may not be denied without well-substantiated and justified reasons. If the Language Service Provider provides reference, it shall — at request — also provide contact details for persons from whom further information may be requested concerning the work of the Translator.

Language Service Providers should endeavour to make the exchange of references an established practice in the Hungarian language services market, and to support Translators/Revisers providing quality work by making such factual and specific information available.

2.5 Test Translations

The Language Service Provider may request a test translation, which can be free of charge or paid, as agreed by the parties. If the test translation is free of charge, the Language Service Provider may not sell the translation thus received. The Language Service Provider is required to send feedback on the test translation.

3. Quality

3.1 Mutual Requirements of the Language Service Provider and the Translator/Reviser

It is the common interest of both the Language Service Provider and the Translator/Reviser to carry out assignments of high quality that meet both the general language and translation criteria and the specific requirements agreed upon with the End User (Client). The Language Service Provider is responsible for negotiating a realistic performance deadline with its client. Furthermore, if the volume and/or the urgency of the translation makes it necessary to involve several Translators and/or Revisers, the Language Service Provider is required to inform its client of the potential quality impacts of such a workflow.

3.2 Duties and Responsibilities of the Language Service Provider and the Translator/Reviser

In order to achieve the objective defined in point 3.1, the Language Service Provider shall transfer to the Translator/Reviser, along with the job assignment, all the available information (the objective of the translation, target group, special usage, style guide, client-specific terminology, local conventions, formatting requirements, references, antecedents, etc.) needed for his work. Furthermore, the Language Service Provider shall provide all assistance, consultation opportunities and technical support to enable the Translator/Reviser to complete the order in the best possible quality.

The Translator/Reviser shall be responsible for carrying out their assignment in accordance with the requirements listed above. The requirements referring to the Translator/Reviser's work are detailed in section 3.4 (Quality Requirements).

If the Language Service Provider requests the Translator to translate the document in question

using a CAT tool and provides them with TMs and TBs, the Translator shall not be liable for the mistakes deriving from the errors of the TMs and TBs received. Nevertheless, upon finding errors in the Translation Memories and Terminology Databases received, the Translator shall inform the Language Service Provider.

Provided that the other conditions are met, the Language Service Provider will only progress to the next work stage once the Translator/Reviser has delivered the material as requested.

The Language Service Provider strives to return the revised translation to the Translator, and if the workflow allows for it, ensure the Translator the possibility to make comments.

3.3 Conditions and Details of Job Assignments

The Language Service Provider shall send to the Translator, via e-mail, a written Purchase Order (PO) containing the document to be translated/revised. In exceptional cases, the Purchase Order may be sent in hard copy, via post/by courier service. The content of the written Purchase Order is specified in section 2.1.

Upon receipt of the Purchase Order, the Translator/Reviser shall confirm in writing the understanding of its contents and acceptance thereof. Thereafter, all parts of the Purchase Order shall be deemed accepted.

If there are any obstacles to the fulfilment of any of the above-mentioned requirements or they are contrary to the general principles of translation (e.g. orthography), the Translator/Reviser shall be responsible for informing the Language Service Provider thereof in writing before confirming the Purchase Order. If the Language Service Provider, either upon request of the End User (Client) or at its own decision, insists on compliance with the requirement questioned by the Translator/Reviser in writing, the Translator/Reviser shall not be liable for the quality complaints deriving from it. The Translator/Reviser may decide not to accept the assignment due to the problematic requirement and shall inform the Language Service Provider thereof in writing. If the Translator/Reviser accepts the assignment and confirms the Purchase Order, they are obliged to complete the job in accordance with the requirements laid down in the confirmed Purchase Order and deliver it by the specified deadline.

The Language Service Provider and the Translator/Reviser shall come to an agreement on the specific requirements raised by the Client following the commencement of the work, taking into account the length of the document to be translated and the time remaining until delivery.

3.4 Quality Requirements

3.4.1 Translation:

The Translator shall make every effort to translate the source text into the target language

ensuring the conformity of the translated text with the rules of the target language and the instructions received in the course of the assignment. During translation, the Translator shall conform to and apply coherently the terminology of the given field and that required by the Client; furthermore, they shall also conform to the grammatical accuracy, orthography, punctuation, typography, coherent terminology use, the correct translation of addresses and numbers, style, formatting requirements, and consider the target group, the locale, and objective of the translation. After translation, the Translator shall revise their work based on the above-mentioned criteria. If the translation task requires additional editing, copying work or other extra work from the Translator, this must be considered when the price is determined.

3.4.2 Revision:

The Reviser shall be a person different from the Translator. Revision means comparing the source text with its translation into the target text, taking into account the use of the prescribed terminology, consistent terminology use, completeness, orthography, style, and the translation's suitability for the given objective.

3.4.3 Review:

The task of the target linguistic reviewer is to check whether the translation satisfies the given objective and whether it complies with the requirements of the technical field, style, grammar and terminology. In this form of revision, the linguistic reviewer shall not be liable for potential omissions.

Regarding quality requirements, the Hungarian standard MSZ-EN-15038/ISO 17100 shall apply.

3.5 Complaint Management

Quality complaints received from the end user (the Language Service Provider's Client) shall first be examined by the Language Service Provider in all cases. This inquiry shall establish the following:

- type of the reported error (grammar, style, content, formatting, lack of compliance with client-specific requirements),
- severity of the reported error (cosmetic, medium, major),
- number of actual errors,
- the distribution of liability between the Translator and the Reviser,
- duties and liability of the person performing the last check.

If the source or target language is not known by the internal quality assurance experts of the Language Service Provider, the Translator, the Reviser or an independent language expert may be involved in the examination of the above. The Language Service Provider shall send the detailed report of the first inquiry into the quality complaint to the Translator/Reviser, requesting their feedback and opinion on the criticised points. The Translator/Reviser shall form their opinion about the quality complaint on professional grounds and send it in writing to the Language Service Provider. Based on the reply, the Language Service Provider shall decide on the measures to be taken (explaining the professional arguments to the Client, cor-

rection, price reduction, etc.).

The Translator/Reviser is obliged to correct the proven errors without compensation if such errors clearly fall within his scope of liability.

If a medium or major quality complaint is proven to derive from a mistake committed by the Translator/Reviser and it causes financial loss to the Language Service Provider, the latter is entitled to pass on the loss, in part or in full, to the Translator/Reviser. In disputed cases, whether the complaint is justified, shall be established in a way fair to both parties, with the involvement of an independent third party; a Translator/Reviser working in the same language pair and specialisation.

4. Technical Background and Resources

The Language Service Provider may select the format in which the document is sent to the Translator and the format in which the Translator/Reviser is expected to deliver it. The Translator/Reviser shall consider whether they can manage the format specified by the Language Service Provider and deliver the translated document in the specified format. If any format-related problem arises, the Translator/Reviser shall inform the Language Service Provider so that they can find a solution together.

4.1 CAT Tool

The Language Service Providers may ~~require~~prescribe:

- the use of a CAT tool for the translation,
- the delivery of the translation in a format compatible with the specified CAT tool,
- the use of translation memory/memories and terminology integrated into the CAT tool, sources of information and other resources,
- the use of quality assurance tools.

The Translator/Reviser shall inform the Language Service Provider if they are unable to meet any of the above criteria.

The Translator/Reviser shall ensure the correct format of the delivered translation, its conformity with the translation memory and terminology, and with the information sources and other resources.

If the Language Service Provider and the Translator/Reviser have agreed on payment based on weighted word/keystroke count, it must be determined in the agreement, which party's tool will be the basis of the volume calculation.

If the Translator/Reviser detects a technical problem (e.g. wrong segmentation, wrong characters, missing parts in the text, etc.) during translation, they shall inform the Language

Service Provider thereof with a view to consulting on the measures to be taken.

4.2 Use of Machine Translation (MT)

The Translator/Reviser shall undertake not to use publicly free-of-charge machine translation tools (e.g. services (such as Google Translate), Bing, Amazon, etc.) for the completion of the projects assigned by the Language Service Provider without explicit prior written permission, given that the source text is the property of the Translation Service Provider and the Client. The Translator acknowledges that the processing of documents made available by the Language Service Provider by means of free-of-charge machine translation applications constitutes a violation of the basic principles on data processing and confidentiality.

If the service requested by the Translation Service Provider is the post-editing of a special document pre-translated by a machine translation tool, the Translator/Reviser and the Translation Service Provider shall agree upon the exact quality requirements before the commencement of the work. The applicability of paid machine translation services depends on the agreement between the Language Service Provider and the Translator. In the absence of that, the Translator may use machine translation at their own discretion to make their work more efficient. Should the Translator use their own machine translation service that has not been provided by the Language Service Provider, they are required to ensure compliance with the terms of data protection. Furthermore, the Translator is responsible for creating a translation that meets the quality standards agreed with the Language Service Provider, regardless of the type of efficiency enhancement tools they use.

4.3 Technological Requirements of the Assignment

The agreement between the Language Service Provider and the Translator/Reviser shall cover the IT tools needed for the translation.

If the Translator/Reviser does not have the required or appropriate CAT tool, the Language Service Provider may provide them with the tool or access thereto. If the Translator/Reviser does not have the appropriate tools, they shall inform the Language Service Provider thereof without delay.

If the Language Service Provider requires the Translator/Reviser to use a tool that is unknown to him, the Language Service Provider may provide appropriate training material or organise training about the use of the specific tool.

The Translator/Reviser undertakes to make a backup copy of the translation in a suitable form at least once a day, which can be used to recover lost parts if needed.

The translated texts are usually protected by confidentiality obligation, which is included in the agreement between the Language Service Provider and the Translator/Reviser. The Translator/Reviser shall guarantee the protection of confidential data stored in his computer

by using the appropriate protection tools and software.

The Language Service Provider and the Translator/Reviser shall guarantee a reasonable level of protection of his computer and communication tools against viruses and other malware. If the Language Service Provider provides a mobile CAT licence to the Translator/Reviser for use on its own server, on its part, it must ensure the communication and hardware requirements, as well as the updates necessary for undisturbed operation.

If the Translator/Reviser detects an error in the functioning of or access to the tools used by them, they shall inform the Language Service Provider immediately. The Language Service Provider shall solve the problem without delay and shall promptly inform the Translator/Reviser thereof in order to ensure the smooth continuation of his work. The Translator shall not be liable for any delay deriving from such problems.

4.4 Copyright

Any copyright created through the Translator/Reviser's work (e.g. the translation of literary, academic tests) shall be treated in accordance with the effective laws. In particular, special attention shall be given to the fact that the copyright created will only transfer to the Language Service Provider/the client once the service fee is settled.

5. Payment

5.1 Capacity, Expected Daily Output

Based on professional experience, the expected daily output in weighted source language words for a workday of 8 hours is 2,000 to 3,000 words for Translators and 4,000 to 6,000 words for Revisers, provided that the text belongs to the particular linguist's areas of expertise, and is of average difficulty. In the case of translation without a CAT tool (e.g. non-editable .pdf files, the expected daily output is 1,500-2,000 words. Obviously, there are individual differences, but even in consideration of such differences, the time generally required for completing a job can be determined based on the above quantities.

It is a professional requirement for Translators/Revisers to provide the most accurate information about the quantity of translation or revision they can responsibly undertake in general or in the case of a specific job, with consideration to their other assignments.

The Language Service Provider shall not require the Translator to complete volumes which are deemed unreasonable from any aspect of the assignment, and the Translator/Reviser shall not accept unfeasible quantities either.

5.2 Settlement

Before undertaking the job, the Translator/Reviser shall clearly specify on the basis of payment (source or target language, words/weighted words/keystrokes/characters/hours, etc.) with the

Language Service Provider. Since the Language Service Provider relies on a budget fixed during negotiations with the Client, it should reasonably use the same basis with the Translator/Reviser in determining the unit of payment.

The Translator/Reviser can charge minimum fees for small-volume assignments based on specific agreements or pursuant to the framework agreement; the Language Service Provider is not generally obliged to pay such fees.

If a CAT tool is used, the Language Service Provider is entitled to apply the so-called weighted discount granted to the Client to the payment of the Translator/Reviser. This shall form a part of the price agreement in all cases, and the Language Service Provider shall indicate the applied weighting in detail in the job assignment. Compensation for 100% and 101% matches found in the translation memory or other supplementary material will not be paid provided that the Translator/Reviser receives the material properly prepared, i.e., the parts not requiring checking or modification are clearly indicated (e.g. as segments not editable in the CAT tool), and locked segments are not to be checked. Even in such cases, the sections coming from the TM has to be checked to ensure the consistent use of already existing terminology. If reviewing 100% and 101% matches found in the translation memory is a part of the assignment; the weighting of such parts shall be determined based on the properties of the specific job, in proportion with the necessary effort. (The applied weight is usually 5 to 25% in the translation industry worldwide). Likewise, standard practice on the international translation market shall be considered when determining the weights for partial matches. If applicable, these can be adjusted based on the characteristics and professional difficulty of the specific task.

The regular price may be adjusted upwards on a per-case basis, e.g. due to urgency (compared to the regular daily outputs described above), charging an editing rate, charging for the study of reference materials or for an extraordinarily difficult technical text, or tasks requiring work during weekends or nights. Downward adjustment (discount) may be warranted by a volume discount (determined by the full volume of a project) or by applying a so-called "initial rate". The purpose of such an initial rate can be to aid beginner translators in gaining professional experience, but it may also be applied during the probationary period of new Translators or during the pilot period when a new specialisation/language pair is added. When applying an initial rate, the Language Service Provider shall provide in exchange compensational services (such as reviser/proofreader feedback, training, etc.) to the Translator concerned. The Language Service Provider is expected to inform the Translator on the details of applying the initial rate: for what period or to what volume will the Language Service Provider apply the initial rate, what level of performance, reviser's feedback is necessary for changing to the standard rate.

5.3 Terms of payment

The Language Service Provider shall send to the Translator/Reviser the written Purchase Order (PO) detailing the compensation for the project. Project compensation should be based on the

source language, since this allows the total amount of the translator/reviser's fee to be determined before commencing the assignment. The PO shall specify the base unit of compensation (source/target language words, characters, keystrokes, hours, etc.) and the associated rate.

Without exception, payment of translator's fees shall be made against an invoice issued on the basis of the Purchase Order. The Translator/Reviser shall be responsible for issuing invoices lawfully and submitting the invoices by the deadline set by the Language Service Provider. Both the Language Service Provider and the Translator/Reviser shall operate their company or sole proprietorship in accordance with the applicable accounting and taxation laws.

Due to the large number of incoming invoices, the Language Service Provider shall agree with the Translator/Reviser on the frequency of invoicing and the manner of invoice verification. Payment deadline is an essential element of the agreement between the parties and therefore, it must be agreed in advance. The Parties may agree on any payment date permitted by law, and the Language Service Provider shall comply with the agreed terms, regardless of whether its Client has paid for the assignment by the set deadline or not.

The full fee, as defined in the purchase order, shall be payable for jobs delivered by the deadline in the quality expected by the Language Service Provider. In case of late delivery and/or proven quality issues, the Language Service Provider is entitled to reducing the Translator's fee proportionally. In case of late delivery, the following shall be taken into account when determining the rate of reduction: presence or lack of preliminary notification about the delay, previous late deliveries (if any) and the amount of damage caused (necessity of internal reorganisation, downtime of reserved resources, reduced time for revision; in more severe cases, deadline change request toward the Client and the related financial and ethical consequences, loss of reputation). In case of reduced fees resulting from quality issues, professional objections shall be accurately backed by examples, allowing the Translator/Reviser to respond and attempt to defend his solutions. When deciding about a fee reduction, the Client's objections (related to quality or deadline), if any, and any consequences that may reach further than the current project (e.g. endangering the contract with Client) shall be also considered. It should be noted, however, that since the Translator/Reviser is only one member of the professional team working on the assignment, his responsibility must be determined subject to the specific circumstances of the incident.

5.4 Public Procurement and Tenders

The Language Service Provider and the Translator/Reviser mutually agree on observing the principles of fair market conduct regarding public procurement procedures. Moreover, the Language Service Provider and the Translator/Reviser agree on the following.

5.4.1 ~~On behalf of the~~ Obligations of the Language Service Provider

The Language Service Provider may submit the Translator's/Reviser's CV, degree, certificate or any other required document for applications only with the approval of the Translator/Reviser

in each individual case. The Language Service Provider accepts/undertakes to submit accurate references for tenders. The Language Service Provider shall notify the contracting authority if the call for tenders contains contradictions or professionally unfeasible requirements, or can be interpreted ambiguously. For the purpose of justification, the recommendation of a professional organization (AHTMFTE, Proford and SZOFT) may be requested. With regard to fair market practices it is recommended that the Language Service Provider and the Translator/Reviser agree on the translator/reviser's fee for the case of tender award already when the Translator/Reviser is requested to participate in the tender. The Language Service Provider accepts to inform the Translator/Reviser participating in the tender about the outcome of the procedure in 2 weeks from the receipt of the decision without any special request. If a public procurement is awarded at an extraordinarily low price, the Language Service Provider shall request to inspect the tender's public parts, and shall investigate and disclose the reasons for the extraordinarily low price.

For the protection of the trade, the professional associations (AHTMFTE, Proford and SZOFT) shall regularly submit professional recommendations to the contracting authorities and assist them in drawing up calls for tenders.

The bidding Language Service Provider may request exclusivity from the Translator/Reviser while also undertaking that, in case of winning the tender, the Translators/Revisers participating in the tender will be the first to whom it offers the jobs of matching specialisation and language pair.

5.4.2 Obligations of the Translator/Reviser

The Translator/Reviser shall provide to the bidding Language Service Provider their CV, degree, certificate or any other required document containing truthful information. If the Language Service Provider is pronounced the winning bidder, the Translator/Reviser shall make themselves available for the winner according to the payment agreed upon the submission of the bid. The Translator/Reviser shall agree with the Language Service Provider on the payment applicable in case of winning the tender upon the submission of his documents.