

GENERAL TERMS AND CONDITIONS FOR SALES OF GOODS

These General Terms and Conditions for Sales of Goods (hereinafter referred to as the “GTC”) as from July 23, 2021 shall govern and be incorporated into every Contract made between the Seller and the Buyer, including in circumstances where a Contract is made in any form without reference to any conditions for sale or purchase. In the event of a conflict between the terms of the Contract and these General Terms and Conditions for Sales of Goods, the Contract shall prevail.

The GTC may be amended, revised, restated or supplemented by Kartli International AG from time to time. The last and previous versions of the GTC are available at: <https://kartli.ch/buyers/general-terms-and-conditions>.

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1. TERMS, USAGE OF TERMS AND DEFINITIONS:

1.1. The following terms when used in the GTC with initial capital letters shall have the respective meanings as defined below:

"Anti-Corruption Laws" shall mean all applicable anti-bribery or anti-money laundering legislation of any government, international or supranational organization, including without limitation, the U.S. Foreign Corrupt Practices Act, the UK Bribery Act 2010, the U.K. Anti-Terrorism, Crime and Security Act 2001, the Money Laundering Regulation 2007 and the Proceeds of Crime Act 2002, the Terrorism Act 2006 and the applicable country legislation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or such other relevant laws of any other country in which business will be conducted (as the case may be);

"Confidential Information" shall have the meaning set forth in Clause 21 of the GTC;

"Contract" shall mean any contractual arrangement (whether oral, in writing, electronic or otherwise) relating to the supply of the Goods to the Buyer by the Seller, including, without limitation, Spot Contracts and Term Contracts;

"Delivery Date" shall mean the moment when the Goods are deemed delivered to the Buyer and concur with the transfer of risk and/or title from the Seller to the Buyer as per the Incoterms®2010 specified in the Contract, unless otherwise agreed between the Parties in the Contract;

"Force Majeure Event" shall have the meaning in Clause 19 of the GTC;

"Goods" shall mean the goods to be delivered by the Seller to the Buyer as specified in the Contract;

"GTC" shall mean the standard terms and conditions for sale and purchase of Goods set out in this document;

"Incoterms®" shall mean the international commercial terms, the official publication by the International Chamber of Commerce No. 715, 2010;

"Purchase Order" shall mean a document provided from the Buyer to the Seller indicating the quantity and type of Goods which the Buyer wishes to purchase under a Contract;

"Sanctions" shall mean restrictive measures in trade and economic fields adopted by the Applicable Authorities in respect of other countries, groups of countries, individuals or legal entities with intent to force them to change their policies or specific actions. Sanctions can be expressed in full or partial embargo on imports/exports, the prohibition of entry and visa restrictions, blocking and freezing of assets, prohibition of financial transactions with the countries and entities specified above, including cross-border payments and investment;

"SCC Rules" shall mean the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce valid at the date of claim submission;

“Counterparts”. If the Contract is executed in counterparts, each shall be deemed an original, but all of which together shall constitute one and the same instrument. The Parties hereby acknowledge and agree that the Contract has been prepared jointly and no rule of strict construction shall be applied against either Party;

“Inspector” shall mean an independent inspector appointed pursuant to the GTC to perform quality and quantity inspection of the Goods;

“Packaging” shall mean all products made of any materials of any nature to be used for the containment, protection, handling, delivery and presentation of the Goods, including (but not limited to) paper, wooden, plastic and metal boxes, bags, pallets, and not fall within the definition of Transport as specified herein;

“Party” and **“Parties”** shall mean parties to the Contract referred to individually and collectively;

“Sales Order Confirmation (SOC)” shall mean the Seller’s offer for delivery of the Goods to the Buyer on the certain terms and conditions specified therein. For the avoidance of doubt a SOC which is accepted by the Buyer shall be considered a Contract;

“Tax” or **“Taxes”** shall mean all (i) taxes, fees, duties, tariffs, levies, imposts, or other public charges of any kind, including, without limitation, taxes, required contributions or other charges on or with respect to income, franchise, gross receipts, property, sales, use, profits, capital stock, payroll, employment, social security, health insurance fund, pension fund and other social funds, workers compensation and unemployment or related compensation, (ii) taxes or charges in the nature of excise, withholding, ad valorem, stamp, transfer, value added or gains taxes, (iii) license registration or documentation fees, (iv) customs duties, tariffs and similar charges of any kind whatsoever and (v) any interest, penalties, additions to tax or additional amounts imposed by any taxing authority with respect to those items enumerated in clauses (i), (ii), (iii) and (iv) of this definition;

“Transport” shall mean automobile transport, containers, tank cars, autotrucks, bulk trucks, cisterns, other means of transport used for the Goods delivery, transportation, storage, etc.

1.2. Any heading, article, clause, subclause, section, subsection and table headings in the Contract are inserted for purposes of convenience only and shall not affect in any way the meaning or interpretation of the Contract or the GTC.

2. PROVISIONS:

Amendments. No amendment or variation of the Contract shall be effective unless in writing and signed by a duly authorized representative of each of the Parties to it, (except for a Sales Order Confirmation concluded by electronic means). Without limiting the above, the Seller is entitled to unilaterally change the GTC from time to time by uploading the new version of the GTC to the Seller's website at: www.kartli.ch;

Assignment. Neither Party may assign the Contract or any of its rights under the Contract or transfer any obligations under the Contract, without the other Party's prior written consent, which shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, the Seller may,

without consent, assign or transfer its rights and/or obligations under the Contract in whole or in part to any Seller Group Company or to any bank, factoring company and insurance company. For the purposes of this clause "Seller Group Company" shall mean any legal entity falling under the same group of companies as the Seller. Any attempt at assignment in violation of this Clause shall be null and void;

Binding effect. The terms and conditions of the Contract shall be binding upon, and shall inure to the benefit of, the Parties hereto and their respective permitted successors and assigns;

Change of notice details. Either Party hereto shall promptly, but not later than 5 (Five) business days, notify the other Party in writing as to the change of notice details of the Party and the new details to which notice shall be given to it thereafter. Either Party shall promptly notify the other Party in writing in case of any changes in VAT-IDs, changes of their validity or other related details of the other Party;

Email correspondence. Any correspondence and communications (including but not limited to Contracts, Purchase Order Confirmations and invoices) given or made by the Seller through email to the Buyer shall be valid, if sent exclusively from an email address, which includes the domain: "@kartli.ch";

Entire Contract. This Contract (including the GTC and any addenda, attachments or amendments) constitutes the entire agreement between the Parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter. Each party agrees that it shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this agreement. Each party agrees that it shall have no claim for innocent or negligent misrepresentation based on any statement in this agreement;

Execution. Either Party may sign the Contract and any related amendments, attachments or other documents by its duly authorized representative, provided that the Seller may also execute any of the said documents by facsimile signature of its authorized representative having the same force as his handwritten signature, and send a copy to the other Party by fax or email. Where original documents are required these shall be provided within 30 (thirty) days after the receipt of the copy document(s);

Expenses. Whether or not the transactions contemplated hereby are consummated, all costs and expenses (including the expenses, costs and fees of each Party attorneys, auditors and financial and other professional advisors) incurred in connection with the Contract and/or the drafting or negotiation of the terms and conditions of the Contract and/or any other transaction arising out of or in connection with the Contract shall be borne and paid by the Party incurring such costs and expenses;

Language of the correspondence. All correspondence concerning the Contract shall be conducted in English;

Language. These GTC are made in English language;

Notices. Any consent, agreement, approval or notice required or permitted to be given or made under the Contract by one of the Parties hereto to the other Party shall be in writing and in English

(unless otherwise agreed by the Parties) and shall be delivered in person or by Federal Express, DHL (or other recognized international courier service requiring signature upon receipt) or by facsimile or email (as evidenced by a paper copy of such email). In proving the giving of a communication, it shall be sufficient to prove that delivery was made to the appropriate address, or the communication was properly addressed and posted by an appropriate courier, or the fax was properly addressed and transmitted or the email was sent to the appropriate email address and dispatch of transmission from the sender's external gateway was confirmed as specified in the Contract;

Reference to period. Where any period in days, weeks, months or years is referred to in the Contract or the GTC, such period shall be calculated in days, weeks, months or years respectively, unless expressly provided otherwise (and the day on which any such period is expressed to commence shall not be counted for the purpose of such period's calculation);

Severability. If any part of the Contract is deemed to be unenforceable, invalid or in contravention of applicable Law by a court or arbitral tribunal of competent jurisdiction, the remainder of the Contract shall remain in full force and effect. The Parties shall negotiate in good faith to replace the invalid provision with a provision which reflects, to the extent possible, the original intent of the invalid provision;

The date of notice receipt. The date of receipt of the notice, demand or other communication will be (i) if delivered by hand, at the time of delivery, (ii) if delivered by courier – on the 14th (fourteenth) day after the same is so mailed, except in the event of disruption of the postal service in which event the notice, demand or other communication will be deemed to be received only when actually received; (iii) if sent by fax, at the time of transmission; and (iv) if sent by email, at the earlier of: the time a return receipt is generated automatically by the recipient's email server; the time the recipient acknowledges receipt; and 24 (twenty four) hours after transmission, unless the sender receives notification that the email has not been successfully delivered;

The Parties' relationship. The relationship hereby established between the Seller and the Buyer is solely that of the Seller and the Buyer. Each is an independent contractor engaged in the operation of its own respective business, and nothing in the Contract shall be construed to create a partnership, agency, joint venture, pooling, and franchise or employer-employee relationship between the Parties. Neither Party has the power or the authority to act for, represent, or bind the other Party (or any of the other Party's Affiliates) in any manner;

The Seller's warranties, guaranties and representations. The Seller warrants that it has full legal title to the Goods and that it has full right and power to convey such title to the Buyer. For the avoidance of doubt the Seller makes no guarantees, warranties, representations, express or implied, written or oral, including any warranty of merchantability or fitness or suitability of the goods for a particular purpose, concerning the Goods. Any warranties, conditions or other terms implied by law, custom, contract, statute or other legal theory or otherwise, whether as to merchantability, quality, fitness for purpose of the Goods or otherwise are specifically excluded to the fullest extent permitted by the applicable law;

Waiver. Any failure on the part of any Party hereto to comply with any of its obligations, agreements or conditions under the Contract may only be waived in writing by the Party to whom such compliance is owed but such waiver will not be considered to be a waiver of future failure(s)

to comply with an obligation, agreement or condition. No act or omission by a Party may be deemed to be a waiver of any rights if such a waiver is not declared explicitly and in writing;

Writing. A reference to “writing” or any cognate expressions is a reference to any mode of representing or reproducing words in a visible non-transitory form and includes fax and e-mail.

3. GENERAL CONDITIONS:

3.1. Execution of the Contract by the Buyer shall (without affecting any other manner in which acceptance of the GTC may otherwise be evidenced) be deemed to constitute unqualified acceptance of the GTC.

3.2. The GTC shall apply to the exclusion of, and shall prevail over, any general terms and conditions of the Buyer, terms or conditions contained in or referred to in the Buyer's acceptance of the Contract, or in any other documentation submitted by the Buyer, or in any correspondence or elsewhere, or implied by trade custom, practice or course of dealing, unless specifically excluded or varied in writing by agreement between an authorized representative of the Parties.

4. CONTRACT FORMATION PROCEDURE:

4.1. If the Buyer wishes to buy any Goods from the Seller, the Parties shall negotiate in good faith either: (i) a Term Contract; or (ii) a Spot Contract.

4.2. If notwithstanding clause 4.1., the Parties agree the terms of a Contract by some other method, these GTC for the Goods shall govern that Contract and no other terms, including for the avoidance of doubt any of the Buyer's standard purchasing terms, shall apply to any such Contract. For the avoidance of doubt, the Seller shall not be obliged to accept any Purchase Orders or requests for Goods to be delivered to Buyer where the Buyer does not place a Purchase Order in accordance with the procedures established below.

4.3. All Spot Contracts shall be validly concluded between the Parties at the time where either: (i) the Contract is executed and signed by both of the Parties; or (ii) subject to clause 4.5. and after the Seller has sent a draft of the Contract to the Buyer by email, the Seller receives an email confirmation from the Buyer that the Buyer accepts the Contract without any further modifications.

4.4. All Term Contracts shall be validly concluded between the Parties at the time where the Contract is executed and signed by both of the Parties.

4.5. The Purchase Order, the Sales Order Confirmation and any other communication given or made by the Parties in connection with those documents must be in writing (the "Communications"). Communications may be delivered either: (i) in hard copy which, in the case of Purchase Orders, SOC's and notifications from the Buyer that it accepts an SOC, shall be signed by an authorized representative of the relevant Party; or (ii) through email correspondence from the e-mail addresses and contact persons of the Parties designated by the Parties in the Term Contract or in official confirmation letter from the Buyer. Any Communications given or made in accordance with this clause 4.5. shall be deemed to have been duly authorized by the Party giving or making the Communication.

4.6. If the Seller receives any Communication from the Buyer which was sent from someone other than the contact person or email address specified in the Term Contract or in official confirmation letter from the Buyer, and the Buyer has not notified the Seller in advance of any change of contact person or email address, the Seller may in its sole discretion choose to treat the Communication as invalid and not received.

4.7. The date of receipt of the Communication shall be at the earlier of: the time the recipient acknowledges receipt; and twenty-four (24) hours after transmission, unless the sender receives notification that the email has not been successfully delivered.

4.8. Seller's invoices or credit notes may be delivered either: (i) in hard copy; or (ii) in electronic form through email correspondence, where in case of (ii) an electronic form of an invoice/credit note shall be treated as an original.

5. FORMATION OF CONTRACTS:

5.1. If the Buyer wishes to purchase Goods under a Spot Contract, it shall send to the Seller a Purchase Order in accordance with clause 4.5. The Purchase Order shall specify: (i) the type of Goods which the Buyer wishes to purchase, (ii) quantity of the Goods, (iii) delivery location, (iv) price (v) Buyer's order number and (vi) other information concerning the Goods delivery.

5.2. The Seller shall notify the Buyer of its confirmation or proposed amendments to the Purchase Order by sending to the Buyer the Sales Order Confirmation in accordance with clause 4.5. The Buyer shall consider and accept the Sales Order Confirmation by email in accordance with clause 4.5. within the term provided in the Sales Order Confirmation. If a Sales Order Confirmation is not accepted by the Buyer within the timeframe specified in the Sales Order Confirmation, the Seller's offer to deliver the Goods to the Buyer in accordance with the terms of the Sales Order Confirmation shall be regarded as rescinded and Buyer shall be required to place a new Purchase Order if it wishes to purchase these Goods. Upon the Buyer's acceptance of the Sales Order Confirmation as described in clause 4.5., the Sales Order Confirmation shall constitute a binding Contract for the Seller to sell, and for Buyer to purchase, the Goods specified under the terms and conditions of the SOC.

6. GENERAL DELIVERY TERMS, TRANSFER OF RISK AND TITLE:

6.1. The delivery of the Goods shall perform by the Seller in accordance with relevant Incoterms® 2010 subject to the provisions of the relevant Contract.

6.2. The risk and title to the Goods shall transfer from the Seller to the Buyer at the Delivery Date, unless otherwise provided in the Contract, in the following manner:

6.2.1.1. In case of delivery of the Goods by railway on FCA, CPT dispatch station – the risk and title to the Goods shall transfer from the Seller to the Buyer on the date of the dispatch station stamp on the railway bill issued;

6.2.1.2. In case of delivery of the Goods by truck on FCA, CPT dispatch point – the risk and title to the Goods shall transfer from the Seller to the Buyer on the date specified in the column No. 20 in CMR;

6.2.1.3. In case of delivery of the Goods on DAP, DDP – the risk and title to the Goods shall transfer from the Seller to the Buyer on the date specified in column No. 24 “Cargo received” in CMR;

6.2.1.4. In case of delivery of the Goods by sea on CIF, CFR, FOB – the risk and title to the Goods shall transfer from the Seller to the Buyer on the date “Shipped on Board” in Bill of Lading.

6.3. If the means of transport is not specified in the Contract, the Seller may choose a means of transport suitable for delivery of the Goods at the Place of Destination at its own discretion; in such event the Buyer hereby unconditionally accepts the means of transport chosen by the Seller and waives any claims in this regard.

6.4. The Seller shall use its reasonable endeavors to deliver the Goods on the date or between the dates (as the case may be) as specified in the Contract, but the time of delivery shall not be of the essence.

6.5. Both Parties shall perform any and all acts and execute and deliver any and all documents as may be necessary and proper under applicable law or under the circumstances in order to fulfil the intents and purposes of the Contract and to carry out its provisions.

6.6. The Buyer shall indemnify, defend, and hold harmless the Seller against any liability, loss, damage, delay or expenses that the Seller may incur directly or indirectly due to application of any Sanctions effective at the Place of Destination or place of registration of end user of the Goods.

6.7. Transportation document for delivery by road shall be CMR (or consignment note). Transportation document for delivery by rail way shall be Rail Way Bill. Transportation document for delivery by sea shall be Bill of lading.

6.8. Delivery of the Goods shall be immediately followed and witnessed by presentation by the Seller to the Buyer or Carrier, or the Buyer's representative of a valid transportation document. Such documents shall be signed and marked by the Seller and Carrier of the Goods at the place of loading and shall be a non-disputed proof of delivery by the Seller.

6.9. Where the Seller expressly or impliedly provides the Buyer with a range of dates within an agreed period of delivery of arrival of auto truck(s) loaded with the Goods, any of the provided dates can result in delivery.

6.10. No later than 1 (one) Business Day after shipment of the Goods by auto truck(s) the Seller shall provide by email to the Buyer all information necessary for unloading of the Goods: (a) The Contract reference number. (b) CMR consignment note reference number(s). (c) Auto truck identification number(s). (d) Description of the Goods and their CMR consignment note quantity. (e) Estimated Time of Arrival of auto truck(s). (f) Number of issued CMR consignment notes.

6.11. The Seller has the right to substitute any of identified auto truck(s) and provide the Buyer with new information not later than 1 Business Day before Estimated Time of Arrival of auto

truck(s). Such substitution shall always be subject to the requirements that auto truck(s) shall be of a similar size be provided and that the quantity to be loaded shall not, without prior written consent of the Buyer, differ by more than 5 (five) % from the quantity specified in the present Contract.

6.12. The Buyer at his own option can provide the Seller with written instructions regarding information necessary for efficient unloading of the Goods by the Buyer. In case such information is provided, the Seller, his Carrier or his representatives / employees undertake to honestly follow the instructions where applicable, to partially assist in efficient unloading of the Goods by the Buyer. Such assistance is not a duty but an option of the Seller.

6.13. The Buyer warrants that the Place of Destination shall be safe and well suited for delivery of the Goods. The Buyer shall be liable for and shall indemnify the Seller in respect of any loss or damage, including but not limited to any liability for damage to auto truck(s), surroundings, environment and people, additional costs or expenses arising out of and in relation to any failure of the Buyer to nominate a safe Place of Destination.

6.14. The Buyer is obliged to ensure his timely presence at the Place of Destination at the Delivery Date for unloading of Goods. A representative of the Seller shall communicate to the Buyer via phone call the time of the arrival of a transport mean to the Place of Destination. Buyer's absence at the Place of Destination shall not prejudice the fact that the Seller had successfully performed Delivery of the Goods for the purpose of the Contract.

6.15. The time allowed to the Buyer for the unloading of the quantity of the Goods delivery by each transport means shall be as set out in the Contract. Unloading time shall commence in 2 (two) hours after the arrival of each transport mean to the Place of Destination. For the purpose of calculating unloading time, unloading shall be deemed to have been completed depending on the type of the cargo upon disconnection of the discharging hoses and / or removal of last item of the Goods from last auto truck's, bulk truck's, container's cargo space.

6.16. The Buyer has the right to require extra services in relation to the Goods at Place of Destination which shall not be viewed as included in the Total Goods Value. The Parties shall decide on a possibility of provision of such services by mutual written agreement no later than 3 (Three) Business Days before Estimated Time of Arrival of the auto truck(s). Where the Buyer, by written instruction to the Seller, requests that such services should be provided, then the Buyer shall indemnify and hold the Seller harmless against any liability, loss, damage, delay or expense that the Seller may sustain by reason of complying with the Buyer's request. The indemnity given by the Buyer to the Seller shall be no less in scope than the indemnity required by auto trucks' owner to comply with the Buyer's request.

6.17. Upon receiving of primary documents from the Seller on sale transaction execution and performance of the Contract (i.e. CMRs, Consignment notes), the Buyer shall deliver such documents to the Seller, duly signed by an authorized representative, not later than 5 (five) business days after their receipt. Such documents shall be delivered through email correspondence from the email addresses and contact persons of the Buyer designated in the Contract or in official confirmation letter from the Buyer.

6.18. Provided the Parties agree on the Cash on Delivery term of payment in accordance with the clause 7.2.1. in the Contract, payment for the goods shall be effected by the Buyer in the amount

of 100% at the time of delivery of goods by auto trucks to the Place of Destination after receiving a notice of readiness to unload by the driver via phone call by the Seller's Representative. However, should the Buyer fail to effect the payment, the Seller shall be entitled to abort the delivery and demand in writing the payment of a fine in the amount of 500 EUR from the Buyer per truck arrived.

6.19. The delivery of Goods may be carried out in returnable metal containers, which shall be stated in the relevant Contract. The metal containers are subject to mandatory return to the Operator as they are unloaded, but not later than the deadline mentioned in the relevant Contract. In case the Buyer does not return the metal containers at all or in breach of the deadline, damages the metal containers and subsequently the Seller becomes a subject of legal liability (fines, liquidated damages, etc.) before its suppliers and/or Operator, the Seller shall be entitled to re-impose the fines onto the Buyer.

6.20. In case of delivery by sea, the Buyer/Consignee shall be responsible for cleaning of the containers at the port of discharge.

7. PAYMENT:

7.1. Payment provisions:

7.1.1. The Price for the Goods shall be paid by the Buyer according to the Contract.

7.1.2. Time for payment shall be of the essence.

7.1.3. Bank details of the Seller shall be indicated in the invoice. The Buyer shall effect the payment in accordance within the term specified in the Contract by telegraphic transfer and, unless otherwise follows from the context or specifically provided in the Contract or the GTC, with indicating the number and the date of the Contract/Amendment and the number and the date of the invoice issued by the Seller in the payment reference (the purpose of payment). Funds must be received in the nominated bank account no later than the due date on Seller's invoice document or no later than the last banking day before the due date if that due date on Seller's invoice document falls on a nonbanking day.

7.1.4. The Buyer shall provide the Seller with a copy of SWIFT confirmation within 1 (one) Business Day after the payment has been effected.

7.1.5. Unless otherwise expressly defined in the Contract the Price is exclusive of any VAT and the Seller shall have the right to invoice the Buyer for any such VAT in so far as such taxes are not for the account of the Seller according to the Contract.

7.1.6. The date of payment is considered the date of crediting of the Seller's bank account for 100% (one hundred per cent) of the amount specified in the Seller's invoice.

7.1.7. Unless otherwise expressly agreed to the contrary in the Contract, all payments due or payable to the Seller under the Contract shall be paid in full, regardless of whether the Buyer is required to withhold or to apply any Taxes on payments made under the Contract. If the Buyer is required to withhold or to apply any Taxes on payments made under the Contract, then Buyer shall gross up such payments so that the Seller receives after the deduction of Tax, the full sum due and

payable under the Contract as if no such Taxes had been deducted, regardless of any withholdings or application of any Taxes on payments made under the Contract. The Total Goods Value and all other amounts payable by the Buyer to the Seller under the Contract shall be payable without the right to any discount, deduction, set-off, lien, claim or counterclaim.

7.1.8. All expenses at the Seller's bank and at the Seller's correspondent bank shall be for the account of the Seller. All expenses outside the Seller's bank and outside the Seller's correspondent bank shall be for the account of the Buyer.

7.1.9. On a regular basis the Verification Act should be fully executed by both Parties. The Seller shall send by email to the Buyer the Verification Act signed by the Seller. Within 3 (three) business days from the date of receipt of the Verification Act signed by the Seller the Buyer shall check the Goods delivered quantity, amount paid for the Goods, and provide the Seller with its motivated objections (if any). The Seller shall consider such motivated objections within 7 (seven) business days and put the corrections into the Verification Act or negotiate with the Buyer on the amicable basis the content of the Verification Act which should be executed by both Parties. Without prejudice to the above, the Verification Act shall be executed upon any Party request if any

7.1.10. The Parties hereby agree that in case the currency specified in the invoice is one of the following: USD, EUR or Swiss francs (CHF) all payments of the Buyer under the Contract shall be made strictly in the currency specified in the respective invoice issued by the Seller and according to the bank details (hereinafter the "Bank Details") specified in the respective invoice. The conditions of this clause are of the essence and breach of this clause shall be deemed a material breach for the purposes of the Contract. If the invoice specifies a currency otherwise than the currencies listed above, all payments of the Buyer shall be effected in USD or EUR at the exchange rate of a national bank of a country of incorporation of the Buyer at the Payment Date.

7.1.11. If the Buyer's bank or correspondent bank cannot transfer the payment for Goods to the Seller (Supplier) due to any restrictions/prohibitions adopted by various countries on such payments, including imposed sanctions, laws and regulations, the Seller has the right to assign its right of claim against the Buyer to another person without the consent of the Buyer. In this case, the Buyer shall transfer the payment to the assigned person. The transfer of the payment shall be made on the basis of letters from the Buyer and the new person, accompanied by the signed assignment agreement between them. The Buyer shall transfer the payment to the new person within 10 calendar days of receipt of the documents.

7.2. Payment terms:

7.2.1. Cash on Delivery.

7.2.1.1. The Buyer shall pay 100 % (One hundred per cent) of the amount specified in the Seller's invoice at the time of delivery of goods before unloading of the transport mean.

7.2.2. Prepayment (advance payment).

7.2.2.1. The payment for the Goods shall be effected by the Buyer as follows:

- The Buyer shall pay 100% (one hundred per cent) of the amount specified in the Seller's proforma invoice strictly within the timeframe specified in the proforma invoice.
- The Buyer shall effect the payment in accordance with the Contract by bank transfer and without deduction into the Seller's bank account and the Buyer shall indicate the number and the date of the Contract/Amendment and proforma invoice number in the payment reference (the purpose of payment).
- In case of the amount paid by the Buyer as the Prepayment for the Goods is less than the amount due to be paid for the Contract Quantity the Buyer shall effect the payment of such outstanding balance within 5 (Five) days of an appropriate Seller's invoice.
- In case of the amount paid by the Buyer as the Prepayment for the Goods exceeds the amount due to be paid for the Contract Quantity the Parties shall mutually agree if: (i) such difference between the amounts will be applied to the further deliveries if applicable or (ii) the Seller shall return such difference between the amounts within 5 (Five) days of an appropriate Verification Act is executed by the Parties.
- Should the Buyer pay less than 100 % of the amount specified in the Seller's invoice the Seller may, but shall not be obliged to, deliver the quantity of the Goods corresponding the actual amount of Prepayment received from the Buyer.

7.2.3. Letter of Credit:

- The Buyer shall issue Letter of Credit within 5 (five) Business Days from the date of acceptance of the Sales Order Confirmation in accordance with the [Clause 5.2.](#) and in accordance with the terms and conditions set out in this Clause.
- The validity period for the Letter of Credit shall cover the payment period envisaged in the Contract plus 15 (fifteen) days, provided, however, that the minimal validity period could not be less than 30 (thirty) days. The foregoing is saved that the Buyer shall extend respectively the validity of the Letter of Credit in case of Force Majeure Event.
- the documents to be provided by the Seller pursuant to the requirements of a Letter of Credit shall be the following:

- (i) Seller's invoice (fax or email copy);
- (ii) Transport Document (fax or email copy). Documents prepared in Russian language are acceptable. Minor mistakes and misprints in the documents are acceptable.

7.2.4. Letter of Credit Conditions:

7.2.4.1. The payment for the Goods shall be effected by the Buyer as follows:

- The Buyer shall issue in favor of the Seller an irrevocable and divisible Letter of Credit payable at sight in strict accordance with the terms and from a bank and in a form confirmed in writing by the Seller but in any case, prior to the Goods dispatch.
- The Buyer shall provide the Seller with the draft of such irrevocable Letter of Credit for the preliminary Seller's written approval.
- Expenses in connection with the opening, amendment and utilization of the Letter of Credit shall be paid by the Buyer.

- The Letter of Credit shall be issued in the amount of 110% (one hundred and ten per cent) of the Price multiplied by the shipment quantity of the Goods to be delivered.

7.2.5. Post payment:

7.2.5.1. The Buyer shall pay 100% (one hundred per cent) of the amount specified in the Seller's invoice not later than date specified in the Contract. Partial payments shall be allowed.

7.2.5.2. The Seller may at its own discretion indemnify the debt under the Clause 7.2.5. in an insurance company.

7.2.6. Documents against Payment (D/P):

7.2.6.1. The present payment terms are governed in accordance with the ICC Uniform Rules for Bank-to-Bank Reimbursements Under Documentary Credits (URC 522).

The payment for the Goods shall be effected by the Buyer as follows:

The Buyer shall pay the Goods via Documents against payment at sight (hereinafter referred to as "D/P at sight") in accordance with the conditions specified below.

The payment for the Goods shall be effected by the Buyer as follows:

a. As soon as but not later than ten (10) Business days after the date when the documents stating the right of disposal of the Goods were issued the Seller shall (i) transfer the originals of such documents to the Seller's Bank and (ii) send the copy of such documents to the Buyer via email.

b. Upon receipt of the documents stating the right of disposal of the Goods the Seller's Bank shall transfer the originals of such documents to the Buyer's Bank.

c. The Buyer shall confirm the Buyer's Bank his consent for payment for the original documents stating the right of disposal of the Goods and shall pay 100% (one hundred per cent) amount specified in the copy of the commercial invoice provided by the Seller via e-mail or mail or fax or any other type of transfer within 2 (two) calendar days from the date of receipt of such documents by the Buyer's Bank. In case the Buyer doesn't pay for the Goods within 2 (two) calendar days from the date of receipt of the documents stating the right of disposal of the Goods by the Buyer's Bank (as per delivery slip of the express post), the Seller shall be entitled to demand to pay a fine for such delay in the amount equal to 100 USD for each day of delay.

d. The Buyer shall (i) ensure the availability of the total amount to be paid pursuant to Sub clause "c" of this Clause on the date of confirmation to the Buyer's Bank of his consent for payment for the documents stating the right of disposal of the Goods and (ii) effect this payment by telegraphic transfer and without deduction into the Seller's bank account, and the Buyer shall indicate the number and the date of the Contract and invoice number in the payment reference (the purpose of payments).

e. From the date of Buyer's payment for the documents stating the right of disposal of the Goods the Buyer shall receive the originals of the documents stating the right of disposal of the Goods from the Buyer's bank.

7.2.7. Defective performance of obligations:

7.2.7.1. In the event the Buyer fails to perform or delays the performance of any obligations hereunder at least 2 (two) times during any consecutive 6 (six) months or delays any of the obligations at least once for more than for 1 (one) month, then the Seller shall be entitled by written notice to the Buyer: (i) change the payment terms of the Goods to Prepayment and/or (ii) request from the Buyer additional reasonable means of security of obligations, which the Buyer must provide within 15 (fifteen) Business Days following the relevant request. The change shall come into force with the next dispatch of the Goods after the notification. The Seller is entitled to suspend delivery of the Goods until the Goods are paid and/or additional security of obligations is provided. In addition to the foregoing should the Buyer fails to perform any of its payment obligations (including interest payment) for more than for three (3) days the Seller shall be entitled to suspend the shipment of the Goods till the moment when all obligations are fulfilled by the Buyer in full. Such suspension shall not constitute a delay for the purposes of liquidated damages.

7.2.7.2. In the event of delivery of goods by sea on payment terms such as Documents against Payment (D/P), by Letter of Credit or in case of deferred payment the draft Bill of Lading shall be agreed by the Buyer within 2 (two) calendar days from the date of its receipt by e-mail from the Seller. If the Buyer delays agreement of the conditions to the Bill of Lading draft for more than 5 calendar days from the date of its receipt at the e-mail address, the Supplier is entitled to unilaterally withdraw from the delivery contract (terminate it) by notifying the Buyer thereof in writing. In this case, the obligations to supply the goods shall be deemed terminated and the delivery contract shall be terminated. The Seller shall not be liable for any costs and possible losses incurred by the Buyer in connection with the conclusion of the delivery contract.

8. QUALITY AND QUANTITY:

8.1. The Contract Quantity specified (as the case may be) in the Contract, unless otherwise agreed by the Parties in the Contract, shall be subject to a tolerance of +/-10% (plus/minus ten per cent) in the Seller's option.

8.2. The Actual Contract Quantity delivered under the Contract shall be equal to the quantity stated in respective Transport Document issued and duly signed.

8.3. The Actual Contract Quantity shall be the basis for determining the Total Goods Value.

8.4. Subject to the Contract terms and conditions the tolerance for Actual Contract Quantity may be 10% (ten per cent) of the Contract Quantity respectively without any right for the Buyer to claim that the Seller will have to meet the Contract Quantity specified in the Contract, and/or take back any surplus quantities to the Contract Quantity or the Planned Monthly Quantity specified in the Contract as the case may be.

8.5. In the event that the Seller is not able to supply the Contract Quantity of the Goods within specified period provided that the Seller informed the Buyer of this reasonably in advance, the Parties shall mutually agree delivery terms for the outstanding quantity of the Goods, and the Seller's suggestions shall be taken into account; provided, however, that it is agreed and acknowledged by the Parties that the Seller will not be obliged and is not expected and may not be required to supply. The Parties acknowledge that the remedy provided in this Clause will be the

sole remedy that the Buyer will have in the event the Seller is not able to supply the Contract Quantity of Goods during the relevant period.

8.6. In the event that the Buyer orders less Goods than the Contract Quantity for a relevant period, the Seller at its own discretion may either: (i) agree to supply the outstanding quantity of the Goods in the next period (the supply schedule shall be decided by the Seller, however, the Buyer's suggestions may be taken into account); or (ii) request the payment of 10% (ten per cent) of the Price of the outstanding quantity of the Goods as liquidated damages of the Seller (the Parties agree that the above amount is genuine pre estimate of liquidated damages the Seller will suffer if the Seller supplies the Goods less than the Contract Quantity. Without prejudice to the above, however, if the amount of actual damages exceeds the above amount, the right of the Seller to claim the actual amount of damages shall not be limited). The Seller shall notify the Buyer the option it chooses to proceed in writing, however, the failure to notify will not evidence the waiver of the Seller's rights described above.

9. QUALITY AND QUANTITY INSPECTION:

9.1. Unless otherwise agreed by the Parties in the Contract, quality and quantity inspection is to be determined at the Place of Shipment (applicable for EXW, FCA, CPT, CIF, FOB, CFR) or the Place of Destination (applicable for DAP, DDP) (as may be applicable in accordance with the Contract or the GTC) by an Inspector such as SGS or similar internationally recognized inspection company mutually agreed between the Parties and in accordance with the standard practice (i) at the place of the inspection or (ii) of the Inspector if there is no standard practice at the place of inspection, unless the Contract or the GTC provides otherwise.

9.2. Inspection is to be made upon the Buyer's request, the Seller shall be notified of the inspection at least 7 (seven) days in advance and the Buyer shall provide the Seller's representative opportunity to present in order to observe the Inspection.

9.3. In the event of determination by the quantity Inspection that the quantity of the Goods does not conform with the quantity stated in the Transport Document for more than 0.5 % (zero point five per cent) (the "Permitted Deviation") the Goods shall be accepted by the value defined by the quantity Inspection with issuance of the respective offloading acts signed by an Inspector.

9.4. The Parties acknowledge and agree that in no event shall the Seller be considered to be in breach of its obligations in respect of delivery the Goods in the quantity provided by the Contract and the Buyer shall not be entitled to claim any losses, or liquidated damages, or any other claims concerning any quantity deviation below the Permitted Deviation.

9.5. All claims concerning quantity deviation in excess of 0.5 % (zero point five per cent) shall be submitted by the Buyer. For the avoidance of any doubt, where it is determined that the quantity deviation is in excess of the Permitted Deviation, the Seller shall be responsible only in respect of undelivered quantity above 0.5 % (zero point five per cent).

9.6. The inspection results shall be documented in the Inspector's Report and shall be conclusive and binding on the Parties for invoicing purposes, for quality purposes and/or for quantity purposes and shall be final and binding for both Parties, except in case of fraud or manifest error.

9.7. In the event that (i) the quality of the Goods does not conform with the contractual Specification or (ii) the quantity of the Goods does not conform the conditions of the Contract, the Parties shall discuss the Buyer's remedies for such non-conforming the Goods. The remedies may include, for example, a price adjustment for the Goods. The outcome of the Parties' discussion shall be documented in a written Amendment, which shall take effect from the Amendment Effective Date agreed between the Parties.

9.8. The costs of the inspection (as per terms of Clauses a) and b) shall be equally shared between the Seller and the Buyer (and the terminal, if the terminal participates in the inspection). Any other inspections and related services, if required by the Buyer, shall be paid solely by the Buyer; provided, however, that only results of the inspections as provided in Clauses a) and b) will have the final and binding effect on the Parties.

9.9. The Inspector shall issue his report to the Seller and the Buyer as soon as practicable. The Inspector shall retain samples taken for at least 90 (ninety) days from the date of inspection.

10. CLAIMS:

10.1. Claims if any on quality of the Goods to be provided by the Buyer to the Seller within 45 (forty-five) Business Days after the Delivery Date, claims if any on quantity of the Goods to be provided by the Buyer to the Seller within 14 (fourteen) Business Days after the Delivery Date, unless other terms are not specified by the Parties in the relevant clauses of the GTC. If the Buyer falls to make a claim within the agreed period of 45 (forty-five)/14(fourteen) Business Days after the Delivery Date such claim will automatically be considered as time barred, null and void, and such delivered the Goods shall be deemed accepted by the Buyer and in accordance with all terms and conditions of the GTC and further claims in respect of the quality and/or quantity of the Goods are not permitted and may not be enforced.

10.2. The Buyer shall not be entitled to use a claim in relation to a particular shipment of Goods as a basis for the refusal to accept other shipments of the Goods delivered under the Contract, or the Goods delivered pursuant to any other Contract agreed between the Parties. 10.3. Unless otherwise specified in the Contract and/or the GTC any cause of action and/or claim that Buyer may have against Seller under the Contract shall be brought within two (2) years after the cause of action and/or claim accrues, failing which the Buyer shall be deemed to have waived its rights relating thereto.

10.3. Unless otherwise specified in the Contract and/or the GTC any cause of action and/or claim that Buyer may have against Seller under the Contract shall be brought within two (2) years after the cause of action and/or claim accrues, failing which the Buyer shall be deemed to have waived its rights relating thereto.

11. LIABILITY:

11.1. Responsibilities of the Parties:

11.1.1. In case the Seller delivers the Goods late, commencing 30 (thirty) days after the latest date of delivery/shipment (whichever provided by the Contract) the Buyer shall be entitled to demand liquidated damages from the Seller for such delivery delay in the amount equal to 0.05% (five one hundredths of one percent) of the price for the late delivered Goods per day, up to a maximum of 10% (ten per cent) of the price for the late delivered Goods per day.

11.1.2. The Parties acknowledge and agree that in no event shall the Seller be considered to be in breach under the Contract due to any late delivery and the Buyer shall not be entitled to liquidated damages until the Seller is at least more than 30 (thirty) days late under the terms and conditions specified in the Contract. The Seller shall not be liable to the Buyer in liquidated damages for delay caused by a Force Majeure Event, failure or default on the part of the Buyer, or where the Seller is entitled to delay delivery pursuant to the terms of the Contract.

11.1.3. The Liquidated damages outlined in the sub-clause together with the termination rights shall be the Buyer's sole and exclusive remedies for any late delivery of any Goods or part thereof and the Seller shall have no further liability whatsoever, whether in Contract, tort (including negligence or strict liability, or including deliberate repudiatory breach of Contract).

11.1.4. In case the Buyer fails to comply with the terms of the payment set put in the Contract the Buyer shall pay to the Seller interest on the outstanding amount for each day of delay until the 60th day at the rate of 10 % (ten per cent) per annum, commencing the 61st day of delay at the rate of 20 % (twenty per cent) per annum.

11.1.5. If the conditions or terms of payment are breached by the Buyer the Seller may, at the Seller's option, either suspend delivery of the Goods to the Buyer or unilaterally terminate the Contract. Such suspension shall not constitute a delay for the purposes of liquidated damages.

11.1.6. In the event that the Buyer fails or refuses to accept delivery of the Goods or any part thereof pending laytime (i.e. have not commenced the accepting and unloading/loading of the Goods as the case may be; or furnished the Seller with explanation of delay and further instructions as regards the Goods satisfactory for the Seller); provided that such Goods have been delivered in accordance with the terms of the Contract, without prejudice to the Seller's other rights under the Contract or the applicable Law, the Seller is entitled to pass the Goods to an appropriate local logistics and/or storage company at the Buyers risk and expense of which the Buyer shall be notified within a reasonable time. The Seller is entitled to exercise its right hereunder irrespective of whether the title to the Goods has passed to the Buyer under the Contract or not. The quantities of the Goods confirmed by such a logistics or storage company upon receipt of the Goods shall be deemed as due confirmation of the quantities of the Goods delivered by the Seller; the term for quality claims for the Goods shall commence as of the expiration of the laytime. The Seller shall be entitled to claim without limitation all and any transport and/or insurance cancellation costs, storage costs, additional transport costs, customs duties, demurrage and other similar or related costs and all expenses arising out of or in connection with such late acceptance from the Buyer till the moment when the Goods are taken by the Buyer.

11.1.7. In the event that the Buyer (or the Buyer's authorized representative, or the Buyer's Carrier, etc.) fails or refuses to accept delivery of the Goods or any part thereof within 5 (five) days after the Delivery Date unless otherwise mutually agreed by the Parties, entirely without prejudice to the Seller's other rights under the Contract or the applicable Law, the Seller shall at its sole discretion be entitled to sell the quantity of the Goods which were not taken by the Buyer. The Seller is entitled to exercise its right hereunder irrespective of whether the title to the Goods has passed to the Buyer under the Contract or not. The Sellers also entitled either to: (i) to demand the Buyer to reimburse all Seller's costs of sale including, without limitation, storage costs, additional transport costs, customs duties, and other similar or related reasonable costs and expenses together with any difference in the price obtained for the Goods when compared to the Price of the Goods

set out in the Contract; or (ii) to deduct the amount of the received advance payment (applicable to the prepayment or CAD) for the damages incurred by the Seller as a result of such refusal; after calculating the damages the remaining part of the advance payment shall be either returned to the Buyer or offset against further deliveries. The Seller is entitled to exercise its right hereunder irrespective if the title to the Goods has passed to the Buyer under the Contract or not.

11.1.8. Nothing in this Agreement shall limit or exclude either party's liability for (i) death or personal injury resulting from the negligence of that Party or its directors, officers, employees, contractors or agents; (ii) any breach of undertaking as to title, quiet possession, and freedom from encumbrance implied by law, including any breach of the obligations implied by section 12 of the Sale of Goods Act 1979 or section 2 of the Supply of Goods and Services Act 1982; (iii) any losses to the extent caused by fraud, fraudulent misrepresentation, deceit or dishonesty; or (iv) any other liability which cannot be excluded or limited by law. Under no circumstances shall either Party be liable whether based on a claim in contract, tort (including negligence), under any indemnity, breach of statutory duty, or otherwise arising out of, or in relation to, the Contract for: (i) any loss of profit or revenue (save in relation to Seller's loss of profit arising from Buyer's failure and/or inability to make a payment due under the Contract as well as from the Buyer's failure or refusal to take or accept delivery of the goods or any part thereof contrary to the terms of the contract); (ii) loss of goodwill; (iii) any cost of labour; (iv) loss of further business (v) repudiatory breach; or (vi) any indirect or consequential loss. (i) to (iii)), even if the Parties have been advised of the possibility of such damages. In no event shall the Seller's liability to the Buyer whether based on an action or claim in contract, tort (including negligence), under an indemnity, breach of statutory duty or otherwise arising out of, or in relation to, the Goods or the Contract, exceed the Total Goods Value (including, but not limited to transportation costs, storage costs, etc.) paid to the Seller by the Buyer for the Goods under the Contract in the 12 (twelve) month period prior to the occurrence of the default by the Seller.

12. REACH:

12.1. Notwithstanding any other provision to the contrary in the Contract, in providing the Buyer with a Chemical Abstract Service Index Number and/or Existing Commercial Chemical Substances Number and/or any other health, safety and environmental information relating to the Goods pursuant to this Clause, regardless of their source, the Seller provides no warranty or representation as to the accuracy or completeness of such identification number(s) or information relating to it and needed by the Buyer and/or reasonably requested by the Buyer to comply with the requirements of REACH, hence the Seller accepts no liability for loss, damage, delay or expense incurred by the Buyer for whatever reason arising from its reliance on the accuracy of the identification numbers or other information hereunder provided and /or the existence of a valid (pre-) registration of the Goods to be imported into the EU/EEA.

13. ANTI-CORRUPTION:

13.1. Each Party hereby represents and warrants to the other that:

- a) it has knowledge of the Anti-Corruption Laws and shall maintain at all times an adequate system of internal controls, procedures, and policies that monitor, prohibit, and protect against any act, conduct, or omission that would constitute a violation of the Anti-Corruption Laws;

- b) no Public Official or close relative (i.e., spouse, child, parent, or sibling) of a Public Official is associated with it whether as an investor, officer, employee or shadow director;
- c) neither Party nor its officers, directors, employees and/or affiliates has been the subject of an investigation, settlement or conviction for bribery or other form of corruption, nor has any such person been included on any list maintained by the U.S. Government or the UK or any other applicable jurisdiction as debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for government procurement programs;
- d) it has not taken and will not take (and agrees that its officers, directors, employees and/or affiliates have not taken and will not take) directly or indirectly in connection with its obligations under this Agreement, any action that would constitute a violation of the Anti-Corruption Laws, including but not limited to making any offer, payment, promise to pay, or authorization of the giving of any monies or financial or other advantage to any person:
- a. for the purpose of inducing or rewarding that person or any other person to perform their role or function improperly;
- b. where receipt of that advantage would result in that person or any other person performing their role or function improperly;
- c. for the purpose of influencing a Public Official in relation to any decision, act or other performance of their official role or function, including a decision to fail to perform that role or function, so as to obtain or retain business or a business advantage of any kind;
- d. or any other person, individual or entity at the suggestion, request or direction or for the benefit of any of the above-described persons and entities, or
- e) its officers, directors, employees and/or affiliates will not, directly or indirectly, in connection with its obligations under this Agreement, request, agree to receive, or accept any monies or financial or other advantage in return or as a reward for performing their role or function improperly; and
- f) it will ensure that all its officers, directors, employees, and/or affiliates conducting activities under this Agreement available for compliance training.

13.2. Enforcement:

13.2.1. Each Party shall promptly (and in any event within five Business Days of becoming aware) report to the other Party:

- any actual or potential breach of Anti-Corruption clause; or
- any request or demand received for any bribe or equivalent undue financial advantage made in connection with the performance of the Contract.

13.2.2. Each Party shall promptly (and in any event within five Business Days of becoming aware) report to the other Party:

- a) the other Party is in breach of any of Anti-Corruption Laws without prejudice to the other rights of the respective Party under the Contract or the applicable Law; or
- b) there is evidence of repeated inadequacies in the other Party's anti-bribery and corruption compliance.
- c) Each party shall indemnify and hold the other party harmless from any claims, suits, investigations, penalties, fines and/or costs of any kind arising from, or relating to, any breach of Anti-Corruption Clause. This Clause shall survive any termination of the Contract.
- d) Each party agrees that full disclosure of information relating to a possible violation by the other party (or its shareholders, directors, officers, employees or Affiliates) of Anti-Corruption Clause may be made at any time and for any reason to any government or regulatory agency, entity or party.

14. COMPLY WITH APPLICABLE LAWS:

14.1. Each Party hereby warrants to the other Party that as of the date of the Contract and on each subsequent occasion it performs obligations under the Contract, it conducts such activity in compliance with all applicable Laws of the relevant territory (or territories).

15. DURATION AND TERMINATION:

15.1. The Contract shall come into effect on the Effective Date shall continue in force until all obligations have been fulfilled (unless earlier terminated hereunder or the Parties agree otherwise in writing) and/or until such time as all payments are made by the Buyer in full.

16. BUYER'S DEFAULT:

16.1. The Seller may, at its sole discretion and in addition to any other legal remedies it may have, upon giving five (5) Business Days' written notice to the Buyer, suspend all deliveries under the Contract and/or unilaterally terminate the Contract where:

- a) the Buyer is in breach of any condition of the Contract;
- b) delivery or unloading of the Goods is delayed due to any cause(s) attributable to the Buyer and such delay is not excused by any other provision of the Contract;
- c) loading or unloading of the Goods is delayed by more than 10 (ten) hours after truck has been arrived at the Place of Destination due to reasons attributable to the Buyer;
- d) there is a major change in the direct or indirect ownership of the Buyer or its parent company;
- e) the Buyer or its parent company commences, or becomes the subject of, any bankruptcy, insolvency, reorganization, administration, liquidation or similar proceeding or is in the Seller's reasonable opinion expected to be unable or unwilling to pay its debts as the same become due;
- f) the Buyer or its parent company ceases or threatens to cease to function as a going concern or conduct its operations in the normal course of business;
- g) a creditor attaches or takes possession of all or a substantial part of the assets of the Buyer or its parent company; or
- h) if applicable, the Buyer delays the provision of the parent company guarantee or other security of its obligations as provided in the Contract for more than 10 (ten) Business Days.

16.2. Where the Seller suspends delivery of the Goods due to any of the events referred the Seller may, so long as such event is continuing, at any time unilaterally terminate the entire Contract.

16.3. Where, pursuant to this Clause, the Seller, under a Contract providing for multiple deliveries, temporarily suspends the delivery of the Goods and then decides to resume deliveries under the Contract, the Seller may cancel the suspended delivery and shall be under no obligation to make up for any quantity of the Goods that would have been delivered to the Buyer but for such suspension.

16.4. Where the Contract provides for multiple deliveries, then the rights given to the Seller in this clause apply to all deliveries such that where the Seller is allowed to terminate in respect of one delivery, then it is entitled to terminate all the remaining deliveries.

16.5. Any termination of the Contract by the Seller shall be without prejudice to the rights and obligations of each Party as accrued on the date of termination.

17. SELLER'S DEFAULT:

17.1. The Buyer may at its sole discretion, and in addition to any other legal remedies it may have, upon giving 5 (Five) Business Days prior written notice to the Seller, terminate the Contract, where the Seller, for any reason whatsoever, is in a material breach of any conditions of the Contract.

17.2. In relation to multiple deliveries under the Contract, the Buyer's right to terminate under this Clause or otherwise, only applies to the delivery in respect of which the Seller is in breach and not to future deliveries.

17.3. Any termination of the Contract by the Buyer shall be without prejudice to the rights and obligations of each Party as accrued at the date of termination.

17.4. In the event of termination of the Contract by either Party pursuant to the provisions of Buyer's Default or Seller's Default then, save where the Buyer has terminated only part of a multiple delivery Contract, and in addition to any direct losses arising from the default or breach, the Party so terminating shall be entitled to claim damages from the Party in default as if the Party in default had failed to deliver or failed to accept, as the case may be, such quantity of the Goods as remained to be delivered under the Contract at the date of termination.

18. SANCTIONS:

18.1. The Buyer hereby confirms that he is aware and complies with all applicable Sanctions. Notwithstanding anything to the contrary elsewhere in the Contract or the GTC.

18.2. Neither Party shall be obliged to perform any obligation otherwise required by the Contract (including without limitation an obligation to (a) perform, deliver, accept, sell, purchase, pay or receive monies to, from, or through a person or entity, or (b) engage in any other acts) if this would be in violation of, inconsistent with, or expose such Party to any Sanctions binding on that Party. by virtue of Law or the Contract.

18.3. Where any performance by a Party would be in violation of, inconsistent with, or expose such party to the Sanctions, such Party (the “Affected Party”) shall, as soon as reasonably practicable give written notice to the other Party of its inability to perform. Once such notice has been given the Affected Party shall be entitled:

- a) to immediately suspend the affected obligation (whether payment or performance) until such time as the Affected Party may lawfully discharge such obligation; and/or
- b) where the inability to discharge the obligation continues (or is reasonably expected to continue) until the end of the contractual time for discharge thereof, to a full release from the affected obligation, provided that notwithstanding the foregoing, where the relevant obligation relates to payment for the Goods which have already been delivered under the Contract, the affected payment obligation shall either (i) remain suspended until such time as the Affected Party may lawfully resume payment, or (ii) be cancelled by the Seller, provided that the Parties will have the opportunity to carry into execution the return of such Goods to the Seller, unless otherwise agreed by the Parties in writing;

18.4. in each case without any liability whatsoever (including but not limited to any damages for breach of Contract, penalties, costs, fees and expenses).

18.5. Nothing in this Clause shall be taken to limit or prevent the operation, where available under the governing law of the Contract, of any doctrine analogous to the English Common Law doctrine of frustration.

19. FORCE MAJUERE:

19.1. Any Party shall be released from responsibility for a failure to fulfil any of its obligations if it proves:

- (i) that the obligation has not been fulfilled as a result of circumstances beyond its control; and
- (ii) that it would not be reasonably expected to take into account these circumstances or consequences thereof for the performance of the Contract at the time of conclusion of the Contract;
- (iii) that it could not reasonably avoid or overcome such circumstances, or at least their effects thereafter.

19.2. Circumstances specified in the sub-clause 19.1., can occur because of events herein below, which list is not exhaustive:

- a) declared or undeclared war, civil war, riots and revolutions, acts of piracy, sabotage;
- b) natural disasters, hurricanes, cyclones, earthquakes, tsunamis, floods, destruction by lightning;
- c) explosions, fires, destruction of machinery, plants and any installations;

- d) boycotts, strikes and lockouts in any form, slow work, an occupation of enterprises or their premises, stoppages occurring at the company of the Party claiming a waiver of liability;
- e) actions of the authorities, embargo, a ban on the export or import.

19.3. A Party that claims for exemption from liability shall in accordance with the present Clause 19, promptly, as soon as the circumstances and their consequences, affecting the performance of its obligations, become known to it, inform the other Party about these circumstances and about the impact of the same on the performance of its obligations (but not later than three (3) days after they became known to it). A notice shall also be sent by the Party upon cessation of grounds for exemption from liability.

19.4. The fact of force majeure circumstances must be confirmed in writing by the Chambers of Commerce and Industry of the territories where such circumstances occurred

20. ARBITRATION AND GOVERNING LAW:

20.1. Both the Contract and the GTC shall be governed by, interpreted and construed in accordance with the United Nations Convention on Contracts for the International Sale of Goods, the Convention on the Law Applicable to the International Sale of Goods, Principles of International Commercial Contracts (UNIDROIT principles).

20.2. Any dispute arising out of or in connection with these GTC, including any question regarding its existence, validity, or termination, shall be referred to and finally resolved in the court at the location of the defendant. Applicable law – the domestic law of the country, where the court is settled.

20.3. Proceedings shall be held in English. Each Party shall submit the documents in English. Documents submitted in a language other than English shall be translated into English at the expense of the Party submitting the document.

21. CONFIDENTIAL INFORMATION:

21.1. In connection with the Contract a Party (hereinafter the “Receiving Party”) may discover, receive, or otherwise acquire, whether directly or indirectly, information related to the other Party (hereinafter the “Disclosing Party”) or Affiliates of the Disclosing Party or its Affiliates’ businesses, or information of third parties that the Disclosing Party is obligated to keep confidential (collectively, in whatever form or medium, “Confidential Information”). Confidential Information shall not include information (i) that is, or becomes, publicly known through no wrongful act or omission, direct or indirect, of the Receiving Party or its officers, directors, employees, Affiliates or consultants, (ii) that was already known to Receiving Party without obligations of confidentiality prior to the receipt from Disclosing Party, as reasonably evidenced by the Receiving Party, and was legitimately in Receiving Party’s possession, without any obligation to keep such information confidential, (iii) that Receiving Party independently develops without the use of any Confidential Information of Disclosing Party, or (iv) that Receiving Party receives or has received on a non-confidential basis from a source other than Disclosing Party that is entitled to disclose the same to Receiving Party; provided however that Receiving Party is able to provide Disclosing Party with the documentary evidence regarding any of the exceptions (if

any) or as required in connection with any rules or requirements of any stock exchange on which such Party is listed or may be listed, or as may otherwise be required by applicable Law.

21.2. Receiving Party shall (i) use Disclosing Party's Confidential Information solely in connection with exercise of its rights or performance of its obligations under the Contract, and (ii) disclose Disclosing Party's Confidential Information only as necessary to its officers, employees, Affiliates, consultants, including legal advisors and auditors whose duties relate to the Contract and reasonably require familiarity with such information in order for Receiving Party to perform its obligations or exercise its rights hereunder and who are bound by a legally enforceable written obligation of confidentiality with terms that are the same as, or more stringent than, those set out herein. Each Party shall be liable for any losses and/or damages incurred by the Disclosing Party resulting from such disclosure of Confidential Information by the above-mentioned persons to any Third parties.

21.3. Subject to the exceptions to the confidentiality obligations set out in this Clause above, neither Party (nor its Affiliates, subsidiaries or other related parties) may disclose, publish or otherwise communicate the contents of the Contract to any Third Party without the prior express written consent of the other Party (which consent shall not be unreasonably withheld or delayed); each Party shall be permitted to disclose the terms and conditions of the Contract (i) to actual or potential investors and Subject to the exceptions to the confidentiality obligations set out in this Clause above, neither Party (nor its Affiliates, subsidiaries or other related parties) may disclose, publish or otherwise communicate the contents of the Contract to any Third Party without the prior express written consent of the other Party (which consent shall not be unreasonably withheld or delayed); each Party shall be permitted to disclose the terms and conditions of the Contract (i) to actual or potential investors and lenders and their authorized representatives under written confidentiality agreements that protect the confidentiality of the contents of the Contract which are the same as, or more stringent than, those set out herein, or (ii) as required in connection with any rules or requirements of any stock exchange on which such Party is listed or may be listed, or (iii) as may otherwise be required by the applicable Law, or (iv) as may be reasonably required for the performance of the Parties obligations under the Contract; provided however, that the Party making a disclosure pursuant to an exception set forth in the preceding subsections (i) or (iv) shall provide the other Party with prior written notice and shall, to the extent practical, cooperate with the other Party in seeking confidential treatment of the information to be disclosed (if and to the extent available), or (v) to its Affiliates under written confidentiality agreements that protect the confidentiality of the contents of the Contract which are the same as, or more stringent than, those set out herein. In addition to the aforesaid exceptions the Seller is permitted to disclose without the Buyer's prior consent the Confidential Information to any bank with regard to factoring.

21.4. No press release referring to the Contract or utilizing the other Party's name shall be made without the prior written consent of the other Party.

22. MISCALENIOUS:

22.1. No set-off may be made against any claims unless otherwise agreed in writing by the Seller in advance. Under no circumstances the Buyer shall be entitled to set-off against the payment (including any VAT payable) under the Contract any sums owed to the Buyer by the Seller under the Contract or any other agreement it has with the Seller. For the avoidance of any doubt the Seller shall be entitled at all times to setoff against any and all amount owing at any time from the Buyer to the Seller against any amount payable at any time by the Seller under the Contract.

22.2. Each Party hereby represents and warrants to the other that:

- a) it has the authority to enter into and perform its obligations under the Contract,
- b) the Contract has been duly executed and delivered on behalf of such Party, and constitutes a legal, valid, binding obligation, enforceable against such Party in accordance with its terms,
- c) it is a corporation duly organized, validly existing and in good standing under the laws and regulations of its jurisdiction of incorporation or formation,
- d) neither the execution of the Contract nor its performance thereunder conflicts with any applicable Law or any other contract to which it is a party or any obligation to which it is subject
- e) within 5 (five) days after the relevant event, the Party so effected will inform the other Party of any changes or amendments to its direct or indirect ownership.

22.3. Health, Safety and Environment:

22.3.1. The Goods supplied by the Seller are in a condition which the Seller reasonable considers to not constitute a hazard to health or safety, provided that the Goods are handled, used and stored in accordance with industry best practice safety practices applicable to the Goods. The Buyer shall, for its own protection, consult the Manufacturer's Material Safety Data Sheet (MSDS) (if any), relevant codes of practice and factory inspectorates with regard to adequate hygiene, safety and environmental standards and enforcement thereof, with respect to handling, processing and storing of the Goods, their by-products and wastes of any sort.

22.3.2. The Buyer warrants to the Seller that it is aware of and understands the information in the MSDS for the Goods and it will adopt appropriate procedures to ensure that all persons or agents authorized by the Buyer to carry out any of the rights, duties or obligations of the Buyer under the Contract and all of the Buyer's other officers, employees, contractors and agents who are involved in the loading, transportation, delivery, handling or use of the Goods sold and delivered to the Buyer under the Contract are aware of, and comply with the information provided in the relevant MSDS.

22.3.3. The Buyer accepts the inherent risks associated with the Goods as set out in this Clause 21.3.3 and shall accordingly have no claim of any kind against the Seller directly or indirectly arising from damage to any property or person as a result of direct or indirect exposure to the Goods.

22.3.4. The Seller shall not be liable for any cost, loss or damage resulting from the receipt of the Goods in non-compliant storage facilities. The Buyer shall indemnify the Seller against any claim which any third party might have or bring against the Seller in this respect.

22.3.5. Any advice given by the Seller concerning storage, transport, use or application of the Goods delivered shall be on a without prejudice basis and the Seller shall not be liable for any loss, damage or expense resulting from observance of such advice.