

**Purchase Contract No.: 242/18/EUS**  
(hereinafter as “contract”)

Signed between the contracting parties:

**eustream, a.s.**

and

## Contents

<b>PURCHASE CONTRACT NO.: 242/18/EUS.....</b>	<b>1</b>
<b>CONTENTS.....</b>	<b>2</b>
<b>I. CONTRACTING PARTIES.....</b>	<b>3</b>
1. BUYER .....	3
2. SELLER .....	3
<b>II. SUBJECT OF THE CONTRACT .....</b>	<b>4</b>
<b>III. DATE AND PLACE OF GOODS DELIVERY .....</b>	<b>4</b>
<b>IV. CONDITIONS OF FULFILMENT OF THE CONTRACT .....</b>	<b>5</b>
1. DELIVERY CONDITION .....	5
2. TRANSFER OF OWNERSHIP AND RISK OF DAMAGE TO THE GOODS .....	5
3. OBLIGATIONS AND RIGHTS OF THE SELLER .....	5
4. ACCOMPANYING DOCUMENTATION TO THE GOODS .....	8
5. OBLIGATIONS AND RIGHTS OF THE BUYER .....	9
6. INSPECTION IN THE MANUFACTURING PLANT .....	10
7. MARKING, PACKING AND TRANSPORT OF THE GOODS .....	11
7.1 <i>Marking of the goods</i> .....	11
7.2 <i>Goods packing and transport</i> .....	12
8. TAKEOVER OF THE GOODS BY THE BUYER .....	12
<b>V. PRICE AND PAYMENT CONDITIONS.....</b>	<b>13</b>
1. PRICE .....	13
2. PAYMENT CONDITIONS .....	14
<b>VI. TAX TERMS .....</b>	<b>16</b>
<b>VII. WARRANTY AND LIABILITY .....</b>	<b>20</b>
1. WARRANTY AND LIABILITY.....	20
2. COMPENSATION FOR DAMAGE .....	21
3. EXCUSABLE DELAYS .....	22
<b>VIII. LIQUIDATED DAMAGES .....</b>	<b>22</b>
<b>IX. CIRCUMSTANCES EXCLUDING LIABILITY .....</b>	<b>22</b>
<b>X. CONTRACT TERMINATION.....</b>	<b>23</b>
1. WITHDRAWAL FROM THE CONTRACT .....	23
<b>XI. APPLICABLE LAW AND SETTLEMENT OF DISPUTES .....</b>	<b>24</b>
<b>XII. FINAL PROVISIONS .....</b>	<b>24</b>
1. INEFFECTIVE PROVISIONS.....	24
2. WRITTEN FORM.....	25
3. FORCE AND EFFECT OF THE CONTRACT .....	25
4. LANGUAGE OF THE CONTRACT .....	25
5. PRIORITY OF DOCUMENTS .....	25
6. SOLIDARY RIGHTS AND OBLIGATIONS .....	26
7. SPECIFIC PROVISIONS .....	26
8. FINANCING AND CONTROL.....	26
9. CONFIDENTIALITY .....	27
<b>LIST OF ANNEXES: .....</b>	<b>28</b>

## I. Contracting Parties

### 1. Buyer

Name: **eustream, a.s.**  
Registered office: Votrubova 11/A, 821 09 Bratislava, Slovak Republic  
Company ID: 35 910 712  
Legal form: Joint stock company  
Incorporated in: Commercial Register of the District Court Bratislava I,  
Section: Sa, Insert No.: 3480/B

Authorized representative:

Contact person in contractual matters: Ing. Viliam Križan, Head of Logistic and Procurement  
technical matters: Ing. Vladimír Urban, Project Manager

TAX ID: 2021931175  
VAT ID: SK2021931175

Bank: Tatra banka, a.s. VÚB, a.s.  
IBAN: SK7811000000002935700511 SK720200000000001101153  
SWIFT: TATRSKBX SUBASKBX

(hereinafter referred as the “buyer”)

and

### 2. Seller

Name:  
Registered office:  
Company ID:  
Legal form:  
Incorporated in:  
Authorized representative:  
Contact person in contractual matters:  
  
technical matters:  
TAX ID:  
VAT ID:  
Bank:  
IBAN:  
SWIFT:

(hereinafter referred as the “seller”)

(the buyer and the seller hereinafter jointly named as the “contracting parties”)

## **II. Subject of the Contract**

1. The seller undertakes to supply to the buyer the ball valves and actuators for ball valves to be used for high-pressure gas pipelines in the dimensions and quantities pursuant to this contract and under the conditions agreed herein (hereinafter referred as the “goods” or the “BV”).
2. A detailed specification of the goods is set out in Annex no. 1 Dátový list\_Data Sheet (hereinafter referred as the “data sheet”) and in Annex no. 2 Technical-Delivery Conditions of company eustream, a.s. „Ball valves for high pressure gas pipelines DN300 – DN1400“ no. TA.W.24.02.15 a „ Actuators for ball valves for high pressure gas pipelines DN300 – DN1400“ no. TA.W.29.02.15 (hereinafter referred as “TDC”), which both form an integral part hereof and are binding for the seller (hereinafter jointly referred to as the “specification”).
3. The following obligations of the seller are also a part of the subject of the contract:
  - a) To ensure at its own costs, the transport of the goods to the place of delivery according to Article III herein;
  - b) To deliver accompanying documentation to the buyer at least in the scope pursuant to part 4.9 of the TDC (hereinafter referred as the “accompanying documentation”).
4. The buyer undertakes to take over the goods supplied in accordance with this contract from the seller and to pay the agreed purchase price for the goods thus supplied.
5. The obligation of the seller may be considered fulfilled if the seller fulfils all its contractual obligations in accordance with this contract, particularly (but not limited to) it supplies to the buyer the goods in the agreed quantity, quality, at the agreed place and date and delivers to it in time the complete and full accompanying documentation.

## **III. Date and place of goods delivery**

1. The seller undertakes to fulfil the subject of the contract in its entirety according to Article II herein, i.e. including complete and full accompanying documentation of goods pursuant to paragraph 4 of Article IV hereof within 24 weeks from signing of the contract by both contracting parties.
2. The place of delivery of the goods is Compressor station 01 Veľké Kapušany (KS01), Slovakia
3. The buyer has the right, at any time asks the seller to change the place of delivery of the goods. Change of the place of delivery must be approved in writing by the authorized representatives of both contracting parties. If such change does not increase the contract price, the change of the place of delivery can be approved by contact persons in contractual matters.
4. The seller may, with the prior written consent of the buyer deliver the goods also to a place other than that agreed in paragraph 2 of this Article. The seller in such

a case is obliged to propose to the buyer the change to the place of delivery in writing no later than 30 days prior to the beginning date of delivery according to Delivery schedule. The buyer has the right to deny such proposal of the seller particularly (though not limited to) in case such change of place of delivery would cause an increase of buyer's costs for unloading or subsequent transfer of the goods to the point of their storage or use. The buyer shall notify the seller of its decision in writing 5 working days from delivery of the seller's proposal for a change to the place of delivery. In case that the buyer does not notify the seller of its decision within 5 working days from receiving the seller's proposal, this shall be considered as a rejection of the proposed change to the place of delivery of the goods. In case of a change of the place of delivery of the goods according to this paragraph, the seller is obliged to compensate the buyer for its increased costs connected with the change of place of delivery (in particular, but not limited to, costs for unloading or subsequent transport of the goods to the point of their storage and/or use).

5. Any delay of the seller with the delivery of the goods and/or accompanying documentation exceeding 30 days from the agreed date of delivery, according to paragraph 1 of this Article shall be deemed the material breach of this contract.

## **IV. Conditions of Fulfilment of the Contract**

### **1. Delivery condition**

- 1.1. The seller is obliged to deliver the goods to the buyer in accordance with the delivery clause DDP according to rules of Incoterms 2010 issued by the International Chamber of Commerce in Paris, to the place of delivery according to Article III herein, For avoidance of any doubt, in case of dispute between the provisions of this contract and the terms of the DDP delivery clause according to rules of Incoterms 2010 issued by the International Chamber of Commerce in Paris, the provisions of this contract shall prevail.

### **2. Transfer of ownership and risk of damage to the goods**

- 2.1. The risk of damage to the goods transfers to the buyer in accordance with the agreed condition of delivery DDP according to paragraph 1.1 of this Article.
- 2.2. The title of ownership to the goods transfers from the seller to the buyer upon the taking over the goods by the buyer.

### **3. Obligations and rights of the seller**

- 3.1. The seller is obliged to deliver to the buyer the goods in accordance with the specification shown in Annexes nos. 1 and 2 hereto, in accordance with the requirements of applicable acts and standards, in satisfactory quality, free of any defect whatsoever and within the term agreed in paragraph 1, Article III hereof.

- 3.2. The seller is obliged to train the personnel of the buyer latest till 24 weeks from the signing of the contract, in the number of 30 employees for operation and maintenance of supplied actuators for ball valves along with issuing the relevant certificates on completion of training. Such training shall take place in operational premises of the buyer in KS01 Veľké Kapušany. All documentation used during the training must be in Slovak language and the language of the training will be Slovak language. For avoidance of any doubt, the price for training according to this paragraph is included in contractual price. The obligation of the seller according to this paragraph shall not apply in case the seller supplies the actuators from any the following producers: Fahlke, PCI Intertechnik Rotork, Niwatec, Schuck, Auma, Rotork, Drehmo for operation and maintenance of which the personnel of the buyer has already been trained.
- 3.3. In the case of failure of an actuator during the warranty period, the seller is obliged to perform the inspection on the site within 2 working days from the receipt of a written claim (by e-mail or post).
- 3.4. The seller undertakes to fulfil the contract:
- in his own name and at his own risk;
  - with due professional care through the qualified and experienced personnel;
  - with use of technological equipment, materials and production procedures corresponding to contractual requirements on quality of goods and in line with the good practice on the market;
- 3.5. The seller in fulfilment of the contract also undertakes to:
- a) Use the quality assurance measures required by this contract and its Annexes, as well as all available measures for quality assurance in line with applicable international quality management rules.
  - b) Within 10 working days from delivery of the respective specification or data necessary for fulfilling this contract, by the buyer to the seller, inform in writing the buyer about incompleteness, ambiguity or differences between specifications hereunder and/or any other specifications or data, provided by the buyer to the seller hereunder, or about any mistake, omission or contradiction in these documents or between them, or between them and requirements of legal regulations or standards applicable to the goods, which can affect fulfilment of the contract by the seller, and propose manner of removal or elimination of the found defects.
  - c) Any further information needed for proper fulfilment of this contract request in writing from the buyer only, if the seller is not able to arrange such information himself without collaboration of the buyer. The buyer will provide any such information in writing to the seller without any undue delay.
- 3.6. The seller is further obliged:
- a) Within 30 days from conclusion of the contract, to deliver to the buyer the preliminary Delivery Schedule of BV, which must contain, at least:
    - indication of both contractual parties;
    - contract number;
    - name, position, e-mail and phone contact to the seller's person responsible for timetable preparation;

- the date of goods delivery commencement and completion that must not be later than the latest date of delivery;
- chronologically clearly structured sequence of all steps in the delivery of BV with date of delivery of trucks, including total quantity of BV (pcs) on 1 truck, dimensions (mm), weight (kg); length (m), total no. of trucks within delivery to each particular place of delivery shown in the article III, point 2;
- additional information, if necessary for planning the production of BV;
- (hereinafter “Delivery schedule”)

The seller shall take into account all conditions for the delivery of the goods according to this contract when preparing the delivery.

The buyer is required to comment the submitted Delivery schedule in writing within 30 days from receipt of the Delivery schedule while the buyer has the right to change the dates of delivery of the goods in the Delivery schedule so it will not cause restrictions in transportation while delivering of the goods. In case of buyer’s comments to the Delivery schedule the seller is obliged to review it within 5 working days from the receipt of the buyer’s comments while the seller is obliged to take into account reasonable buyer’s comments. In case of seller’s comments the buyer is obliged to review them within 5 working days from their receipt. After being demonstrably approved by project managers of both contracting parties the Delivery schedule is binding for both contracting parties.

- b) No later than 10 working days prior to the beginning of goods delivery, if not in written agreed otherwise by the contracting parties, to inform (confirm to) the buyer in writing an exact date of the beginning of goods delivery, while the date of beginning of goods delivery must be in accordance with the Delivery schedule. Such notification must contain also information needed for arrangement of proper unloading of the goods by the buyer and its transport to the place of storage, at least (but not exclusively) in the extent: business names and registered offices of both contracting parties, number of this contract, type and dimensions of BV that are to be supplied (length, diameter, wall thickness, type of coating/lining), , unit and total weight (kg), total number of BV (pieces), as well as any additional information, if necessary for proper unloading, transport (by road transport to the place of use or storage) and storage.
- c) Within 14 days from conclusion of the contract, to deliver to the buyer the production timetable of BV, which must contain, at least:
- indication of both contractual parties;
  - contract number;
  - name, position, e-mail and phone contact to the seller’s person responsible for timetable preparation;
  - chronologically clearly structured sequence of all steps in the production of BV, including planned performance deadlines, stated in calendar weeks, from signing of this contract, including placing of the order, through delivery and tests of the basic material for their production up to their delivery to the buyer, including required BV tests and their transport to the place of delivery;
  - additional information, if necessary for planning the production of BV;

(hereinafter referred as the “production timesheet”).

- d) To notify the buyer in writing about the start of production of the BV in the production facility of the seller and the beginning date of performing their tests, which the seller is obliged to perform under the TDC, at least 14 days in advance.
- e) In the period from signing the contract until the delivery of the contract subject to the buyer, at least 1x in 1 month to send revision of production timesheet which must contain at least the particulars of the production timesheet, as well as the following:
- name, position, e-mail and phone contact to the seller’s person responsible for preparing of the production timesheet;
  - production timesheet serial number;
  - date of production timesheet elaboration and the date, as of which the production timesheet is topical, if different from the date of progress report elaboration;
  - indication, in which production step the individual BV are in as of the production timesheet topical date;
  - duration and reasons of any eventual delay in individual BV production steps against the production timesheet;
  - any additional important information on the production status of BV, if necessary;

In the event of a delay compared with the production timesheet of the BV, the seller shall be obliged, at the buyer’s request, to provide the production timesheet even more frequently or, possibly, to extend the scope of information provided to the buyer.

- f) To inform the buyer immediately about all facts being learned during fulfilment of the contract which can endanger timely fulfilment of the contract or in other respects negatively influence fulfilment of this contract on the side of the seller.
- 3.7. The seller is obliged to arrange performance of all material tests and all mechanical and non-destructive tests of BV prescribed in TDC. The seller is obliged to confirm that all required tests have been successfully performed, proving this by respective certificates that shall be submitted by the seller to the buyer as a part of the accompanying documentation.
- 3.8. All costs connected with tests according to paragraph 3.7 of this Article, including proving of fulfilment of contractual obligations, will be borne by the seller.

#### **4. Accompanying documentation to the goods**

- 4.1. For proving the fact that the goods have the properties specified in the specification, the seller is obliged to deliver to the buyer one set of the valid, complete and full accompanying documentation in writing (i.e. printed on paper) according to paragraph 3 letter b) Article II herein, no later than by the term of the goods delivery to the buyer agreed herein. The contracting parties have



agreed that the accompanying documentation delivered by the seller to the buyer shall be considered valid, if each document included in it is valid, i.e. if it is submitted either as an original print-out or as its officially verified copy, or as its copy verified by initials by the seller's authorized person and the seller's stamp.

- 4.2. A declaration of the seller on origination of the goods, containing at least the business name and address of the registered seat of the goods producer or its production facility at which the goods were produced and the country of its origin, shall be a part of the accompanying documentation of the goods which the seller is obliged to deliver to the buyer according to this contract.
- 4.3. The seller shall deliver the accompanying documentation pursuant to this Article either to the place of delivery together with the goods, or by mail, courier service or personally to the following correspondence address of the buyer:  
eustream, a.s.  
Registry  
Ján Repa, strategic purchaser  
Votrubova 11/A  
821 09 Bratislava  
Slovak Republic
- 4.4. Accompanying documentation shall be considered delivered in time also, if the copy of the valid, complete and full accompanying documentation pursuant to paragraph 4.1 of this Article is delivered in an electronic form to the buyer by an electronic mail (hereinafter referred as "e-mail") to the buyer's e-mail address: [jan.repa@eustream.sk](mailto:jan.repa@eustream.sk), within the deadline for the delivery of goods to the buyer agreed according to this contract, under the condition that no later than in 5 working days from this date this documentation is delivered to the buyer complete and full also in a written form (i.e. printed on paper).
- 4.5. Accompanying documentation to the goods must be delivered in the Slovak or in Czech or English language (or accompanied with a translation into one of those languages).

## **5. Obligations and rights of the buyer**

- 5.1. The buyer, in case of notification by the seller according to paragraph 3.5 letter b) of this Article about defects in documents provided by the buyer to the seller for fulfilment of this contract, is obliged, within 10 working days from delivery of such notification, either in writing approve the submitted proposals of the seller or itself decide how to remove or eliminate the above mentioned defects, and in the same period to communicate also in writing his decision to the seller, unless the contracting parties agree otherwise.
- 5.2. During performing the inspection according to paragraph 6 of this Article in the manufacturing plant the buyer, or physical or legal entities authorized by him are obliged to respect the seller's instructions on safety and by their acting not to danger safety of themselves or any other persons or property.

- 5.3. The buyer undertakes to provide to the seller reasonable cooperation needed to meet the obligations of the seller under this contract.

## **6. Inspection in the manufacturing plant**

- 6.1. The contracting parties agreed that the buyer has the right, from signing of the contract until end of production of goods, to examine the quality of the goods and the procedure in their production at the seller's manufacturing plant with the assistance of the seller's representative, including participation at tests of goods.
- 6.2. Inspection from the side of the buyer during production of goods can have also the form of an audit. The buyer is obliged to inform in advance the seller about performance of such inspection no later than 5 working days. This inspection must not negatively affect the production process. At performing an inspection, buyer's inspectors are obliged to respect local safety rules of the seller, which they were notified of.
- 6.3. The seller furthermore undertakes :
- to ensure provable instructing of persons doing inspection on behalf of the buyer on principles of safety and providing all information important for preservation of safety of persons and property in the seller's premises before beginning the inspection;
  - to provide to the buyer's representatives the specific protective means, if necessary, except of standard personal protective wear(e.g. safety helmet, protective work clothing and footwear);
  - to provide relevant documentation or information including documentation and information relating to its sub-contractors, needed for performance of inspection (audit) or tests according to the buyer's requirements, except information representing a business secret of the seller or his business partners;

Failure to fulfil any of these seller's obligations even within additional period of 5 working days shall be deemed the material breach of the contract on the side of the seller. The right of the buyer to claim a damage caused by a failure of the seller to meet its obligation on time is not affected by the provision of the additional period according to the preceding sentence.

- 6.4. The buyer shall inform the seller in writing about its intention to take part at tests of goods no later than 5 working days before their beginning.
- 6.5. Costs connected with participation of the buyer or by him authorized representatives at inspection (including personal and travel costs) will be borne by the buyer.
- 6.6. On every inspection performed by the buyer at the seller's manufacturing plant, a written record shall be elaborated by the seller – a protocol on inspection, which has to contain all substantial facts of the respective inspection but at least the business names and registered offices of both contracting parties, name and address of each manufacturing plant in which the given inspection took place, number of this contract, date of performance of the inspection, names of participants of the inspection on the side of the buyer and the seller and all

substantial facts found during the inspection including found defects. The protocol on inspection must be confirmed by signatures of representatives of the both contracting parties including representative of the seller responsible for the quality. The protocol shall be drawn up in two original counterparts, which each contracting party will keep one counterpart of.

- 6.7. If there are found any defects during the inspection, the buyer will provide the seller with the written list of these defects together with their description. The seller undertakes to remove the found and reported defects without undue delay, but latest in term approved by representatives of the both contracting parties
- 6.8. Rejection to remove found defects reported by the buyer to the seller according to paragraph 6.7 of this Article, on the side of the seller without any relevant reason justifying it, or repeated finding of any major defects related to managerial systems of quality management or technical equipment of the production plant by the buyer at the seller which have, or can have, direct or indirect negative impact on quality of BV, can be considered by the buyer as the material breach of the contract on the side of the seller.
- 6.9. Performance of any inspection by the buyer or participation of the buyer in performance of any tests during production of BV does not relieve the seller of any obligations or its liability upon this contract.
- 6.10. Provisions of paragraphs 6.1 to 6.9 of this Article fully apply also to the seller's sub-contractors.

## **7. Marking, packing and transport of the goods**

### **7.1 Marking of the goods**

- 7.1.1. The seller is obliged to secure unequivocal identification of individual BV during the entire process of their production, including basic material. For this purpose, the seller shall be obliged to properly, clearly and permanently mark the goods in line with requirements provided in the entire paragraph 7.1 herein.
- 7.1.2. During production, the BV may be marked by permanent paint or electric-spark burning or embossing so that unequivocal identification of the BV is preserved in each step of the production process, including sand blasting of the BV before external coating or internal lining them.
- 7.1.3. Following the end of production of the BV, it is required to mark them using permanent paint of contrast to the colour of external coating or internal lining (the white colour is preferred) in accordance with the requirements stated in TDC. Each BV must be marked on both ends on its internal and also external surface in approx. 200 mm distance from the weld-on edge. The marking must be placed on each BV on the internal BV surface in 6 o'clock position and in 12 o'clock position on the external surface of the same BV end, while on the opposite side of the BV the marking on the internal BV surface must be placed in 12 o'clock position and in 6 o'clock position on the external BV surface.

## 7.2 Goods packing and transport

- 7.1.4. The seller is obliged to assure that the goods is transported to the place of its delivery without damage and in good condition.
- 7.1.5. The seller shall be also obliged to assure, at its own costs, also the suitable packing of the goods, if necessary for preventing damage to the goods during transport. The packing must be adequate to the nature of goods, used means and manner of its transport and possibilities of its unloading and storage.
- 7.1.6. During transport of the goods to the place of delivery, the seller shall be obliged to pay increased attention to prevent any damage to the BV themselves, neither to their external coating or internal lining. The seller is obliged to use suitable supporting timbers and lash ropes for stabilizing the BV during transport that shall not damage the insulation of the BV (external coating or internal lining) and neither the BV themselves. To avoid any doubts the supporting timber and lash ropes are part of the delivery of BV and buyer will not be sending them back to the seller.

## 8. Takeover of the goods by the buyer

8.1. The takeover of the goods by the buyer from the seller shall be done per parts in accordance with the delivery schedule per paragraph 3.6, letter a) **Chyba! Nenašiel sa žiaden zdroj odkazov.** of this Article at the place of delivery according to Article III herein. The takeover of the goods must be confirmed in writing in the form of protocol on delivery and takeover of the goods (hereinafter referred as the "takeover protocol"), signed by representatives of both contracting parties. Any damage on the goods noticed during takeover is to be notified by Buyer to the Seller and stated on the protocol. Any informal takeover, whether in a tacit manner or by delivery of the goods to the place of delivery, is excluded. The takeover protocol must contain not less than (but not limited to) the following requisites:

- business names and registered offices of both contracting parties;
- number of contract;
- name and identification of the delivered goods (type, dimensions, specification, unit and total length of BV, their number, unit and total weight of BV and their production numbers);
- list of all defects found in takeover of goods by the buyer;
- unequivocal declaration on takeover of the goods by the buyer including the takeover of the accompanying documentation according to the contract;
- date and place of delivery of the goods ;
- date and place of elaboration of the takeover protocol;
- names, positions and signatures of representatives of both contracting parties and stamps of both contracting parties;

The takeover protocol shall be elaborated by the seller in two original counterparts of which each contracting party will receive one counterpart.

8.2. Also the proper delivery note can be deemed as the takeover protocol, if it contains all the essentials agreed in paragraph 8.1 of this Article.

- 8.3. The buyer will take over the goods at the place of its delivery only, if the seller in the respective accompanying documentation unambiguously proves fulfilment of all tests according to the specification, i.e. that the goods has the required properties set out in the data sheets and in TDC and complies with requirements of the buyer according to this contract.
- 8.4. The buyer has the right to refuse the takeover of the goods:
- which was delivered to other than agreed place of delivery, or
  - which is not shown in the delivered take over protocol, or
  - in respect of which the seller has not delivered the prescribed accompanying documentation, or
  - in which the seller did not unambiguously prove, in the respective accompanying documentation or otherwise, fulfilment of all tests according to the specification, i.e. that the goods does not have required properties shown in the data sheets or in TDC or does not comply with requirements of the buyer according to this contract, or
  - in which, when the goods are taken over, a damage that may result in a substantial change of its properties (e.g. deterioration of the properties of steel, particularly in relation to its mechanical strength, reduction of the wall thickness below the minimal allowed value, substantial change in other BV dimensions beyond the scope of permitted tolerances etc.) is found .

## **V. Price and Payment Conditions**

### **1. Price**

- 1.1. The price for the subject of the contract is determined by agreement of the contracting parties in the amount of **EUR** ..... (in word: ..... ) excluding VAT (hereinafter referred as the „contractual price“).
- 1.2. VAT according to applicable legal regulations shall be applied to the contractual price according to paragraph 1.1 of this Article.
- 1.3. Calculation of the price according to paragraph 1.1 of this Article is shown in the Annex no. 3 Price calculation, hereto.
- 1.4. The contractual price according to paragraph 1.1 of this Article covers all costs of the seller for the subject of the contract in its whole extent under the conditions agreed herein. The purchase price shall be a fixed price and shall include all expenses of the seller in relation to the performance of the contract by the seller, including the expenses for material, production, workforce, expenses for packaging of the goods and their transportation and/or import to the place of delivery, as well as other expenses related to the delivery of the goods (supporting timbers, lash ropes, any duties and related charges under the applicable legislation, including VAT deducted as part of the customs debt, etc.).

## 2. Payment conditions

- 2.1. Payment of the contractual price according to paragraph 1.1 of this Article shall be done by the bank transfer, in its whole or in parts, without any advance payments, on the basis of an appropriate invoice issued by the seller to the buyer after the takeover of the goods or respective part thereof pursuant to the Delivery schedule pursuant to Article IV, paragraph 3.6, letter a) of this contract, by the buyer according to paragraph 8 Article IV herein and after performing all obligations by the seller relating to delivery of such goods according to this contract, including the obligation to deliver the accompanying documentation of the goods. The copy of the respective takeover protocol according to paragraph 8 Article IV herein must be attached to each such invoice.
- 2.2. The seller shall have the right to receive the contractual price only once the subject-matter of the contract or a respective part thereof has been duly fulfilled.
- 2.3. The buyer shall be obliged to pay the contractual price or a respective part thereof solely on the basis of a relevant invoice issued by the seller in a written form and delivered to the registered seat of the buyer; the appropriate documents certifying the fulfilment of the subject-matter of the contract or an invoiced part thereof, signed by both contracting parties, shall be attached to the invoice.
- 2.4. The payment term of the invoices shall be 30 days from the date of their delivery to the other contracting party. If the due date of the invoice falls on the day of rest, bank holiday or public holiday in the Slovak Republic, the next working day shall be accepted by the other contracting party as the day to meet the financial obligation, upon equal price and payment terms.
- 2.5. Each invoice according to this contract must be issued in the contractual currency Euro (EUR) and sent to the address of the registered office of the buyer or to the address of the registered office of the seller according to data shown in paragraph 1 of Article I.
- 2.6. Settlement of claims of both contracting parties shall be carried out in the Euro (EUR) currency.
- 2.7. The obligation to pay shall be deemed fulfilled on the day of debiting the due amount from the account of the debtor to the credit of the creditor's account.
- 2.8. Each invoice issued by the seller upon this contract to the buyer shall contain all essentials pursuant to the applicable legal regulations, as well as the following essentials:
  - information that it is an invoice;
  - invoice serial number;
  - first and last name or business name of the seller, address of its registered office, its place of business or its commercial establishment, place of residence or the address of a place where the seller usually stays;
  - name of the buyer, address of its registered seat, its place of business, its commercial establishment;
  - company registration number, tax identification number and identification

- number for tax (VAT ID ) of both contracting parties;
  - place of registration of the seller and the number of the document pursuant to which the registration was performed;
  - number of the order of the buyer and/or the number of the contract, together with the specification of their reference designation and the date of execution of the order and the date of conclusion of the contract;
  - name and number of the investment project of the Buyer: “Project no. ET/15306: High-pressure interconnector gas pipeline Poland republic – Slovak republic / ball valves CS01”.
  - invoice issue date;
  - date when goods were delivered or date when the payment was received (in case the payment was received before the goods’ delivery), if this date can be determined and if it differs from the invoice issue date;
  - in the event of a tripartite trade, this fact shall be specified by a reference in the invoice;
  - amount and type of goods delivered;
  - invoice due date;
  - variable symbol;
  - bank details of the seller in the form of IBAN and BIC (respectively in another form in case IBAN is not used in the payment recipient’s location);
  - payment method: payment order;
  - VAT rate or information on VAT exemption; in case of a VAT exemption a reference to the provision of the respective act or the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax as amended or word information „delivery is exempted of tax“;
  - total amount of VAT in Euro, which shall be paid;
  - tax base for each tax rate, unit price excluding VAT and discounts and rebates, if not already included in the unit price;
  - deduction of paid advance payments;
  - amount to be paid;
  - name, signature and telephone number of the person in charge on the side of the invoice issuer;
  - seal of invoice issuer
  - word information „invoice copy by the customer“, if the customer who is the recipient of goods makes the invoice pursuant to applicable legal regulations;
  - word information “transfer of tax obligation”, if the entity obliged to pay the VAT is Buyer;
  - name and surname or business name of the tax representative, address of its registered office or residence and its personal identification tax number, if the foreign person is represented by a tax representative in accordance with the applicable legal regulations.
- 2.9. If the seller is registered as a VAT payer in the Slovak Republic and if the subject-matter of the delivery is:
- the goods pursuant to Chapter 72 of the Common Customs Tariff and items 7301, 7308 and 7314 of the Common Customs Tariff,

the seller is obliged to specify in an invoice, with respect to the individual goods delivered, a code number of the combined nomenclature pursuant to the rules of classification of the goods into items in the Common Customs Tariff valid at the time of delivery of such goods.

- 2.10. If the invoice issued by the seller under this contract to the buyer fails to meet the essentials pursuant to applicable legal regulations and/or agreed in this contract, the buyer shall be entitled to return such invoice without its settlement. As a result of a justified return of the invoice, the due period ceases to run and it shall start to run again as of the day of delivery of a new (corrected) invoice.
- 2.11. The bank details of the seller as specified on the invoice shall be identical with the bank details agreed in the contract. Otherwise the buyer shall be entitled to pay the invoiced amount using the bank details as specified on the invoice. In the event of incorrect bank details or in case diverging bank details are specified in the contract and the invoice on the part of the seller, the buyer shall not be liable for the potential damage that may be incurred by the seller as a result of incorrectly addressed payment; in case that for such a reason damage was incurred by the buyer, the buyer is entitled to seek damages compensation from the seller causing the damage.
- 2.12. To each invoice for delivery of the goods or a respective part thereof, an appropriate takeover protocol confirming the takeover of goods or a respective part thereof by the buyer and the respective transportation documents shall be attached, and in case of goods imports from third countries (i.e. from countries not being member states of the European Union) also the customs declaration for the release of goods to free circulation shall be attached. In case of delivering the goods from a member country of the European Union or from a third country, an appropriate transportation document possessing the buyer's confirmation of takeover of the goods (or a respective part thereof) within the territory of the Slovak Republic must be attached to the relevant invoice. The prerequisite for paying the invoice is the delivery of the accompanied documentation according to Article II, paragraph 3 of this contract.
- 2.13. The buyer shall cover costs and charges of the buyer's bank; the seller shall cover costs and charges of the seller's bank and the corresponding banks. In case a contractual obligation relating to the payment is breached, all bank charges shall be borne by the contracting party causing the breach.
- 2.14. The contracting parties agree that neither of the contracting parties is entitled to transfer its rights to third party pursuant to the contract without obtaining a prior written consent from the other contracting party, otherwise such a transfer of rights shall be deemed invalid.

## **VI. Tax terms**

1. In settlement of their tax obligations the contracting parties shall proceed in accordance with the valid and effective legal regulations of the country of



which they are residents and in accordance with the applicable international legal norms. The option to assume tax liability on behalf of the other contracting party is excluded.

2. Should the seller not be a resident of the Slovak Republic, the seller is obliged to submit to the buyer an officially authenticated certificate from the tax (financial) authority of its tax domicile (residence), within 10 days from the date of conclusion of the contract at the latest, unless the seller had done so at the conclusion of the contract. In case a payment pursuant to the contract shall be made prior to the lapsing of a period of 10 days from the date of conclusion of the contract, the certificate shall be submitted as to the date of conclusion of the contract, at the latest on the date the first payment is made.
3. Should the seller not be a resident of the Slovak Republic, the seller shall submit an affidavit containing the following:
  - whether the seller has or it does not have a permanent commercial establishment in the Slovak Republic pursuant to the legal regulations applicable in the Slovak Republic, or pursuant to the respective treaty on avoiding double taxation (hereinafter referred to as the “international treaty”),
  - whether the activities being the subject-matter of the contract are carried out through such permanent commercial establishment or, in case software or license delivery is the subject-matter of the contract, the seller shall specify in an affidavit the real owner of the software/licenses,
  - whether by virtue of this contract - the seller can acquire a permanent establishment in the Slovak Republic or to incur a tax liability for the employees or persons working for the seller in the Slovak Republic, pursuant to the legal regulations applicable in the Slovak Republic and the international treaty.

The above affidavit shall be submitted by the seller to the Buyer within 10 days from the date of the contract at the latest. Should the seller acquire a permanent establishment in the Slovak Republic after the conclusion of the contract, the seller is obliged to notify the buyer in writing of this fact without delay.

4. Should the seller, not being a resident of the Slovak Republic, perform the subject-matter of the contract through its branch located in the Slovak Republic, such seller shall be obliged to submit to the buyer at the conclusion of the contract, or within 10 days from the conclusion of the contract at the latest, an officially authenticated copy of the extract from the Commercial Register in respect to such branch, not older than three months.
5. Should the seller, being a resident of a member state of the European Union or being a resident of a member state of the European Economic Area, have a branch or a permanent commercial establishment in the Slovak Republic, such seller shall submit a declaration to the buyer at the conclusion of the contract or within 10 days from the conclusion of the contract at the latest certifying that the seller is subject to taxation in such member state of the European Union or such member state of the European Economic Area from the income from the source on the territory, as well as outside the territory of this member state of

the European Union or the member state of the European Economic Area, whereas the seller shall not be considered a tax payer with unlimited tax liability in the Slovak Republic. The seller shall also submit to the buyer a certificate/officially authenticated decision issued by the respective tax administrator in the Slovak Republic on paying prepayments of income tax of legal entities.

6. Should the seller, not being a resident of a member state of the European Union or not being a resident of the member state of the European Economic Area, have a branch or a permanent commercial establishment in the Slovak Republic, such seller shall submit to the buyer officially authenticated copies of the income tax payer registration certificate in the territory of the Slovak Republic and (final/effective) decision of the respective tax administrator that the seller has been paying tax prepayments pursuant to the Act No. 595/2003 Coll., the Income Tax Act, as amended (hereinafter referred to as the "Income Tax Act") applicable and effective in the Slovak Republic, within 10 days from the date of conclusion of the contract at the latest, unless the seller had done so at the conclusion of the contract. Provided that the documents referred to above have been timely submitted by the seller, the buyer shall not withhold the respective amount necessary to meet the respective tax liability, alternatively the seller shall proceed in accordance with the decision of the respective tax administrator.
7. Should the seller, not being a resident of a member state of the European Union or not being a resident of the member state of the European Economic Area, have a branch or a permanent commercial establishment in the Slovak Republic, fail to submit the decision of the respective tax administrator concerning the payment of income tax prepayments pursuant to Article IV (6) of these General Commercial Terms, the buyer shall withhold from the payments the respective amount for securing the tax, in accordance with the Income Tax Act applicable and effective in the Slovak Republic, respectively in accordance with the international treaty that takes precedence over the above act, as to the payment date.
8. In case the seller is neither a resident of a member state of the European Union or nor being a resident of a member state of the European Economic Area, the Buyer is entitled to deduct from payments a respective amount to provide for the tax in accordance with Income Tax Act valid and effective in the Slovak Republic, or in accordance with an international treaty, which takes precedence over this Act.
9. Should the seller acquire a permanent commercial establishment in the Slovak Republic after the conclusion of the contract and should the seller fail to inform the buyer about this fact, the seller declares and commits to compensate the buyer for the tax security, penalties and interest payments, which may be incurred by the buyer as a consequence of a breach of the buyer's notification duty pursuant to the applicable legal regulations in the Slovak Republic and as a consequence of not withholding tax prepayment for securing tax, where such failure to withhold originated as a result of a breach of obligation to inform or of another obligation of the seller to the buyer, the buyer may ask for the above compensation not earlier than on the day of delivery of a payment order or a decision issued by the respective tax administrator addressed to the buyer.

10. Should the seller be a registered VAT payer in the Slovak Republic, the seller shall also submit to the buyer an officially authenticated copy of the certificate of the VAT payer registration. Should the seller be a registered VAT payer in another member state of the European Union and should such seller perform the subject-matter of this contract as a VAT payer registered in another member state of the European Union (the seller was assigned a VAT ID by a respective member state of the European Union), the seller shall also submit to the buyer a officially authenticated copy of the certificate of the VAT payer registration in the state which registered the seller as a VAT tax payer (which assigned the VAT ID to the seller, under which the seller performs the subject-matter of the contract).
11. In case the seller performs the subject-matter of the contract through its branch or permanent commercial establishment located in the Slovak Republic, while such a branch or permanent commercial establishment is a VAT payer in the Slovak Republic, the seller shall submit to the buyer also an officially authenticated copy of the certificate of the VAT payer registration with a current date of authentication and upon a request of the buyer to submit also the necessary affidavits for the correct application of a levy/the application of a right for VAT deduction.
12. Should the tax administrator return, for any reason whatsoever, to the seller the withheld and paid tax prepayment for securing or the withholding of the tax through the tax payer, i.e. through the buyer, this sum shall be transferred to the seller's account in the amount and currency determined in the decision of the respective tax administrator, however, in the maximum amount of the tax deducted in the foreign currency.
13. The contracting parties undertake to accept any legislative changes in the legislation of the Slovak Republic, including the changes in the tax legislation which shall affect the contract, and to uphold their application during the period of their effectiveness. The seller shall consult with the buyer any change in relation to its tax liabilities against the Slovak Republic without delay, and to submit to the buyer, upon request, all underlying documents necessary for the due settlement of its tax liabilities. Should the seller make false statements to the buyer or should the seller otherwise mislead the buyer, the seller commits to compensate the buyer for the tax withholding, tax security, VAT, penalties and interest payments, which shall be incurred by the buyer as a consequence of the above actions of the seller. The buyer shall not be entitled to request the above compensation earlier than on the date of delivery of the payment order or the decision issued by the respective tax administrator addressed to the buyer.
14. The seller is liable to the buyer for damage suffered by the sellers improper use of the reverse charge to the buyer instead of applying the tax on output and vice versa. For such damage will be considered, inter alia, fines, interest and additional tax levied by the competent tax authorities.
15. If the seller is registered as a VAT payer in the Slovak Republic and decides for special tax arrangements on receipt of payment for the goods or services (hereinafter referred to as "special arrangement"), seller is obliged to inform the buyer about his decision in writing by the end of the calendar month in which he applied special arrangements. Likewise, if the seller ends the

application of the special arrangements, the seller is obliged to notify buyer within 5 days from the end of the tax period in which the seller stops applying the special arrangement.

16. In the event that the seller is a value added tax payer in the Slovak Republic, and in the event of foreign entity which has a permanent commercial establishment registered for the value added tax and invoice for the subject-matter of the contract is issued under the VAT ID assigned to the permanent commercial establishment in the Slovak Republic, the seller hereby declares that:
- (i) as of the date of conclusion of this contract no reasons exist based on which the buyer should or could be a guarantor of tax obligation of the seller originating from the VAT, which the seller charged the buyer or will charge buyer on the purchase price pursuant to this contract in accordance with Section 69 (14) in connection with Section 69b of the Act No. 222/2004 Coll. on the value added tax, as amended (hereinafter referred to as the "VAT Act").
  - (ii) in the event that the VAT Act provides so, the seller will make due tax return on VAT and in the event an obligation to pay the VAT arises, the seller shall pay the tax on the agreed maturity date to the respective tax administrator;
  - (iii) in the event that the VAT Act imposes on the seller an obligation to pay the VAT, the seller does not have any intent not to pay the VAT related to the subject-matter of this contract, or any intent to reduce this VAT, or potentially to elicit a tax exemption and it does not have any intent to get itself into a position in which the seller would not be able to pay this VAT.
17. The buyer is entitled, in the event that the seller does not confirm in writing to the buyer at the moment the tax obligation originates, that no obligation originates to the buyer to guarantee for the VAT pursuant to Section 69 (14) of the VAT Act, pursuant to the above provision, to delay the settlement of the sum amounting to the VAT from each respective invoice issued by the seller, whereby the seller explicitly agrees with this fact.

## **VII. Warranty and Liability**

### **1. Warranty and Liability**

- 1.1. The seller provides to the buyer a warranty on delivered goods for the period of 24 months from the day of its delivery to the buyer.
- 1.2. The seller shall provide a warranty that the goods are delivered duly, on time and completely and that the goods shall retain the properties agreed in the contract, specifications (Annexes nos. 1 and 2 hereto) and in respective applicable legal regulations and standards and that the goods shall not show any defects throughout the warranty period.
- 1.3. The seller is also responsible for the fact that the delivered goods do not show any legal defects and that on the side of third parties there shall not be applied

any claims from the title of violation of copyrights, industrial rights or other similar rights.

- 1.4. In case that the goods exhibits any defects, the buyer has the right to claim against the seller the following claims from defects:
  - (i) removal of defect by repairing the goods by the seller,; the defect can be also removed by repairing the goods by the buyer at the costs of the seller or have the right to removed it by a third party at the costs of the seller, and this after agreement between the contracting parties, or if the seller did not remove the defect within the reasonable period agreed by the seller and buyer for defect removal;
  - (ii) elimination of defects by delivering substitute goods for the defective goods, if the removal of defect by repairing the goods by the seller according to sub-paragraph (i) of this paragraph is not possible, or if the contracting parties agree on this way of defect elimination;
  - (iii) granting an adequate discount by the seller from the contractual price for the goods, if neither remedy according to sub-paragraph (i) nor sub-paragraph (ii) of this paragraph is possible, or if contracting parties agree on this way of defect elimination;
  - (iv) withdrawal from the contract in consequence of a defect on the goods, if none of the claims from defects according to sub-paragraphs (i), (ii) or (iii) of this paragraph does not lead or would not lead to effective remedy within a reasonable time.
- 1.5. The case when the same defect on the goods occurs repeatedly despite its removal by claiming for some of the claims according to sub-paragraphs (i), (ii) of the paragraph 1.4 of this Article shall be deemed the material breach of this contract by the seller.
- 1.6. Claims from defects on goods do not affect claims of the buyer for compensation for damage according to the contract or claims on contractual penalties according to the contract. It is the buyers right to choose between the claims from defects.

## **2. Compensation for damage**

- 2.1. The contracting party violating its contractual obligations or whatsoever obligation resulting from this contract (the liable party), is liable for damage caused by this way to the other contracting party (the entitled party) and it is obliged to compensate its damages. Although indirect and consequential damages like loss of profit are excluded, this exclusion shall not apply to any damages caused by gross negligence or willful conduct.
- 2.2. Notwithstanding anything else to the contrary herein, seller's liability out of or in connection with this contract is limited to the amount of 100% of the contractual price, except of any damages caused by gross negligence or willful conduct.

### **3. Excusable delays**

- 3.1. The liable contracting party is not in delay, if it cannot fulfil its obligations under this contract on time in consequence of a delay of the entitled contracting party.

## **VIII. Liquidated Damages**

1. In case, if the seller is delayed with fulfilment of the subject of the contract at the date agreed according to Article III, paragraph 1 of the contract as the latest date of delivery, the buyer has the right to claim towards the seller after expiration of one week grace period, without any proving (in terms of both the grounds and the amount) or demonstrating any damages, a contractual penalty in the amount of 1% from the part of the contractual price related to the delayed part of the goods for each week of the delay (a part of week shall be calculated pro rata), however, up to max. 20% of the contractual price of the delayed part of the goods.
2. In case, if the debtor is delayed with fulfilment of monetary obligation, the creditor has the right to invoice to the debtor an interest on delay not more than 0.02% of the due amount for every day of delay.
3. Application of the contractual penalties agreed by this contract does not affect the claim for compensation for damage arisen to the other party from non-fulfilment of contractual obligations secured by the contract.

## **IX. Circumstances Excluding Liability**

1. For circumstances excluding liability is taken an obstacle which had arisen independently on the will of liable party and which prevents it to duly fulfil the obligations, if cannot be reasonably assumed that the liable party could avert or overcome this obstacle or its consequences avert or overcome and also that it had foreseen such obstacle when signing the contract.
2. Liability is not excluded by obstacle arising only at the time when the liable party is delayed with fulfilment of its obligation or which arises from its economic situation.
3. Neither contracting party is liable for non-fulfilment of its obligations resulting from the contract, if it is proved that:
  - the non-fulfilment became as consequence of the extraordinary unforeseeable and non-avertable events and
  - obstacles or their consequences could not be foreseen at the time of concluding of the contract and
  - obstacles or their consequences could not be prevented, avoided or overcame.
4. The failure to grant official authorizations, licenses or similar authorizations to the obligated party shall not be considered as unforeseeable or non avertable events.

5. Any contracting party, violating its contractual obligation or which in consideration of all circumstances knows that it will or could violate its contractual obligation, is obliged to inform the other contracting party about the nature of the obstacle which prevents it or which will or could prevent it from fulfilment of its obligation, and provide information on the expected consequences of such non-fulfilment. The report must be delivered to the other party without any undue delay after the liable party learns about the obstacle or due to professional care should know
6. Effects of circumstances excluding liability are limited only to period for which the obstacle exists and with which such effects are connected.
7. Circumstances excluding liability exempt the liable party from obligation to pay damage, contractual fine and other contractually agreed sanctions.
8. The time of fulfilment is extended by the time of duration of circumstances excluding liability, unless the contracting parties agree otherwise.

## **X. Contract termination**

### **1. Withdrawal from the contract**

- 1.1. Any contracting party has the right to withdraw from this contract, if:
  - a) the other contracting party has materially breached this contract according to paragraph 1.5 of this Article, or
  - b) the circumstances excluding liability according to Article IX hereof exist longer than 6 months.
- 1.2. The buyer may also withdraw from the contract if:
  - the seller is in delay with goods delivery and it is evidently not able to deliver the goods within additional 30 days period over the term of the latest delivery according to paragraph 1 of Article III hereof;
  - The seller files for bankruptcy, restructuring, liquidation or if similar proceedings are started or conducted against the seller according to the law which governs such proceeding due to registered office or due to centre of main interest of the seller.
- 1.3. Withdrawing can be done only from unperformed part of the contract.
- 1.4. Withdrawing from the contract must be in writing and must show reasons for withdrawing. Withdrawing from the contract becomes legally effective by delivery of the notice on withdrawing from the contract to the other contracting party.
- 1.5. Under material breach of the contract is to be understood:
  - a) a violation of a contractual obligation which is in this contract explicitly named as the material breach of the contract, or
  - b) such violation of obligations under the contract about which the liable party, i.e. contractual party violating the contract:
    - knew at the time of contract violation, or

- should have known in consideration of all circumstances known to it at the time of violation of this contract, or
  - could know in view of all circumstances which it had to know at the time of violation of this contract in exertion of due care
- that the other (entitled) contracting party will not be interested in such a fulfilment.
- c) violation of any other contractual obligation by the liable party, if the remedy is not done even after expiry of the adequate additional period granted by the entitled party in the written appeal for removal of this violation.
- 1.6. Should the buyer withdraw from the contract due to seller's default the seller shall reimburse to the buyer the necessary additional costs of purchase for the non-delivered part of the goods from third parties.

## **XI. Applicable Law and Settlement of Disputes**

- 1.1. This contract as well as the rights and obligations arising therefrom, including the assessment of its validity as well as the consequences of its possible invalidity, shall be governed and interpreted under and in accordance with the laws of Slovak Republic.
- 1.2. The contracting parties have agreed that the disputes arising from the contract or in connection with it shall be settled by a mutual agreement between the contracting parties. In the event that no agreement is reached, the disputes will be decided definitively by appropriate court of Slovak Republic.

## **XII. Final Provisions**

### **1. Ineffective provisions**

- 1.1. If any of the provisions contained in this contract becomes invalid, illegal or enforceable in whatsoever regard, the validity, legality, or enforceability of remaining provisions contained in it shall not be hereby by any other manner affected or worsened.
- 1.2. If any of the provisions contained herein becomes invalid (e.g. due to change in generally binding legal regulations) the contracting parties undertake to replace such invalid parts of the contract by a new provision which complies with the generally binding legal regulations and the content of which is the closest to the purpose of the contract intended by the contracting parties.
- 1.3. The text of this contract can be changed and completed only in the form of written amendments which will be valid only if they are properly signed by both the contracting parties.



## 2. Written form

The contracting parties agreed that, if not explicitly otherwise shown in this contract or in its annexes, or if not otherwise agreed between the contracting parties during fulfilment of this contract, there is required a standard written form of communication between the contracting parties in fulfilment of this contract, and the contracting parties generally accept as written form the communication using common programs of electronic mail (e-mail) through the addresses indicated in the contract or otherwise agreed upon by the contracting parties in writing, including electronic documents in standard, commonly used and accessible formats (e.g. formats of documents MS Office: DOC, XLS, PPT, formats of graphic documents PDF, DWG etc.).

## 3. Force and effect of the contract

The contract enters into its force and effect on the day of its signing by both contracting parties.

## 4. Language of the contract

**If the Seller has its registered office within SR, the following provisions shall be applied:**

4.1. The communication language of the contract is Slovak language. The contract is executed in 4 original counterparts. Each contracting party will keep 2 counterparts.

**If the Seller has its registered office outside the SR, the following provisions shall be applied:**

4.2. The communication language of the contract is English. If required for fulfilment of the contract, the seller upon the request of the buyer and at its own costs is obliged to assure for the buyer adequate qualitative and professional level translation and also interpreting from and to English and local language.

4.3. The contract is executed in 4 original counterparts in English language. Each contracting party will keep 2 counterparts.

## 5. Priority of documents

1. The contracting parties agreed that if any doubts arise regarding the concordance between the text of the contract and annexes to the contract or other individual documents to which this contract refers, will the contracting parties take in account when interpreting this contract and the rights and obligations arising from this contract according to the following order of the priority of requirements included in these documents: 1. Text of the contract (i.e. without annexes), 2. Dátový list\_ Data sheet (Annexes no. 1 to the contract), 3. Technical-Delivery Conditions of company eustream, a.s. Ball valves for high pressure gas pipelines DN300 – DN1400 no. TA.W.24.02.15 and Actuators for ball valves for high-pressure gas pipelines DN300 – DN1400 no. TA.W.29.02.15

- 5.1. (Annex no. 2 to the contract), 4 Technical standards and general specifications to which this contract refers, 5. Other relevant documents.

## **6. Solidary Rights and Obligations**

- 6.1. All seller's Rights and Obligations arising from this contract and/or in connection with this contract share Economic subjects entitled on behalf of the seller (hereinafter only the „member of the association“) jointly and severally (Solidary Rights and Obligations).
- 6.2. The buyer/purchaser shall be entitled to require the execution of the seller's obligations from any member of the association.
- 6.3. The contracting parties agreed, that execution of seller's Rights (i.e. all members of the association), against the buyer/purchaser, with the exception of billing rights under this contract, will be executed by only one member of the Association entitled on behalf of the seller, exclusively the Company.....“

## **7. Specific provisions**

- 7.1. Notwithstanding to anything else stated in the contract, the seller takes into account that:
- a) This contract has been concluded under the public procurement procedure under the Act no. 343/2015 Coll. on Public Procurement and on the amendment of certain acts, as amended (hereinafter “PP Act”);
  - b) Any amendment to this contract as well as any separate contract (purchase order), the subject of which should be any changes in the performance of the, may be concluded between the contracting parties only provided that the respective conditions laid down by the PP Act are observed;
  - c) The buyer is obliged, under the PP Act, to publish this contract as well as other information relating to its performance (e.g. a report on conclusion of the contract, the reference on performance of the contract, a report on performance of the contract after its completion, etc.), in the manner and within the scope under the PP Act;
- 7.2. The seller undertakes to provide the buyer, upon its written request, with a cooperation needed to meet the obligations of the buyer under the PP Act, in particular to provide the buyer with complete and accurate information and/or documents required pursuant to the PP Act.

## **8. Financing and control**

- 8.1. Seller acknowledges that the European Union fund INEA/CEF/ENER/M2016/1291691 no.: 6.2.1-0019-SKPL-W-M-16 will be granted to the Buyer for the purchase of the goods. The seller also acknowledges that buyer is obliged to allow authorized persons according to valid legislation of the Slovak Republic and the European Union (in particular the European Commission, the INEA Agency or any other agency of the European Commission, European Anti-Fraud Office (OLAF), European Court of

Auditors) to perform control and audit in particular (but not exclusively) a control to ensure compliance with the conditions under which the European Union fund was granted and other conditions which could have influence on the accuracy, efficiency and effectiveness of the usage of the granted European Union fund (hereinafter referred to as a "control").

- 8.2. Seller is obliged at any time during the validity and effectiveness of the contract, as well as after the expiration of this contract to provide all necessary cooperation with performing of the control by authorized persons in accordance with valid legislation of the Slovak republic and the European Union. The seller is obliged, to create for the employees of the authorized persons the appropriate conditions for proper and duly execution of the control and to provide them necessary cooperation and required information and documents during the performance of the control. The seller is also obliged to ensure the presence of responsible persons and to abstain from any actions that could jeopardize the beginning and proper execution of the control. For avoidance of doubts, no rights of the seller towards the authorized persons and/or the authorities shall arise in connection with performing of the control and/or audit. However, the seller shall not be obliged to pay for any visits or activities of such authorized persons and authorities.
- 8.3. Seller is obliged to ensure that its subcontractors will fulfil the obligation under this point 8 to the same extent.
- 8.4. Notwithstanding other provisions of the contract, seller shall be held responsible, without any limitation, for any damage caused to the buyer arising from the breach of the seller's obligations under this point 8.

## **9. Confidentiality**

- 9.1. The contracting parties undertake that they shall not, without prior consent of the other contracting party, publish, disclose to any third party or otherwise use information that they learnt in connection with the performance of this contract and that is not public available or subject of publishing pursuant to applicable legal regulations (e.g. PP Act, etc.), for any purpose other than the performance of this contract, exempt for the events when disclosing of such information to a third party is required upon the law.
- 9.2. The contracting parties also undertake that, in the event of provision of the information according to paragraph 9.1 of this Article to any third party for the purpose of performance of this contract, they shall bind in writing such third party for preserving the information confidentiality to the extent of this paragraph 9 of this Article as minimum.
- 9.3. The confidentiality obligations of the contracting parties according to this paragraph 9 of this Article shall remain in force until the expiry of 5 years period after the completion of the subject-matter of this contract or its termination regardless of the grounds.

**List of Annexes:**

The following Annexes are an integral part of the contract:

1. Dátový list\_ Data sheet
2. Technical-Delivery Conditions of company eustream, a.s. Ball valves for high pressure gas pipelines DN300 – DN1400 no. TA.W.24.02.15 and Actuators for ball valves for high-pressure gas pipelines DN300 – DN1400 no. TA.W.29.02.15
3. Price Calculation

In Bratislava on .....

In ..... on .....

The Buyer:

The Seller:

.....

.....

.....