

General Terms and Conditions of Purchase by [EuroChem Agro].

1. Definitions

"Contract" means a contract as it is defined in clause 2.1. of these GTC.

"Conflict of Interest" means a situation when (i) employees, officers and directors of **EuroChem** (the Employees) and/or any Relatives of these Employees has direct or indirect shareholdings or similar interests equal to or greater than 10% (ten percent) in a share capital of **Supplier**, and/or (ii) the Employees have direct or indirect business or beneficiary interests in (or with) the Buyer.

"Governmental Authority" any relevant governmental or regulatory authority, institution or agency which administers applicable economic, sectoral, financial or trade sanctions of applicable jurisdictions.

"Party" means a party of the Contract;

"Relative" means an individual who is closely connected to an Employee by blood or affinity, to include, for the avoidance of doubt, a spouse, any lineal descendant or ascendant (parents and children, grandparents and grandchildren), any brothers or sisters, including without limitation any individual who is closely connected to either of them by virtue of marriage, adoption or in-law relation.

"Restricted Country, State and Territory" means any country, state and territory listed in the Terms of Sales of EuroChem set out on www.eurochemagro.com.

"Sanctions Laws" mean any economic, sectoral, financial or trade sanctions laws, regulations, embargoes adopted, administered, enacted or enforced by any Governmental Authority;

"Sanctions Restricted Person" means any person or entity that is:

- (a) listed in any Sanctions Laws related list of designated persons maintained by any Governmental Authority;
- (b) organised or resident in a country, state and territory which is the subject or target of any country-wide Sanctions Laws or resident in a country, state and territory nominated by the Seller as a "Restricted Country, State and Territory";
- (c) directly or indirectly owned or controlled by any person or entity listed in paragraphs (a) and (b) above;

2. Scope and validity

- 2.1. These General Terms and Conditions of Purchase ("**GTC**") provide for the conclusion, content and performance of business relationships ("**Contract**") between [EuroChem Agro] as purchaser or client ("**EuroChem**") and its business partners ("**Supplier**"), the nature thereof may be sale

and purchase, service or works contracts regarding the purchase of goods and services by EuroChem.

- 2.2. **General terms and conditions of the Supplier are explicitly excluded and do not become part of the Contract, unless EuroChem expressly consents to their validity in writing.**
- 2.3. **Former practice, customs or agreements between the Parties, further the practices and customs acknowledged in the given sector do not become part of the Contract. The Supplier declares that it studied and interpreted the clauses of this GTC and explicitly accepts the conditions, especially those marked with bold.**
- 2.4. In the event of a conflict between the Contract and these GTC, the terms of the Contract shall prevail.
- 2.5. These GTC shall also apply exclusively if EuroChem accepts or pays for supplies or services in full awareness of contradictory or varying terms and conditions of the Supplier.

3. Representations and warranties

- 3.1. The Supplier represents and warrants that:
 - a) it has all requisite power and authority, and has taken all necessary corporate action, to enable it to enter into and perform the Contract;
 - b) its obligations under the Contract shall, when executed, constitute legal, valid, and binding obligations enforceable in accordance with the terms of the Contract;
 - c) it does not require the consent, approval or authority of any other person to enter into or perform its obligations under the Contract;
 - d) its entry into and performance of its obligations under the Contract will not constitute any breach of or default under any contractual, governmental or public obligation binding on it;
 - e) it is not engaged in any litigation or arbitration proceedings which might affect its capacity or ability to perform its obligations under the Contract and to the best of its knowledge no such legal or arbitration proceedings have been threatened or are pending against it;
 - f) it has obtained any license or other official authorization (if applicable) to perform the Contract;
 - g) it has no Conflict of Interest with EuroChem;
 - h) none of Supplier nor any of its shareholder(s), beneficial owner(s), officers, directors or employees:
 - is a Sanctions Restricted Person or is in any way connected or affiliated with a Sanctions Restricted Person;

- has violated or is violating any Sanctions Laws;
- i) it has unencumbered and perfect title to Goods and Goods are free and clear of all legal injunctive relieves, pledges, taxes, lien and any other encumbrances.
- 3.2. Each of the foregoing representations and warranties is made on the date of the Contract and is deemed to be repeated on the date of each shipment (purchase order) and date of each payment.

4. Offer and order

- 4.1. The offer is free of charge unless provided otherwise in the request for proposal. The Supplier shall be bound by prior offers and cost estimates.
- 4.2. EuroChem shall at no time be obliged to accept an offer. The Contract may only be concluded if EuroChem places an offer provided that orders are only binding if they are placed in writing. Orders are only binding if they are placed in writing. Electronic orders are binding if the Parties agreed thereof in advance in a written agreement.

5. Prices and expenses

- 5.1. The agreed prices are fixed prices, which, unless otherwise agreed, include remuneration for all contractual obligations as well as any ancillary expenses (e.g. license costs, transportation, packaging, insurance, customs clearance) of contractual performance of the Supplier.
- 5.2. Supplier is entitled to additional compensation for extra work only, if the extra work was previously approved by EuroChem **in writing**. Additional works will not be additionally remunerated, **irrespective of their foreseeability at the time of concluding the Contract**.

6. Terms of payment

- 6.1. The payments become due after the acceptance of the supply, the provision of the services or the take-over of the result of the services. Unless otherwise agreed invoices shall be settled within 30 days of receipt of the formally and substantively properly issued invoice.
- 6.2. Issuing the invoice in accordance with applicable law, in particular fiscal and accounting provisions is a precondition for payment. EuroChem reserves the right to return incorrect, unverifiable invoices for correction. The payment period starts anew with the issuance of the corrected invoice.
- 6.3. Where Supplier and EuroChem agree to make payment in advance of delivery Supplier shall beforehand provide to EuroChem an advance payment guarantee issued by a bank acceptable by EuroChem.

- 6.4. If objections are raised in connection with the quality or quantity of the supply/service EuroChem is entitled to withhold the payment until the objections are settled in a mutually acceptable manner.

7. Performance and delivery

- 7.1. Unless otherwise agreed in writing, deliveries shall be made CFR or CIF at the delivery destination set out by EuroChem.
- 7.2. The ordered volumes are binding. **In the event of excess supplies/services, EuroChem shall be entitled to refuse these at the expense and cost of Supplier.** Part supplies/services are not permitted unless EuroChem has expressly consented thereto, **however in this case Supplier is not entitled to demand partial or early payment from EuroChem.**
- 7.3. **If weighing is necessary, the weight determined on the calibrated scales of EuroChem shall apply.**
- 7.4. Unless otherwise agreed, Supplier shall wrap the supply in proper packaging suitable for the purpose of preserving and protecting the supply in accordance with the directions of EuroChem and the relevant legal provisions and delivered them with the required documentation attached in a manner ensuring that the supply remains undamaged during the delivery and later storage. EuroChem is entitled to return the packaging included in the invoice to the Supplier in return of the same price or to account for the costs of disposal. Costs of the return transport shall be borne by the Supplier, unless otherwise agreed.
- 7.5. During transportation and the performance of services the statutory provisions, in particular the provisions of the law on the transportation of hazardous goods (ADR treaty) and the applicable hazardous and dangerous goods directives including the respective annexes and appendices must be complied with.
- 7.6. Supplier must fulfil all specifications and measures resulting from the REACH directive for all materials, prepared materials and products supplied/provided to EuroChem.
- 7.7. **Supplier may only involve subcontractors or substitute carrier to provide services for EuroChem in whole or in part instead of the Supplier with previous written approval by EuroChem.** Supplier shall remain responsible towards EuroChem for the performance of the contractual services. Upon EuroChem's request Supplier shall disclose its subcontractors to EuroChem.

8. Deadlines and default

- 8.1. All deadlines of performance are binding and unless otherwise agreed constitute **fix deadlines.** The Supplier defaults without further action in case it does not meet such deadline.
- 8.2. EuroChem shall be notified immediately in writing of each emerging default of the Supplier. Unreserved acceptance of the delayed performance may not be construed as waiver of any warranty claims or compensation to which Purchaser is entitled or any penalties agreed upon.

8.3. **If the Supplier defaults, it shall pay an amount of 1% of the total price per each day of the delay, with a maximum of 10% of the total price. The Suppliers shall also pay the amount if its performance is accepted by EuroChem without reservation. This payment does not relieve the Supplier from complying with its other contractual obligations; however, it will be set off against the possible compensation for damages to be paid.**

9. Anti-bribery / Anti-corruption measures

9.1. Supplier shall:

- a) comply with all applicable laws, statutes, regulations, and codes relating to anti-bribery and anti-corruption including but not limited to the principles of the Bribery Act 2010 (England and Wales) and Foreign Corrupt Practices Act 1977 (USA) ("**Relevant Requirements**");
- b) not engage in any activity, practice or conduct which would constitute an offence under the Relevant Requirements;
- c) have and shall maintain in place throughout the term of the Contract its own policies and procedures, including, to ensure compliance with the Relevant Requirements and will enforce them where appropriate;
- d) promptly report to EuroChem of any undue financial or other advantage of any kind received in connection with the performance of the Contract; and
- e) ensure that any person who is performing any services or providing Goods in connection with the Contract does so only on the basis of a written contract which imposes on and secures from such person terms equivalent to those imposed in this clause 9.

10. Conflict of interest

10.1. Supplier undertakes not to create any Conflict of Interest with EuroChem and shall immediately notify EuroChem in writing of any actual or potential Conflict of Interest.

11. Compliance with sanctions laws

11.1. Supplier shall not directly or indirectly transfer to or otherwise make available EuroChem's funds paid to Supplier, to or through any Sanctions Restricted Person or any Restricted Country, State and Territory in violation of applicable law or to the extent that such actions may cause EuroChem to be in breach of any applicable law, including, but not limited to Sanctions Laws.

12. Termination

12.1. **EuroChem is entitled to terminate the Contract with a notice period of one month in full.** In such an event, Supplier may request payment for all performance completed up to then.

Further claims of Supplier, especially claims for damages, are excluded. This provision does not affect EuroChem's right to terminate the Contract with immediate effect.

- 12.2. EuroChem is furthermore entitled to terminate the Contract with immediate effect if (i) the Supplier files an application with any competent authority for the bankruptcy or (ii) any resolution regarding such application being passed by the party's corporate body or (iii) if the Supplier becomes insolvent or (iv) if liquidation proceedings has been started by a final and binding court decision or **(v) Supplier ceases delivery or payment or (vi) Supplier is in breach of any of the foregoing representations and warranties or (vii) Supplier is in breach of clause 9 Anti-bribery / Anti-corruption measures, clause 10 Conflict of interest and clause 11 Compliance with sanctions laws. The same shall apply if Supplier does not meet the claims of his suppliers. In such cases, EuroChem has the right to acquire material and/or semi-finished products including any special equipment on reasonable terms and conditions.**

13. Warranty and guarantee

- 13.1. There is no obligation on the part of EuroChem to conduct an incoming inspection going beyond the standard duty of care hereinafter defined. **The incoming inspection performed at EuroChem is limited to verifying shipping order, verifying the quantity of units delivered and checking the delivery for transport damages which are clearly evident externally on the transport packaging.** EuroChem will notify Supplier immediately of any defects discovered during the ordinary conduct of business. The results of the inspection performed at EuroChem is final and binding on each Party.
- 13.2. Supplier warrants, and **guarantees for a period of [one (1)] year** that his performance fulfils the properties agreed in the Contract and is suitable for the intended purpose. **The guarantee does not affect EuroChem's right under statutory warranty provisions.**
- 13.3. In the event that EuroChem as a consequence of a breach of duty (for instance defective supplies/services) incurs costs such as transport/travel, working costs, material costs, costs of sorting, indemnification claims/claims of damages of third parties, particularly of customers or contractual penalties defective supplies/services, Supplier shall bear said costs. However, this does not apply if Supplier acted without fault, except for cases in which claims arise based on strict liability (product liability, product warranty, product safety).
- 13.4. **The limitation period for warranty claims is [two (2)] years;** longer statutory limitation periods shall remain unaffected by this.
- 13.5. The Supplier shall be given the opportunity to remedy the defect, i.e. to repair or to replace the defective product or to repair the services. In case of sale and purchase EuroChem is entitled at its own choice to ask for replacement instead of repair. If the Supplier is not able to do the repair or replacement within the remedy period EuroChem be entitled to (i) to remedy the defect itself or have it remedied by a third party at the expense of the Supplier (ii) to the extent of the defect to withdraw from the respective order as well as return or subject of the defective performance at the expense and risk of the Supplier or (iii) request for price reduction, (iv) claim damages.

- 13.6. To secure his warranty duties the Supplier shall at the request of EuroChem issue a warranty guarantee which shall expire [two (2)] months following the end of the warranty period.
- 13.7. **If the same type of products/services are repeatedly delivered in a defective condition, EuroChem shall be entitled to rescind the entire Contract, also in respect of deliveries not yet fulfilled, provided that EuroChem has notified the Supplier in writing and the Supplier continues to supply defective products after such notification.**

14. Intellectual property rights

- 14.1. Intellectual property rights (copyrights, patent rights etc.) established during the performance of the Contract, particularly on works, concepts, hardware and individual software including source code, program description in written or machine-readable form, which Supplier develops for EuroChem, belong to EuroChem, the Supplier assigns the rights with asset value to EuroChem or in connection with non-assignable rights with asset value, Supplier grants an exclusive, space- and timewise unlimited license (right of use) to EuroChem, unless otherwise agreed in the Contract.
- 14.2. Supplier warrants that the development, manufacture and intended use of the products/services do not infringe any third-party property rights or represent unauthorized use of such rights.
- 14.3. Supplier shall indemnify and hold EuroChem and its customers harmless on first demand from any third-party claims resulting from use or infringement of such property rights. Supplier's indemnification obligation shall apply to any expenses and costs incurred by EuroChem in connection thereto.

15. Liability

- 15.1. **Supplier is obliged to compensate EuroChem's damages in full, irrespective of foreseeability and to indemnify EuroChem for all third party claims for damages, resulting from Supplier's culpable defective performance of the Contract.**

16. Export control

- 16.1. For all goods to be delivered and services to be provided, Supplier shall comply with the requirements of national and international export, customs and foreign trade law applicable in each case.
- 16.2. Well before the delivery date, Supplier shall provide EuroChem in writing with all information and data which EuroChem needs to comply with the export, customs and foreign trade law regulations applicable to and imports as well as, in the case of onward distribution, required for the re-export of the goods and services.

- 16.3. Supplier shall promptly update the export control and foreign trade data as soon as Supplier has knowledge of such changes and communicate them to EuroChem in writing. Damages arising at EuroChem out of failed communication or false data will be reimbursed by Supplier.

17. Cooperation

- 17.1. EuroChem provides Supplier in due time with all documents, information, permission, users' rights to access and entry, etc. necessary for its performance.

18. Confidentiality

- 18.1. Both Parties shall treat all information which is not generally accessible in strict confidence, and shall only use it for the purpose of fulfilling the Contract. The Parties shall further ensure the confidential treatment by their employees and third parties involved by them.
- 18.2. This obligation of confidentiality already exists prior to the conclusion of the Contract and remains valid for a period of five (5) years after termination or expiration of the contractual relationship.

19. Assignment excluded

- 19.1. **Supplier is only entitled to assign any rights, claims arising from the Contract in case of EuroChem's prior written consent, otherwise he is obliged to compensate Eurochem's damages.**

20. Force majeure

- 20.1. "Force Majeure Event" means any event or circumstance, the occurrence and the effect of which the Party affected thereby is unable to prevent and avoid notwithstanding the exercise of reasonable foresight, diligence and care on the part of that Party. Without prejudice to the generality of the foregoing, the following shall be regarded as a Force Majeure Event:
- a) any act of God, explosion, flood, lightning, tempest, fire or accident;
 - b) war, hostilities (whether war was declared or not), invasion, act of foreign enemy;
 - c) rebellion, revolution, insurrection, military or usurped power or civil war;
 - d) riot, civil commotion or disorder, sabotage or requisition;
 - e) acts, restrictions, regulations, bye-laws, prohibitions or measures of any kind on the part of any governmental, parliamentary or local authority;

- f) import or export regulations or embargoes;
- g) strikes, lock-outs or other industrial actions or trade disputes affecting a Party.

20.2. Neither Party shall be liable to the other Party, or be deemed to be in breach of the Contract, by reason of any delay in performing or any failure to perform any of its obligations (other than the obligation to pay the contract price), if the delay or failure was due to a Force Majeure Event; Provided that the affected Party shall, as soon as reasonably possible, serve on the other party written notice thereof specifying the particulars of the Force Majeure Event and the estimated period during which the affected Party is unable to perform and discharge its obligations. The affected Party shall take all action reasonably within its powers to mitigate the duration and effect of the Force Majeure Event on the affected Party.

21. Severability

21.1. Should individual provisions of the GTC become entirely or partly invalid, the remaining provisions shall remain valid. The same shall apply for the corresponding Contract.

22. Data protection

22.1. EuroChem points out that he will store data relating to Supplier on the basis of the applicable data protection regulations. The data protection information on processing the personal data of Supplier's contact person is attached as Annex 1 to this GTC.

23. Applicable law and jurisdiction

23.1. For this Contract and all claims and rights arising from it Hungarian Law shall apply, excluding its rules on conflicts of legal systems. The United Nations Convention on Contracts for the International Sale of Goods shall be expressly excluded.

23.2. For all disputes arising out of or in connection with this Contract the Parties stipulate the exclusive jurisdiction of the courts of the registered office of EuroChem.