

APPROVED BY:  
30 October 2012 Order No . TV1(1.2-1)-312  
of Public Company ORLEN Lietuva General Director

**PUBLIC COMPANY ORLEN LIETUVA  
GENERAL TERMS & CONDITIONS FOR GOODS PURCHASE-SALE CONTRACT**

**Article 1. TERMS & DEFINITIONS**

1. **Seller** – Public Company ORLEN Lietuva with its registered office located at Mažeikiu St. 75, Juodeikiai, LT-89467 Mažeikiai District, Republic of Lithuania, registered with the Register of Legal Entities of the Republic of Lithuania, legal entity code 166451720, VAT payer code LT664517219.
2. **Buyer** – an entity with which the Seller concludes a contract under these General Terms & Conditions for Goods Purchase-Sale Contract.
3. **Party / Party to the Contract** – the Buyer and / or the Seller.
4. **Contract** – a purchase-sale contract concluded between the Buyer and the Seller – a document by signing which the Parties to the Contract confirm the conclusion of a transaction for purchase-sale of goods. The Contract shall consist of: these General Terms & Conditions for Goods Purchase-Sale Contract, Special Terms & Conditions for Goods Purchase-Sale Contract agreed upon by the Seller and the Buyer additionally and executed in writing, appendixes thereto (if any), also any other documents required for documenting of the fact of purchase-sale of goods, including agreements on amendments to the General and/or Special Terms & Conditions for Goods Purchase-Sale Contract (if any).
5. **General Terms & Conditions for Goods Purchase-Sale Contract (GTC)** – the present terms & conditions for goods purchase-sale contract.
6. **Special Terms & Conditions for Goods Purchase-Sale Contract (STC)** – the terms & condition of the Contract agreed upon by the Seller and the Buyer when concluding the Contract, and set forth in a separate document which is an integral part of the Contract.
7. **Goods** – thing(s) and/or any other property which is being sold by the Seller to the Buyer under the Contract and which is specified in STC.

**Article 2. SUBJECT OF CONTRACT**

1. With this Contract, the Seller shall undertake to assign the title to the Goods over to the Buyer, and the Buyer shall undertake to accept the Goods and pay for such the price specified in STC.
2. STC may also provide for the subject-to-remuneration services provided by the Seller to the Buyer in the territory of the Seller's enterprise in relation to sale of the Goods (dismantling, preparing for transportation, loading, etc.).
3. The Seller hereby declares that the Goods have not been sold, leased, mortgaged or otherwise assigned to third parties, that such are not subject to seizure, that rights to such are not encumbered by third parties or for the benefit thereof, that there are no disputes at court regarding restrictions on or annulment of the Seller's title or any other rights to the Goods.

**Article 3. TRANSFER OF GOODS TO BUYER**

1. Upon signing the Contract and paying the price of the Goods as specified in Article 4 of GTS, the Buyer shall, at its own expense, collect the Goods from the Goods collection / loading place specified in STC within the period of 10 (ten) business days following payment of the price of the Goods, unless STC provide for any other terms and/or conditions for transfer of the Goods.
2. The Goods shall be transferred to the Buyer during the Seller's operating hours only, unless STC provide otherwise. Transfer of the Goods to the Buyer shall be executed by means of the documents referred to in the Seller's internal regulations.
3. The risk of loss of or damage to the Goods shall pass over to the Buyer from the moment of transfer of the Goods to the latter.

**Article 4. PRICE AND PAYMENT TERMS**

1. The Buyer shall pay the Seller for the Goods and services (if applicable) at the price specified in STC.
2. The agreed-upon and specified in STC price of the Goods and of services (if applicable) shall remain unchanged, unless otherwise provided for in STC.
3. Payment for the Goods and services (if applicable) shall be (unless otherwise specified in STC) an advance wire transfer into the Seller's settlement account indicated in STC prior to transfer of the Goods over to the Buyer.
4. The date of payment for the Goods shall be the date on which the funds are deposited into the Seller's account.

**Article 5. QUALITY OF GOODS**

1. Unless otherwise specified in STC, the Seller shall not provide any warranty coverage for the Goods.

2. By signing the Contract, the Buyer confirms that he has inspected the Goods, evaluated the state and quality thereof in a due manner, the Goods satisfy the Buyer's needs and the latter has no claims to the Seller regarding the state and/or quality of the Goods, and will not file any claims in the future.

#### **Article 6. RESPONSIBILITY**

1. In case the Buyer defaults on or is unable to perform under the Contract according to the terms and the procedure agreed upon therein, the Seller shall have the right to unilaterally suspend the provision of the services related to sale of the Goods, the process of transfer of the Goods over to the Buyer or shipment thereof out of the Seller's territory, or to terminate the Contract by notifying the Buyer thereof. In such case, the Buyer shall indemnify for the losses incurred by the Seller due to such suspension or termination of the sale, including compensation of the price difference resulting from sale of the Goods to another buyer.

2. In case the Buyer fails to collect the Goods and/or to pay for such in time, the Buyer shall pay default interest to the Seller. The rate of the default interest shall be 0.2 (zero point two) percent of the price of the non-collected Goods or of the outstanding amount due for the Goods (in case of both, the default interest shall be based on the higher one) for each day of delay. The loss incurred by the Seller as a result of a breach on the Buyer's side, to the extent such are not covered by the default interest, shall be indemnified by the Buyer.

3. The Seller shall in no case be liable for: (i) the Buyer's losses resulting through no fault on the Seller's side; (ii) accidental or non-accidental damage caused to the Goods after transfer thereof over to the Buyer according to Article 3 of GTS; (iii) damage caused by the Goods to third parties after such have been transferred over to the Buyer.

4. In case the Buyer terminates the Contract through no fault on the Seller's side, the Buyer shall, at the Seller's option, pay the Seller the default interest (if applicable) at the rate specified in Item 2 of the present Article, or 10 percent of the Contract price. In addition, the Buyer shall compensate for the losses incurred by the Seller due to termination of the Contract to the extent such are not covered by the default interest specified in this Article.

5. In case the Buyer defaults on the liabilities provided for in Items 2-3 of Article 10 of GTC, the Buyer shall pay the Seller a penalty in the amount of 3 percent of the Contract price, once requested by the Seller. This provision shall be without prejudice to the Seller's right to claim compensation for damages under the general principles of indemnification.

6. Payment of penalties and/or compensation for losses shall not release the Buyer from the liabilities under the Contract.

#### **Article 7. CONTRACT VALIDITY AND TERMINATION PROCEDURE**

1. The Contract shall come into force from the moment STC are signed and shall remain effective till the Parties' contractual liabilities are discharged in full, unless otherwise established in STC.

2. The Seller may terminate the Contract at any time, and refuse to sell the Goods or a part thereof.

3. The Buyer may terminate the Contract only in case the Seller defaults on or inappropriately fulfills the liabilities assumed under the Contract and fails to correct such within 30 (thirty) calendar days from the date of receipt of the Buyer's written notification of a Contract breach.

#### **Article 8. MISCELLANEOUS**

1. The Buyer shall not assign the Contract or a part thereof to any third party without prior written consent given thereto by the Seller.

2. The Buyer shall immediately notify the Seller of the circumstances hindering him from collection of the Goods according to the terms established in the Contract. Such notification shall not release the Buyer from the obligations stipulated in the Contract.

3. The Buyer shall undertake to hold the Seller harmless from all and any potential claims rising in relation to performance under the Contract. In case a third party declares that the Goods delivered by the Seller to the Buyer violate the party's rights, the Buyer shall hold the Seller harmless from such action and/or claim at the Buyer's expense, cover all the expenses, losses and remunerations to lawyers, representatives and other persons. Where any such claims have been filed or are likely to be filed, the Buyer shall immediately inform the Seller thereon.

#### **Article 9. FORCE MAJEURE**

1. A Party shall not be considered liable for default on the entire Contract or a part thereof, in the case the Party proves that such default is the result of force majeure circumstances which were beyond the Parties' control, and could not be reasonably anticipated, avoided or eliminated by any means. Force majeure circumstances shall be the circumstances specified in Art. 6.212 of the Civil Code of the Republic of Lithuania and the Procedures for Release from Liability in Case

of Force Majeure Circumstances, as approved with Resolution No. 840 as of 15 July 1996 by the Government of the Republic of Lithuania. The circumstances shall be documented as required under the above legal acts.

2. A Party shall notify the other Party of force majeure circumstances in writing right after their occurrence, however, within the period of 3 business days. The circumstances provided for in the notification shall be approved with a certificate issued by a competent institution.

3. If force majeure circumstances last for more than 3 months, either of the Parties shall be entitled to terminate the Contract by giving written notice thereof to the other Party.

#### **Article 10. INFORMATION SECURITY**

1. The Parties hereby agree that all the information provided by the Buyer to the Seller for the purpose of performance under the Contract (except for publicly available information) shall be considered confidential information.

2. The Buyer shall keep the confidential information provided by the Seller in secret (shall not disclose such information or transfer it to any third parties) for the period of at least one year following conclusion of the Contract.

3. The Buyer and the Seller hereby agree not to disclose such information, or make any publications or press releases pertinent to the Contract, performance under it and issues related to the Contract without prior consent given thereto by the other Party.

#### **Article 11. FINAL PROVISIONS**

1. The Contract shall be governed by the law of the Republic of Lithuania.

2. The agreements set forth herein shall supersede all the agreements (both written and verbal) which were in effect prior to conclusion of the Contract.

3. Provisions of the Contract may be amended and/or modified upon written amendments to/modifications of the Contract executed by the Parties to the Contract only; the amendments/modifications shall be signed by authorized representatives of both Parties.

4. Any notifications shall be considered as duly delivered to the other Party if transferred over to the Parties' representatives against signed acknowledgement of receipt thereof, sent by registered mail, fax, e-mail to the addresses specified in this Contract.

5. The Parties shall undertake to give prior notices to each other of any changes in their addresses of their registered offices, names or bank details.

6. The Buyer, its employees, agents and representatives shall neither offer nor give to the Seller's employees any gifts, entertainments, payments, loans, etc. with the view to obtain more favorable evaluation with respect to this Contract. In case the Buyer breaches this provision, the Seller shall be entitled to unilaterally terminate the Contract.

7. All and any disputes and controversies likely to rise out of this Contract and/or in relation to it shall be settled at the court of the Republic of Lithuania within whose jurisdiction falls the Seller's registered office, according to the laws of the Republic of Lithuania, unless otherwise established in STC.

8. Any references to the Buyer's offers or any other proposals shall not constitute acceptance of the terms, conditions and reservations provided in such documents, unless such are explicitly stated in STC. In case of any controversies between the Contract documents, the priority of the documents shall be as follows:

8.1. STC;

8.2. Appendixes (if any);

8.3. GTC.

9. The Parties shall undertake to perform all the actions depending on them, including presentation/ signature/ receipt of required documents, to cooperate in a maximum and fair manner as well as do their best so each of the Parties was free and able to properly exercise their rights and liabilities rising out of the Contract.

10. The Contract shall be concluded following the principles of integrity, reasonability, justice and each of the Parties' principles for notification of the terms & conditions for purchase-sale of the Goods, and shall not be subject to fraud or pressure. The Parties have disclosed to each other all known to them information which is of material significance for conclusion of and performance under the Contract.

11. The Parties hereby state, confirm and guarantee that all the negotiations held between them before the date of conclusion of the Contract were fair. The Parties have understood all the terms & conditions of the Contract and each of the Parties expressly agree with all of them the terms & condition of the Contract do not confer upon either of the Parties any unreasonable superiority over the other. They meet the Parties' interests as well as their free will in full.