

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

Article 1. TERMS & DEFINITIONS

1. **Buyer** – Public Company ORLEN Lietuva, registered office address at Mažeikių St. 75, Juodeikiai Vill., LT-89467 Mažeikiai District, Lithuania, registered with the Register of Legal Entities of the Republic of Lithuania, company code 166451720, VAT number LT664517219.

2. **Seller** – a person with whom the Buyer has concluded a contract.

3. **Party / Parties to the Contract** – the Buyer and / or the Seller.

4. **Contract** – a purchase-sales contract concluded between the Buyer and the Seller – a document, which when signed the Parties confirms the conclusion of a transaction for the purchase-sales of goods. The Contract includes the General Terms & Conditions for Goods Purchase-Sales Contract, the Special Terms & Conditions for Goods Purchase-Sales Contract, appendixes thereto (if any), and agreements on amendments to the General and/or Special Terms & Conditions for Goods Purchase-Sales Contract (if any made). In case of any discrepancies between the General Terms & Conditions for Purchase-Sales Contract and the respective Special Terms & Conditions for Purchase-Sales Contract, the provisions of Special Terms & Conditions shall prevail.

5. **General Terms & Conditions for Goods Purchase-Sales Contract (GTC)** – the present terms & conditions for purchase-sales of goods.

6. **Special Terms & Conditions for Goods Purchase-Sales Contract (STC)** – these terms & conditions that are separately agreed by the Parties: term of validity, Contract value, description of goods, quantities, prices, discounts, specifications, drawings, warranties, delivery, installation, payment, insurance and other terms & conditions.

7. **Goods** – items and/or any other assets the purchase and sale of which is the subject matter of the Contract, including services related to the transportation, assembly, installation or other preparation of the Goods for operation as specified in the Contract.

8. **Road Transport Code** – the Road Transport Code of the Republic of Lithuania and its subsequent secondary legislation.

9. **Rules for Submission of Data on Consignment Notes to STI** – the Rules for Submission of Data on Consignment Notes and Other Goods Transport Documents to the State Tax Inspectorate approved by the Order No. VA-36 of 1 April 2016 by the Head of State Tax Inspectorate under the Ministry of Finance of the Republic of Lithuania 'Regarding Approval of the Rules for Submission of Data on Consignment Notes and Other Goods Transport Documents to the State Tax Inspectorate'.

Article 2. CONCLUSION AND PERFORMANCE

1. Following the terms and conditions as well as confidentiality provisions of this Contract, the Seller undertakes to sell at its own risk and expense to the Buyer the ordered Goods indicated in STC and appendixes thereto (if any attached) and the Buyer undertakes to accept high quality Goods delivered in time and pay the Seller for them.

2. The Contract may also provide for the procurement of the Seller's services related to the purchase and/or assembly/installation of the Goods. In such cases, if not otherwise defined in the Contract, the price of the Goods and all related Seller's expenses are deemed included in the price of the Goods indicated in the Contract.

3. The Seller must immediately give notice to the Buyer of any obstacles preventing timely delivery of the Goods under the terms and conditions of the Contract signed by the Parties.

4. The Goods must be supplied with all relevant documents (invoice (copy), cargo transportation documents, technical documentation, certificates of quality/origin, authorizations, safety data sheets and other documents specified in STC and respective legislation, instructions for proper storage of the Goods, as well as any other important information, if necessary).

5. The Goods must be delivered to the address specified in STC with all delivery costs deemed included in the price of the Goods.

Article 3. PRICE AND SETTLEMENT

1. Unless otherwise provided in STC:

1.1. The price of the Goods agreed by the Parties is the maximum amount to be received by the Seller for the sold Goods and cannot be increased throughout the duration of the Contract;

1.2. Payments must be made in the currency required by the Contract within 90 days from the date of duly issued invoice and/or the date of receipt of the proper Goods (if they are received at a later date) by bank transfer to the Seller's account specified in the Contract. In case of any changes to the Seller's bank account, the Seller is required to inform the Buyer thereof in writing;

1.3. When making payments hereunder, the Parties pay the fees of their own banks.

Article 4. VALUE ADDED TAX AND INVOICE

1. Invoices must conform to the requirements prescribed by the legislation of the Republic of Lithuania, and include the following information:

1.1. Quantity of the Goods, price for each item of the Goods, exclusive of taxes, and the tax amount or rate, if any. Each item of the Goods specified in invoice must be the same as in the Contract. The invoice must also state the total weight of each type of the supplied Goods;

1.2. Description of the Goods and related services (if any), or references to the respective clauses of the documents attached to the invoice;

1.3. Contract number;

1.4. Payment terms and date(s) established in the Contract;

1.5. VAT number (if the Seller is a VAT payer in the respective EU member state) for Goods delivered from EU states;

1.6. When purchasing Goods exempt from VAT or subject to 0 % VAT rate or when Buyer has the duty to calculate (deduct) and pay VAT, the invoice must include a reference to the respective provisions of the Law on VAT or Directive 2006/112/EC, or to any other grounds for exemption from VAT or 0 % rate VAT;

1.7. The Parties hereby agree and do not object that all invoices for the delivered Goods and related services (if applicable) are issued electronically and sent to the e-mail addresses, and that such invoices are deemed original. Hard-copy invoices will not be sent, unless requested separately in writing by any of the Parties. In case of any changes in the invoice delivery address, the Party whose address has changed must inform the other Party thereof within 5 (five) calendar days. The Parties undertake to handle the invoices in a due manner as prescribed by relevant laws, and to ensure the authenticity, integrity and legibility of the content of electronic invoices.

Article 5. RECEIPT OF GOODS

1. Unless otherwise agreed by the Parties, the title to and the risk of accidental loss or damage of the Goods pass over to the Buyer at the moment the Buyer accepts the Goods and signs a respective document (transfer-acceptance statement, consignment note, accompanying document or any other document). Signing of the respective document is solely to confirm the fact of delivery & receipt.

2. Where reasonably possible and if not otherwise stated in STC, the Buyer must inspect the delivered Goods within 10 (ten) calendar days from the date of their receipt. This provision is without prejudice to the Buyer's right to submit claims later for the defects of the Goods determined during the warranty period.

3. The Seller must ensure the conformity of the delivered Goods to the enclosed cargo specification and invoice. If any Goods or documents are missing, the Seller must as soon as possible deliver them as per STC requirements to the place indicated in STC or specified by the Buyer.

4. Unless otherwise provided in STC, the Seller undertakes to deliver the Goods to the address specified in STC by itself or have it done by a carrier under a carriage contract in accordance with the applicable provisions of the Road Transport Code.

4.1. In this case the Seller or a hired carrier must properly complete consignment notes as prescribed by the Road Transport Code and submit the consignment data to the State Tax Inspectorate in accordance with the Rules for the Submission of Data on Consignment Notes to STI;

4.2. If the Seller executes electronic consignment notes under Article 29(5) of the Road Transport Code and Chapter V of the Rules for Submission of Data on Consignment Notes to STI, the Seller undertakes to transfer the information about the delivery/receipt of the Goods to/in the Buyer's territory as required by Item 34 of the Rules. The Seller's obligations associated with the executed electronic consignment notes also apply to the containers/packages and other auxiliary materials shipped to/removed from the Buyer's territory previously used in transporting the Goods to the Buyer.

5. The provisions in Article 4 above do not apply to the Buyer when the actual place of loading/dispatch and/or the place of departure of the Goods for the Seller are outside the territory of the Republic of Lithuania.

Article 6. WARRANTIES

1. The Seller guarantees that the Goods conform to the specifications, drawings and all other requirements laid down in the Contract, are brand new, high quality, suitable and ready for their intended use, duly designed and manufactured using appropriate materials as well as free from any defects (including hidden defects).

2. To the extent not contrary to STC, the Goods are subject to a 24-month warranty calculated from the date of signature of transfer-acceptance statement or other proof of delivery to and acceptance of the Goods at the Buyer's warehouse, or installation or commissioning of the Goods, whichever occurs later.

Article 7. CONFIDENTIALITY

1. The Buyer will disclose to the Seller any kind of information necessary for fulfillment of the Parties' obligations hereunder (hereinafter – the Information). The Information includes any verbal and/or written information directly or indirectly related to the Buyer, other ORLEN Group companies and their counter-parties that is either directly or indirectly made available by the Buyer to the Seller or otherwise obtained by the Seller while performing under the Contract. The Information is intended for and can be used in the interests of the Buyer only. The Seller agrees and acknowledges that the Information received by it under the present Contract is confidential.

2. To the extent concerning any Information disclosed hereunder, the Seller and all its employees undertake to keep (store and use) the Information using safety measures established in this Contract and legislation that will be reasonably appropriate and sufficient to ensure confidentiality thereof and to prevent any unauthorized use, transfer,

disclosure of or unlawful access to such Information. The Seller must immediately notify the Buyer of any violations of information security requirements or unauthorized disclosure or use of the Information.

3. The Seller undertakes to maintain the confidentiality of information throughout the term of this Contract as well as for 10 (ten) years after its termination, expiry or cancellation or impairment of its legal effects or completion of services, unless the Parties hereto agree in writing otherwise.

4. In the event of unauthorized disclosure by the Seller of confidential Information to any third party either by malice, careless, action or omission, or loss of such information, the Seller undertakes to pay a penalty equal to 10 % of the Contract value per each case of violation, however not more than 3,000 EUR (three thousand euros) and not less than 300 EUR (three hundred euros) and compensate the Buyer's reasonable losses to the extent not covered by the paid penalty.

Article 8. LIABILITY

1. The Parties undertake to fulfill their obligations hereunder in a due manner and refrain from any actions which may cause damage to the other Party or impede the performance of its obligations.

2. Delivery of the Goods within the terms established in the Contract is a material provision of the Contract. In case of delayed delivery of the Goods the Seller undertakes to pay the Buyer a 0.05 % default interest of the value of the Goods for each day of delay.

3. Where the Seller fails to perform or improperly performs Article 5.4 of GTC and as a result of this the Buyer incurs losses and/or faces legal liability, etc., the Seller will unconditionally compensate for all resulting losses of the Buyer.

Article 9. VALIDITY

1. The Contract is deemed concluded between the Buyer and the Seller after the Parties sign the respective documents confirming the conclusion of the Contract. Once signed and faxed or e-mailed by one Party to the other, the Contract and agreements for its modifications and amendments are deemed valid, unless otherwise prescribed by the Contract.

2. Once concluded, the Contract remains effective until complete fulfillment of mutual obligations by the Parties or for a specific period agreed by the Parties in STC.

3. The obligations of the Parties, which in their essence survive the Contract expiry, will remain effective until complete discharge thereof.

Article 10. MISCELLANEOUS

1. The Parties undertake to settle any disputes, disagreements and/or claims in an amicable way, and in case of failure to reach an agreement, the disputes will be settled by the court with territorial jurisdiction over the Buyer's registered office in accordance with the procedures of the Republic of Lithuania.

2. Where the Contract has been concluded in two (the Lithuanian and a foreign) languages, the Lithuanian version will prevail in cases of any discrepancies between the Contract wording in the Lithuanian and in the foreign language, unless STC provide otherwise.

3. Any issues not discussed in the present Contract will be governed by the laws of the Republic of Lithuania.

4. The Parties have read the Contract, understood its content and implications, and confirm that the Contract reflects their true intentions.