

GENERAL TERMS AND CONDITIONS FOR THE PROCUREMENT OF SERVICES AND WORKS IN INA GROUP COMPANIES (GTC)

These General Terms and Conditions for the Procurement of Services and Works (hereinafter referred to as: GTC) contain general rules and conditions under which INA Group companies, as Purchasers, procure the required Services and Works from Contractors based on individual Contracts / Purchase Orders.

These GTC form an integral part of Contracts / Purchase Orders for the procurement of Services/Works and shall be applied for all matters not covered by individual Contracts / Purchase Orders.

In case of contradiction between the provisions of a Contract / Purchase Order and the provisions of GTC, the terms and conditions of the Contract / Purchase Order shall prevail.

1. DEFINITIONS

Call Off: a request for the performance of specific Services and/or Works, which is issued solely in case of a Frame Contract and which represents an individual Purchase Order binding both for the Purchaser and the Contractor in line with the provisions of the GTC. If a Call Off is issued electronically from the SAP system or the Ariba system, it is valid without the Purchaser's signature and without signature by the Contractor.

INA Group: INA-INDUSTRIJA NAFTE, d.d. and companies / legal entities in which INA-INDUSTRIJA NAFTE, d.d., as the parent company, has ownership or management control rights in accordance with the provisions of the Companies Act, i.e. joint venture companies in which INA Group companies have a stake.

MOL Group: means MOL Plc. and companies in which MOL Plc., as the parent company, directly or indirectly holds more than 50% of voting rights or in which MOL Plc., directly or indirectly, has majority ownership or a controlling interest based on a contract concluded with other owner(s).

Contractor: a physical/legal entity that performs Services and/or Works for the Purchaser based on a Contract / Purchase Order.

A Contractor may be:

- **Domestic Contractor:** a physical / legal entity with a registered office, i.e. permanent residence, in the Republic of Croatia;
- **EU Contractor:** a physical / legal entity other than a domestic Contractor, with a registered office, i.e. permanent residence, in a member state of the European Union (hereinafter EU),
- **Foreign Contractor:** a physical / legal entity with a registered office, i.e. permanent residence, outside the Republic of Croatia and outside the member states of the EU.

Certain provisions of these GTC or the Contract / Purchase Order may specifically refer to a particular type of Contractor, in which case the given provision of the GTC / Contract / Purchase Order shall clearly specify the type of the Contractor the said provision applies to. If the provisions of the GTC / Contract / Purchase Order use a general term – "Contractor", such rule shall apply to all Contractors, regardless of the place of registration of their headquarters or their residence.

Supervisor: person authorized by the Purchaser who will perform supervision during the performance of Services/Works.

Purchaser: the company / legal entity, member of the INA Group, referred to in the Contract / Purchase Order as the Purchaser of Services and/or Works.

Contract / Purchase Order: a contractual relationship concluded in writing between the Purchaser and the Contractor, based on which the Contractor performs the contracted Services/Works for the Purchaser and the Purchaser pays for the performed Services/Works. These General Terms and Conditions form a minimally required integral part of a Contract / Purchase Order, along with other clauses and documents required for realization of the Contract / Purchase Order, which must be specifically stated in the Contract / Purchase Order as its integral part. Frame Contracts are a special type of Contract based on which the Purchaser is not obligated to purchase the pre-determined and contracted Services/Works, but the purchase is made depending on the Purchaser's actual needs by means of concluding a separate Contract or issuing Call Offs by the Purchaser.

Certain provisions of these GTC may specifically refer to a Frame Contract, in which case the given provision of the GTC shall clearly specify that the provision specifically applies to such Contracts. If the provisions of the GTC use a general term - Contract / Purchase Order, such rule shall apply to all Contracts / Purchase Orders, including Frame Contracts.

A Contract is binding upon the Purchaser and the Contractor solely if it is signed by both parties.

A Purchase Order is issued based on an accepted Contractor's bid and obliges the Contractor to perform Services/Works, without requiring a signature/confirmation by the Contractor. If the Purchase Order is not in line with the accepted bid, the Contractor shall, within 3 days of receipt of the Purchase Order, notify the Purchaser about whether it accepts the Purchase Order or not. If the Contractor fails to declare its acceptance/rejection of the Purchase Order, it shall be deemed that the Contractor has rejected the Purchase Order.

Purchase order issued electronically from the SAP system odnosno Ariba sustava, with the total net value below 1000 EUR is valid without signature.

Services/Works: all Services/Works, except for construction works, which represent the subject-matter of the Contractor's performance.

Parties: the Contractor and the Purchaser jointly.

2. PRICE

The price of the Services/Works represents the value of the Services/Works paid by the Purchaser to the Contractor and indicated in the Contract / Purchase Order. The price may be indicated in the Contract / Purchase Order either in the total amount or in unit prices without specifying the total price of the Services/Works (in case of Frame Contracts where the quantity of the Services/Works is not known in advance).

The price (unit price or total price) of Services/Works includes all dependent costs, taxes, duties, fees and any other expenditures that may arise during the performance of the Contract / Purchase Order, except for VAT.

Unit prices / total price of the Services/Works does not include the calculated amount of VAT. VAT will be calculated and expressed separately in the invoices issued by the Contractor to the Purchaser on the day of tax obligation arising.

If Services that are freed from VAT payment are being delivered, it shall be stated on the invoice that VAT was not calculated and the relevant legal basis for payment exemption shall be stated.

In case of EU Contractors, VAT shall be paid and accounted for under the reverse charge procedure. The invoice shall contain the "reverse charge procedure" phrase which reads: "VAT is paid by the purchaser (under the reverse charge procedure)" in accordance with Directive 2006/112/EC – Chargeable event and chargeability of VAT in the EU.

Unit prices / total price of the Services/Works specified in the Contract / Purchase Order is fixed/unchangeable throughout the Contract / Purchase Order/Call Off validity time.

3. INVOICING AND PAYMENT

Payment of the contract price shall be made on the basis of 1 (one) original invoice, after Minutes of handover of Services/Works have been signed by the authorized persons of the Purchaser and the Contractor.

In case of Frame Contracts, the Contractor shall issue a separate invoice for each Call Off.

The Contractor shall issue an invoice for performed Services/Works to the Purchaser no later than three (3) business days from the date of signing of the Minutes of handover of Services/Works by the Purchaser and the Contractor.

The invoice accounting period may not be longer than one month (unless otherwise stipulated in the Contract / Purchase Order).

The date of handover must be identical to the date of signing of the Minutes of handover of Services/Works by both parties. In case the signature dates on the Minutes of handover of Services/Works differ, the Minutes will be deemed to have been signed on the later date.

The invoice can be issued in hard copy or in electronic form, in accordance with legal regulations.

In case of issuing hard copy of invoice, the invoice shall be delivered to the Purchaser's address specified in the Contract / Purchase Order.

In case the invoice is issued in electronic form, it is primarily issued in structured format (e.g. XML format) and sent through an service provider. In the case of issuing an electronic invoice in one of the other electronic formats, the prior consent of the Purchaser is required.

In case the invoice is issued in electronic form, it must be submitted in a structured form, whereby the Purchaser's system will receive the invoice in XML format.

In addition to the elements prescribed by the VAT Act, the invoice has to contain the following information:

- Place and date of invoicing, and number of the invoice
- Name, address and OIB (VAT ID no.) of the Contractor
- Name, address and OIB (VAT ID no.) of the Purchaser
- Delivery date
- Date of handover of the Services/Works indicated in the Minutes of handover of Service/Works and payment due date
- Number of the Purchase Order / Call Off (number generated in the SAP system) based on which the invoice was issued
- SES number from the SAP system, or in case of Purchasers that do not use the SAP system - number of the Minutes of handover of Services/Works
- Name and quantity of the performed Services/Works
- Price of the performed Services/Works elaborated by tax rates
- Total price
- Separately expressed VAT; amount of VAT elaborated by tax rates
- Signature, i.e. name and surname of the person authorized for invoice issuance
- Other information determined in the Contract / Purchase Order

Provided that the invoice is correct, i.e. it was issued in accordance with the provisions of this article, the Purchaser shall pay the amount of the invoice to the Contractor within 60 (sixty) days from the date of delivery.

In case the invoice is not valid, the Purchaser shall return the original invoice to the Contractor for correction and the Contractor is obliged to return the corrected invoice to the same address within 3 days.

Invoices issued by EU Contractors must meet the requirements defined in Article 219a-240 of Council Directive 2006/112/EC, and must contain a note about the "reverse charge procedure".

Calculation of payment due date in case of domestic Contractors:

In case the payment due date falls on a non-business day (non-business days are Saturdays, Sundays and holidays established by legal regulations in the Republic of Croatia), payment obligation will be settled the following banking day.

Calculation of payment due date in case of foreign Contractors and EU Contractors:

In case the payment due date falls on a Saturday, payment shall be made on the day preceding the payment due date. In case the payment due date falls on a Sunday or any other bank holiday in Croatia / Contractor's country, payment shall be made on the first following banking day in Croatia / Contractor's country.

Bank charges arising in Croatia shall be borne by the Purchaser, while all other bank charges (including the charges of the correspondent bank, if any) arising outside of Croatia shall be borne by the Contractor. Any payment after due date, as stipulated above, shall be considered late payment.

In case of late payment, the Contractor has the right to calculate a default interest at the rate of 1-month EURIBOR+2 p.p. if the payment currency is EUR (1-month LIBOR +2 p.p. is applied when the payment currency is USD). In this context, 1-month EURIBOR / 1-month LIBOR shall mean the 1-month EURIBOR / 1-month LIBOR rate p.a. appearing on the Reuters screen on the first business day of the month of the delay. The default interest shall be calculated on the basis of the number of days actually elapsed and a year of 360 days.

4. CALL OFF

In case of Frame Contracts, the Purchaser will issue a separate Call Off to the Contractor for each performance of individual Services/Works.

A Call Off shall contain the following data:

- Number and date of the Call Off
- Number of the Contract
- Description and quantity of the Services/Works
- Unit and total price of the Services/Works
- Time and deadline for performance
- Other necessary data.

After the Purchaser has issued a Call Off, the Contractor must confirm the Call Off within 5 (five) calendar days from the date of receipt. If the Contractor fails to react to the Call Off within the set deadline, the Call Off shall be deemed as accepted. The Contractor has the right not to confirm only the delivery deadline, in which case the Contractor is obliged to offer another deadline, which can be either confirmed or rejected by the Purchaser. After the Contractor has confirmed the Call Off or fails to react within the set deadline or the Purchaser confirms the new deadline, the Call Off shall become binding and the Contractor is obliged to perform, whereas the Purchaser is obliged to take over the Services/Works ordered under the Call Off. The Purchaser may replace or withdraw the issued Call Off for justified reasons, but only with the written consent of the Contractor. The Contractor shall not, without justified reason, withhold giving the said written consent.

Call Offs shall be delivered to the Contractor in accordance with Article 20 hereof.

5. CALCULATION OF OTHER TIME LIMITS

It is established that all other time limits and deadlines under the Contract / Purchase Order / Call Off shall be calculated by calendar, unless it is expressly regulated in the Contract / Purchase Order / Call Off that the time limits are calculated in business days.

A business day is considered to be every day except Saturdays, Sundays and public holidays defined by legal regulations in the Republic of Croatia. In case the last day of the time limit calculated by calendar falls on a day which is not considered a business day, the time limit for the performance of the Services/Works shall expire the following business day.

6. GIVING ACCESS TO AND POSSESSION OF THE SITE TO THE CONTRACTOR

For Services/Works which require certain preliminary activities by the Purchaser before commencement of the Services/Works in order for the contracted Services/Works to be performed by the Contractor (e.g. the Purchaser has to give the Contractor access to and possession of the site on which Services/Works will be performed and/or the Purchaser has to deliver specific documents to the

Contractor without which the Services/Works cannot be performed etc.), the Purchaser is obliged to give the Contractor access to and possession of the site within the deadline defined in the Contract / Purchase Order.

For the purpose of giving site possession to the Contractor, the Purchaser will invite the Contractor in advance, specifying the date and hour of giving access to and possession of the site. Special Minutes shall be drawn about site possession and all deadlines related to the performance of the Services/Works by the Contractor shall start running from that moment.

If the Purchaser is unable to give the Contractor access to and possession of the site within the deadline referred to in paragraph 1 of this Article, the Purchaser will start giving access to and possession of the site as soon as possible, of which it will timely notify the Contractor, whereby the deadlines for the performance of the contracted Services/Works will not be running.

If the Contractor fails to attend the site possession meeting or fails to commence the performance of the Services/Works immediately after being given site possession, the Purchaser will determine a new date for site possession or commencement of the Services/Works. If the Contractor fails to attend the site possession meeting or fails to commence the performance of the Services/Works even then, the Purchaser shall have the right to unilaterally terminate the Contract / Purchase Order without needing to leave further subsequent deadlines for the Contractor.

7. TIME PERIOD AND SCHEDULE OF SERVICES/WORKS PERFORMANCE

The Contractor undertakes to perform the Services/Works within the deadline and according to the schedule specified in the Contract / Purchase Order / Call Off. If the Contractor is obligated to prepare a special Time Schedule for the performance of Services/Works, the Contractor undertakes to comply with such time schedule.

8. SUPERVISION

The Purchaser undertakes to timely - before commencement of the Service/Works performance - notify the Contractor, in writing, about the name(s) of the person(s) who will exercise supervision over the performance of the Services/Works (hereinafter referred to as: supervisor), i.e. who will determine whether the Services/Works are being performed in the manner determined by the provisions of the Contract / Purchase Order. The Contractor shall enable smooth operation of supervision and shall act on all orders of the supervisor.

The supervisor is authorized to act solely within the framework of the Contract / Purchase Order and is, among other things, authorized to approve or reject the Minutes of handover of Services/Works. Each supervisor's order that would mean exceeding the contracted scope of work shall have no legal significance and shall not be binding on the Contractor. In case the Contractor decides to act according to such order, it shall do so at its own risk and expense. In order for the increased scope of the contracted work to be binding on the parties, it must be previously regulated by means of concluding a special Annex to the Contract or issuing a special Purchase Order.

The supervisor is authorized to suspend further performance of the Services/Works if he/she determines that the Contractor does not perform the Services/Works in accordance with the contractual provisions, applicable regulations, rules and standards of the profession.

If the Contractor considers acting according to the supervisor's orders to be detrimental for the Purchaser, or deems that the Services/Works need to be performed in another manner, i.e. that a part of the contracted Services/Works need not be performed (which might lead to significant financial savings for the Purchaser) in order for the Services/Works to be performed in a quality manner or in order to prevent the occurrence of possible damage, the Contractor is obligated to immediately notify the supervisor about it and of the proposed actions, and request a written statement from the supervisor/Purchaser. If the Contractor fails to do so, it shall be responsible for the damages suffered by the Purchaser. The Contractor is obligated to act according to the written statement of the supervisor or other persons authorized by the Purchaser. If the supervisor, i.e. Purchaser, does not make a written statement within 7 business days, it shall be deemed that the Purchaser does not agree with what the Contractor's proposed actions.

The Purchaser has the right to replace the supervisor at any moment and is obligated to inform the Contractor of such replacement in due time.

9. PARTICIPATION OF SUBCONTRACTORS

The Contractor has the right to assign partial execution of the Contract / Purchase Order only to the subcontractor specified in the Contractor's bid which was accepted by the Purchaser.

If the Contractor did not specify the subcontractor in its bid and the need arises for its involvement during the performance of the Contract / Purchase Order, or if the Contractor decides to engage a new subcontractor instead of the current one or beside the current one, the Contractor is obliged to obtain a written consent from the Purchaser prior to the engagement of the subcontractor.

The consent provided to the Contractor referring to engagement of subcontractors shall not affect any legal relationships, mutual rights and obligations between the Contractor and the Purchaser or relieve the Contractor from any liability or obligation under the Contract / Purchase Order.

The Contractor is responsible for the selection and engagement of subcontractors and for their work.

10. HANDOVER AND ACCEPTANCE

The Contractor is obliged to inform the Purchaser of the performed Services/Works immediately upon completion of the Services/Works, i.e. upon completion of individual phases of performance of the Services/Works in accordance with the Contract / Purchase Order / Call Off.

Upon receipt of such notification, the Parties will begin the handover process in the presence of the supervisor appointed by the Purchaser (and other Purchaser's responsible persons if necessary) and the authorised representative of the Contractor. If no deficiencies are found during the handover, the authorised representatives of the Parties will draw up and mutually sign Minutes of handover of Services/Works.

At the moment of signing the Minutes of handover of Services/Works by both parties, it shall be deemed that the Services/Works covered by the Minutes have been properly and fully completed and from that moment on, payment periods shall start running.

If any deficiencies or defects are determined during the handover, the Services/Works will not be handed over and the authorised representatives of both Parties will draw up and sign separate Minutes which will determine the nature of the deficiencies and set a deadline for their elimination. Such deadline shall be considered an appropriate subsequent deadline for the performance of Services/Works.

The Contractor is required to immediately start removing the established deficiencies. If the Contractor has exceeded the original contracted deadlines for the performance of Services/Works due to the removal of the established deficiencies, the Contractor shall pay liquidated damages to the Purchaser for the period of delay, in accordance with the provisions of the GTC.

If the Contractor fails to eliminate the established deficiencies within the time limit specified in the separate Minutes, the Purchaser shall have the right to terminate the Contract / Purchase Order and remove the deficiencies itself or hire a third party to remove them at the expense of the Contractor. In such a case, the Purchaser shall pay the price of the Services/Works decreased by the cost of elimination of the said deficiencies.

11. RISK OF ACCIDENTAL DAMAGE OR DESTRUCTION

Until the moment of successful handover of the performed Services/Works, the risk and consequences of accidental destruction or damage to the equipment and materials the Contractor is obligated to deliver to the Purchaser as part of the Services/Works (as well as damage to the equipment and materials delivered or secured by the Purchaser for the purpose of performing the Services/Works) and to the performed Services/Works (or their parts in case the Services/Works are performed in phases/parts) shall be borne by the Contractor.

12. STATEMENT OF THE QUALITY OF THE PERFORMED SERVICES

The Contractor guarantees/warrants that the Service/Works that are the subject-matter of the Contract/Purchase Order will be performed by attention of a good expert, applying and adhering to all the competent standards and professional rules as well as the relevant regulations for the contracted type of the Services/Works.

Unless otherwise defined by the Contract/Purchase Order, the liability of the Contractor for visible and hidden defects of the performed Services/Works is established in accordance with the relevant provisions of the Croatian Civil Obligations Act.

In addition to the above, the Contractor's liability for building defects concerning the fulfillment of certain essential requirements determined by the law for buildings and defects of the land on which the building was erected is determined in accordance with the provisions of the Croatian Civil Obligations Act and cannot be excluded or limited by the Contract.

If longer deadlines have been defined by law than the deadlines defined by the Contract, the legal deadlines shall apply.

At the first written invitation of the Purchaser, the Contractor shall eliminate at its own expense and at its own risk all defects that have arisen due to its omission, poor quality work and which do not correspond to the agreed purpose and quality. The Purchaser is obliged to inform the Contractor about the identified defect as soon as the defect is identified. If the Contractor fails to rectify the defects or does not eliminate the defects within the set period, which must be reasonable, the Purchaser has the right to eliminate the defects itself or to hire a third party to eliminate the defects at the risk and burden of the Contractor or may terminate the contract. When exercising this right, the Purchaser is obliged to act as a good businessman.

In addition to the request for elimination of defects, the Purchaser has the right to demand from the Contractor compensation for the damage suffered due to these defects.

13. INSURANCE

Without prejudice to the Parties' obligations under the Contract / Purchase Order, the Contractor shall obtain and extend insurance policies, at its own expense, and make material changes in insurance policies only with the prior written approval of the Purchaser. The Contractor shall provide and maintain employer's liability insurance for its workers in the amount of no less than HRK 500,000.00 (in letters: five hundred thousand Croatian Kuna) per each insured event.

In case of a contracted franchise for the insurance referred to hereof, the costs shall be borne by the Contractor.

For the insurance referred to in this Article, the Contractor undertakes to provide the Purchaser with a Certificate of Insurance addressed to the Purchaser, no later than 15 (fifteen) days before commencement of the Services/Works. This Certificate shall confirm that the Contractor has concluded an insurance contract with the insurer and specify the insurance policy number, type and period of insurance, limit, franchise, insurance conditions and compulsory provisions which shall read as follows:

1. "If the above mentioned insurance should, for any reason, be terminated before expiry of the insurance policy or should materially change, the insurer is obligated to inform the holder of this certificate 30 days prior to the announced termination or change".
2. "The insurer waives the right of recourse against the Purchaser".

The Certificate of Insurance represents an essential element of the Contract / Purchase Order and is included as its Appendix.

14. LIQUIDATED DAMAGES

In the event of late performance of the Services/Works by the Contractor, i.e. in case the Contractor fails to commence the performance of the Services/Works or fails to complete the Services/Works within the time limit stipulated in the Contract / Purchase Order / Call Off, the Contractor shall pay liquidated damages to the Purchaser for each day of delay, in the amount of 0,5% of the Contract / Purchase Order / Call Off value. The maximum amount of liquidated damages the Purchaser has the right to charge from the Contractor amounts to 10% of the Contract / Purchase Order / Call Off value.

The time period in which liquidated damages are calculated also represents an additional time period for fulfilment of the contractual obligation by the Contractor. If the Contractor fails to fulfil its contractual obligation even after the maximum amount of liquidated damages has been realized, the Purchaser shall have the right to terminate the Contract / Purchase Order without providing any further deadlines for the Contractor.

In case of Contracts / Purchase Orders with partial performance of the Services/Works, liquidated damages shall be calculated in the amount of 0.5% of the performance value, i.e. of the Call Off value in case of Frame Contracts. The maximum amount of liquidated damages per performance / Call Off amounts to 10% of the performance / Call Off value. If the Contractor fails to perform the Services/Works even after the maximum amount of liquidated damages has been reached, the Purchaser is entitled to partially terminate the Contract / Purchase Order for the specified performance or terminate the Call Off without needing to provide any further deadlines for the Contractor. The cumulative amount of liquidated damages in case of partial performance may not exceed 10% of the Contract / Purchase Order value. After reaching the said cumulative amount, the Purchaser also has the right to terminate the Contract / Purchase Order, without needing to provide any further subsequent deadlines for delivery to the Contractor.

The Contractor is familiar with the performance deadlines and the Purchaser is not required to specifically warn the Contractor of its delay in delivery, nor is it obligated to specifically request the performance of the Services/Works from the Contractor, but it reserves the right to charge liquidated damages. However, in case the performance of the Services/Works is not commenced or completed even after the maximum amount of liquidated damages has been reached, the Purchaser is required to notify the Contractor about whether it shall terminate the Contract / Purchase Order / Call Off or continue with their realization, in which case the Purchaser is obligated to define a new subsequent deadline for commencement or completion of the Services/Works for the Contractor.

In case of proceeding with the realization of the Contract / Purchase Order / Call Off, liquidated damages shall not apply to the new subsequent deadline for commencement or completion of the Services/Works, unless the Contracting Parties specifically agree otherwise, in writing.

In respect of the accrued liquidated damages, the Purchaser is entitled to submit an invoice for the amount of the liquidated damages to the Contractor and the Contractor is obliged to pay the invoice within 14 days of receipt.

15. TERMINATION OF CONTRACT / PURCHASE ORDER / CALL OFF

Each Party has the right to terminate the Contract / Purchase Order / Call Off if the other Party infringes the provisions of the Contract / Purchase Order / Call Off or the provisions of these GTC and fails to eliminate the failures/violations in a subsequent appropriate time defined by these GTC, or - in case such time is not defined by the GTC - in the subsequent appropriate time defined by the other Party.

The violated Party shall submit the notice of failure to the Party violating the obligations, in writing, in one of the modes of communication defined in the "Official communication" provision hereof, upon which the subsequent period shall start running, except in the case when a new deadline is directly stipulated by these GTC due to a violation of the contractual obligations, in which case it is not required to send a notice on the commencement of the subsequent period. If the Party that has violated the contractual obligations fails to eliminate its failures/violations in the performance of the Contract / Purchase Order / Call Off within the subsequent period, the other Party shall have the right to terminate the Contract / Purchase Order / Call Off and shall inform the Party violating the obligations thereof in the same manner.

In addition to the afore-mentioned in paragraph 1 of this Article, the Purchaser reserves the right to unilaterally terminate the Contract / Purchase Order and the issued Call Offs with an immediate effect, in case of the following conducts of the Contractor which are considered gross violations of the Contract / Purchase Order:

- The Contractor violates the obligation of professional secrecy undertaken in these GTC, or
- The Contractor's statement or conduct/action causes damage to the Purchaser's business reputation, or
- The Contractor repeatedly violates its contractual obligations (late deliveries / disorderly deliveries), or
- The Contractor's attitude implies that it will not fulfil its contractual obligation even within the subsequent period of time, or the Contractor declares that it will not fulfil the obligation at all,
- The Contractor becomes insolvent, or pre-settlement proceedings, bankruptcy or liquidation proceedings are initiated against the Contractor, or the Contractor is put under special management in accordance with the relevant legislation, or
- The Contractor or a person authorized by the Contractor gravely violates the provisions of law or the Purchaser's internal regulations related to health, safety and the environment that apply to the area/location of INA Group companies.
- The Contractor or a person authorized by the Contractor violates a provision of the Purchaser's Code of Ethics.

16. FORCE MAJEURE

Force majeure implies the case when fulfilment of the contractual obligation by one Party becomes impossible due to any non-regular external events occurring after conclusion of the Contract/acceptance of the Purchase Order and before fulfilment of the contractual obligation, that could not have been foreseen, prevented, avoided or eliminated by the Party.

If fulfilment of the contractual obligation by one Party becomes impossible due to the occurrence of events described above as force majeure, the Party affected by such event is obligated to inform the other Party of the occurrence as well as cessation of such event immediately verbally (by phone) and within 3 business days at the latest from the occurrence and cessation of the event of force majeure in writing, and inform the other Party of the estimated scope and duration of its inability to fulfil the contractual obligation due to force majeure. The Party that fails to act pursuant to the afore-said shall be responsible to the other Party for the damage suffered due to its failure to submit such notice. The Party affected by force majeure shall be obligated to immediately, as soon as possible and at the request of the other Party, submit other relevant proofs which demonstrate the occurrence and duration of the event of force majeure.

If the Contractor is made impossible to fulfil its contractual obligations for longer than 30 (thirty) days due to the occurrence of force majeure, the Purchaser retains the right to unilaterally terminate the Contract/Purchase Order immediately after receiving the notice of the occurrence of force majeure with such effect.

17. PERFORMANCE GUARANTEE

If contracted, the performance guarantee in the form of a bank guarantee shall be regulated in individual Contracts / Purchase Orders.

The basic criteria for acceptance of the performance guarantee are as follows:

The guarantee must be:

- issued by an acceptable bank,
- payable upon first written demand,
- without cavil or argument,
- unconditional and irrevocable,
- valid no less than 30 days longer than the contracted delivery deadline / contract validity date.

18. CESSION OF CLAIMS AND ASSIGNMENT OF CONTRACT / PURCHASE ORDER

The Contractor cannot cede its financial claims under the Contract / Purchase Order, either in whole or partially, to a third party without obtaining prior written consent from the Purchaser.

The Parties cannot assign the Contract / Purchase Order to a third party without prior written consent of the other Party.

The written consent referred to in the above paragraphs must be signed by the person(s) authorized to represent the Party providing consent for assignment of the Contract or cession of claims; otherwise, it shall have no legal significance.

19. CONFIDENTIALITY

The Parties hereby agree that the Contract/Purchase Order, the documents and information related to realization of the Contract/Purchase Order, as well as the documents and information related to the other Party and its business activities, which one Party receives or obtains from the other Party at any time and in any mode, will be deemed as business secret and confidential (Confidential Information) and as such will not be disclosed or made available to third parties without prior written approval of the other Party or used for any purposes outside the scope of performance of the Contract/Purchase Order.

The obligation to observe data confidentiality does not apply to the following information:

- publicly known information or information subsequently announced in public – unless the confidential information is announced with the intention or through omission of the Party that received the information,
- information available to the Party receiving the information prior to the date of Contract/Purchase order conclusion,
- information which the Party receiving the information has received from a third party which is not bound by the obligation of observing information confidentiality,
- information announced or disclosed pursuant to the law, stock-exchange rules or by regulations or orders of some other competent body, to the prescribed extent and form

The Parties have the right, without prior written approval of the other Party, to disclose Confidential Information to their Affiliates and persons providing them with financial and accounting, consulting, insurance or other similar financial or legal services, to the extent they need it to provide those services. However, prior to the disclosure of Confidential Information to such persons, the Party shall ensure compliance with the obligation of observing the confidentiality of Confidential Information by each such person, in writing and with the content in line with the confidentiality provisions of this Article.

For the purposes of these GTC, an “Affiliate” means: a legal entity controlling and/or controlled by a Party, and/or a legal entity controlled by a legal entity controlling a Party. “Control” means (i) the ownership or control (direct or indirect) of more than fifty percent (50%) of the voting capital of the company or legal entity in question, (ii) more than fifty percent (50%) of the voting rights at the general assembly of the company or the legal entity on all or substantially all matters, (iii) the right to appoint or dismiss members of the management board of the company or legal entity having the majority of voting rights at board meetings on all or substantially all matters and/or (iv) the right to influence the company or legal entity under a contract or other legal relationship.

The Party which illicitly discloses Confidential information contrary to the provisions of this Article shall be responsible to the other Party for the damage suffered.

The obligation to observe confidentiality shall remain in force for two (2) years after cessation of validity, i.e. termination of the Contract/Purchase Order. In the event that the regulation in force prescribes the obligation to keep certain Confidential Data confidential for a longer period of time, the obligation to keep Confidential Data in accordance with the regulation in force will apply to that Confidential Data.

20. OFFICIAL COMMUNICATION

All official notices exchanged between the Parties in relation to the Contract / Purchase Order may be executed solely in writing, in one of the following modes of communication:

- by registered mail to the address of the registered office of the Party
- by e-mail to the addresses of contact persons of the Parties specified in the Contract / Purchase Order.

If a Call Off is issued through the Ariba system, the same system shall also be used to deliver and confirm the Call Off, as well as to confirm and reject any changes. If a Purchase Order is issued through the Ariba system, it shall also be delivered through the same system.

By delivering the notice in the aforesaid mode to the other Party, the delivery shall be considered to be duly executed on the date when the notice is sent.

21. MODIFICATIONS AND AMENDMENTS TO THE CONTRACT / PURCHASE ORDER

Modifications and amendments to the Contract / Purchase Order shall gain legal power solely if they are contracted in writing and duly signed by authorised representatives of both Parties.

Any verbal agreements or verbal statements by representatives of the Parties shall not have any legal significance nor shall they be binding upon any of the Parties.

Any changes to the Purchaser's or Contractor's data recorded in the court registry, and particularly the changes referring to the company, seat, founder or the Purchaser's / Contractor's bank made during the conclusion and realization of the Contract / Purchase Order, as well as their contact persons specified in the Contract / Purchase Order, shall not be deemed modifications to the Contract / Purchase Order. The Party to which the above-mentioned change refers shall be required to inform the other Party thereof in writing, within 10 business days after the change in data.

22. SETTLEMENT OF DISPUTES AND THE GOVERNING LAW IN CASE OF DOMESTIC CONTRACTORS

The Parties agree that any disputes arising out of the Contract / Purchase Order will primarily be solved by mutual agreement.

If the Parties fail to solve the arisen disputes by mutual agreement within reasonable time, the settlement of such dispute shall be governed by the competent court in Zagreb.

It is established that all matters regarding the validity and interpretation of the Contract / Purchase Order and GTC or a possible litigation regarding their application shall be governed by the Croatian law.

23. SETTLEMENT OF DISPUTES AND THE GOVERNING LAW IN CASE OF EU CONTRACTORS AND FOREIGN CONTRACTORS

These GTC and the Contracts / Purchase Orders and any dispute arising therefrom shall be governed by and construed in accordance with the substantive law of Croatia excluding any conflict of laws principle that would refer to the law of another jurisdiction. The United Nations Conventions of the International Sale of Goods (Vienna 1980) with respect to the supply of Products shall not apply. The Parties shall endeavour to settle any disagreements or disputes arising out of or in connection with these GTC and the Contract / Purchase Order in an amicable manner through negotiations. Where no such settlement is reached within 30 (thirty) days, either Party may, by giving a written notice to the other Party, refer the matter to arbitration as stipulated hereinafter.

Any dispute arising out of or in relation to these GTC, Contract or Purchase Order, including the disputes relating to their breach, termination or invalidity and any legal consequences thereof shall be finally settled by arbitration in accordance with the Rules of Arbitration of the Permanent Arbitration Court at the Croatian Chamber of Economy (the Zagreb Rules) as in force.

In case the value of the dispute is below 100.000,00 EUR, the number of arbitrators shall be one. In case the value of the dispute is 100.000,00 EUR or higher, the number of arbitrators shall be three.

The arbitral proceedings shall be conducted in the English language.

The seat of arbitration shall be Zagreb, Croatia.

The arbitrators shall decide according to the governing law stipulated in this Article and not ex aequo et bono.

The Parties hereby waive their right to any form of appeal to a court of law or other judicial authority. The award shall be final and binding upon the Parties and may, if necessary, be enforced by any court or other competent authority.

24. ACCESSION TO THE CONTRACT

The Contractor agrees that, in case of entering into a contract for the performance of Services/Works (hereinafter referred to as: Basic Contract) with any of the INA Group companies as Purchaser during the validity of the Basic Contract, each INA Group company shall have the right to access the Basic Contract at any time. The Basic Contract shall be accessed by means of issuing a signed Declaration of Accession (hereinafter: Declaration) by the acceding INA Group company, which shall be submitted to the Contractor by registered mail to the address of the Contractor's place of business specified in the Contract. If the Declaration of Accession is signed by qualified electronic signature, it is delivered electronically to the address of the Contractor's contact person indicated in the Contract.

Legal effects of accession to the Basic Contract shall start applying to the Contractor and to the acceding INA Group company immediately upon receipt of the said Declaration by the Contractor. If the Declaration of Accession is sent electronically, it shall be deemed as accepted on the date when it was sent. All terms and conditions defined in the Basic Contract shall apply to the acceding INA Group companies regardless of the quantity of Services/Works that will actually be realized from the Contractor by INA Group companies. The invoices for the performed Services/Works shall be issued directly by the Contractor to the acceding INA Group company.

In case of undue performance of the Basic Contract referring to any INA Group companies that have accessed the Basic Contract, the Contractor shall pay the accrued liquidated damages directly to the INA Group company in question. If the Contractor furnished a performance guarantee to the Purchaser under the Basic Contract, then in case of accession of any INA Group company, the Contractor shall also submit the performance guarantee to the acceding INA Group company under the terms of the Basic Contract in the amount defined in the Declaration.

The Contractor irrevocably agrees and accepts that in case of violation of the contractual relationship with the Purchaser or with any of the acceding INA Group companies, the Purchaser and the acceding INA Group companies shall have the right to terminate their Contracts with the Contractor. Termination of the Contract shall have an effect only on the relationship between the Contractor and the party terminating the Contract and shall not affect the Contracts concluded with the Contractor by other INA Group companies (which did not terminate the Contract).

If the Contractor and the Purchaser agree to make changes and/or amendments to the Basic Contract during the validity of the Basic Contract, it shall be deemed that the acceding INA Group companies have also agreed to such changes unless they provide a statement of termination of the Contract they concluded with the Contractor by acceding the Basic Contract no later than seven (7) business days from receipt of the Contractor's notice of changes and/or amendments to the Basic Contract.

Upon expiration of the Basic Contract validity period, all contracts concluded until that moment between the Contractor and INA Group companies based on the Declaration of Accession shall cease as well. However, the Basic Contract expiration date shall not affect the Purchaser's obligation to pay for the Services/Works that were performed before expiration of the Contract, or the Contractor's obligation to perform the Services/Works that were ordered by the Purchaser or any of the acceding INA Group companies before expiration of the Basic Contract validity period.

25. CODE OF ETHICS

By making a statement as part of the Bid, i.e. by signing the Contract / Purchase Order, the Contractor declares that it has been made familiar with the content of the INA Group Code of Ethics, that it finds the provisions of the Code clear and understandable and that it fully accepts it.

A complete version of the INA Group Code of Ethics is available on the official website at the following link: [Etički kodeks INA Grupe](#) (English version at: [INA Group Code of Ethics](#)).

26. ACCEPTANCE OF GTC

By making a statement as part of the Bid, i.e. by signing the Contract/Purchase Order, the Contractor declares that it is familiar with the content of these GTC, that the provisions of the GTC are clear and understandable to the Contractor and that the Contractor fully accepts them.

The Purchaser is entitled to amend the provisions of the GTC at any time. The Purchaser shall publish the Amended GTC on the official website of INA, d.d., and the Contractor shall be informed thereof (in line with the provision "OFFICIAL COMMUNICATION" hereof or by delivery to the e-mail address registered in the court register), no later than 15 (fifteen) days before entry into force of the amended GTC.

In case of disagreement with the amended GTC, the Contractor shall, within 10 (ten) calendar days from the date of receipt of the notification on the amended GTC, contact the Purchaser (in accordance with the provision "OFFICIAL COMMUNICATION" hereof) stating the reasons for disagreement with such amendments. In this case, the Parties will enter into negotiations to define mutually acceptable terms of further contractual cooperation, where the reason for disagreement cannot be amendments to the GTC that do not interfere with or change the legal and economic/commercial nature of the existing contractual relationship. Each Party reserves the right to terminate the contract unilaterally, unless a mutually acceptable agreement is reached.

In case the Contractor fails to deliver feedback to the Purchaser within 10 (ten) calendar days, it shall be deemed that the Contractor has accepted the amended GTC.

These GTC will enter into force on 1st January 2022.

Publication of GTC on the website of INA, d.d. on 17th December 2021.