

GENERAL TERMS for purchase of TECHNICAL SERVICES

1. The Contract – governing law and venue

1.1 The LAT's Purchase Order ("PO") together with these General Terms ("GTC") constitute the entire agreement between the parties ("the Contract") related to the Works. No other terms (for instance printed on Contractor's order confirmation or invoices) shall apply. In case of evident conflict, the PO takes precedence over the GTC.

1.2 In addition to the above, the following definitions shall apply to the GTC; "Contract Price": the lump sum (in the PO), or the estimated aggregate amount payable for completion of the Works in case of unit rates; "Works": all services and other deliverables to be delivered or performed according to the Contract; "Defect": any noncompliance with the requirements of the Contract in relation to the Works

1.3 The Contract shall be governed by the laws of the country of the LAT site where the Works shall be performed (the Site). The courts applicable for the Site shall have exclusive jurisdiction over all disputes related to the Contract.

1.4 Contractor may not assign the Contract without the prior written consent of LAT, such consent not to be unreasonably withheld.

2. Confidentiality - Information - work environment

2.1 All information submitted to or acquired by the other party in relation to the Works shall be deemed as confidential unless it is clearly not of a confidential nature. Confidential information shall be protected and shall not be disclosed to any third party or obtained or used for any purpose other than the performance of this Contract. However LAT may use or submit such information to its subcontractors for service or maintenance.

2.1 As a specialist, Contractor has a duty of advice, information and proposal at every stage of the negotiation and performance of the Contract.

2.3 Contractor has thoroughly examined the adequacy of the technical conditions and basis for execution of the Works. Contractor confirms that it is satisfied with the conditions prevailing at the Site at the date of award of the Contract. Contractor acknowledges that the Works will have to be performed taking into account that several other contractors may be working simultaneously at the Site.

2.4 Contractor will observe all Site regulations. Contractor will enforce LAT's policy that use or possession of alcoholic beverages or unauthorized drugs on the Site is strictly prohibited.

3. The Works

3.1 The Works shall be executed in a prudent, professional and safe manner in accordance with prudent petrochemical practices, applicable law, all applicable guidelines, procedures and instructions by LAT, including health safety and security regulations at Site.

3.2 The Works shall be of sound quality, free from Defects and fit for the purpose in accordance with the Contract. The Works comply with all applicable laws and regulations. The Works shall not infringe any IPR and be free from all liens and claims of third parties.

3.3 Contractor and his personnel shall have the necessary skill and expertise to provide the Works.

3.4 Unless otherwise agreed in writing, Contractor shall provide and maintain all tools and equipment necessary for the performance of the Works.

4. Subcontracting and temporary workers

4.1 Contractor is not entitled to sub-contract any part of the Works without LAT's prior written approval. Irrespective of LAT's prior consent, any subcontracting shall be at Contractor's sole risks and costs and shall not relieve Contractor of any of its risks, obligations or liabilities under the Contract.

4.2 Contractor is responsible for the due compliance by its subcontractors with all applicable laws, regulations and tariff agreements, with a particular attention to those relating to health, safety, environment, and prevention of illegal work and tax evasion.

4.3 Contractor shall always make its best effort to perform the Works using its internal staff, as Contractor's expertise concerning the Works is of paramount importance. LAT may reject the presence of any person that it finds unsuitable for performance of the Works. Contractor shall keep LAT informed about any use of temporary workers or workers not being employees of Contractor.

5. Progress of the Works – delays

5.1 The Works shall be performed timely in accordance with the time schedule and Completion Date given in the PO. Title and risk passes upon completion of the Works.

5.2 If at any time Contractor is not making sufficient progress to meet the time schedule and or the Completion Date, it shall immediately notify LAT in writing. Contractor shall as soon as possible thereafter inform LAT about:

- the reason for and the duration of the delay; and
- the measures necessary to comply with the schedule and the Completion Date.

Contractor shall, at no cost for LAT, immediately effect all such measures.

5.3 If Contractor's measures (clause 5.2) are not sufficient, LAT may undertake all necessary and reasonable measures at Contractor's cost, including termination of the Contract.

5.4 If the delivery of the Works is delayed beyond the Completion Date, for reasons for which LAT is not responsible, Contractor shall pay liquidated damages to LAT at a rate of 1 % of the the Contract Price per calendar day of delay for turn around work, otherwise 0,35 %. Except in case of gross negligence or wilful misconduct, Contractor's aggregate liability for the liquidated damages under this clause is limited to 15% of the Contract Price.

5.5 Except in case of gross negligence or wilful misconduct, and except for the measures mentioned in clause 5.2, the obligation to pay liquidated damages is Contractors only liability for damages incurred by LAT due to delay of delivery.

6. Testing, inspection, documentation and acceptance

6.1 Contractor shall perform such tests and inspections as are necessary to verify the quality of the Works and/or as specified in the PO, and shall in good time invite LAT to be present. LAT has the right, but not the obligation, to inspect the Works upon reasonable notice.

6.2 Contractor shall as part of the Works deliver all documentation specified in the PO and/or as required by regulations and/or as is customary in the relevant trade.

6.3 Upon completion of the Works, including compliance with testing and document requirements, the Works shall be accepted by LAT who shall confirm this acceptance in writing.

7. Defects

7.1 In the event of a Defect in the Works, Contractor shall in consultation with LAT:

- immediately mitigate the effects of the Defect;
- investigate and prepare a report detailing the cause and anticipated effects and recommend a course of action for its rectification; and
- promptly and at its own cost make good any Defect.

7.2 If Contractor fails to remedy any Defect within a reasonable time, LAT may fix a reasonable final date by which Contractor must make good the Defect. If Contractor fails to remedy by such date, LAT may have necessary remedial actions performed. In such a case:

- Contractor shall immediately make available all documents required by LAT in order to make good the Defect; and
- the reasonable direct and documented costs incurred by LAT shall be recoverable from Contractor.

7.3 The defects liability period for the Works starts on the date of the acceptance (clause 6.4) and shall continue for a period of twenty four (24) months thereafter. However, for Works re-performed or modified as a consequence of a Defect, the defects liability period shall start from the date of acceptance by LAT of the rectification of the Defect.

7.4 Receipt, inspection, or payment by LAT shall not be deemed as an acceptance of the Works as non-defective. Contractor warrants the Works as non-defective for a period 24 months from delivery. This does not apply to Defects caused by normal wear and tear or LAT's negligence.

8. Changes

8.1 LAT may request changes to the Works. Contractor must advise LAT in writing of the effect on the Contract Price and on the Completion Date within a week after receipt of such request. Contractor shall not implement the change until receipt of LAT's written confirmation to proceed.

8.2 In case the parties disagree on the effects of a change, the Contractor shall nevertheless proceed with the change if so instructed by LAT, and may then refer the dispute to settlement under clause 1.2. If legal proceedings are not initiated within 60 days after the instruction to proceed, the Contractor shall be deemed to have accepted LAT's position in the dispute.

9. Compensation and payment

9.1 Unless otherwise provided in the PO, the Contract Price shall include all expenses in connection with the Works, including transport, storage, cabins, keeping the Site orderly and clean, waste disposal, insurance, and any taxes, except VAT. Upon LAT's request, the invoices shall specify the various expenses. Unless otherwise provided in the PO, the payments shall be made net 60 days end of month from completion of the Works.

10. Termination

10.1 Without prejudice to its other remedies, a party may terminate the Contract by written notice in case the other party becomes insolvent, bankrupt or makes an assignment for the benefit of its creditors. The same applies if the other party is in material breach of its obligations hereunder. LAT may likewise terminate the Contract if Contractor does not comply with the Completion Date and the maximum liquidated has become applicable.

10.2 LAT may, at its sole discretion, by written notice, terminate the Contract for convenience. Upon such termination LAT shall, in addition to the fees for the Works delivered, compensate the Contractor for all direct expenses caused by the termination.

11. Limitation of liability – Force Majeure - insurance

11.1 Except in the case of gross negligence or wilful misconduct or breach of confidentiality obligations, neither party shall be liable to the other for any indirect or consequential damage, including loss of products, loss of profit or business.

11.2 A party's obligations shall be suspended to the extent that, by no fault of such party, the performance of its obligations is prevented by circumstances that could not have been foreseen and prevented or overcome by reasonable means (Force Majeure).

11.3 Contractor shall keep adequate insurances for its personnel, equipment and potential liability, and shall upon LAT's request evidence the existence of such insurances.

12. Ethics and Compliance

12.1 The Contractor agrees to conduct business with LAT in accordance with LAT's Ethics policy for business partners ([Ethics \(lat-nitrogen.com\)](https://www.lat-nitrogen.com)).

12.2 Contractor as well as any of its affiliates, respective directors, officers or employees shall not engage in, support or facilitate transactions or activities that violate any laws, regulations, rules or requirements in force from time to time, including without limitation, of the European Union, any EU member state, the United Kingdom, the United Nations or the United States of America relating to trade sanctions, foreign trade controls, export controls, non-proliferation, anti-terrorism and similar laws.

12.3 Notwithstanding any other provisions hereunder, national data protection laws and the General Data Protection Regulation (GDPR) EU 2016/679 as amended shall apply and be adhered to by both parties. Each party shall use, and ensure that its respective subcontractors use, all personal data of the disclosing party exclusively for the purposes of performing the Contract. The disclosing party confirms that it is authorized to provide the receiving party with personal data.

13. Spares and materials

13.1 Spares and other materials are included in the delivery of the Works to the extent this is specified in the PO or customarily is included as part of the relevant services. Spares shall be delivered upon the completion of the Works while other material shall be delivered as an integral part of the Works, unless specific delivery dates are given in the PO.