

Appendix no. 5 - Major contractual conditions

Major contractual conditions for the tender no. 1/0210/2018 “Application of electromagnetic stirrers on the strands of a continuous billet casting machine in order to produce a new grade of steel designated for steel cord production” (Application No.: POIR.01.02.00-00-0210/17), co-funded by European Regional Development Fund and under Operational Program Smart Growth 2014-2020, Measure 1.2 “Sectoral programs R&D” (a competition organized by the National R&D Center no 7/1.2/2017).

1. Payment terms

All payments, except down payment, will be payable after sixty (60) calendar days counting from the end of the month as from the BUYER’s quantitative and qualitative acceptance of the corresponding contractual events and invoice receipt.

No.	Description of contractual event	Date of contractual event	Part of the CONTRACTUAL PRICE (% of the CONTRACTUAL PRICE)	Comments (e.g. subject to Bank Guarantees)
1	down payment payable within 30 days after contract signature after submitted Bank Guarantee	J	10%	Delivery of a bank guarantee to the Buyer securing Buyer’s claims for the return of the advance payment. Validity date of a bank guarantee: until the moment of signing by the Parties of the final acceptance protocol of WORKS and/or EQUIPMENT Value of bank guarantee: 10%
2	Preparation and submission of documentation along with obtaining approval by AMP	J + ... weeks	5%	
3	End of DDP deliveries	J + ... weeks	50%	The payment on the basis of mutually signed protocol confirming the receipt of goods

				Subject to LD as per para 2.1
4	End of assembly works	J + ... weeks	15%	Subject to LD as per para 2.1
3	Ready for initial operation - RFIO	J+ ... weeks	10%	Subject to LD as per para 2.1
4	Signature of the Final acceptance protocol of WORKS and/or EQUIPMENT	J + ... weeks	10%	<p>Delivery of a bank guarantee to the Buyer securing Buyer's claims for defects of the WORKS and/or EQUIPMENT (statutory warranty and contractual quality guarantee) including Company's claims arisen as a result of exercise by the Company of the right of withdrawal from the Contract or the right to decrease the price.</p> <p>Validity date of a bank guarantee: guarantee period</p> <p>Value of bank guarantee: 10%</p>

J- date of contract entry into force

2. Liquidated damages

2.1 For delay in correct and full completion of Subject Matter of the Contract, CONTRACTOR shall pay the BUYER liquidated damages in the amount of 1 % of the PRICE per each full week of delay up to 1% of the PRICE.

2.2 The above provisions shall not prejudice the obligation to pay liquidated damages as defined in the Occupational Health and Safety Agreement.

2.3 . Notwithstanding any CONTRACTOR's obligations stipulated in the CONTRACT, the CONTRACTOR is obliged to particularly meet the following KPIs:

Measurement of equiaxed zone:

Measurement according to the APPENDIX 9, point 1 from Technical specification to RfQ no 1_0210_2018_EN:

Steel grades to make a trial to check the fulfilling of KPI: C72D2/1 and C82D2/1.

Tundish superheat ≤ 30 °C – during the trial to check the fulfilling of KPI

KPI: Equiaxed zone for each of 9 investigated samples > 40 %

Measurement of center segregation:

Measurement according according to the APPENDIX 9, point 1 from Technical specification to RfQ no 1_0210_2018_EN:

Steel grades to make a trial to check the fulfilling of KPI: C72D2/1 and C82D2/1.

Tundish superheat ≤ 30 °C – during the trial to check the fulfilling of KPI

KPI: Carbon segregation Cc for each of the investigated samples $\leq 1,04\%$

2.3.1 In the event of failure to meet any of the above conditions by the CONTRACTOR, the “Make good” clause will apply and the CONTRACTOR will use his best efforts to fulfill the above mentioned KPIs at least on their minimum level.