



**Contract for purchases no.**

[REDACTED]

**By and between:**

**ArcelorMittal Poland S.A. with its registered office at Al. Piłsudskiego 92, 41-308 Dąbrowa Górnicza, Poland** entered into the Register of Entrepreneurs kept by the District Court for Katowice-Wschód in Katowice, 8th Commercial Division of the National Court Register under the KRS no. 0000115891, NIP (Taxpayer ID no) 634-24-63-083, REGON (Business Entity ID no.) 277839653, with share capital of PLN 2,659,478,030.00 fully paid up

Represented by the duly authorized persons designated on the signature page of the CONTRACT, hereinafter referred to as: the **"BUYER"**

**and**

[REDACTED]

represented by the duly authorized person(s) designated on the signature page of the present CONTRACT, hereinafter referred to as: the **"CONTRACTOR"**.

The BUYER and the CONTRACTOR will be hereafter individually referred to as the "PARTY" and jointly to as the "PARTIES".

**Invoices should be sent to the following address:**

ArcelorMittal Business Center of Excellence Poland Sp. z o.o. Sp. k. Al. Piłsudskiego 92, 41-308 Dąbrowa Górnicza, Poland, e-mail address: [ampo.invoices-pl@arcelormittal.com](mailto:ampo.invoices-pl@arcelormittal.com)

**RECITALS:**

- (1) This CONTRACT has been concluded as a result of a selection of the CONTRACTOR's bid as the best after the tender procedure on the basis of the principle of:
  - (a) competitiveness within the meaning of Guidelines on the eligibility of expenditure under Smart Growth Operational Programme 2014-2020;
  - (b) Contract Awarding Regulations of ArcelorMittal Poland S.A., adopted for the PROJECT by the resolution of the Management Board of the BUYER no. [REDACTED]
  - (c) Bid no. [REDACTED] submitted by the CONTRACTOR on [REDACTED].
- (2) The Contractor has been informed and is fully aware that the execution of WORKS AND/OR EQUIPMENT applies to realization of the project entitled "[REDACTED]" no. [REDACTED] (hereinafter: "PROJECT"), which is covered by co-financing agreement signed by the BUYER under the Programme [REDACTED], under the Measure [REDACTED] co-funded from the European Regional Development Fund;

**THE PARTIES HAVE CONCLUDED THE CONTRACT READING AS FOLLOWS:**

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## **1 – SCOPE:**

The SITE of performing the WORKS AND/OR the EQUIPMENT is

### **ArcelorMittal Poland S.A. in Kraków**

The purpose of the CONTRACT is to define the terms and conditions concerning (i) the execution of WORKS AND/OR EQUIPMENT on SITE by the CONTRACTOR and (ii) the CONTRACTOR's obligations as specified in the CONTRACT, including those specified in the appendices:

#### **Design, manufacturing and DDP delivery of Steel ladles acc. to INCOTERMS 2010 ArcelorMittal Poland S.A., installation, assembly, testing, technical acceptance and commissioning of the VTD Vacuum Treatment System.**

The WORKS AND/OR EQUIPMENT shall be performed so as to ensure their safe, efficient and economical operating and maintenance. For the purpose of the above, the CONTRACTOR shall use standardized, commercially available and largely maintenance-free operating equipment, materials and components every time it is possible to do so.

The CONTRACTOR represents and warrants that prior to the conclusion of the CONTRACT it has been provided with GENERAL CONDITIONS, it has familiarised with them and accepted their content.

The GENERAL CONDITIONS are an integral part of the CONTRACT, for which the CONTRACTOR agrees.

## **2 – PRICE:**

### **2.1. Determination of the CONTRACTUAL PRICE**

The price for the execution of WORKS AND/OR EQUIPMENT in compliance with the CONTRACT (hereinafter the "CONTRACTUAL PRICE") includes particularly the components indicated in clause 2.2 below and item 5.2. of GENERAL CONDITIONS.

The CONTRACTUAL PRICE has been agreed as a lump sum in the amount of:

**EUR net [•]: ►**

In words:

**2.2 Price components:** the CONTRACTUAL PRICE is not subject to increase; it contains in particular all costs of the CONTRACTOR in connection with performance of the WORKS AND/OR the EQUIPMENT, including the remuneration for transfer of the property rights (including intellectual property rights) to the DOCUMENTATION and the DEVELOPMENTS, property rights (including intellectual property rights) or granting of the license to the SOFTWARE, all taxes (except for VAT) and any works, services and/or deliveries that are to be performed and/or provided in connection with the WORKS AND/OR EQUIPMENT as well as achievement of all the results and performances anticipated by the BUYER.

### **2.3. Terms of payment**

The CONTRACTUAL PRICE shall be paid by the BUYER in parts, in accordance with the schedule as indicated in Appendix 3 ("Terms of payment"), after proper and timely performance of the contractual events by the CONTRACTOR, as specified in Appendix 3.

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

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## **2.4. Bank guarantees**

The CONTRACTOR undertakes to deliver to the BUYER, within 14 days from the date of concluding the CONTRACT, the bank guarantees required by Appendix 3 ("Terms of payment") to the present CONTRACT, in accordance with the templates indicated in Appendix 6.

Failure to deliver the bank guarantee or delivery of a bank guarantee inconsistent with the template of the BUYER shall authorize the BUYER to withhold any payments until the CONTRACTOR's submission of the relevant guarantee documents, and the CONTRACTOR shall not be entitled to any claims for such withholding of the payments.

## **2.5. Certificates required by the LAWS**

The CONTRACTOR undertakes to deliver to the BUYER, on its own initiative and within the time limits specified in the provisions of the LAWS as well as upon each request of the BUYER, any certificates of conformity and/or attestations required by respective regulations of the LAWS, in particular, concerning the applied materials, subassemblies, devices as well as concerning taxes, labour and social security premiums.

Failure to deliver the required certificates shall authorize the BUYER to withhold any payments until the CONTRACTOR's submission of the requested certificates and the CONTRACTOR shall not be entitled to any claims for such withholding of the payments.

## **3 – EFFECTIVE DATE of the CONTRACT**

The CONTRACT shall come into force as of signing, unless expressly decided otherwise.

## **4 – CONTRACTUAL DOCUMENTS**

4.1 The CONTRACT comprises this document of the contract along with the GENERAL CONDITIONS and the appendices specified below, any annexes and changes.

List of appendices:

- 1: Technical specification of the BUYER / guaranteed performance
- 2: CONTRACTUAL TIME SCHEDULE
- 3: Terms of payment
- 4: Breakdown of the price of the WORKS AND/OR the EQUIPMENT
- 5: Description of insurance requirements
- 6: Templates of bank guarantees
  - 6.1 – **Template of bank guarantee payable on first demand securing the claims for defects**
  - 6.2 – Template of bank guarantee payable **on** the first request
- 7: Specific guarantee periods (differing from those specified in the GENERAL CONDITIONS)
- 8: STANDARD SOFTWARE, CONTRACTOR'S SOFTWARE and SPECIFIC SOFTWARE
  - 9.1 – *STANDARD SOFTWARE*
  - 9.2 – *CONTRACTOR'S SOFTWARE*
  - 9.3 – *SPECIFIC SOFTWARE*
- 9: List of spare parts (provided by the CONTRACTOR according to the bid).
- 10: List of parts subject to normal wear and tear and consumables (provided by the CONTRACTOR for information purposes).

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- 11: List of authorized subcontractors
  - 12: List of tools and materials provided by the BUYER for the CONTRACTOR'S disposal
  - 13: CONTRACTOR'S TECHNICAL SPECIFICATION (together with tests and performances of the WORKS and/or EQUIPMENT).

4.2 If any of the above-mentioned appendices is expressly crossed out and/or marked as "VOID", then it shall not apply to the CONTRACT.

4.3 In the case of any contradictions between the two (or more) of the aforementioned appendices, the conditions specified in the appendix which is marked with a lower number on the above list shall prevail. The terms specified in the CONTRACT shall in each case have priority over the corresponding provisions of the GENERAL CONDITIONS.

4.4 The CONTRACT constitutes the whole of the agreement between the PARTIES as to its subject matter, and all previous negotiations, statements or arrangements related to the subject matter of this CONTRACT, both written and oral, shall be considered invalid, unless they have been expressly repeated in the CONTRACT.

4.5 Any modifications or changes in the CONTRACT, in the GENERAL CONDITIONS or in any of the above-mentioned appendices shall be valid and binding only when expressly agreed, in writing under pain of nullity.

4.6 The CONTRACTOR applies the principles of the procedure binding on the BUYER's premises. In particular, the CONTRACTOR is obliged to conduct the works in accordance with:

- a) General terms and conditions of health and safety, fire safety, environmental protection and organization of overhauls, subject to internal normative acts of ArcelorMittal Poland S.A. applicable in this respect,
- b) Instructions on the pass system for tangible asset components,
- c) Instructions on the pass system for traffic of persons and vehicles,
- d) Fire Protection Regulations,
- e) Principles of performing work within the BUYER'S area by external companies' employees,
- f) Principles of intra-plant road traffic,
- g) Principles of cooperation of employers in the scope of work safety,
- h) Occupational Health and Safety Agreement, together with the Safety Book for Contractors in the wording currently valid for performance of the works,

and any other procedures, instructions and internal regulations of the BUYER.

4.7 The CONTRACTOR hereby states that has become familiar and has accepted for use any principles of conduct as described in section 4.6. The CONTRACTOR shall be entitled to access the so-called Contractor's zone on the BUYER's website, <http://www.arcelormittal.com/poland/login.html>, containing access to the concerned documents – normative acts. Any changes and updates of the documents will be available on the above indicated website. The CONTRACTOR is obliged to visit the website regularly and familiarize with any changes on its own. The changes are binding as from publication on the website.

4.8 The Occupational Health and Safety Agreement applies to this CONTRACT.

4.9 Any general conditions or contract templates of the CONTRACTOR as well as any deviations, individually agreed upon with ArcelorMittal group, from the General Conditions for Capital Purchases used

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by ArcelorMittal group shall not apply to this CONTRACT (GCCP - General Conditions for Capital Purchases).

## **5 – FINAL DEADLINES AND GUARANTEES**

### **5.1. Final deadlines and time limits**

The CONTRACTOR undertakes to fully observe the CONTRACTUAL TIME SCHEDULE, according to Appendix 2 ("CONTRACTUAL TIME SCHEDULE"). All dates and final deadlines included in the CONTRACTUAL SCHEDULE are of primary significance for the BUYER.

Notwithstanding clause 20 of GENERAL CONDITIONS, achievement of each milestone specified in CONTRACTUAL TIME SCHEDULE must be confirmed by the Parties in written receipt protocol . The CONTRACTOR is not entitled to issue VAT invoice before signing of the receipt protocol by the Parties.

For the purposes of the PROJECT and the co-financing, the end of the CONTRACT is defined jointly as (1) the end of performing the WORKS AND/OR EQUIPMENT, (2) signing of a defect-free commissioning certificate for the WORKS AND/OR EQUIPMENT, (3) issuance of the last invoice (in accordance with the CONTRACTUAL TIME SCHEDULE and Appendix 3) by the CONTRACTOR and (4) obtaining the occupancy permit for the WORKS AND/OR EQUIPMENT by the CONTRACTOR.

### **5.2. Guarantee of conformity and achievement of the required performances**

Regardless of the provisions of item 26.1 of the GENERAL CONDITIONS, the CONTRACTOR guarantees in particular that the WORKS AND/OR EQUIPMENT shall be consistent with the specifications and the requirements specified in this CONTRACT, including the technical description of the WORKS AND/OR EQUIPMENT.

### **5.3 Change of the CONTRACTOR**

Notwithstanding any of BUYER's rights, if the CONTRACTOR performs the WORKS and/or EQUIPMENT defectively or in a manner inconsistent with the CONTRACT the BUYER may require the CONTRACTOR to change the mode of performance and to set the CONTRACTOR an appropriate time limit. After an ineffective elapse of that time limit the BUYER may withdraw from the CONTRACT pursuant to art. 636 of civil code or entrust another contractor with the correction of the performance of the WORKS and/or EQUIPMENT or the further performance of WORKS and/or EQUIPMENT at the cost and risk of the CONTRACTOR.

## **6 – Liquidated damages**

6.1. The CONTRACTOR shall pay the BUYER the following liquidated damages:

- a) For delay in correct and full completion of a given contractual event in relation to the time limits designated in Appendix 2 for each contractual event, the CONTRACTOR shall pay the BUYER liquidated damages in the amount of 1 % of the CONTRACTUAL PRICE per each started week of delay.
- b) For delay in correct and full performance of the obligation under statutory warranty or contractual guarantee within time fixed by the BUYER, the CONTRACTOR shall pay the BUYER liquidated damages in the amount of 0,1 % of the CONTRACTUAL PRICE per each started week of delay.
- c) In the case of withdrawal from the CONTRACT (either statutory or contractual) or its termination by the BUYER in a different way, for reasons concerning the CONTRACTOR, the CONTRACTOR shall pay the BUYER liquidated damages in the amount of 5% of the CONTRACTUAL PRICE.
- d) For failure to achieve the key performance indicators (KPIs) specified below in clause 6.7, the CONTRACTOR shall pay to the BUYER liquidated damages specified in clause 6.7

e) For employment of a subcontractor, or approval of employment of a further subcontractor, without the required express consent of the BUYER, the CONTRACTOR shall pay the BUYER liquidated damages in the amount of 0,1 % of the CONTRACTUAL PRICE.

f) In case the BUYER is obliged to return, at CONTRACTOR's fault, total or part of financing, the CONTRACTOR shall pay the BUYER the liquidated damage equal to the amount of financing to be returned by the BUYER.

6.2 The total amount of all the applied liquidated damages cannot exceed 15 % of the CONTRACTUAL PRICE.

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

6.4 The BUYER has the right to claim supplementary compensation, in the event that the amount of the stipulated liquidated damages does not cover the full damage incurred by the BUYER.

6.5 In the case of charging the liquidated damages, the BUYER shall send a notification on charging the liquidated damages to the CONTRACTOR.

6.6 Without prejudice to any rights of the BUYER, especially the right to claim liquidated damages or the right to withdraw from or terminate the CONTRACT, after receiving the notification referred to in section 6.5, the CONTRACTOR shall immediately notify the BUYER about the deadline (deadlines), by which the CONTRACTOR will perform the delayed obligation, remove the breach of the CONTRACT and/or shall guarantee the contractual performances as well as state the plan of activities in this respect. If the specified new deadline (deadlines) are too distant or unfeasible in the assessment of the BUYER, the BUYER shall give notice thereof to the CONTRACTOR, and the CONTRACTOR shall state the deadlines after consulting them with the BUYER.

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

No.	Performance parameter	Guaranteed value	Acceptable limit	Value of liquidated damages (% of contract price)	Maximum Value of liquidated damages applied (max 10% of contract price)
1	Temperature rise	≥ 6 C° / min	≥ 3 C° /min	2,0 % for each full degree Celcius between guaranteed value and acceptable limit.	6%, if below 3 C/min: <b>make good</b>
2	Carbon	≤ 35 ppm	≤ 40 ppm	1% for 1 ppm	5%, if more than 40 ppm after the vacuum: <b>make good</b>
3	Hydrogen	≤ 1,5 ppm	≤ 1,5ppm	no shortfall from performance	if more than 1,5 ppm after CCM: <b>make good</b>
4	Nitrogen	≤ 30 ppm	≤ 40 ppm	2,5 % per each 5 ppm	5%, if more than 40 ppm: <b>make good</b>

5	Oxygen (Total)	≤ 10 ppm	≤ 12 ppm	5% for 1 ppm between guaranteed value and acceptable limit	10%, if more than 12 ppm after CCM (sample is to be taken after tundish) : <b>make good</b>
6	Sulphur	≤ 10 ppm	≤20 ppm	2,5 % per each 5 ppm between guaranteed value and acceptable limit	5%, if more than 20 ppm: <b>make good</b>
7	Number of sequences length of 24 min casting time for heats	≥ 7	≥ 7	no shortfall from performance	<b>make good</b>
8	Weight of one heat	≥ 145t with 75cm freeboard	≥ 140T with freeboard 75cm	2 % per each ton between guaranteed value and acceptable limit	<b>make good</b>

6.8 Liquidated damages stipulated in chapter 6 of this CONTRACT can be claimed by the BUYER cumulatively.

## **7 – PAYMENTS FOR SUBCONTRACTORS**

7.1 For the purpose of this clause, the REPORTING PERIOD is defined as the period from achieving the previous contractual event, authorizing the CONTRACTOR to the respective part of the remuneration, according to the CONTRACT, until achievement of the next contractual event, authorizing the CONTRACTOR to the respective part of the remuneration, according to the CONTRACT.

7.2. The CONTRACTOR is obliged to fully and timely pay the remuneration payable to any subcontractors of the construction works as defined in Article 647<sup>1</sup> of the Civil Code, in accordance with the agreements concluded with them. After achievement of the respective contractual event, as specified in Appendix 3, authorizing the CONTRACTOR to issue a VAT invoice, the CONTRACTOR, each time before the payment term of the VAT invoice, shall send the BUYER its written statement that it timely pays all the amounts payable to subcontractors of the construction works, resulting from agreements between the subcontractors and the CONTRACTOR. The CONTRACTOR shall attach the following to the statement:

- a. specification of subcontractors of the construction works, who have performed works in the given REPORTING PERIOD,
- b. written statements of subcontractors of the construction works, made no earlier than 14 days prior to the submission of the CONTRACTOR's statement to the BUYER, on the CONTRACTOR's payment, to each of the subcontractors of the construction works, of the amounts due in the given REPORTING PERIOD or other documents indicating payment to subcontractors of the construction works of the full remuneration, due in the given REPORTING PERIOD.
- c. statements of subcontractors that they have paid payable remuneration to further subcontractors, in the given REPORTING PERIOD.

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d. copy of the receipt protocol stipulated in clause 5.1. above.

7.3. The CONTRACTOR shall immediately notify the BUYER of each case of failure to make any payment due to any subcontractor or further subcontractor and shall indicate the reasons for the omission or delay in such payment. The previous sentence also applies to disputable payments.

7.4. Every payment made by the BUYER to subcontractors of the construction works (including further subcontractors), which the BUYER is obliged to on the basis of Article 647<sup>1</sup> of the Civil Code, shall be properly deducted from the payment due to the CONTRACTOR. For the needs of settlements under the Contract, the Parties shall treat such payment as made to the CONTRACTOR. If the BUYER makes a direct payment to the subcontractor of building works after payment of full CONTRACTUAL PRICE to the CONTRACTOR or if the paid amount exceeds the part of CONTRACTUAL PRICE remaining for payment, the CONTRACTOR is obliged to return to the BUYER the payment made by BUYER (taking into account relevant deductions from the part of CONTRACTUAL PRICE remaining for payment).

7.5 Until the time of the CONTRACTOR's submission of the statement to the BUYER, pursuant to section 7.1 – 7.4 above, the CONTRACTOR shall not be entitled to receive payment for the contractual event.

7.6 The CONTRACTOR is not allowed to employ, to perform the works covered by this Contract, any employees of the BUYER, employees of the BUYER's subsidiaries (in which the BUYER has at least 50% of the interest) as well as any persons permanently performing works/services on the premises of the BUYER under other contracts concluded by the BUYER. Any violation of this ban shall be regarded as a gross breach of the contract.

7.7 Appendix no. 11 contains the list of subcontractors authorized by the BUYER. The CONTRACTOR is not authorized to use other subcontractors without their proper notification, with no objection from the BUYER, pursuant to Article 647<sup>1</sup> § 1 of the Civil Code.

## **8 - TERMS OF CHANGING THE CONTRACT**

8.1 Any significant change in the provisions of the CONTRACT with regard to the content of the CONTRACTOR's bid is only possible for the following reasons, occurring jointly or separately:

Technological changes caused by the following circumstances:

1. emergence of materials, technical solutions or devices of newer generation than those indicated in the request for bid from the BUYER, or in the CONTRACTOR's bid, making possible to save costs of implementation or operation of WORKS and/or EQUIPMENT, or making it possible to obtain better quality of the subject matter of the WORKS and/or EQUIPMENT.
2. emergence of a newer technology of performing the WORKS AND/OR EQUIPMENT, allowing for shorter implementation time of the subject matter of the CONTRACT or reduced costs of the WORKS AND/OR EQUIPMENT, as well as costs of operation of the completed WORKS AND/OR EQUIPMENT;
3. the necessity to perform the WORKS AND/OR EQUIPMENT using other technical or material solutions, due to changes in the binding law;
4. change in the method of performing the CONTRACT in the case of change of the technology of performance of the WORKS AND/OR the EQUIPMENT subject to achievement of at least the same end performances of the delivered WORKS AND/OR EQUIPMENT, keeping the price not higher than resulting from the CONTRACT and the performance deadline of the CONTRACT, on a grounded application of the CONTRACTOR after acceptance by the BUYER.

Performance of specific activities, or their abandonment, by state administration bodies, including government administration bodies, local government as well as bodies and entities the activities of whom



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involve issuance of any administrative decisions during the implementation of the subject matter of this CONTRACT, in particular:

5. delay in issuing, by the aforementioned bodies, of any decisions, permits, arrangements etc., which they are obliged to issue under the law or internal regulations;
6. refusal to issue, by the aforementioned bodies, of any decisions, permits, arrangements etc., for reasons beyond the control of the CONTRACTOR;
7. imposing additional procedural activities by the body, not envisaged in the CONTRACT;
8. submission of an appeal / complaint / objection when obtaining any decisions, consents, permits.

Changes resulting from requirements and changes related to funding the PROJECT by a public institution:

9. changes in the time schedule or scope of the PROJECT resulting in the need to change the CONTRACTUAL TIME SCHEDULE or the scope of performing the WORKS AND/OR EQUIPMENT;
10. limitation, for any reason, of the funds granted to the BUYER for PROJECT;
11. changes resulting from research works conducted as part of the project by a cooperating scientific institution affecting the CONTRACTUAL TIME SCHEDULE or the scope of the WORKS AND/OR the EQUIPMENT;
12. changes arising from any change in the contract with the institution financing the PROJECT;

Changes caused by the following circumstances:

13. force majeure, mentioned in item 25 of the GENERAL CONDITIONS, preventing performance of the CONTRACT according to its contents;
14. archaeological, technical, field and water conditions unforeseen in the request for bid of the BUYER or in the CONTRACT;
15. occurrence of operational conditions (e.g. railway accidents, disasters) resulting in the inability to perform the CONTRACT affecting the deadlines included in the CONTRACTUAL TIME SCHEDULE;
16. the need to execute additional works or alternative works suspending (delaying) implementation of the basic works, resulting from unforeseen events of technical or operational nature;
17. changes caused by exceptionally unfavourable meteorological conditions, preventing performance of the WORKS AND/OR EQUIPMENT, carrying out of any tests and checks, commissioning, if the need to perform the WORKS AND/OR EQUIPMENT in this period, conduct trials and checks and perform commissioning is not a consequence of any circumstances which the CONTRACTOR is responsible for;
18. collision with investments planned or simultaneously conducted on the SITE by other entities, provided that these changes are limited to changes necessary to avoid or remove collisions;
19. delay of the BUYER in making available of the place of performance of WORKS and/or EQUIPMENT;
20. impossibility of delivering the WORKS AND/OR EQUIPMENT, due to lack of access to the places necessary for their delivery, for reasons beyond the control of the CONTRACTOR;
21. changes relate to performance of additional deliveries, services or construction works from the CONTRACTOR, not covered by the CONTRACT, provided that these have become necessary and the following conditions are met together:
  - a. change of the CONTRACTOR cannot be made for economic or technical reasons, in particular concerning interchangeability or interoperability of the equipment, services or systems, ordered as part of the basic order;
  - b. change of the CONTRACTOR would cause a significant nuisance or substantially increase the costs for the BUYER;

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- c. the value of each next change does not exceed 50% of the value of the order (CONTRACTUAL PRICE) initially specified in the CONTRACT.
22. change does not lead to change in the nature of the CONTRACT and the following conditions are met together:
- a) the need to change the CONTRACT is caused by circumstances which the BUYER, acting with all due diligence, could not have foreseen;
  - b) the value of the change does not exceed 50% of the value of the order (CONTRACTUAL PRICE) initially specified in the CONTRACT;
23. The CONTRACTOR with whom the BUYER has concluded the CONTRACT is to be replaced by a new contractor:
- a) on the basis of the provisions of this CONTRACT
  - b) as a result of a merger, division, transformation, bankruptcy, restructuring or acquisition of the previous CONTRACTOR or its enterprise, provided that the new contractor fulfills the terms of participation in the procedure, there are no grounds for exclusion against them and it does not involve any other material changes in the CONTRACT,
  - c) as a result of assuming the CONTRACTOR's obligations towards their subcontractors by the BUYER;
24. change does not lead to change in the nature of the CONTRACT and the total value of the changes is lower than EUR 5,225,000 in the case of orders for construction works or EUR 209,000 in the case of orders for deliveries and services, and at the same time is lower than 10% of the CONTRACTUAL PRICE originally specified in the CONTRACT in the case of orders for services or deliveries or, in the case of orders for construction works, is smaller than 15% of the order value initially specified in the CONTRACT.

8.2 In the cases specified above in item 1 - 24 it is possible, in particular, to change the way of performance, the CONTRACTUAL TIME SCHEDULE, the Technical Specifications, the price, change materials and the technology of performing the WORKS and/or EQUIPMENT in the scope as adequate to the reason causing the need for the change.

8.3 Changes to the CONTRACT require a mutual agreement of both Parties and a conclusion of an annex in writing, under pain of nullity.

## **9 - WITHDRAWAL FROM THE CONTRACT**

9.1 The BUYER has the right to withdraw from this CONTRACT in the case of a gross breach of the provisions thereof by the CONTRACTOR, particularly in the case of:

- a) Non-performance or material improper performance of the WORKS AND/OR EQUIPMENT by the CONTRACTOR, particularly in the case of non-conformity with the technical specification (Appendix no. 1 and 13), construction practices, in the case of using any technology, materials, subassemblies and devices with: (i) inadequate quality, (ii) used, (iii) without approvals for use in Poland or not suitable for use or not accepted for use in the WORKS AND/OR EQUIPMENT (iv) inconsistent with the CONTRACT and its appendices;
- b) A significant delay in performance of the WORKS AND/OR EQUIPMENT by the CONTRACTOR as compared to the contractual events described in the CONTRACTUAL TIME SCHEDULE;
- c) A serious breach of OHS principles, in particular, in the case of a serious, fatal or collective accident at work, or any hazard of such accident being caused;

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- d) A crime committed by the employees, managers, co-workers of the CONTRACTOR against the interests (including property and employees) of the BUYER, or such attempted crime;
  - e) Breach of section 7.6. of the CONTRACT by the CONTRACTOR;
  - f) Breach of section 7.2 - 7.5 of the CONTRACT by the CONTRACTOR;
  - g) Failure to transfer the intellectual property rights to the BUYER, in the scope required by the CONTRACT and the GENERAL CONDITIONS
  - h) a justified statement that the CONTRACTOR's financial situation could be interpreted as preventing proper implementation of the given CONTRACT by the CONTRACTOR, in particular in the event of withholding or ceasing, for no valid reason, payments to the subcontractors, prolonged or repeated material shortcomings in the CONTRACTOR's personnel, seizures of liabilities owed to the CONTRACTOR from the BUYER, seizures of the CONTRACTOR's assets introduced to the SITE.

9.2 The BUYER is entitled to withdraw from the CONTRACT in case of termination, by any party and for any reason, of the Project Co-Financing Agreement, concluded between the BUYER and the National Centre for Research and Development;

9.3. The term for executing the right of withdrawal in any of the cases mentioned above is 120 days from the day of BUYER becoming aware of the event or the CONTRACTOR's behaviour authorizing the BUYER to withdraw from the CONTRACT. (subject to any other provisions of the Occupational Health and Safety Agreement).

9.4 Before exercising the right of withdrawal, the BUYER shall call the CONTRACTOR to remove the breach or duly perform the CONTRACT, under pain of withdrawal, fixing an additional term not longer than 30 days. In the event of ineffective expiration of this term, the BUYER shall be authorized to submit the statement on withdrawal from the CONTRACT. If the removal of the breach of the CONTRACT or duly performance of the CONTRACT by the CONTRACTOR is not possible, the BUYER is entitled to submit the statement of withdrawal without the necessity to summon the CONTRACTOR, according to first sentence above.

9.5 The exercised contractual right of withdrawal causes effects for the future (ex nunc), which means that exercising of this right refers to the part of the CONTRACT not performed until issuance of the withdrawal statement by the BUYER. If any part of the CONTRACT was performed defectively, the BUYER shall be entitled, upon their discretion, either to keep defective WORKS and/or EQUIPMENT with the decrease of the remuneration due for such WORKS and/or EQUIPMENT by the value of existing defects or to extend the withdrawal for the part of the CONTRACT performed defectively.

9.6 Within 7 days from withdrawal, the BUYER and the CONTRACTOR shall start the inventory and shall perform the inventory and valuation of the WORKS AND/OR EQUIPMENT properly made or delivered to the SITE before withdrawal from the CONTRACT. If the CONTRACTOR does not participate in the inventory and valuation within the deadline mentioned above, or despite of participation impedes the inventory and valuation or does not cooperate with the BUYER, the BUYER shall be entitled to perform the inventory and valuation on their own and the result of BUYER's actions shall be binding to the CONTRACTOR.

9.7 Based on the inventory and valuation mentioned in clause 9.6 above, the BUYER will pay the CONTRACTOR solely the remuneration for WORKS and/or EQUIPMENT properly performed or delivered to the SITE before withdrawal, if their value exceeds the remuneration paid to the CONTRACTOR to date. If the value of the WORKS and/or EQUIPMENT properly performed or delivered before withdrawal is lower than the remuneration received by the CONTRACTOR, the CONTRACTOR shall return the difference to the BUYER, within 14 days from the date of inventory and valuation. If the BUYER decides, pursuant to

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clause 9.5, 2<sup>nd</sup> sentence above, to keep the part of WORKS and/or EQUIPMENT made defectively, remuneration due to the CONTRACTOR will be decreased by the value of existing defects.

9.8 The BUYER shall retain the intellectual property rights that they have acquired from the CONTRACTOR until the time of withdrawal. Under the final settlement, the CONTRACTOR is obliged to transfer to the BUYER any intellectual property rights not transferred so far to the BUYER, if related to the provided WORKS AND/OR EQUIPMENT.

9.9 In the case of withdrawal from the CONTRACT, the CONTRACTOR is obliged to leave the SITE, removing their whole equipment and restoring the area of the works to order, within 21 days from the day of withdrawal.

9.10 Subject to clause 9.11 below, introduction of withdrawal right for the BUYER, stipulated in this clause 9 does not revoke or limit in any manner BUYER's rights to withdraw or to terminate the CONTRACT in full or in part (also for the reasons different than stipulated in clauses 9.1 and 9.2 above) to which the BUYER is entitled under provisions of LAWS in particular the civil code or CONTRACT (including GENERAL CONDITIONS). The BUYER is entitled to exercise such rights independently from the rights stipulated in this clause 9. In such case clauses 9.5 - 9.9. apply accordingly.

9.11 In case of BUYER's withdrawal based on provisions of law, the BUYER is entitled, upon their discretion, to withdraw from the whole CONTRACT or from the part of the CONTRACT not performed until submission of the withdrawal statement by the BUYER. In case of withdrawal by the BUYER from the part of the CONTRACT, provisions of clauses 9.5 - 9.9 shall apply accordingly.

9.12 The BUYER shall retain the right to claim liquidated damages as specified in the CONTRACT, despite from withdrawal from the CONTRACT (regardless of statutory or contractual withdrawal) and in case of termination of the CONTRACT in cases stipulated in law.

## **10 - INTELLECTUAL PROPERTY RIGHTS**

### **Transfer of proprietary copyright to the DOCUMENTATION and the DEVELOPMENTS.**

10.1 Upon completion of each contractual event, specified in Appendix no. 3, the CONTRACTOR is obliged to deliver to the BUYER the DOCUMENTATION and the DEVELOPMENTS they have generated as part of the WORKS AND/OR EQUIPMENT. The DOCUMENTATION shall be provided in the form of printouts as well as in the form of data files, in PDF format as well as in editable format (e.g. technical drawings).

10.2 Transfer of the proprietary copyright to the DOCUMENTATION shall apply to the fields of exploitation specified in Article 50 item 1 - 3 of the Act of 4 February 1994 on copyright and related rights as well as the areas of exploitation specified in item 31.2.2. of the GENERAL CONDITIONS.

10.3 Transfer of the proprietary copyright to the DEVELOPMENTS shall apply to the areas of exploitation specified in Article 50 item 1 - 3 of the Act of 4 February 1994 on copyright and related rights as well as the areas of exploitation specified in item 31.4.1. of the GENERAL CONDITIONS.

10.4 The CONTRACTOR undertakes to ensure that natural persons (authors) of the DOCUMENTATION or the DEVELOPMENTS shall allow the BUYER to introduce modifications, changes and adaptations to the DOCUMENTATION and that the authors shall not exercise personal rights, especially with regard to inviolability of content and form of the work and reliable use of the work.

### **Transfer of the proprietary copyright or grant of the license to the SOFTWARE.**

10.5 STANDARD SOFTWARE: Upon notification of the readiness of the WORKS AND/OR EQUIPMENT for the first operation to the BUYER (item 17 of the GENERAL CONDITIONS) the CONTRACTOR grants the BUYER the license, (sublicense) for the STANDARD SOFTWARE, with the globally effective territorial

range, binding for indefinite time. The provisions of the GENERAL CONDITIONS shall apply in the remaining scope, including item 31.5.1.

10.6 SPECIFIC SOFTWARE: Upon notification of the readiness of the WORKS AND/OR EQUIPMENT for the first operation to the BUYER (item 17 of the GENERAL CONDITIONS) the CONTRACTOR transfers to the BUYER the proprietary copyright to the SPECIFIC SOFTWARE, on the areas of exploitation specified in Article 74 and 75 of the Act of 4 February 1994 on copyright and related rights and on the areas of exploitation specified in item 31.5.2 of the GENERAL CONDITIONS.

10.7 CONTRACTOR'S SOFTWARE: Upon notification of the readiness of the WORKS AND/OR EQUIPMENT for the first operation to the BUYER (item 17 of the GENERAL CONDITIONS) the CONTRACTOR grants the BUYER the license for the CONTRACTOR's SOFTWARE, with the globally effective territorial range, binding for indefinite time. The provisions of the GENERAL CONDITIONS shall apply in the remaining scope, including item 31.5.3.

10.8 The CONTRACTOR undertakes to ensure that the authors (natural persons) of the SPECIFIC SOFTWARE and the CONTRACTOR's SOFTWARE shall allow the BUYER to introduce modifications, changes and adaptations and that the authors shall not exercise personal rights, especially with regard to inviolability of content and form of the work and reliable use of the work.

**11 - CONTRACTOR'S LIABILITY**

The CONTRACTOR'S liability is limited to 125% of the CONTRACTUAL PRICE. The other provisions concerning liability indicated in the GENERAL CONDITIONS (Article 27) remain unaffected.

**12 – REPRESENTATIVES OF THE PARTIES**

Representatives of the BUYER

The representatives of the BUYER in matters related to the performance of this CONTRACT shall be the following persons:

person	function	contact details

Representatives of the CONTRACTOR

The representatives of the CONTRACTOR in matters related performance of this CONTRACT shall be the following persons:

person	function	contact details

Any change of the details indicated in this Article 12 does not require an annex to the CONTRACT and shall be made on the basis of the Party's statement.

**13 – ADDITIONAL PROVISIONS.**

13.1 The CONTRACTOR is not authorized to sell any liabilities, due to them from the BUYER, to third parties without a prior, written consent of the BUYER.

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13.2 The inability of any of the PARTIES to enforce one or more of the provisions contained in this CONTRACT in one or more cases may not be interpreted as this Party's waiver of their rights.

13.3 Should any of the provisions of this CONTRACT be acknowledged as invalid, unlawful or unenforceable, this fact shall not affect validity, lawfulness or enforceability of the remaining provisions. These other provisions shall be fully effective, as if the invalid, unlawful or unenforceable provision has never been part of the CONTRACT, and in this case the PARTIES agree to correct the CONTRACT in good faith, to achieve the effects that were originally agreed by the PARTIES.

13.4 Any possible links and added text in this CONTRACT are given only for information purposes and shall in no case have any contractual meaning.

13.5 The provisions of the Polish Civil Code shall apply in any cases not regulated herein.

13.6 The CONTRACT is governed by the Polish law.

13.7 The competent court for settlement of any disputes resulting from the present CONTRACT is the court of the seat of the BUYER (Dąbrowa Górnicza, Poland).

13.8 Polish language version of the CONTRACT prevails.

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This CONTRACT has been executed in two (2) counterparts, one for each of the PARTIES, on [\_\_].

**For the BUYER**

**For the CONTRACTOR**

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Surname:

Position:

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Surname:

Position:

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Surname:

Position:

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Surname:

Position:

**APPENDIX 1**

**Technical Specification of the BUYER / guaranteed performances**

[ • ]

**APPENDIX 2**

**CONTRACTUAL TIME SCHEDULE**

<b>Item</b>	<b>Task / Description</b>	<b>Maximum time</b>	<b>LD</b>
1.	Signing the Order / Contract	J	
2.	Submission of the Quality Assurance Plan	J + .....weeks	
3.	Submission of the draft OSH Plan and execution of works (description of all activities – method of plant construction, equipment used, list of sub-contractors, etc.)	J + .....weeks	
4.	Preparation of the detailed design of the ladle, agreed upon and approved by AMP	J + .....weeks	LD according to point 6.1.a
5.	Development of the detailed design for the steel transfer cars and arms of the COS turret agreed upon and approved by AMP	J + .....weeks	
6.	Commencement of works: prefabrication of steel transfer cars, arms of COS turret, racks, covers, crane hooks, dismantling, assembly, preparation of terrain for investments Inside and outside the hall	J + .....weeks	
7.	Submitting to the authorities with the required documentation in order to obtain the building permit decision	J + .....weeks	
8.	Preparation, agreement and approval of OHS documents and POR, IWBR, PZJ, detailed schedule and other necessary documents for the whole investment task with representatives of the plant and the project team.	J + .....weeks	
9.	Preparation of the detailed design of VTD installation, agreed upon and approved by AMP	J + .....weeks	LD/RD according to point 6.1.a
10.	Commencement of works: prefabrication of VTD elements, disassembly, assembly, site preparation for investments Inside and outside the hall	J + .....weeks	
11.	Commencement of works related to the power supply of steel transfer cars	J + .....weeks	
12.	<b>Acquisition of 16 ladles at the Cracow plant to be further equipped in accordance with the scope of the order</b>	J + .....weeks	

13.	Obtaining the relevant permits required by national legislation (Building permit)	J + .....weeks	
14.	Commencement of the works according to the building permit for the VTD installation	J + .....weeks	
15.	Completion of the equipment of ladles and steel transfer cars, building on the plant covers, stands, hooks and other equipment cooperating with the new ladles and steel transfer cars.	J + .....weeks	
16.	Commissioning of ladles and steel transfer cars (during plant's standstill) together with the replacement of the COS turret arms.	J + .....weeks	
17.	Completion of the installation works of VTD installation	J + .....weeks	
18.	Cold start	J + .....weeks	
19.	Hot start (first heat)	J + .....weeks	
20.	End of the 30-day performance test	J + .....weeks	LD according to point 6.1.a
21.	<b>Signing the final acceptance protocol</b>	J + .....weeks	

J - Date of Contract entry into force

### **APPENDIX 3**

#### **Terms of payment**

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

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%	<p>Delivery of a bank guarantee to the Buyer securing Buyer's claims for the return of the advance payment.</p> <p>Validity date of a bank guarantee: until the moment of signing by the Parties of the final receipt protocol of WORKS and/or EQUIPMENT</p>



				Value of bank guarantee: 10%
2	Development and submission together with AMP approval of the detail design of Ladles (DE- Detail Engineering)	J + ...weeks	5%	
3	After receiving the full documentation, after receiving a valid building permit, BE + DE (BE-Basic Engineering, DE - Detail Engineering)	J + ...weeks	5%	
4	Pro-rata DDP delivery & erection at site (billing schedule to be agreed)	J + ...weeks	50%	Delivery on a monthly basis, based on the acceptance protocol based on the approved billing schedule
5	upon R.F.I.O. (Readiness For Initial Operation)	J + ...weeks	10%	
6	Industrial Commissioning	J + ...weeks	10%	
7	After signing 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: 12 months from signing by the Parties of After signing of the acceptance protocol of WORKS and/or EQUIPMENT.</p> <p>Value of bank guarantee: 10%</p>

J- date of contract entry into force

#### APPENDIX 4

#### **Breakdown of the price of the WORKS AND/OR EQUIPMENT**

Pos.	ITEMS	Weight	Quantity	Price	Currency
1	Engineering				

2	<b>Vacuum Degasser</b>				
2.1.	Vacuum Degasser Vessel-Tank, membrane in tank bottom, support structures -complete system				
2.2.	Vacuum Degasser Cover				
2.3.	Heat Shield				
2.4.	Splash Shield				
2.5.	Refractory (without ladles)				
2.6.	Vacuum Cover Car/Other arrangement like platform, structure-Full system				
2.7.	Vacuum Shut off valve				
2.8.	Vacuum Suction Line - Complete system with flanges etc				
2.9.	Fumes duct system				
2.10.	Bag Filter- complete system				
2.11.	Vacuum Pumps system - All stages and complete system including filters, interconnecting ducting, valves, compensator, exhaust pipes, broken bag detector, electrical & automation items etc.				
2.12.	Auxiliary system- Coupling, wire feeder, automatic measuring and sample, Hydrogen measuring etc.				
2.13.	Service System- Hydraulic Unit with piping, Nitrogen system, compressed air system, VD cooling system complete, stirring system				
2.14.	Oxygen ceramic lance complete system, oxygen flow control, lance movement control, platform, hoses ,electrical ...				
17	<b>Material Feeding System</b>				
17.1	Silos				
17.2	Vibro feeders				
17.3	Weighing system				
18	<b>Electrical &amp; Automation system</b>				
18.1	Motors, Cables & other items				
18.2	Power Distribution ,MCC ...				
18.3	Automation				
18.4	Operating & monitoring system				
18.5	UPS				
18.6	Earthing system				
18.7	Auxiliary systems like, heating, ventilation, air conditioning, lighting, Gas leak detection etc..				
18.8	Level 2				
18.9	Any other items to complete the system				

19	<b>Civil &amp; Structural</b>				
19.1	General Steel Structure				
19.2	Operating Platforms				
19.3	Concrete				
19.4	Reinforcement steel				
19.5	Piping				
20	<b>Water Treatment Plant</b>				
21	<b>Utilities &amp; Services</b>				
22	<b>Ladle covers</b>				
23	<b>Modifications of existing facilities : ladle turret, 14 hooks on 7 gantry cranes, stands replacement, vertical &amp; horizontal covers for preheaters)</b>				
24	<b>New ladle cars</b>				
25	<b>Erection</b>				
26	Supervision for erection				
27	Supervision for commissioning				
28	Training				
29	<b>Spare Parts</b>				
29.1	Operating Spares				
29.2	Commissioning spares				
29.3	2 year spares				
30	<b>Building permit, environmental report, approvals, obtaining all administrative decisions, including the use permit, transferring the required certificates, etc certificates, etc.</b>				
	<b>Total</b>				

#### Appendix 5

#### Description of insurance requirements

The CONTRACTOR shall provide the following insurance:

- 
- a. Local compulsory insurance required by the law;
  - b. Insurance policy concerning Errors and Omissions (Business Liability Policy);
  - c. Transport insurance (maritime transport);
  - d. General Civil Liability Insurance (together with Public Liability - third party liability) and Product Liability.

The CONTRACTOR is obliged to maintain all insurances throughout the whole validity term of the CONTRACT. At any moment the CONTRACTOR, at the request of the BUYER, shall present insurance policies along with the evidence of payment of the premiums.

The insurance policy, apart from the information required by the GENERAL CONDITIONS, shall contain the following information:

- Summary of the scope the Insurance Policy covers.
- Limit of damages per event and the general sum.
- Deductibles.
- Duration of insurance
- Name of the Insurer
- Names of the Insured Parties (the BUYER should be included here as co-insured)
- Territorial limits

**The BUYER shall provide** insurance against any risk with regard to construction ("IBAMS" – Insurance for ArcelorMittal suppliers). Any insurance provided by the BUYER shall not release the CONTRACTOR from the obligation to provide their insurance, at least in the scope indicated in the CONTRACT.

If necessary, the BUYER shall provide the following data to the CONTRACTOR:

- Summary of the scope of the policy.
- Limit of damages per event and the general sum.
- Deductibles
- Duration of insurance
- Territorial limits

In the event of any damage, respective deductible amounts shall charge the PARTY who has caused the damage, both directly or through their employees, representatives, attorneys and/or subcontractors.

**Description of the policies that are to be provided by the CONTRACTOR:**

- a. Local insurance together with compulsory insurance required by the law:
  - Employee damages (Employer's Liability),
  - Health insurance / employee treatment costs coverage and Insurance for emigrants,
  - Transport damages insurance (liability for travel in mechanic vehicles],
- b. Errors and Omissions Policy (Business Liability Policy)

Errors and Omissions Policy (Business Liability Policy) is the maximal limit in the amount of EUR 10 million per each damage. This policy is compulsory for the CONTRACTOR delivering, in any form, the documentation and/or the Design service (made alone or using subcontractors, e.g. design offices), regardless of whether they are then the contractor of the given scope or not. The objective of this provision

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is to secure proper coverage of any costs that may arise due to a badly prepared design, specifications, non-compliance with the law etc.

**c.** Transport insurance: – insurance covering losses or damage to property during transport:

Depending on the incoterm applicable to the CONTRACT the CONTRACTOR may transport at its own expenses and risks all goods related to the WORKS and/or EQUIPMENT.

CONTRACTOR has to take out a transport insurance open cover which will allow him to cover the goods during their transport and their storage in course of transit whatever the mean of transport used (truck, train, barge, vessel or plane).

Specifically for marine transport, the following minimum requirements apply:

- a) Sum insured : 110 % of the total value of the goods any one conveyance
- b) Scope of cover:
  - a. All risks for project cargo and flat products
  - b. All risks without rust (Free of Particular Average Extended) for long products (unless this rust is caused by a contamination, shipwreck, collision, sinking, fire, discharge in a port of distress)
  - c. Free of Particular Average for raw material (the damages are covered only if they are caused by a shipwreck, collision, sinking, fire and discharge in a port of distress). Of course, the theft, none or partial delivery and contamination must be covered if due by the transport.
  - d. Equivalent ICC (Institute Cargo Clause) A, B and C.
  - e. This insurance cover must provide a warehouse to warehouse cover depending on the incoterm used. At the receiving warehouse, the shipment has to be inspected by a Warranty Surveyor (or an Inspection Agent) paid for by the CONTRACTOR.
  - f. The vessel must meet the criteria given by the BUYER's Vessel Screening procedure (here enclosed)
  - g. The vessel chosen by the CONTRACTOR has to be proposed at least 10 (ten) days before shipment to the BUYER. If the vessel does not meet the criteria of the BUYER's Vessel Screening procedure, another vessel should be proposed in substitution of the first one.
  - h. If it is unavoidable to load the cargo on deck, the BUYER must be informed and the CONTRACTOR has to take the appropriate and necessary measures to put in place an adequate packing.

Additionally,

- The deductible shall not exceed USD 5,000 per claim
- The CONTRACTOR must ensure adequate packing of the goods
- The CONTRACTOR must submit to the BUYER, for its approval, details of the conditions of its Transport insurance open cover no less than 30 (thirty) days before any shipment.

**d.** General Civil Liability Insurance (together with Public Liability - third party liability) and Product Liability.

- For damage caused to the BUYER and third party that has been caused by activity being in connection with the performance of the WORKS AND/OR EQUIPMENT,
- For damage caused with damaged equipment (Product Liability and Completed Operations).
- Territorial limit in the country the contract applies to.

- Total Insurance Minimum is EUR 5,000,000 per event with annual accumulation up to EUR 15,000,000 (the BUYER should be informed at the moment of reaching 50% of the aggregation)].

Policies which are required by the BUYER	Scope of coverage required by the BUYER for all the policies bought by the CONTRACTOR	Comment
<p><b><u>Local, compulsory insurance:</u></b> (with regard to legal regulations of the given country)]</p>	<p>Employee Damages (Employer's Liability), Medical and Health Costs Insurance, and Insurance for emigrants. Property damage</p> <p>Car Civil Liability Insurance - transport damages insurance (liability for travel in vehicles)</p>	<p>according to legal regulations in force</p>
<p><b><u>Error and omission policy (Business Liability Policy)</u></b></p>	<p>Insurance limit to the maximum of EUR 10 million per each damage and per contract</p> <p>Contractual Civil Liability (default or improper performance of the obligations:</p> <p>The Contractor shall be obliged to conclude and present this insurance policy for the amount of at least EUR 10,000,000 within 1 month from the date of signing the contract.</p>	<p>Minimum insurance amount: EUR 10,000,000 per each event</p>

<p><b><u>c. Transport Insurance (Maritime Transport):</u></b></p>	<p>a) Sum insured : 110 % of the total value of the goods any one conveyance</p> <p>b) Scope of cover:</p> <p>a. All risks for project cargo and flat products</p> <p>b. All risks without rust (Free of Particular Average Extended) for long products (unless this rust is caused by a contamination, shipwreck, collision, sinking, fire, discharge in a port of distress)</p> <p>c. Free of Particular Average for raw material (the damages are covered only if they are caused by a shipwreck, collision, sinking, fire and discharge in a port of distress). Of course, the theft, none or partial delivery and contamination must be covered if due by the transport.</p> <p>d. Equivalent ICC (Institute Cargo Clause) A, B and C.</p> <p>e. This insurance cover must provide a warehouse to warehouse cover depending on the incoterm used. At the receiving warehouse, the shipment has to be inspected by a Warranty Surveyor (or an Inspection Agent) paid for by the CONTRACTOR.</p> <p>f. The vessel must meet the criteria given by the BUYER's Vessel Screening procedure (here enclosed)</p> <p>g. The vessel chosen by the CONTRACTOR has to be proposed at least 10 (ten) days before shipment to the BUYER. If the vessel does not meet the criteria of the BUYER's Vessel Screening procedure, another vessel should be proposed in substitution of the first one.</p> <p>h. If it is unavoidable to load the cargo on deck, the BUYER must be informed and the CONTRACTOR has to take the appropriate and necessary measures to put in place an adequate packing.</p> <p>Additionally,</p> <ul style="list-style-type: none"> <li>- The deductible shall not exceed USD 5,000 per claim</li> <li>- The CONTRACTOR must ensure adequate packing of the goods</li> <li>- The CONTRACTOR must submit to the BUYER, for its approval, details of the conditions of its Transport insurance open cover no less than 30 (thirty) days before any shipment.</li> </ul>	
<p>General Insurance (including Civil Liability – third party obligations – and Product Liability)</p>	<p>Tort civil liability insurance</p> <p>Total Insurance Minimum is EUR 5,000,000 per event with annual accumulation up to EUR15,000,000 (the BUYER should be informed at the moment of reaching 50% of the aggregation.</p>	<p>Insurance amount: min. EUR 15,000,000</p>

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<p>For damage concerning the BUYER and third parties, which results from any actions associated with performance of the WORKS AND/OR EQUIPMENT</p> <ul style="list-style-type: none"><li>- For damage caused by defective equipment (Product and Completed Actions Liability).</li><li>- Territorial limit in the country the contract applies to].</li></ul>		
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**Templates of bank guarantees**

**6.1 – TEMPLATE OF BANK GUARANTEE PAYABLE ON FIRST DEMAND SECURING THE CLAIMS FOR DEFECTS**

(name and address of the beneficiary)

**GUARANTEE PAYABLE ON FIRST DEMAND SECURING THE CLAIMS FOR DEFECTS**

no. ....

We have been informed that ArcelorMittal Poland S.A. having its registered office in Dąbrowa Górnicza (hereinafter referred to as "the Company") signed, on [ • ]. Contract no.: [ • ], the subject-matter of which is [ • ] (hereinafter referred to as the "Contract"), with the company [ • ] (hereinafter referred to as the "the Contractor") for the amount [ • ]

We have also been informed that, in accordance with the terms of the Contract, the Contractor is to provide a bank guarantee to the Company in the amount of [ • ] to secure **Company's claims resulting from statutory warranty for defects of the object of the Contract and Company's claims resulting from contractual quality guarantee granted by the Contractor, 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.**

In connection with the above, we, [name, KRS number and address of the bank] (hereinafter referred to as the "Bank"), acting to the order of the Contractor, hereby irrevocably and unconditionally undertake to pay each amount or amounts up to the total amount not exceeding:

[ • ]

(in words: [ • ])

upon receipt from the Company of the first written payment request containing a statement that the Contractor has not fulfilled their obligations towards the Company **resulting from statutory warranty for defects of the object of the Contract and Company's claims resulting from contractual quality guarantee granted by the Contractor, 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.**

In order to ensure credibility of the signatures, the written payment request should be sent to us to the address [ ] in one of the following ways: [ • ]

- through a key-protected SWIFT message (SWIFT code [ • ]), along with a confirmation from the Bank that they are in possession of the original payment request issued by the Company, signed by the authorized persons, and that the SWIFT order sent by this Bank accurately reflects the content of the Company's request, submitted under this guarantee, and the original of the request has been sent to the aforementioned address, or [ • ]
- through of the bank keeping the account of the Company which will confirm that the signatures affixed on the payment request have been made by the persons authorized to sign documents on behalf of the Company.

In the case of any payment made under this guarantee, the amount of our liability shall be automatically reduced by the amount of the payment effected.

The present performance bond shall become effective on the day of issuing and shall remain valid until [ • ]

Claims under the Bond shall be received by the Bank no later than on the last day of the validity term of the Bond. After this term or, in the case of an earlier payment of the full amount of the Bond, the Bond shall expire automatically and completely, regardless of whether its original has been returned to the Bank, or

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not. Return of the original Bond before the end of its validity term shall be understood as release of the Bank from their assumed obligations and an authorization to cancel the Bond.

Any assignment of the bond shall be deemed invalid unless made with our consent. This guarantee is subject to the Uniform Rules for Demand Guarantee URDG 2010 Revision No 758. All bank guarantees must be notified through ING Bank Śląski S.A., Swift INGBPLPW

## **6.2 – TEMPLATE OF BANK GUARANTEE PAYABLE ON THE FIRST REQUEST**

**(name and address of the beneficiary)**

### **GUARANTEE PAYABLE ON THE FIRST REQUEST no. ....**

We have been informed that ArcelorMittal Poland S.A. having its registered office in Dąbrowa Górnicza (hereinafter referred to as "the Company") signed, on [ • ], Contract no.: [ • ], the subject-matter of which is [ • ] (hereinafter referred to as the "Contract") with the company [ • ] (hereinafter referred to as the "the Contractor") for the amount [ • ]

We have also been informed that the Contractor shall receive advance payment in the amount of [ • ] from the Company after presentation of the bank guarantee for return of the advance payment, issued for the Company. [ • ]

In connection with the above, we, [name, KRS number and address of the bank] (hereinafter referred to as the "Bank"), acting to the order of the Contractor, hereby irrevocably and unconditionally undertake to pay each amount or amounts up to the total amount not exceeding:

[ • ]

(in words: [ • ])

upon receipt from the Company of the first written payment request containing a statement that the Contractor has not fulfilled their contractual obligations towards the Company and has not returned the advance payment paid by the Company in full or in part.

In order to ensure credibility of the signatures, the written payment request should be sent to us to the address [ • ] in one of the following ways: [ • ]

- through a key-protected SWIFT message (SWIFT code [ • ]), along with a confirmation from the Bank that they are in possession of the original payment request issued by the Company, signed by the authorized persons, and that the SWIFT order sent by this Bank accurately reflects the content of the Company's request, submitted under this guarantee, and the original of the request has been sent to the aforementioned address, or [ • ]
- through of the bank keeping the account of the Company which will confirm that the signatures affixed on the payment request have been made by the persons authorized to sign documents on behalf of the Company.

In the case of any payment made under this guarantee, the amount of our liability shall be automatically reduced by the amount of the payment effected.

The present performance bond shall become effective on the day of issuing and shall remain valid until [ • ]

Claims under the Bond shall be received by the Bank no later than on the last day of the validity term of the Bond. After this term or, in the case of an earlier payment of the full amount of the Bond, the Bond shall expire automatically and completely, regardless of whether its original has been returned to the Bank, or

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not. Return of the original Bond before the end of its validity term shall be understood as release of the Bank from their assumed obligations and an authorization to cancel the Bond.

Any assignment of the bond shall be deemed invalid unless made with our consent. This guarantee is subject to the Uniform Rules for Demand Guarantee URDG 2010 Revision No 758. All bank guarantees must be notified through ING Bank Śląski S.A., Swift INGBPLPW

**Appendix 7**

**Specific guarantee periods (differing from those specified in the GENERAL CONDITIONS)**

[ • ]

**Appendix 8**

**STANDARD SOFTWARE, CONTRACTOR'S SOFTWARE and SPECIFIC SOFTWARE**

9.1 – STANDARD SOFTWARE [ • ]

9.2 – CONTRACTOR'S SOFTWARE [ • ]

9.3 – SPECIFIC SOFTWARE [ • ]

**Appendix 9**

**List of spare parts**

**(provided by the CONTRACTOR according to the bid)**

[ • ]

**Appendix 10**

**List of parts subject to normal wear and tear and consumables**

**(provided by the CONTRACTOR for information purposes)**

[ • ]

**Appendix 11**

**List of authorized subcontractors**

[ • ]

**Appendix 12**

**List of tools and materials provided by the BUYER for the CONTRACTOR'S disposal**

[ • ]

**Appendix 13**

**CONTRACTOR'S TECHNICAL SPECIFICATION (together with tests and performances of the WORKS AND/OR EQUIPMENT)**

[ • ]