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**THE GENERAL TERMS AND CONDITIONS OF AGREEMENTS WITH PJSC ALROSA AND
RELATED PARTIES BASED ON THE RESULTS OF PROCUREMENT**

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1 **REGULATION. SCOPE OF DOCUMENTS**

1.1 **Regulatory Documents**

1.1.1 The following documents shall govern the relations between the **Company** and the Counterparty (hereinafter referred to as the **Counterparty**):

- (1) These General Terms and Conditions (hereinafter referred to as the **General Terms and Conditions**)
- (2) Terms and conditions that apply to certain agreements or relations (Section 1.2) (hereinafter referred to as the **Specific Terms and Conditions**)
- (3) The Agreement (hereinafter referred to as the **Agreement**).

Company – PJSC ALROSA or any other legal entity from the list of related parties of PJSC ALROSA. The name of the Company and its details are set out in the Agreement.

1.1.2 The General Terms and Conditions and applicable Specific Terms and Conditions, along with the terms and conditions set forth in the Agreement, shall constitute the terms and conditions of the Agreement. The Specific Terms and Conditions shall supplement the General Terms and Conditions. The Agreement shall supplement the General and Specific Terms and Conditions. In particular, the requirements for the Counterparty, the procedure for the performance of its obligations, goods, works, services being the subject of the obligations, sanctions and other consequences of the Counterparty's default, representations regarding the circumstances provided for by the law, the General Terms and Conditions, the Specific Terms and Conditions or the Agreement, respectively, shall be deemed complementary if they differ from each other.

The provisions of Paragraphs 1.1.3–1.1.4 shall apply to:

- (1) The requirements for the Counterparty
- (2) The requirements for the procedure for the performance of obligations by the Counterparty
- (3) The requirements for goods, works, services that are the subject of obligations
- (4) Sanctions and other consequences of the Counterparty's default
- (5) Representations regarding the circumstances —

only if it obviously follows from the substance of specific provisions.

1.1.3 In case of inconsistencies between certain provisions of the General Terms and Conditions, the Specific Terms and Conditions and the Agreement, the relevant Agreement provisions shall apply.

1.1.4 In the event of any inconsistencies between the General Terms and Conditions and the Specific Terms and Conditions, the latter shall apply.

1.2 **Specific Terms and Conditions**

1.2.1 Particular Specific Terms and Conditions or several Specific Terms and Conditions or separate provisions thereof may be applied to specific relations.

1.2.2 The particular Specific Terms and Conditions applicable to the relationship with the Counterparty shall be determined by the Agreement. In cases provided for by the Specific Terms and Conditions determined by the Agreement, other Specific Terms and Conditions or

certain provisions thereof that are not directly provided for by the Agreement may apply to the relations of the parties. The Specific Terms and Conditions shall not apply unless they are provided for by the Agreement.

2 **PRICE. TERMS OF PAYMENT**

2.1 **Price**

2.1.1 The price for the goods, works, and services (hereinafter referred to as the **Price**) shall be determined by the Agreement. The total value of all goods, works, services being the subject of the Counterparty's obligations shall be the **Price of Agreement**. In the event that the Agreement provides for the performance of the Counterparty's obligations based on the underlying documents referred to in Paragraph 3.2.1(1) and/or Paragraph **Ошибка! Источник ссылки не найден.** (the Agreement is a framework one), the Price of Agreement shall mean:

- (1) The total (maximum) value of all goods, works, services, and intellectual property that can or must be transferred under the Agreement
- (2) The total value of goods, works, services, and intellectual property subject to transfer under the underlying documents, under which the obligations of the Copunterparty have not been terminated due to the complete proper fulfilment as of the date of the grounds for the application of the Price of Agreement in cases stipulated by the Agreement, the General Terms and Conditions, and the Specific Terms and Conditions when liability is applied.

2.1.2 The Price shall include, inter alia, all taxes, duties and other statutory mandatory payments and expenses of the Counterparty under the Agreement, i.e. transportation costs, the cost of containers, packaging, labelling, loading, unloading, and materials used by the Counterparty to perform its obligations hereunder (hereinafter referred to as the **Materials**), delivery of experts, remuneration for the alienation of the exclusive right, remuneration for the transfer of the right to use the intellectual property under a license and any other Counterparty's costs and expenses.

2.1.3 The Counterparty shall not be entitled to increase the Price unilaterally.

2.1.4 The Company shall pay for the goods, works, and services in RUB at the exchange rate of the Central Bank of the Russian Federation as of the payment date if all the following conditions are met:

- (1) The Price is specified in a foreign currency; and
- (2) The Counterparty has been incorporated in the Russian Federation.

2.1.5 Unless otherwise expressly provided by the Agreement, the Company shall not pay, and the Counterparty shall have no right to demand the payment of the amount of money or compensation for damages for the provision to the Company of the right:

(1) to enter into one or several agreements and (or) the right to claim from the Counterparty the performance of the actions specified by the agreement, including under the Documents established in Paragraph 3.2 of the General Terms and Conditions (to deliver goods / perform works / render services)

(2) to change the terms and conditions of the agreement, including those relating to the name and quantity of goods/works/services (Paragraph **Ошибка! Источник ссылки не найден.**);

(3) unilateral withdrawal from the agreement (refusal to perform under the agreement).

2.2 **The Company's Right to Change the Quantity of Goods/Works/Services.**

2.2.1 If it is provided for by the Agreement, the Company has the right to unilaterally change the quantity of Goods, works, services (both upward and downward), for one or several items of Goods, works, services. The quantity of Goods, works, services is changed within the part of the Price of Agreement specified in the Agreement (determined as a percentage of the Price of Agreement).

2.2.2 The Company can send a notification of a decrease in the volume of Goods, works, services before the the deadline for the fulfilment of the obligations expires. Upon the receipt of the Company's notification, the obligations of the Parties to fulfill the obligations with respect to such Goods, works, services are terminated. The notification must indicate the name and quantity of Goods, works, services, the obligations for which are terminated.

2.2.3 The notification of an increase in the volume of Goods, works, services must indicate:

- (1) Name of Goods, works, services
- (2) Quantity of additional Goods/works/services
- (3) the deadline for the fulfillment of obligations in relation to these Goods, works, services (the deadline for the fulfillment must be reasonable, but cannot exceed a period of time equal to the period established from the date of the conclusion of the Agreement until the fulfillment of the initial obligation).

The Counterparty who received a notification of an increase in the volume of Goods, works, services has no right to refuse to perform the Agreement in terms of the additional volume of Goods, works, services declared by the Company at the prices set out in the Agreement. The notification can be sent before the Counterparty fulfills all obligations.

2.3 **General Provisions of Payment to Counterparties**

2.3.1 The Agreement may provide for one of the payment options defined in the General Terms and Conditions (Section **Ошибка! Источник ссылки не найден.**) or the Specific Terms and Conditions. If the Counterparty under the Agreement delivers the goods, performs work and/or renders services at the same time, the payment option stipulated by the Agreement shall apply to all the Counterparty's obligations. The Parties may provide that different payment options shall apply to the delivery of goods, performance of work and/or rendering of services. If no payment option is stipulated by the Agreement, the *Lump Sum payment upon the performance of all obligations* (Paragraph 2.4.1) shall apply.

2.3.2 The deadline for payments to be made by the Company after the Counterparty's performance of its obligations (e.g., payments stipulated by Paragraphs 2.4.1 - 2.4.3) (hereinafter referred to as the **Post-Performance Payments**) shall be calculated from the date on which the Counterparty is deemed to perform its payable obligation (hereinafter referred to as the **Due Date**). The procedure for determining the Due Date shall be defined in the Special Terms and Conditions or in the Agreement.

2.3.3 The Company shall make the Payments after the performance of obligations if all the following conditions are met:

- (1) The Company received the confirming documents provided for by the General Terms and Conditions, Specific Terms and Conditions and/or the Agreement (hereinafter referred to as the **Confirming Documents**), to be delivered by the Counterparty:

- (i) together with the goods or after the delivery thereof; or
 - (ii) following the performance of works, service delivery; and
- (2) if the parties signed the Confirming Documents requiring signature.

In respect of the last consignment of goods or the stage (period) of performance of works and/or rendering of services, the Confirming Documents shall also include a certificate confirming the fulfilment of all the Counterparty's obligations to deliver goods, perform works and /or render services under the form established by Appendix 2 to the General Terms and Conditions; and

- (3) The Company received the original commercial invoice (if the Counterparty is a VAT taxpayer); and
- (4) The Company received other documents to be delivered in connection with the performance of obligations under the Agreement is stipulated by law, the Specific Terms and Conditions and/or the Agreement, as well as the documents the absence of which is hindering or making impossible the use of the results of the Agreement performance (e.g., a vehicle certificate of title for a delivered vehicle, diagrams/drawings of communications and engineering systems laid by the Counterparty, etc.).
- (5) The Parties signed all amendments to the Agreement (if applicable)
- (6) The Counterparty submitted all adjustment documents (commercial invoices, certificates, KS-2, KS-3, etc.) and adjustment documents were accepted by the Company (if applicable).

If the Company pays under the letter of credit, the bank where the Company opened a letter of credit (hereinafter referred to as the **Issuer**) shall make Payments after the performance of obligations under the letter of credit only upon the Issuer's and Company's receipt of all the documents specified in this Paragraph 2.3.3. The Counterparty should submit the documents specified in Paragraph 2.3.3(2) hereof, signed by the Company, if required, to the Issuer.

If the terms and conditions specified in this Paragraph 2.3.3 are not met or have not expired within 3 business days upon their fulfilment at the time of the expiration of the specified payment period (hereinafter referred to as the **Payment Term**), the Payment Term shall be extended until the expiration of 3 business days upon their fulfilment.

- 2.3.4 The Due Date shall not prevent any Company's claims in respect of goods, works and /or services.

2.4 **Payments to Counterparties after the Performance of Obligations**

- 2.4.1 **Lump sum payment after fulfilling the obligations.** The Company shall pay the Price during the Payment Term from the Due Date for all obligations to supply goods, perform works and/or render services (hereinafter referred to as the **Due Date for All Obligations**).

- 2.4.2 **Payment by Instalments.** The Company shall pay the Price of:

- (1) *a consignment of goods* — within the Payment Term upon the Due Date for a separate consignment of goods
- (2) *a stage of works / services* — within the Payment Term upon the Due Date for the relevant stage of works / services.

2.4.3 **Payment by Periodic Payments.** The Company shall pay the Price of works / services performed (rendered) within the payable period (hereinafter referred to as the **Payable Period**) within the Payment Term upon the Due Date in respect of the works / services performed (rendered) within the Payable Period. The Payable Period shall equal to the calendar month.

2.4.4 The Payment Term shall be not later than the first business Thursday upon the expiration of 60 days. If the Counterparty is a small or medium-sized business entity and notified the Company thereof in advance prior to the conclusion of the Agreement providing the necessary confirming documents, the Payment Term shall be not later than the first business Thursday upon the expiration of 20 days.

2.5 **Advance Payment to Counterparties (Applied If Directly Stipulated by the Agreement)**

2.5.1 This Section **Ошибка! Источник ссылки не найден.** shall apply in exceptional cases to be determined under the Company's by-laws. The Company shall pay prior to the Due Date (hereinafter referred to as the **Advance Payment**) only if the relevant condition was established in the Agreement.

The amount of the Advance Payment shall be set in the Agreement. Unless otherwise specified, it is set as a percentage of the Price of Agreement ([Paragraph 2.1.1](#)).

2.5.2 The Company shall make the Advance Payment subject to all the following conditions:

- (1) The Counterparty has no overdue debt to the Company as well as has not breached the deadlines for other obligations under which the Company made an Advance Payment; and
- (2) As of the date of such payments, the Counterparty discharges all its obligations under the Agreement, including the provision of security for the obligation to return the Advance Payment; and
- (3) The Company received the documents required to make the payment (a bank guarantee, if applicable; other documents provided for by the General Terms and Conditions, Specific Terms and Conditions or the Agreement).

If the conditions specified in this Paragraph [2.5.2](#) are not met or have not expired within 3 business days upon their fulfilment at the time of the Advance Payment Period expiration, the Advance Payment Period shall extend until the expiration of 3 business days upon the fulfilment thereof.

2.5.3 If the Agreement is a framework one, i.e., a consignment of goods is delivered, a specific stage of work is performed or services are rendered on the basis of a document: (i) agreed by the Parties (Paragraph **Ошибка! Источник ссылки не найден.**; or (ii) unilaterally delivered by the Company (Paragraph [3.2.1\(1\)](#)), then:

- (1) The Advance Payment shall be made for the amount of the goods delivered, works performed or services rendered set forth in such a document. The Advance Payment amount fixed as percentage shall be calculated on the basis of the Price of the amount of the goods supplied, works performed or services rendered set forth in such document; and
- (2) The Advance Payment Period set forth by the Agreement shall be calculated from the date of the underlying document for a consignment of goods delivery, a stage of work performance or a stage of services rendering (Paragraph **Ошибка! Источник ссылки не найден.**) or from the date of the Counterparty's receipt of the document that the Company sends to the Counterparty unilaterally and which serves as the

grounds for a consignment of goods delivery, a stage of work performance or a stage of services rendering (Paragraph 3.2.1(1)).

2.5.4 If the Advance Payment set forth by the Agreement does not amount to 100% of the Price of Agreement (the Price for a consignment of goods, a stage of work or services in the cases stipulated by Paragraph **Ошибка! Источник ссылки не найден.**), the Advance Payment shall further be first offset against the payments to the Counterparty. The procedure and payment deadlines specified in Sections 2.3 and **Ошибка! Источник ссылки не найден.** shall apply to the remaining portion of the Price.

2.5.5 The Advance Payment Period shall be not later than the first business Thursday upon the expiration of 15 days and shall be calculated from the effective date of the Agreement, unless specified otherwise.

2.5.6 If the term of delivery, performance of work, provision of services is calculated from the Advance Payment date and the Company did not transfer it due to the circumstances specified in Paragraph 2.5.2, then the term of delivery, performance of work, provision of services is calculated from the date when the Advance Payment should have been made (Paragraph **Ошибка! Источник ссылки не найден.**).

2.6 **Early Payment**

If agreed by the parties accordingly, the Company shall have the right to make payment for the Payable Obligation prior to the last day of the Payment Term (hereinafter referred to as the **Payment Deadline**), while the Counterparty shall undertake to pay fee to the Company under the terms set forth in Appendix 1 (Early Payment Agreement) to the General Terms and Conditions.

2.7 **Payment Dates**

The date of payment shall be the date:

- (1) Of debiting the Company's settlement account with the relevant amounts in the event of the Company's payment to the Counterparty
- (2) Of crediting the Company's settlement account with the relevant amounts in the event of the Counterparty's payment to the Company.

2.8 **Consequences of the Company's Incomplete Payment for Goods, Works and/or Services**

Should the Company pay for goods, works and/or services in the amount less than that stipulated by the Agreement, the payment amount shall cover:

- (1) Firstly — the principal debt
- (2) Secondly — the interest for the use of funds, if it is provided for in the Agreement
- (3) Thirdly — the Counterparty's enforcement costs, penalties, and damages.

2.9 **No Set-Off and Assignment**

The Counterparty shall not be entitled to:

- (1) Submit applications for set-off to the Company or offset them otherwise

- (2) Enter into any transactions that may result in the transfer or possible transfer of the right to demand any payment from the Company to the third party without the Company's prior written consent.

2.10 **Reimbursement of the Counterparty's Expenses by the Company**

If the General Terms and Conditions, Specific Terms and Conditions or the Agreement provide that the Company shall reimburse the Counterparty's expenses, such expenses shall be reimbursed during the Payment Term after the submission of the documents confirming such expenses. The documents confirming the Counterparty's expenses shall be determined in the Specific Terms and Conditions or in the Agreement. If no documents confirming the expenses are determined in the Specific Terms and Conditions or in the Agreement, the Company shall determine their list at its discretion. The Company shall be entitled to demand additional documents confirming the expenses.

2.11 **Return of Funds Paid by the Company**

In the case of Agreement termination or otherwise, where the Counterparty is requested by the Company based on statutory grounds or following from the Agreement to partially or fully return the Price of Agreement, the paid funds shall be returned within the reasonable time period specified in such request.

In the case where the Price of Agreement is nominated in a currency different from the Russian ruble, the above return of funds shall be made according to the following rules:

- (1) If the Counterparty is a resident of the Russian Federation: in rubles. When converted into the currency of the Price of Agreement, the aggregate amount of returned funds as of the date of return shall be equal to the amount payable by the Company under the Agreement converted into the currency of the Price of Agreement as of the date of such payment.
- (2) If the Counterparty is a non-resident of the Russian Federation: in the currency of the Agreement.

2.12 **Features of Payment to Counterparties Incorporated Abroad**

If the Counterparty has been incorporated abroad:

- (1) The Price shall include all the taxes the Company should deduct as a tax agent.
- (2) The Company and the Counterparty shall independently pay bank fees associated with the performance of their obligations under the Agreement. The Company shall pay the fees of correspondent banks.

3 **DEADLINES. UNDERLYING DOCUMENTS. FRAMEWORK AGREEMENTS**

3.1 **Deadlines**

The deadlines for the delivery, performance of works and/or rendering of services shall be determined by the Agreement.

3.2 **Underlying Documents. Framework Agreements**

- 3.2.1 The Agreement may stipulate that the Counterparty delivers goods, performs works and/or renders services:

- (1) Under the documents sent by the Company unilaterally.

In such a case, no Counterparty's agreement or confirmation is required to deliver goods, perform works and/or render services

- (2) Under the documents agreed by the parties

The Agreement in Paragraphs 3.2.1(1) and **Ошибка! Источник ссылки не найден.** shall mean the Framework Agreement.

If the documents for the delivery of goods, performance of works and/or rendering of services shall be submitted (Paragraph 3.2.1(1)) or approved (Paragraph **Ошибка! Источник ссылки не найден.**), then the goods are delivered, works are performed or services are rendered on the basis of the Agreement only.

- 3.2.2 The Counterparty should accept the Company's offer or send its own offer within 3 business days upon the Company's offer receipt when all the following conditions are met:

- (1) The Agreement stipulates that the Counterparty delivers goods, performs work and/or renders services under the documents agreed by the parties (Paragraph **Ошибка! Источник ссылки не найден.**); and
- (2) The Company sent an offer for such a document.

If the Counterparty does not accept the offer or fails to send its own offer within the term specified in this Paragraph 3.2.2, the Company's offer shall be deemed to be accepted and the Counterparty shall be obliged to deliver the goods, perform works and/or render services on terms and conditions of the Company's offer.

The Framework Agreement may provide for the approximate volumes of delivered goods, performed works or rendered services that are required to the Company. These approximate volumes are for informational purposes only and do not oblige the Company to order goods, works or services within their scope (the limit may be exceeded).

4 **QUALITY. WARRANTY**

4.1 **Quality**

The Counterparty provides a quality guarantee for goods, works, services. As per such guarantee, goods, works and/or services must comply with all applicable requirements of law¹, technical regulations, and other documents establishing mandatory quality requirements, and the Agreement. Additional quality requirements may be established by the Specific Terms and Conditions and/or the Agreement.

4.2 **Warranty**

- 4.2.1 The warranty period for goods, the result of works / services, and warranty conditions (if any) shall be established by the Agreement. The moment of the warranty period commencement (hereinafter referred to as the **Warranty Period Commencement**) shall be determined by the Specific Terms and Conditions or the Agreement. If no Warranty Period Commencement

¹ In particular, Federal Law No. 184-FZ dated 27/12/2002 "On Technical Regulation"

is determined in the Specific Terms and Conditions or in the Agreement, the Due Date shall be the Warranty Period Commencement.

4.2.2 If the Agreement provides for no Warranty Period, the latter shall be 2 years upon the Warranty Period Commencement.

4.2.3 The warranty period stipulated by law shall apply as follows:

(1) If all the following conditions are met:

(i) The warranty period is not determined by the Agreement; and

(ii) The law provides for a warranty period of more than 2 years; or

(2) If the warranty period stipulated by law is longer than the warranty period provided for in the Agreement.

4.2.4 Company's claims allowed by law during the warranty period shall be provided for by the General Terms and Conditions, Specific Terms and Conditions, the Agreement and/or the law.

5 **COUNTERPARTY'S DOCUMENTS. REQUIREMENTS FOR DOCUMENTS. INVOICES AND UTD (UNIVERSAL TRANSFER DOCUMENTS) SUBMISSION PERIOD. ADDITIONAL DOCUMENTS**

5.1 **Submission of Updated Counterparty's Documents**

If in the course of the Agreement conclusion and / or performance the Counterparty has provided the documents (hereinafter referred to as the **Documents Submitted**) and if subsequently:

(1) The information specified in such documents has changed; or

(2) The Documents Submitted have been amended; or

(3) The Documents Submitted became invalid,

the Counterparty shall provide the Company with the following documents within 3 business days upon the change of the information in the Documents Submitted, their amendments or expiry thereof:

(i) The documents containing updated information (in case of the change of the information specified in the Documents Submitted)

(ii) Current versions of the Documents Submitted (if the Documents Submitted have been amended)

(iii) The valid documents (if the Documents Submitted have expired).

5.2 **Requirements for the Documents Submitted by the Counterparty**

5.2.1 Any documents to be submitted by the Counterparty shall comply with all the requirements prescribed by the law, the General Terms and Conditions, the Specific Terms and Conditions or the Agreement (hereinafter referred to as the **Requirements for Documents**). The documents shall be submitted in Russian (or a foreign language accompanied by a notarized translation into Russian). The official Counterparty's documents that need legalization for their application in the Russian Federation shall be appropriately legalized.

- 5.2.2 The Counterparty shall provide the Confirming Documents in the form prescribed by the Company. If the Company established no such forms, the Confirming Documents shall be provided in the form prescribed by the law or usual document flow.
- 5.2.3 The Counterparty shall submit all the documents provided for in the General Terms and Conditions, Specific Terms and Conditions, and the Agreement in original form, except in cases when:
- (1) The General Terms and Conditions, Specific Terms and Conditions and/or the Agreement stipulate that the Counterparty provides the copies of the documents.
 - (2) The Counterparty shall keep the original documents (e. g. a license).
- 5.2.4 If the documents to be submitted by the Counterparty do not comply with the Requirements for Documents:
- (1) They shall be deemed not submitted by the Counterparty; and
 - (2) The Counterparty shall replace them within 3 business days upon the Company's request to replace.

5.3 **Invoices and UTD (Universal Transfer Documents) Submission Period**

The Counterparty shall ensure the Company's soonest receipt of the following documents after the Due Date of the obligation, but at least within:

- (1) 3 business days, but no later than the 2nd day of the month following the month when the obligation is performed:
 - (i) a copy of the commercial invoice or a universal transfer document (hereinafter referred to as the **UTD**)
 - (ii) Copies of Confirming documents, except for the documents specified in Paragraph [Ошибка! Источник ссылки не найден.](#);
- (2) 14 days — the original commercial invoice or the UTD.

5.4 **Additional Documents that May be Requested by the Company**

The Company may request the documents:

- (1) Not provided for by the General Terms and Conditions, the Specific Terms and Conditions or the Agreement; but
- (2) Necessary for the Company's ability to use the goods and the results of works / services.

The Counterparty shall submit such documents within 3 business days upon the receipt of the Company's request.

The Company shall be entitled to demand the signing of reconciliation certificates. In case of such a demand, the Counterparty shall reconcile and sign the current reconciliation certificate within 10 days upon such a demand.

5.5 **Adjustment Documents**

If the Counterparty is obliged to submit adjustment documents (commercial invoices, KS-2, KS-3, certificates, etc.), the Counterparty must submit such documents within 5 days.

6 SECURITY FOR OBLIGATIONS (APPLICABLE IF ESTABLISHED IN THE AGREEMENT)

6.1 Retention Money (applicable if established in the Agreement)

6.1.1 As the Company is interested in the high quality of goods, works, services and in the reimbursement of expenses for the elimination of deficiencies thereof, the Specific Terms and Conditions or the Agreement may provide for retention money (hereinafter referred to as the **Retention Money**). In such a case, the Counterparty shall leave a portion of the Price payable to it for the performed obligation with the Company as the Retention Money. Unless the Agreement specifies otherwise, a portion of the Price representing retention money equals 5%.

6.1.2 If the nature of goods, results of works / services transferred by the Counterparty require assembly work, connection to other equipment, installation work, start-up and commissioning or other similar work and / or a permit for operation (acceptance, including examination of design documents) by the authorized bodies prior to their use for the intended purpose, the period for Retention Money payment shall commence not earlier than the date of completion of the above-mentioned activities (hereinafter referred to as the **Commissioning**). Commissioning shall be evidenced by a commissioning certificate or by another similar document made by the Company or by authorized bodies, if applicable.

6.1.3 Payment of the Retention Money (taking into account the deductions made) is made within 60 days from the date of Commissioning or another date (occurrence of the event) established in the Agreement, and if such a date is not specified in the agreement, not earlier than the date of fulfillment of all obligations. If the Counterparty is a small or medium-sized business entity and notified the Company thereof in advance prior to the conclusion of the Agreement providing the necessary confirming documents, the Retention Money is paid not later than the first business Thursday upon the expiration of 20 days.

The General Provisions of Payment to Counterparties (Paragraph 2.3) shall apply to the Retention Money payment.

6.1.4 The Company shall be entitled to unilaterally reduce the Price by the amount or portion of the Retention Money paid, retaining the right to other remedies, if:

- (1) The Counterparty is unable to perform its obligations under the Agreement due to the circumstances, for which it is liable; or
- (2) The Agreement has been improperly executed by the Counterparty (the quality of goods, works or services does not comply with the terms of the Agreement, as well as with the usual requirements); or
- (3) The Company withheld from the Agreement or the court terminated the Agreement due to the Counterparty's default.

In such cases, the Company shall deliver a notice of the Price reduction by the Retention Money. The Price shall be deemed to be reduced from the date of notification by the Company.

The provisions of this Paragraph 6.1.4 shall survive the termination of (withholding from) this Agreement.

The Company shall be entitled to make deductions (offsets) of any amounts due to the Company from the amount of Retention Money.

6.2 Bank Guarantee

6.2.1 If the Agreement, General Terms and Conditions and/or Specific Terms and Conditions stipulate that the Counterparty incorporated in the Russian Federation shall provide a bank guarantee, the Bank Guarantee shall:

- (1) Be issued by a bank included in the list of banks, the independent guarantees of which are acceptable for the Company (hereinafter referred to as the **List of Banks**)².

The bank issuing the bank guarantee (hereinafter referred to as the **Guarantor**) shall be included in the List of Banks as of the date of the latest version of the List of Banks

- (2) Be irrevocable and non-transferable
- (3) Be valid within at least 60 days after the deadline for the performance of all obligations under the Agreement due performance of which is ensured by the Bank guarantee, and /or obligations subject to the Advance Payment;
- (4) Contain:
 - (i) A reference to the Agreement
 - (ii) A reference to the Procurement procedure, the results of which served as the basis for the Agreement conclusion
 - (iii) A list of documents to be submitted by the Company to the Guarantor simultaneously with the demand to pay under the bank guarantee.

The Company shall not accept bank guarantees, which provide for the Company's obligation to submit to the Guarantor judicial act confirming the Counterparty's default to ensure the payment under such guarantees

- (5) Secure one or several of the following Counterparty's obligations:
 - (i) To return the Advance Payment
 - (ii) To comply with warranty obligations
 - (iii) To compensate for losses; to pay forfeits
 - (iv) Other obligations stipulated by the Agreement

Unless otherwise stipulated by the Agreement, the Guarantee must secure the obligations set out in sub-paragraphs (i) – (iii)

- (6) Stipulate that the date of payment under the bank guarantee is the date of crediting the amounts to the Company's settlement account
- (7) Be agreed with the Company before issuance by the Guarantor.

² The list of credit institutions that comply with the requirements established by parts 1 - 1.2 and 1.5 Article 2 of the Federal Law No. 213-FZ dated 21/07/2014, Clause 8 and paragraphs first, second and fifth Clause 9 Article 24.1 of the Federal Law No. 161-FZ dated 14/11/2002 and the Resolution of the Government of the Russian Federation No. 706 dated 20/06/2018 (published on the official website of the Central Bank of the Russian Federation at https://cbr.ru/banking_sector/credit/list_ko/) Published on the website at <http://www.cbr.ru>

6.2.2 The Counterparty shall ensure that the Company receives from the Guarantor via secure communication channels established between the Company and the Guarantor (Remote Banking Service system, Host-to-Host, etc.) a message confirming that a bank guarantee was issued and documented in the Guarantor's accounting system. The message shall be received by the Company:

- (1) prior to the due date for the Company's obligations covered by the bank guarantee;
- (2) prior to the conclusion of the Agreement in the case where the bank guarantee is issued to secure the performance of obligations under the Agreement.

If a bank guarantee is issued in the form of an electronic document, without a hard copy thereof, via secure communication channels established between the Company and the Guarantor (Remote Banking Service system, Host-to-Host, etc.), it is not required to receive the message from the Guarantor.

6.2.3 If the Agreement, the General or Specific Terms and Conditions stipulate that the Counterparty incorporated in a foreign country provides a bank guarantee, such a guarantee shall:

- (1) Meet all the requirements provided for in Paragraph 6.2.1;
- (2) Be issued:
 - (i) Subject to a bank guarantee of a foreign bank; or
 - (ii) Subject to a standby letter of credit opened with a foreign bank.

The Company shall, at its discretion, determine a foreign bank that issues a bank guarantee (Paragraph **Ошибка! Источник ссылки не найден.(i)**) or opens a standby letter of credit (Paragraph **Ошибка! Источник ссылки не найден.(ii)**).

6.2.4 The Counterparty shall submit a new bank guarantee within the initial term for the performance of obligations subject to the Advance Payment if:

- (1) The term for the delivery of goods, performance of works and/or rendering of services is extended; or
- (2) It becomes clear that the term for the delivery of goods, performance of works and/or rendering of services will be extended.

The validity term of the new bank guarantee shall be at least 60 days after the new term provided for by the Agreement (if yet no amendments to the Agreement have been made — within the term reasonably assumed by the Counterparty) for the performance of the obligations due performance of which is ensured by the bank guarantee and/or the obligations subject to the Advance payment.

6.2.5 If the Company sends the Guarantor a claim for payment under a bank guarantee, the Counterparty shall not be released from the performance of its obligations under the Agreement.

6.2.6 The Counterparty should provide the Company with a bank guarantee of another bank included in the List of Banks within 10 days upon the date when the Central Bank of the Russian Federation:

- (1) Revokes the Guarantor's license; or

- (2) Excludes the Guarantor from the List of Banks; or
- (3) Introduces a moratorium on satisfying the claims of the Guarantor's creditors.

6.3 **Retention**

The Counterparty shall not be entitled to retain the Company's things as security for any Company's obligations.

6.4 **Security Deposit**

6.4.1 If the Agreement stipulates the Counterparty's payment of a security deposit to the Company, such security deposit:

- (1) shall be paid by the Counterparty within 10 days from the date of conclusion of the Agreement to the Company's settlement account
- (2) shall secure any monetary obligations of the Counterparty under the Agreement (including forfeits and losses of the Company)

6.4.2 The Company shall have the right to withhold any amounts due to it under the Agreement from the amount of the security deposit, including, among others, to set it off as the last payment of the Counterparty. The Company shall notify the Counterparty about any set-offs and withholdings that it made under this paragraph.

6.4.3 In the case where the amount of the security deposit is reduced (as a result of withholdings and set-offs) by 5% or more, the Counterparty shall be obliged to restore (replenish) this amount to the level stipulated by the Agreement within 3 days as requested by the Company. The Company shall have the right to deduct such missing amount from payments due to the Counterparty.

6.4.4 The Company shall return the amount of the security deposit (less the effected withholdings and set-offs) during the Payment Term, upon fulfillment of all obligations under the Agreement by the Counterparty.

The General Provisions of Payment to Counterparties (Paragraph 2.3) shall apply to the Retnetion Money payment.

6.5 **Surety**

6.5.1 If the Agreement stipulates that the Counterparty provides a guarantee of a third party specified in the Agreement (hereinafter referred to as the Guarantor), then the Counterparty, within 10 days from the date of conclusion of the Agreement, shall provide a surety agreement offer signed by the Guarantor and the Counterparty in compliance with the terms of the Agreement. If the Agreement provides for the form of surety, the surety agreement offer shall be provided in such form.

6.5.2 In any case, the offer (clause 6.5.1) must contain terms and conditions under which the Guarantor undertakes to notify the Company within 3 business days in the ases as follows:

- (1) Making damage claims on the Guarantor exceeding 10% of the book value of the Guarantor's assets
- (2) Insitution of a criminal investigation against the sole executive body (or the sole executive body of the Guarantor's management company)

- (3) Change of location, constituent documents, management bodies, details (including payment details)
- (4) Making a reorganization or liquidation decision
- (5) an application in filed to declare the Guarantor insolvent (bankrupt)
- (6) The court initiated proceedings in a case on recognizing the Guarantor as insolvent (bankrupt).

In any of such cases, the Company shall be entitled to demand from the Counterparty to provide the Company (a beneficiary) with a bank guarantee to secure the performance of obligations under the Agreement. A bank guarantee must comply with the requirements set out in the Agreement and the General Terms and Conditions.

7 INTELLECTUAL PROPERTY

7.1 Non-Exclusive License for Intellectual Property

7.1.1 This Section 7.1 shall apply:

- (1) If the Counterparty grants a license for the intellectual property to the Company, including the intellectual property included in the goods and/or results of works / services; or
- (2) If all the following conditions are met:
 - (i) The goods and/or results of works / services contain the intellectual property; and
 - (ii) The Agreement or the law does not specify the ground for the Company's use of the intellectual property included in the goods and/or results of works / services; and
 - (iii) In the performance of obligations under the Agreement, the Counterparty does not create the intellectual property (Paragraph 7.2.1(2) **Ошибка! Источник ссылки не найден.**).

7.1.2 The Counterparty shall grant to the Company a non-exclusive license for the intellectual property specified in the Agreement. If no intellectual property is specified in the Agreement, the Counterparty shall grant a non-exclusive license for all intellectual property included in the goods and/or results of works / services.

7.1.3 The rights covering the Company's authority to use the intellectual property and the methods to use such intellectual property shall be determined in the Agreement. If no such rights are determined in the Agreement, the Counterparty shall empower the Company to:

- (1) Use the intellectual property in the ways required for the Company's use of the goods and/or results of works / services (in particular, to launch, modify and/or adapt the software)
- (2) Transfer the right to use the intellectual property in terms of such a right granting to the Company to the Subsidiaries (see the definition in Paragraph **Ошибка! Источник ссылки не найден.**).

- 7.1.4 The Counterparty shall grant the Company the right to use the intellectual property:
- (1) worldwide
 - (2) within the whole term specified in the Agreement. If no such term is determined, the Company shall be entitled to use the intellectual property during the entire period of the exclusive right validity.
- 7.1.5 The Company shall not provide reports on the use of the intellectual property.
- 7.1.6 In any case, the Counterparty, at its own expense, undertakes to ensure the conduct of claim and legal proceedings with any copyright holders of intellectual property transferred by the Counterparty under the Agreement, in the event that it is involved in such proceedings by the Company.

7.2 **Alienation of Exclusive Intellectual Property Rights to the Company / Creation of Exclusive Intellectual Property Rights for the Company**

- 7.2.1 This Section 7.2 shall apply if:
- (1) The Agreement stipulates that the Counterparty alienates to the Company (the Company shall have) exclusive rights to the intellectual property; or
 - (2) If all the following conditions are met:
 - (i) The Counterparty creates the intellectual property when performing its obligations under the Agreement; and
 - (ii) The Agreement does not specify the ground for the Company's use of the intellectual property included in the goods and/or results of works / services.
- 7.2.2 Exclusive rights to the relevant intellectual property shall transfer to the Company (the Company shall have the rights to the relevant intellectual property). For the purposes of this Section 7.2, the exclusive right shall also mean the right to obtain patents.
- 7.2.3 The Company shall be entitled to use the goods and/or results of works / services including the relevant intellectual property without any restrictions, including to transfer them to third parties without restrictions.

7.3 **The Use of Works of Architecture, Town Planning, Design, Landscaping**

- 7.3.1 This Section 7.3 shall apply if the results of works / services contain works of architecture, town planning, design or landscaping. The Counterparty's obligations specified in this Section 7.3 shall supplement other Counterparty's obligations specified in the General Terms and Conditions, Specific Terms and Conditions and the Agreement.

7.3.2 The Counterparty should enter into agreements with the authors of works of architecture, town planning, design or landscaping. Such agreements shall allow:

- (1) The Company to repeatedly implement projects containing such works
- (2) To prevent the participation of authors in the sale of works
- (3) To prevent the photo- and video-shooting of such works by the authors.

The Company shall be entitled to require that the Counterparty provides the copies of the agreements provided for in this Paragraph 7.3.2.

7.4 **Registration of the Company's Right in Intellectual Property and Other Formalities**

This Section **Ошибка! Источник ссылки не найден.** if state registration or other formalities are required:

- (1) To grant the Company the rights to use the intellectual property under a license (Section 7.1); or
- (2) For the alienation of the rights to intellectual property to the Company (creation of the Company's rights to the intellectual property) (Section 7.2).

In such cases, the Counterparty should assist the Company in registering and performing formalities (e. g., to sign the documents and/or submit applications). For the avoidance of doubt, the Price shall include all expenses related to state registration or other formalities (Paragraph **Ошибка! Источник ссылки не найден.**).

8 **LIABILITY. OTHER CONSEQUENCES OF DEFAULT**

8.1 **General Application Rules**

8.1.1 If the Counterparty under the Agreement delivers goods, performs works and/or renders services at the same time (is under several obligations):

- (1) Any forfeits stipulated by this Section 8 shall be calculated on the basis of the Price of Agreement.
- (2) The Company may withdraw from the Agreement both in terms of individual obligations, and in full.

8.1.2 If the Counterparty fails to fulfil its obligations, reimbursement of damages, payment of penalties, application of other sanctions and other consequences of default shall not release it from the obligations in kind (except for cases of the Agreement termination).

8.1.3 The Company may apply several sanctions and other consequences to each case of default unless such sanctions and consequences are mutually exclusive in their nature.

8.1.4 The sanctions and other consequences of default as defined in this Section 8, in the Specific Terms and Conditions and/or in the Agreement, shall not deprive the Company of the right to apply any other sanctions, the consequences of default and remedies provided for by the law.

8.2 **Grounds and Deadlines for Reimbursement of Damages, Payment of Forfeits, and Making Other Payments. Forfeit Accrual**

8.2.1 The Counterparty shall reimburse the damages, pay forfeits and make other payments provided for in this Section 8, as well as payments related to the Agreement termination (e.g. those specified in Paragraph **Ошибка! Источник ссылки не найден.**), at the Company's request. All payments shall be made within 3 business days upon the relevant Company's request receipt by the Counterparty.

8.2.2 Forfeits shall be accrued from the date following the agreed due date of the obligation.

8.2.3 The Company shall pay penalties at the Counterparty's request. The Counterparty's request shall contain a detailed calculation of the forfeit with the necessary evidence of delay.

8.3 **Key Rate Calculation**

To determine the forfeit amount, the larger of the following Bank of Russia's key rates effective as of:

(1) The date when the delayed party should perform the obligation; or

(2) The date when the obligation was actually performed, shall apply.

8.4 **Reimbursement of Damages**

In the event of the Counterparty's failure to perform or improper performance of its obligations under the Agreement, the Company shall be entitled to demand the reimbursement of damages in full in addition to the forfeits.

8.5 **Agreement Termination through the Counterparty's Fault**

8.5.1 If this Section 8 or the Agreement provides that the Company may withdraw from the Agreement, the consequences of the Agreement termination provided for in Section 9.4–9.6 shall apply.

8.5.2 In case of the Agreement termination through the Counterparty's fault, including in the case of the Company's exercise of the right to withdraw from the Agreement due to the breach thereof by the Counterparty, the Company may require a fine of 20% of the Price of Agreement.

8.5.3 In case the Company unilaterally refuses from any current Agreement with the Counterparty due to circumstances for which the Counterparty is liable, the Company shall be entitled to withdraw from the Agreement without recovery of losses. In this case, the Agreement is deemed terminated through the Counterparty's fault.

8.6 Delivery of the Goods, Performance of Works and/or Rendering of Services with Deficiencies. Deadlines for Submitting Claims Related to Deficiencies

8.6.1 When delivering goods, performing works and/or rendering services that in no respect comply with the General Terms and Conditions, Specific Terms and Conditions and/or the Agreement, the Company shall be entitled to:

- (1) Claim the Counterparty as follows:
 - (i) Eliminate free of charge: (1) Deficiencies in the quality of goods, works, services³; and (2) Deficiencies in quantity, range, and completeness of the goods (3) Deficiencies in the documents accompanying or relating to goods, works, services, including failure to submit them (the deficiencies in this [Paragraph 8.6.1\(1\)](#) **Ошибка! Источник ссылки не найден.** shall be hereinafter referred to as the **Deficiencies**);
 - (ii) Replace the goods with Deficiencies (other than Quantity Deficiencies), re-perform works and/or re-render the services in which the Company discovered Deficiencies
 - (iii) Reimburse all the Company's expenses for the elimination of the Deficiencies, including the remuneration of the Company's employees who eliminated the Deficiencies.

The Company shall be entitled to eliminate the Deficiencies in the goods and/or results of works / services by itself and /or with the engagement of third parties.

The Counterparty should comply with the Company's claim within a reasonable time specified therein. The Company shall be entitled to agree a different period. If the Company starts negotiations on the change of the above-mentioned the period after the Counterparty receives a claim, the period specified therein shall not be interrupted.

The Counterparty shall bear all costs related to the fulfilment of the Company's claims: the costs of exporting Goods with Deficiencies from the place indicated by the Company and the delivery of the goods of appropriate quality to the same place, business trips of experts, etc.;

- (2) Suspend any payments until the Counterparty fulfils the Company's claims ([Paragraph 8.6.1\(1\)](#)).
- (3) Unilaterally proportionately reduce the Price of the goods, works and/or services with Deficiencies.

The Company shall send the notification of the Price reduction. The Price shall be deemed to be reduced from the date of notification by the Company. In such a case, the Counterparty should return the amounts by which the Price is reduced if the Company has already paid for the goods, works and/or services;

³ Non-compliance of the goods, works or services with the properties declared by the Counterparty in the proposal to conclude an agreement, including, for example, applications for participation in the Company's procurement procedures, unless otherwise expressly stipulated by the Agreement, shall be considered, among other, as quality deficiencies.

- (4) Withdraw from the Agreement if:
- (i) The Counterparty does not comply with the Company's claims within the period specified in the claim (Paragraph 8.6.1(1)); or
 - (ii) The total Deficiencies Elimination Period exceeded 60 calendar days.

The **Deficiencies Elimination Period** shall mean the period calculated in calendar days from the date (inclusive) of the claim to the Counterparty under Paragraphs 8.6.1(1) **Ошибка! Источник ссылки не найден.** or 8.6.1(1)(ii) to the date (exclusive) of the Counterparty's delivery of the goods and/or results of works / services without Deficiencies. A separate Deficiencies Elimination Period shall commence in respect of each Company's claim under Paragraphs 8.6.1(1) **Ошибка! Источник ссылки не найден.** or 8.6.1(1)(ii) hereof;

- (5) Claim the payment of forfeit (penalties) in the amount of 1/180 of the Bank of Russia key rate from the Price of the goods, works and/or services with Deficiencies:
- (i) For each day of the Deficiencies Elimination Period, if the Deficiencies Elimination Period or the total duration of the Deficiencies Elimination Periods exceeds 60 days
 - (ii) For the period from the 31st day (inclusive) of the Deficiencies Elimination Period to the date (exclusive) of the end of the Period for the Deficiencies Elimination Period unless the Deficiencies Elimination Period exceeds 60 calendar days.

The accrual of forfeits (penalties) provided for in this Paragraph **Ошибка! Источник ссылки не найден.** shall cease in case the forfeit provided for in Section 8.9 is accrued.

8.6.2 The Company shall be entitled to apply the sanctions and other consequences of default, as defined in Paragraph 8.6.1, if the Deficiencies have been disclosed within:

- (1) The Warranty Period; or
- (2) Other period established by law or the Agreement (hereinafter referred to as the **Deficiency Disclosure Period**):
 - (i) If the Deficiency Disclosure Period exceeds the warranty period; or
 - (ii) If the Agreement expressly provides that no warranty period is established for goods, works, and/or services.

If the Deficiencies have been disclosed during the Deficiency Disclosure Period (outside the warranty period), the Company shall prove that the Deficiencies arose prior to the transfer of the goods and/or results of work / services to the Company or for the reasons that arose prior to that time.

8.6.3 Notwithstanding the provisions of Paragraph 8.6.2, the Company shall be entitled to apply the sanctions and other consequences of default as defined in Paragraph 8.6.1 hereof in respect of the Quantity Deficiencies of the goods before the end of the Internal Acceptance period (see the definition in the Specific Terms and Conditions of delivery agreements entered into by PJSC ALROSA and related parties based on the results of procurement (hereinafter referred to as the **Specific Terms and Conditions of Delivery Agreements**)).

8.7 **General Rules on Late Delivery of Goods, Performance of Works and/or Rendering of Services**

8.7.1 Late delivery of goods, performance of works and/or rendering of services shall include, inter alia:

- (1) Late delivery of a separate consignment of goods, performance of a stage of work and / or rendering of a stage of services
- (2) Delivery of goods, performance of works and / or rendering of services with Deficiencies unless the Counterparty eliminated such Deficiencies before the Due Date specified in the Agreement
- (3) Delivery of goods, performance of works and/or rendering of services without Confirming Documents if the Counterparty is obliged to provide such documents together with goods and/or results of works / services.

8.7.2 In case of the Counterparty's late delivery of several consignments of goods, performance of several stages of work and/or rendering of several stages of services, the late delivery / performance / rendering periods shall be summed up. In case of the Counterparty's late performance, if it is impossible for the Company to use all or part of the results of other executed obligations under the Agreement without the result of such an obligation, the deadlines for the performance of all the relevant obligations under the Agreement shall be deemed breached.

8.7.3 The conclusion of additional agreements on the extension of the deadlines for the delivery of goods, performance of works and/or rendering services breached by the Counterparty due to circumstances for which the Counterparty is liable shall not relieve the Counterparty from the payment of forfeits or other consequences of default related to the non-compliance with the initial deadlines for the delivery of goods, performance of works and/or rendering of services. In case of such additional agreements, the forfeit shall be accrued from the date following the date when the Counterparty had to deliver the goods, perform works and/or render services under the original terms of the Agreement until the date of actual delivery of the goods, performance of works and/or rendering of services.

8.8 **Liability and Other Consequences for Late Delivery of Goods, Performance of Works and/or Rendering of Services**

<i>Type of Default</i>	<i>Liability and Other Consequences of Default</i>
8.8.1 The Counterparty's late delivery of goods, performance of works and/or rendering of services (hereinafter referred to as the Delay)	Forfeit in the amount of 1/180 of the Bank of Russia key rate from the Price of the goods, works and/or services for each day of delay.
8.8.2 The Counterparty's delay in performance of obligations for more than 30 days from the due date established by the Agreement. This Paragraph Ошибка! Источник ссылки не найден. shall apply in the presence of circumstances indicating that the Counterparty will not fulfil its obligation to deliver the goods, perform works and/or render services within 30	(1) (i) refund of 100% of the amounts paid; and (ii) the forfeit provided for in Paragraph Ошибка! Источник ссылки не найден. ; and (iii) a fine of 20% of the Price of goods, works and/or services delivered / performed / rendered in breach of the relevant deadline;

<i>Type of Default</i>	<i>Liability and Other Consequences of Default</i>
<p>days or more after the deadline for the delivery of goods, performance of works and/or rendering of services specified in the Agreement</p>	<p>(2) The Company's right to withdraw from the Agreement. If the Company withdraws from the Agreement, the fine specified in Paragraph 8.8.2(1)(iii) shall be determined based on the Price of Agreement.</p>
<p>8.9 Late Compliance with the Company's Requirements Related to Deficiencies</p>	
<i>Type of Default</i>	<i>Liability and Other Consequences of Default</i>
<p>8.9.1 The Counterparty's late compliance with the Company's requirements related to the Deficiencies (Paragraph 8.6.1(1))</p>	<p>Forfeit in the amount of 1/90 of the Bank of Russia key rate from the Price of the goods, works and/or services for each day of delay.</p>
<p>8.9.2 The Counterparty's late compliance with the Company's requirements related to the Deficiencies (Paragraph 8.6.1(1)) within 30 days and more after the deadline specified in the Company's claim</p>	<p>(1) Forfeit specified in Paragraph Ошибка! Источник ссылки не найден.</p> <p>(2) The Company's right to withdraw from the Agreement.</p>
<p>8.10 Incomplete or Untrue Information on Goods, Works and/or Services</p>	
<i>Type of Default</i>	<i>Liability and Other Consequences of Default</i>
<p>The Counterparty's submission of incomplete (in terms of material information) or inaccurate information about goods, works and/or services being the subject matter of the Company's agreement for the delivery of goods, performance of works and/or rendering services that do not have characteristics required by the Company</p>	<p>The Company's right to withdraw from the Agreement.</p>
<p>8.11 Failure to Comply with and Violation of Any Terms of Payment, Late Payment</p>	
<i>Type of Default / Breach</i>	<i>Liability and Other Consequences of Default</i>
<p>8.11.1 Any Counterparty's late payment to the Company, including late payment of a security deposit, recovery of losses (this Paragraph 8.11.1 also applies in case of termination of the Agreement) —</p>	<p>Forfeit in the amount of 1/180 of the Bank of Russia key rate from the late payment for each day of delay.</p>

	<i>Type of Default / Breach</i>	<i>Liability and Other Consequences of Default</i>
8.11.2	The Company's late payment for goods, works and/or services	Forfeit in the amount of 1/180 of the Bank of Russia key rate from the late payment for each day of delay.
8.12	Breach of the Prohibition to Assign or Set Off Claims against the Company	
	<i>Type of Default</i>	<i>Liability and Other Consequences of Default</i>
8.12.1	Any Counterparty's transaction made without the Company's prior written consent that may result in the occurrence of a third-party right to require the Company to make any payments	Fine of 10% of the Price of Agreement
8.13	Breach of the Deadline for the Submission or Replacement of Documents Including Commercial Invoices, Confirming Documents and UTD (Unified Transfer Documents)	
	<i>Type of Default</i>	<i>Liability and Other Consequences of Default</i>
	The Counterparty's breach of the deadline to submit or replace the documents (Section 5)	(1) Forfeit for each document in the amount of 1/180 of the Bank of Russia key rate from the Price of the goods, works and/or services under the Agreement subject to the document not submitted by the Counterparty for each day of delay, or RUB 5,000 for each document, if it is not connected with particular goods, works and/or services;
		(2) The Company's right not to pay for the goods, works and/or services until the documents are submitted
8.14	Failure to Provide Copies of Agreements with the Authors of Works of Architecture, Town Planning, Design or Landscaping	
	<i>Type of Default</i>	<i>Liability and Other Consequences of Default</i>
	The Counterparty's failure to provide the copies of agreements with the authors of works of architecture, town planning, design or landscaping (Paragraph 7.3.2)	(1) The Company's right not to pay for the goods, works and/or services until the copies of agreements are submitted

<i>Type of Default</i>	<i>Liability and Other Consequences of Default</i>
	(2) The Company's right to withdraw from the Agreement
8.15 Inaccurate Representations and Warranties, Breach of Non-Disclosure Provisions, and Other Counterparty's Defaults	
<i>Type of Default</i>	<i>Liability and Other Consequences of Default</i>
8.15.1 Inaccuracy of any representation and warranty specified in the General Terms and Conditions, the Specific Terms and Conditions or the Agreement —	(1) Fine of 20% of the Price of Agreement but at least RUB 100,000 (2) The Company's right to demand early performance of obligations. In such a case, the Counterparty shall be obliged to fulfil the obligations under the Agreement within 3 business days upon the relevant demand; or (3) The Company's right to withdraw from the Agreement.
8.15.2 The Counterparty's breach of non-disclosure provisions specified in the General Terms and Conditions (Section 11.4), Specific Terms and Conditions or the Agreement	(1) Fine of 20% of the Price of Agreement but at least RUB 100,000 for each case of default (2) The Company's right to withdraw from the Agreement.
8.15.3 The Counterparty's late removal of the goods and/or the results of works / services (Paragraph 9.5.2). This Paragraph 8.15.3 shall survive the termination of the Agreement	(1) Forfeit in the amount of 1/180 of the Bank of Russia key rate from the Price of the performance results rejected by the Company for each day of delay (Paragraph 9.5.1) (2) The Company's right to: (i) send the goods and/or results of work / services to the Counterparty; or (ii) store the goods and/or results of works / services independently; or (iii) transfer the goods and/or results of works / services for storage to a third party; or (iv) destroy the goods and / or results of works / services. The destruction is allowed only if the

<i>Type of Default</i>	<i>Liability and Other Consequences of Default</i>
	Counterparty significantly violated the deadlines for removal. At the same time, the cost of destroyed goods and / or results of works / services shall not be refunded to the Counterparty.
<p>8.15.4 The Counterparty's late destruction of the result of the Counterparty's performance and/or the result of non-finished works / services (Paragraph Ошибка! Источник ссылки не найден.).</p> <p>This Paragraph 8.15.4 shall survive the termination of the Agreement —</p>	<p>(1) Forfeit in the amount specified in Paragraph 8.15.3(1)</p> <p>(2) The Company's right to independently destroy the result of the Counterparty's performance and/or the result of non-finished works / services.</p>
<p>8.15.5 The Counterparty's non-compliance with the Anti-Corruption Clause (Section Ошибка! Источник ссылки не найден.)</p>	<p>The Company's right to:</p> <p>(1) Suspend the performance under the Agreement until the moment determined by the Company</p> <p>(2) Withdraw from the Agreement.</p>
<p>8.15.6 Breach of the Deadline for the Submission or Replacement of a bank guarantee (Paragraphs Ошибка! Источник ссылки не найден., 6.2.6) or other security of the Agreement, except for guarantee deductions and forfeit (hereinafter referred to as the Security of Agreement)</p>	<p>(1) Advance Payment refund (if such payment is provided for by the agreement)</p> <p>(2) Forfeit in the amount of 1/180 of the Bank of Russia key rate for each day of failure to comply with the deadline for the submission or replacement of the Security of Agreement</p> <p>(3) Fine of 20% of the Price of Agreement but at least RUB 100,000</p> <p>(4) The Company's right to withdraw from the Agreement.</p>
<p>8.15.7 The Counterparty's late payment of the Security Deposit in respect to any payments that the Company is entitled to demand (if such a Security Deposit is provided for in the Agreement) —</p>	<p>The Company's right not to provide Materials, funds and services subject to the Counterparty's Security Deposit. At the same time, the Counterparty should perform works / render services within the period stipulated by the Agreement.</p>
<p>8.15.8 The Counterparty's evasion to submit the original Agreement</p>	<p>The Company's right to withdraw from the Agreement.</p>

8.16 The Counterparty's Failure to Perform Other Non-Monetary Obligations*Type of Default**Liability and Other Consequences of Default*

The Counterparty's failure to perform the obligations if there is no independent responsibility for non-performance of such obligations

A fine of RUB 50,000 for each failure to perform and 1% of the Price for each day until such obligation is performed

9 AGREEMENT VALIDITY**9.1 Conclusion of the Agreement**

9.1.1 The date of the conclusion of the agreement is indicated on the title page of the Agreement. In no effective date is specified in the Agreement, the Agreement shall enter into force upon signature by the parties. The party's signing of the Agreement shall be deemed complete upon the affixing of the party's seal (if any). A special seal for agreements can be used. When signing the Agreement by electronic signature, no seal is required.

9.1.2 The Parties shall be entitled to execute the Agreement and related documents (e. g. underlying documents agreed by the parties) by exchanging signed copies by e-mail or facsimile. In the event that the Agreement and related documents are executed by exchanging signed copies thereof, the parties shall be obliged to exchange the originals within a reasonable time after the exchange of the signed copies. Either Party's evasion from the exchange of originals shall entitle the other Party to withdraw from the Agreement and demand the compensation for damages caused by the termination thereof.

The provisions of this Section (Section 9.1) will apply to any Amendments to the Agreement

9.2 Duration of the Agreement

9.2.1 The maturity of the Counterparty's obligations established by the Agreement does not terminate the obligations that have not been performed by the Counterparty. In this case, the Company shall have the right to apply appropriate sanctions or other consequences of the failure to perform such obligations.

9.3 Termination of the Agreement

9.3.1 The Agreement may be terminated:

- (1) By agreement of the parties
- (2) By a court order
- (3) In case of withdrawal from the Agreement, if it is allowed by the General Terms and Conditions (e. g. in case of any inaccuracy of any representation and warranty (Paragraph **Ошибка! Источник ссылки не найден.**), the Counterparty's breach of non-disclosure provisions (Paragraph **Ошибка! Источник ссылки не найден.**), etc.), the Specific Terms and Conditions, the Agreement or law

(4) In other cases provided for by law.

9.3.2 The either party shall withdraw from the Agreement by sending a notice to the other party. The Agreement shall terminate from the date specified in the notification but not earlier than the date of receipt of the notification by the other party.

9.3.3 In case of a unilateral refusal to execute the Agreement by the Counterparty (if such a right is provided for by the Agreement or by law), the Company has the right to demand payment by the Counterparty for the use of such right in the amount of the Price of Agreement.

9.4 **General Consequences of Termination**

9.4.1 The consequences of termination set forth in Sections 9.4–9.6 shall apply unless otherwise specified:

(1) In the termination agreement

(2) In the court decision to terminate the Agreement

(3) In the Company's notice of withdrawal (in such a case, the consequences of termination specified in the notice may not deteriorate the Counterparty's position if compared to the General Terms and Conditions).

The specified consequences shall not apply in case of the Agreement termination due to its full proper performance by both parties as well as in other cases when such consequences contradict the substance of the grounds for termination of the obligation.

9.4.2 Upon the Agreement termination, the following provisions of the General Terms and Conditions, the Specific Terms and Conditions and the Agreement shall apply:

(1) The provisions which stipulate that they are applied after the Agreement termination (e. g. Section 11.4 (*Confidentiality*))

(2) The provisions on the obligations of the parties related to the Agreement termination, including on the Counterparty's compensation for the losses, forfeits and fines accrued prior to the termination thereof

(3) The provisions which by their nature suppose their survival after the termination of the Agreement (e. g. guarantee and other similar obligations in respect of the goods, results of works and services remaining with the Company, condition of the disputes resolution under the Agreement by an arbitration court, agreements on jurisdiction, applicable law, etc.) or are aimed at regulating relations of the parties surviving the Agreement termination.

9.4.3 If at the time of the Agreement termination the parties' consideration is not equivalent (the Price of the goods, works / services remaining with the Company and properly delivered goods, works performed and/or services rendered is not equal to the amount of the Company's payments for them, including the Advance Payment):

(1) The Counterparty shall return excess payments to the Company; or

(2) The Company shall pay for the respective goods delivered, works performed and/or services rendered uncovered by the previous payments.

Relevant payments shall be made during the Payment Term from the date of the Agreement termination and taking into account all damages and penalties due to accrual as well as the

provisions of Paragraph 9.5.1. The Company's payments are subject to the general provisions on payment to the Counterparties (Section 2.3), unless otherwise provided for by the substance of such provisions.

9.5 **The Company's Refusal to Accept the Goods and/or the Results of Works / Services in Case of Termination**

9.5.1 The Company shall be entitled to refuse all or part of the results of the Counterparty's performance (goods and/or results of works / services) delivered under the Agreement:

- (1) If the Agreement was terminated due to circumstances for which the Counterparty is liable, including in the event of the Company's unilateral withdrawal from the Agreement due to its violation by the Counterparty
- (2) If the results of performance of obligations transferred to the Company under the Agreement cannot be fully utilized in accordance with their purpose or for the purpose known for the Counterparty at the time of the Agreement conclusion without the remaining goods and/or results of works / services provided for by the Agreement.

Such a refusal shall be taken into account when determining the equivalence of considerations (Paragraph 9.4.3).

9.5.2 The Counterparty should remove the goods and/or the results of works / services rejected by the Company due to the Agreement termination from the place of their location within a reasonable period determined by the Company (Paragraph 9.5.1):

- (1) At its own expense: if the Agreement has been terminated on the grounds specified in the General Terms and Conditions, the Specific Terms and Conditions, the Agreement and law, including if the Counterparty fails to eliminate the Deficiencies within the period determined by the Company (Paragraph **Ошибка! Источник ссылки не найден.**). Exception: grounds related to circumstances for which the Company is liable.
- (2) At the Company's expense: if the Agreement has been terminated on the grounds related to the circumstances for which the Company is liable. In such a case, the Company shall reimburse the Counterparty's removal costs on the basis of the documents confirming the amount of such expenses.

The results of work / services in progress not accepted by the Company shall be removed at the Counterparty's expense in any case.

The property specified in this Paragraph 9.5.2 as well as other property of the Counterparty shall be returned to the Counterparty after full payments related to the Agreement termination (Paragraph 9.4.3).

9.5.3 In the event that it is impossible to remove the result of the Counterparty's performance as well as the result of the works / services in progress (e. g., the result of the work is immovable property), the Company may demand that the Counterparty destroy such a result within the term and with the distribution of costs provided for by Paragraph 9.5.2.

9.5.4 If the Counterparty fails to meet the deadlines established in accordance with Paragraph 9.5.2, the Company shall be entitled to send the relevant property to the Counterparty, to keep it by itself, to transfer it to a third party for storage or to destroy it. If the property may be removed, it may be destroyed only if the Counterparty significantly violated the deadlines for removal. The Counterparty shall reimburse the Company's expenses related to transportation, storage and destruction.

The cost of the destroyed property shall not be refundable to the Counterparty.

9.5.5 The risks of accidental damage and loss of the results of the Agreement performance, that the Company refused, shall be distributed as follows:

<i>Grounds for Termination</i>	<i>The Party Bearing the Risk of Accident Loss or Damage</i>
(1) The grounds specified in the General Terms and Conditions, the Specific Terms and Conditions, the Agreement, and law, other than the grounds related to the circumstances for which the Company is liable —	The Counterparty shall bear the risks of accidental loss and damage upon the Agreement termination
(2) The grounds related to the circumstances for which the Company is liable	The Company shall bear the risks of accidental loss and damage until the Counterparty had to pick up the relevant property.

9.5.6 This Section 9.5 shall also apply in the event when the Agreement has already been terminated by the time the grounds for the Company's withdrawal from the Agreement provided for in Section 8 arise.

9.6 Consequences of the Agreement Termination in Terms of Works / Services

9.6.1 In the event of the Agreement termination prior to the Company's acceptance of the result of works / services, the Company shall be entitled to claim the transfer of the result of work / services in progress with the indemnification for the costs incurred to the Counterparty following the transfer of the result, but not more than the market value of the transferred result.

9.6.2 In the event of withdrawal from the contractor's agreement, services agreement, the Company shall not indemnify any Counterparty's losses, including those related to the fact that due to its withdrawal from the Agreement the Company does not pay the full Price of works, services established by the Agreement, but only a part thereof.

9.6.3 In the event of the impossibility of performance due to the Company's fault or other circumstances for which the Company is liable, the rules of Paragraph [Ошибка! Источник ссылки не найден.](#) shall apply.

9.6.4 In the event of the impossibility of performance due to the circumstances for which neither of the Parties is liable, the Company shall not reimburse any Counterparty's losses.

10 REPRESENTATIONS AND OBLIGATIONS TO COMPLY WITH THE LAW

10.1 General Representations

10.1.1 The Counterparty shall represent and warrant that the representations specified in this Section [Ошибка! Источник ссылки не найден.](#), Specific Terms and Conditions and/or the Agreement are true as of the date of the Agreement. The Counterparty shall represent and warrant that the representations specified in this Section [Ошибка! Источник ссылки не найден.](#), Specific Terms and Conditions and/or the Agreement will be true until the termination of the Agreement.

10.1.2 The information provided by the Counterparty in connection with the conclusion of the Agreement is true, accurate, complete and not misleading.

10.2 **Counterparty's Representations**

The Counterparty hereby represents that:

- (1) It is a legal entity established in accordance with the legislation of the state of incorporation.
- (2) There are no grounds for declaring it insolvent or bankrupt, or for its liquidation.
- (3) At the time of signing the Agreement it is not under reorganization.
- (4) It conducts business in full compliance with the legislation of the state of incorporation, including pays all taxes and fees in a timely and appropriate manner.
- (5) There are no:
 - (i) Claims of tax or other government bodies in respect of it; and
 - (ii) No inspections of government bodies that impede the fulfilment of obligations are conducted in respect of it.
- (6) No measures prior to the institution of criminal proceedings have been taken, no criminal proceedings have been instituted or no outstanding convictions exist in respect of the Counterparty's officials due to the fact of committing crimes:
 - (i) in the field of economics, including in connection with the legalization (laundering) of money or other property, tax evasion⁴;
 - (ii) Against public safety and public order, including in connection with the organization and participation in a criminal organization⁵;
 - (iii) Against state power.

⁴ Criminal Code of the Russian Federation, Articles 174 (The Legalisation of Funds (Money Laundering) or Another Property Illegally Acquired by Other Person); 174.1 (The Legalisation of Funds (Money Laundering) or Another Property Acquired by a Person as a Result of Committing a Crime); 199 (Evading Payment of Taxes, Duties Collectible from Organizations and/or Insurance Premiums Collectible from Organizations–Payers of Insurance Premiums).

⁵ Criminal Code of the Russian Federation, Article 210 (Creation of a Criminal Community (Criminal Organization) or Participation Therein).

10.3 **Representations Related to the Agreement Conclusion and Implementation**

The Counterparty hereby represents that:

- (1) It is entitled to enter into the Agreement and the documents related to its conclusion and to fulfil its obligations thereunder and related documents.
- (2) The person acting on behalf of the Counterparty when concluding the Agreement is duly authorized to sign the Agreement.
- (3) It complies with all the requirements of its constituent and internal documents and the law required for conclusion and implementation of the Agreement. Including, if applicable:
 - (i) That all the procedures have been completed and all the consents provided for by law, constituent and internal documents, corporate agreement, loan and other agreements have been obtained.
 - (ii) That the Counterparty has submitted certified copies of the documents confirming the fulfilment of the specified obligations or a certificate stating that such requirements are not applicable.
- (4) That the conclusion and execution of obligations under the Agreement:
 - (i) Will not lead to a breach of any provision of the Counterparty's articles of association.
 - (ii) Will not lead to a breach or will not constitute failure to perform any agreement binding on the Counterparty.
 - (iii) Will not lead to a breach of any order, decision or judgement of any court, state, administrative or regulatory body or institution that are binding on the Counterparty.
- (5) That it possesses the necessary legal capacity to perform the Agreement, including but not limited to: admission certificates, licenses, is a member of a SRO (self-regulatory organization), it has paid contributions to the compensation funds of the SRO, and that the total amount of the Counterparty's obligations under agreements for engineering surveys, preparation of design documents, construction, reconstruction, overhaul, demolition of capital construction facilities concluded using competitive methods of concluding agreements, does not exceed the maximum amount of obligations of such a Counterparty, on the basis of which the Counterparty made a contribution to the compensation fund for securing contractual obligations of the SRO, possesses permits, and the equipment used has been properly inspected, etc.

10.4 **Representations Related to Intellectual Property (If Applicable)**

- 10.4.1 This Section 10.4 shall apply if the Counterparty alienates to the Company the intellectual property rights or transfers such rights to the Company under a license.

10.4.2 The Counterparty hereby represents that:

(1) It:

- (i) Possesses the title to the intellectual property rights in terms equal at least to the scope of rights that the Counterparty transfers to the Company under a license.
- (ii) Is entitled to transfer the intellectual property rights under a license.
- (iii) Transfers the intellectual property rights to the extent sufficient for the Company's use of the goods and/or the results of works / services

if the Counterparty transfers the intellectual property rights to the Company under a license.

(2) It:

- (i) Has exclusive rights to intellectual property.
- (ii) Is entitled to alienate them to the Company.
- (iii) Alienates them to the Company in full

if the Counterparty alienates the intellectual property rights to the Company.

- (3) That it has fully paid all the statutory fees related to the creation of the intellectual property, including the payment of remuneration to its authors.
- (4) That there no third parties which may claim the Company in connection with the use of the intellectual property.

10.5 **Obligations to Comply with the Law**

10.5.1 Without excluding other obligations of the Parties to comply with mandatory requirements of the laws of the Russian Federation and other applicable laws, the Counterparty should comply with the requirements set out in this Section.

10.5.2 The Counterparty shall, when establishing a separate subdivision in the territory of the Mirny district (Republic of Sakha), take the necessary steps to register it with tax authorities, as well as to ensure the payment of taxes as per Articles 11, 23 and Part 2 (including the chapter on personal income tax) of the Tax Code of the Russian Federation.

The Company shall have the right to request, and the Counterparty shall submit to the Company the documents confirming performance of such obligation by the Counterparty.

11 **MISCELLANEOUS**

11.1 **Terms and Definitions**

11.1.1 The reference to Paragraphs and Sections shall be interpreted as the reference to paragraphs and sections of these General Terms and Conditions. The word "including" (as well as similar words and expressions) shall be construed as "including, but not limited to".

- 11.1.2 The headings used in the General Terms and Conditions, the Specific Terms and Conditions, and the Agreement shall be solely for convenience and shall not affect the interpretation thereof.
- 11.1.3 The terms defined in the General Terms and Conditions shall have the same meaning in the Specific Terms and Conditions and in the Agreement. The terms defined in the Specific Terms and Conditions and in the Agreement shall have the same meaning in the General Terms and Conditions.
- 11.1.4 The terms in the General Terms and Conditions shall have the following meanings:
- (1) **Commissioning** shall have the meaning set forth in Paragraph **Ошибка! Источник ссылки не найден.**
 - (2) **Specific Terms and Conditions** shall have the meaning set forth in Paragraph [1.1.1\(2\)](#)
 - (3) **Specific Terms and Conditions of Delivery Agreements** shall have the meaning set forth in Paragraph **Ошибка! Источник ссылки не найден.**
 - (4) **Guarantor** shall have the meaning set forth in Paragraph [6.2.1\(1\)](#)
 - (5) **Retention Money** shall have the meaning set forth in Paragraph **Ошибка! Источник ссылки не найден.**
 - (6) **Due Date for All Obligations** shall have the meaning set forth in Paragraph [2.4.1](#)
 - (7) **Due Date** shall have the meaning set forth in Paragraph [2.3.2](#)
 - (8) **day** shall mean a calendar day
 - (9) **Agreement** shall have the meaning set forth in Paragraph [1.1.1\(3\)](#)
 - (10) **Subsidiaries** shall mean (i) business entities where the Company owns shares in the authorized capital or stocks; (ii) non-profit unitary entities where the Company is one of the founders
 - (11) **law** shall mean the legislation of the Russian Federation and applicable international treaties
 - (12) **Procurement** shall mean the sequence of actions of the Companies and the Counterparty performed in the manner prescribed by the Company's by-laws to meet the Company's demand for goods, works, and services
 - (13) **Initial Data** shall have the meaning set forth in Paragraph [11.6.1](#)
 - (14) **Company** shall have the meaning set forth in Paragraph **Ошибка! Источник ссылки не найден.**
 - (15) **Confidential Information** shall have the meaning set forth in Paragraph **Ошибка! Источник ссылки не найден.**
 - (16) **Counterparty** shall have the meaning set forth in Paragraph **Ошибка! Источник ссылки не найден.**
 - (17) **Materials** shall have the meaning set forth in Paragraph [2.1.2](#)

- (18) **Warranty Period Commencement** shall have the meaning set forth in Paragraph [4.2.1](#)
- (19) **Deficiencies** shall have the meaning set forth in Paragraph [8.6.1\(1\)](#)**Ошибка! Источник ссылки не найден.**
- (20) **General Terms and Conditions** shall have the meaning set forth in Paragraph [1.1.1\(1\)](#)
- (21) **Lump Sum Payment after the Performance of All Obligations** shall have the meaning set forth in Paragraph [2.4.1](#)
- (22) **Payment by Periodic Payments** shall have the meaning set forth in Paragraph [2.4.3](#)
- (23) **Payable Period** shall have the meaning set forth in Paragraph [2.4.3](#)
- (24) **List of the Banks** shall have the meaning set forth in Paragraph [6.2.1\(1\)](#)
- (25) **Deficiencies Elimination Period** shall have the meaning set forth in Paragraph **Ошибка! Источник ссылки не найден.**
- (26) **Post-Performance Payments** shall have the meaning set forth in Paragraph [2.3.2](#)
- (27) **Confirming Documents** shall have the meaning set forth in Paragraph [2.3.3\(1\)](#)
- (28) **Payment by Instalments** shall have the meaning set forth in Paragraph [2.4.2](#)
- (29) **Advance Payment** shall have the meaning set forth in Paragraph [2.5.1](#)
- (30) **Payment Deadline** shall have the meaning set forth in Paragraph [2.6](#)
- (31) **Documents Submitted** shall have the meaning set forth in Paragraph [5.1](#)
- (32) **Business day** shall mean business day in the Russian Federation in accordance with the Labour Code for a 5-day business week;
- (33) **Communications** shall have the meaning set forth in Paragraph [11.8.1](#)
- (34) **Payment Term** shall have the meaning set forth in Paragraph [2.3.3](#)
- (35) **Deficiency Disclosure Period** shall have the meaning set forth in Paragraph [8.6.2\(2\)](#)
- (36) **Requirements for Documents** shall have the meaning set forth in Paragraph [5.2.1](#)
- (37) **UTD** (Universal Transfer Document) shall have the meaning set forth in Section [5.3](#)
- (38) **Price** shall have the meaning set forth in Paragraph [2.1.1](#)
- (39) **Price of Agreement** shall have the meaning set forth in Paragraph [2.1.1](#)
- (40) **Issuer** shall have the meaning set forth in Paragraph [2.3.3](#)

11.1.5 Terms used in the Specific Terms and Conditions of Delivery Agreements shall have the following meanings:

- (1) **External Acceptance** shall mean the acceptance of goods by the number of packages
- (2) **Internal Acceptance** shall mean the acceptance of the goods by quantity, completeness, range, and quality
- (3) **Place of Acceptance** shall mean the place of acceptance of the goods specified in the Agreement.

11.1.6 Terms used in the Specific Terms and Conditions of the Agreement on Works and Services entered into by PJSC ALROSA and related parties based on the results of procurement shall have the following meanings:

- (1) **Facility** shall mean a facility, territory, etc. determined by the Company where the works are performed / services are rendered
- (2) **Materials** shall have the meaning set forth in Paragraph [2.1.2](#)
- (3) **Personnel** shall mean the employees and other natural persons engaged by the Counterparty in the performance of obligations under the Agreement.

11.1.7 The reference to paragraphs, sections and appendices in the Agreement shall be construed as references to paragraphs, sections and appendices of the Agreement, unless otherwise specifically provided for in the references themselves.

11.2 **Applicable Law**

The Agreement shall be governed by the law of the Russian Federation.

11.3 **Dispute Resolution**

11.3.1 In case of any disputes arising out of the Agreement, the parties shall comply with the extra judicial dispute settlement procedure.

11.3.2 The deadline for responding to the Company's claim shall be established in the claim. The deadline must be reasonable.

11.3.3 The deadline for responding to the Counterparty's claim shall be 30 days upon its receipt by the Company.

11.3.4 If the parties fail to settle disputes extrajudicially (after the deadline for responding to a claim):

- (1) If the Counterparty is incorporated in the Russian Federation, the disputes shall be referred to the Arbitration Court of the Republic of Sakha (Yakutia).
- (2) If the Counterparty is a natural person who is not an individual entrepreneur, the disputes shall be referred to the Mirny District Court of the Republic of Sakha (Yakutia).
- (3) If the Counterparty is incorporated abroad, all disputes, disagreements or claims arising out of or in connection with the Agreement, including those relating to its entry into force, conclusion, amendment, implementation, violation, termination or validity shall be considered in the International Commercial Arbitration Court at the Chamber of Commerce and Industry of the Russian Federation in accordance with the applicable rules and regulations. The Arbitral Tribunal shall consist of a sole arbitrator.

The award shall be final for the parties.

The submission of an application to decide on the lack of the arbitral tribunal's competence in connection with a separate award of the arbitral tribunal on the existence of competence as a matter of a preliminary nature to the state court shall be excluded.

11.3.5 At the Company's request, the Counterparty shall participate in the resolution of any issues and disputes with any state authorities and other third parties in connection with the performance of works or rendering of services.

11.4 **Confidentiality**

11.4.1 Any information shall be confidential (hereinafter referred to as the **Confidential Information**)

(1) if the Counterparty received it from the Company in connection with the conclusion, performance, or termination of the Agreement, including in connection with visiting the Company's facilities; and

(2) if it relates to the results of the Agreement performance. —

11.4.2 The Counterparty may disclose the Confidential Information only with the prior written consent of the Company.

11.4.3 The obligation of non-disclosure of Confidential Information (Paragraph **Ошибка! Источник ссылки не найден.**) shall not apply if such Confidential Information is to be disclosed under the law. In such a case, the Counterparty shall notify the Company not later than 10 days from the date of such disclosure.

11.4.4 The Counterparty shall ensure the non-disclosure of the Confidential Information by third parties it engages to fulfil its obligations under the Agreement.

11.4.5 This Section 11.4 shall be valid until the termination of the Agreement and shall survive within 5 years upon the termination thereof.

11.5 **General Principles for the Execution of the Agreement**

11.5.1 The Counterparty should ensure that in the performance of obligations its affiliates, employees or representatives do not take actions that are qualified by the applicable law as giving or receiving bribes, commercial bribery, violation of the requirement to counteract the legalization (laundering) of proceeds from crime.

11.5.2 The Counterparty is acquainted with the principles and values that the Company applies in the course of its economic activity and that are available at the Company's website at www.alrosa.ru, in particular with the Code of Suppliers' Business Ethics of PJSC ALROSA, and shall adhere to the approaches to economic activity established by such document and ensure that its subcontractors comply with such principles.

11.6 **Initial Data and Other Information Provided by the Company**

11.6.1 If it is provided for by the Agreement or follows from the essence of the obligation, the Company shall provide the information necessary for the performance of the Agreement by the Counterparty (hereinafter referred to as the **Initial Data**).

11.6.2 The Counterparty shall verify the Initial Data for consistency and compliance with mandatory requirements, if such requirements are provided for by law. In case of any discrepancy or inconsistency in the Initial Data, the Counterparty shall, on the day of finding thereof:

- (1) Suspend the performance of its obligations; and
- (2) Send a request to the Company for the provision of appropriate Initial Data.

Such a request shall contain: (i) mandatory requirements inconsistent with the Initial Data; (ii) details of the document establishing such mandatory requirements, including articles, clauses, etc. thereof; (iii) the information explaining why the Initial Data are contradictory, if the suspension is related to the inconsistency of the Initial Data.

11.7 **Information for the Counterparty**

11.7.1 The places where the Company conducts Internal Acceptance of the Goods and the Facilities are usually located in hard-to-reach areas. The ability to deliver the goods to the Place of Destination, to deliver Personnel, Materials, and equipment necessary for the performance of works and rendering of services at the Facilities may depend on the operation of inland waterway and land transport (navigation on rivers, winter snow roads availability, etc.). The Counterparty shall bear all risks associated with the seasonal inability to deliver the goods to the place of Internal Acceptance, to deliver Personnel, Materials, and equipment necessary for the performance of works and rendering of services at the Facilities, including the risk of the Counterparty's failure to comply with the relevant due date.

11.8 **Communication**

11.8.1 The parties shall send all the claims, complaints, notifications, and other legally significant communications (hereinafter referred to as the **Communications**) to the addresses specified in the Agreement.

11.8.2 Delivery methods:

- (1) By courier against the signature. The Communication shall be deemed delivered on the date indicated by the addressee on the copy thereof.
- (2) By registered mail with a notice of delivery and a list of enclosures; a letter sent by courier. The Communication shall be deemed delivered on the date:
 - (i) Indicated in the notice of delivery or other delivery document
 - (ii) Of the party's refusal to receive the Communication, which is recorded by the post office or the courier service
 - (iii) On which the Communication was not delivered to the addressee due to its absence at the address specified in the Agreement according to the post office or the courier service
- (3) By e-mail: in the form of scanned copies of Communications. The Communication shall be deemed to be delivered on the date the e-mail was sent, unless the addressee proves otherwise.
- (4) By facsimile: in the form of copies of Communications. The Communication shall be deemed to be delivered in the date specified in the copy of the delivery report of the facsimile Communication.

11.9 **Russian Language**

Any documents submitted to the Company as well as any Communications shall be in Russian or in any other language accompanied by the translation into Russian. The translation shall be notarized if the Company requests so.

The Russian text of the Agreement, the General Terms and Conditions and the Specific Terms and Conditions shall prevail over the text of the same documents translated into any other language.

11.10 **Change of Details**

In case of changing any details specified in the Agreement, the relevant party shall inform the other party of new details within 3 business days upon the relevant change. The Company has the right to demand the conclusion of an amendment agreement that changes the details of the Parties in the Agreement. Before such an amendment agreement is signed, any payments are to be made using the details of the Parties set out in the Agreement.

The party that changed its details shall bear all the risks associated with the late informing of the new details.

**APPENDIX 1 TO THE GENERAL TERMS
AND CONDITIONS OF AGREEMENTS
ENTERED INTO BY PJSC ALROSA AND
RELATED PARTIES BASED ON THE
RESULTS OF PROCUREMENT**

Early Payment Agreement

The Counterparty and the Company have agreed as follows (hereinafter referred to as the Early Payment Agreement):

1. Taking into consideration that the Counterparty is interested in receiving payments under the Agreement prior to the Payment Deadline, the Parties have agreed that the Company shall have the right to make payments for the obligations performed by the Counterparty prior to the Payment Deadline stipulated by the Agreement (hereinafter referred to as early payment), while the Counterparty shall pay fees to the Company for early payment under the terms of this Agreement.
2. For the avoidance of doubt, the early payment shall not constitute an advanced discharge of obligations in terms of Article 315 of the Civil Code of the Russian Federation. The fee for the early payment shall not alter the price of the Agreement or constitute a discount, and shall be payable solely under the terms and in the manner specified in this Agreement, and in accordance with Clause 19.1 Article 265 of the Tax Code of the Russian Federation shall constitute non-operating expenses for the Counterparty and non-operating income for the Company.
3. In order to provide technical assistance to the Parties when concluding transactions for early payments and early payment fees, the Company has entered into contracts with KPMG Tax and Advisory LLC and Kontur Factoring LLC (hereinafter referred to as the Platform Proprietors) for the services of automated information systems (hereinafter referred to as the Platforms).
4. The following prerequisites shall apply to the early payment transactions under the Agreement:
 - 4.1. The Counterparty shall submit a notification to the Company concerning the choice of one of the specified Platforms for establishing connection, with the indication of employees authorized to interact with the Platform, in the form specified in Annex 2 hereto (hereinafter referred to as the Notification).
 - 4.2. When connecting to the KPMG Tax and Advisory LLC's Platform, the Counterparty shall sign the Provisions for Access in the form specified in Annex 3 hereto. The form, as well as the terms and conditions may be changed by the Platform Proprietor. The current version of the Provisions for Platform Access shall be provided by the Company at the Counterparty's request. In the case where the Company receives an outdated version of the Provisions for Access, it is deemed that the prerequisites for early payment transactions were not met.
5. Within 5 calendar days upon receipt of the Notification from the Counterparty, the Company shall submit to the Platform Proprietor an application for access to the Platform for the employees specified in the Notification of the Counterparty.
6. Further on, should it be required to change the Platform or the list of persons authorized to interact with the Platform, the Counterparty shall be obliged to inform the Company in soonest possible time, in a Notification with updated details. The Counterparty shall be reconnected to the Platform within 3 (three) business days upon receipt of the updated details by the Company.
7. The Company shall define the date and time for the approval of early payment transaction parameters, and inform the Counterparty accordingly within 2 (two) business days before the defined date at the latest.

8. When approving the early payment transaction parameters with the use of the Platform, the Parties shall determine the list of primary documents to serve as the basis for the early payment, and the amount of the Company's fee for the early payment.

9. Upon the approval of early payment transaction parameters with the use of the Platform, the Company shall, by the next business day at the latest, make the appropriate payment (including VAT) less the amount of the early payment fee, generate and submit on the same day to obtain signature of the Counterparty a statement of early payment fee and homogeneous counterclaims set-off (hereinafter referred to as the Statement), in the form of Annex 1 hereto.

10. The Counterparty shall, within 3 (three) business days upon receipt of the payment in accordance with clause 9 hereof, if there are no objections, sign the received Statement and return the same to the Company.

The Parties have agreed as follows:

- the Statements shall be exchanged via the electronic document management system (EDMS), with the use of Diadoc software owned by JSC SKB Kontur Production;
- the Statements shall be signed by enhanced qualified electronic signatures of authorized representatives of the Party.

If any of these conditions is not met, it is deemed that the Statement was not received by the Company, with the exception of a situation set out in clause 10.1.

10.1. In the case where it is technically impossible for the Counterparty to submit the Statements via the EDMS, the Statements shall be exchanged in the form of scanned hard copies of documents signed by the Parties, with further provision of original documents in the following manner: the Company shall be obliged to ensure that the original Statements in 2 (two) copies are delivered to the Counterparty within 5 business days from the date of payment according to clause 9 hereof, while the Counterparty shall be obliged to ensure that the original Statements are delivered to the Company within 5 business days upon receipt of documents for signing.

11. This Agreement shall come into effect from the date of execution by the Parties and remain in effect for the whole term of the Agreement.

12. This Agreement shall form an integral part of the Agreement.

Annexes:

Annex 1. Form of statement of early payment fee and homogeneous counterclaims set-off;

Annex 2. Form of Counterparty's notification about Platform choice;

Annex 3. Provisions for Platform Access when connecting to the KPMG Tax and Advisory LLC's Platform.

Form
of Statement of Early Payment Fee and Homogeneous Counterclaims Set-off

Agreement No. ___ of ___ _____ 20__

This Statement was drawn up on _____ 20__ between _____ (name of the Counterparty) (hereinafter referred to as the **Counterparty**) and _____ (hereinafter referred to as the **Company**) (collectively hereinafter referred to as the **Parties**).

The Company shall, as the early payment against the primary documents listed below, pay to the Counterparty the appropriate amounts for the fulfillment of obligations eligible for early payment less the amount of the accrued fee payable by the Counterparty.

The Counterparty hereby confirms the provision of the fee to the Company against each relevant primary document in accordance with the Early Payment Agreement, and the Parties confirm Company's right to claim the fee under the terms set forth in the Early Payment Agreement, as well as the set-off of homogenous counterclaims.

	Details of the primary document *	Amount of obligation under the primary document *, including VAT, in RUB	Amount of obligation subject to early payment, including VAT, in RUB	Amount of fee for early payment, in RUB	Amount of early payment to the Contractor , in RUB	Date of early payment to the Contractor	Amount subject to set-off, in RUB (Column 5 = Column 4–Column 6)	Balance due under the primary document *, including VAT, in RUB
1	2	3	4	5	6	7	9	10
1.								
2.								
...								
Total								

* Primary document shall mean a commercial invoice, delivery note issued in unified form, certificate of acceptance for work or universal transfer document, shipping documents or other documents provided for by the agreement, which confirm the completion of a business operation determined in accordance with the relevant agreement, law or another legal norm.

Counterparty's Notification about Platform Choice

Our ref. No. _____ of _____

_____ (*name of the Counterparty*) (hereinafter referred to as the **Counterparty**) hereby notifies that under the Agreement entered into with _____, in order to approve the early payment transaction parameters, the Counterparty has chosen for operation the Platform of _____ (*name of the Platform Proprietor*).

The Parties shall appoint the following responsible persons to ensure the fulfillment of the Early Payment Agreement:

1) For and on behalf of the Counterparty:

No.	Full name	E-mail	Phone	Position
1				
2				

2) For and on behalf of the Company:

No.	Full name	E-mail	Phone	Position
1				
2				

Provisions for Platform Access when connecting to the KPMG Tax and Advisory LLC's Platform

These Provisions for Platform Access (hereinafter referred to as the Provisions for Access) shall govern the relations concerning the Platform access via a web-site and determine the list of essential terms and conditions to be signed by the Company's Counterparty in order to get access to the Platform as part of the Early Payment Agreement concluded with the Company.

Definitions

The following words and expressions, when used in these Provisions for Access, shall have the following meanings:

KPMG (or derivative forms of these words) shall mean KPMG Tax and Advisory Limited Liability Company, the proprietor of all rights for/in the Platform, which provides access to the Website and the Platform and has concluded a contract with the Company (hereinafter referred to as the Contract between KPMG and the Company).

Platform (software) shall mean the automated information system services provided by KPMG, which include various software tools designed for the Company and the Counterparty to discuss the amount of fee payable by the Counterparty to the Company for the early payment in accordance with the Amendment Agreement.

Website shall mean the website that is hosted in the domain at <https://dd.kpmg.ru> and/or operated by it, whereby the Platform access is provided.

KPMG representatives shall mean the contracting Party represented by KPMG, any other member firms of the KPMG International Cooperative association and all persons controlled by such member firms, including all partners, directors, employees and agents of such member firms and persons controlled by them, and KPMG Representative shall mean any of these persons.

Company shall mean Public Joint Stock Company ALROSA, a legal entity that is a party to the Contract between KPMG and the Company.

Counterparty (*name of the Counterparty*) shall mean the party acting as a counterparty of the Company that is interested in obtaining access to the Platform and has signed these Provisions for Platform Access.

Platform Users shall mean the employees and/or authorized representatives of the Company and the Counterparty that gained access to the Platform.

Terms of Use of the Platform

1. Access to the Platform shall only be provided to the persons from the lists of authorized Platform users (hereinafter referred to as the **Authorized Users**). The lists of the Counterparty's Authorized Users shall be submitted to the Company for further submission to KPMG.
2. Details of the Counterparty's Authorized Users to register the Counterparty on the Platform shall be submitted to KPMG by the Company.
3. In order to obtain Platform access for the Counterparty's Authorized Users, the Counterparty shall be obliged to agree with these Provisions for Platform Access in writing. The Counterparty shall agree not to grant access to the Platform for any persons with the exception of its Authorized Users.
4. The Counterparty shall agree to observe all rules, norms and guidelines of KPMG and the Company in relation to the Platform use security, technologies and risk management, which are from time to time notified to the Counterparty in writing by KPMG or the Company. If the Counterparty does not agree to observe a new or amended policy, the Counterparty shall immediately notify KPMG and/or the Company accordingly, and KPMG will have the right, acting at its sole discretion, to discontinue the Counterparty's use of the Platform. The Counterparty shall also agree to immediately notify KPMG and/or the Company if it becomes aware of any events or acts which might affect safety and

security of the Platform, for instance, unauthorized access to a Counterparty's or a Platform User's password.

5. KPMG shall reserve the right to disable the Counterparty's access to the Platform due to any reason, including in the case where KPMG becomes aware of any unapproved use of the Platform or violation of the provisions hereof by the Counterparty.
6. The Counterparty shall be solely responsible for all information posted and/or entered in the Platform for processing by its Authorized Platform Users. The Counterparty shall ensure the all such information falling in the scope of its responsibility complies with all applicable laws and regulations, ensure that such information will not infringe the intellectual property or data confidentiality rights of any third parties (both individuals and legal entities).
7. When using the Platform to post, enter and/or process information, the Counterparty whereby agrees for the utilization of such information by the Company and KPMG.
8. Taking into account that information located on the Platform might contain personal data (as defined in Federal Law of 27 July 2006 No. 152-FZ On Personal Data (hereinafter referred to as the Law)), the Counterparty confirms that it observes the requirements of the Law, and have obtained or will obtain from the personal data subjects the appropriate consents for personal data processing (including cross-border transfer of personal data) for the purpose of Platform access. The Counterparty shall remain the personal data operator responsible for the processing of such data, including collection and storage, while KPMG shall process such data submitted by the Company or by its Counterparty for the fulfillment of the Contract between KPMG and the Company. In relation to the personal data received from the Counterparty and/or from the Company, KPMG shall undertake to observe the rules and principles of personal data processing stipulated by applicable legislation.

The Counterparty shall not transfer to KPMG such personal data that are not required in order to obtain access to the Website and the Platform. Prior to the submission of any personal data to KPMG in order to obtain access to the Website and the Platform, the Counterparty shall preliminary inform KPMG in writing in the case where the personal data subjects whose personal data will be submitted to KPMG for processing are within the European Economic Area, so that KPMG could determine the applicability of the European General Data Protection Regulation (GDPR) and stipulate additional GDPR observance requirements for the Counterparty, if applicable. KPMG shall reserve the right to refuse the Counterparty's access to the Website and the Platform if the Counterparty fails to observe the additional requirements stipulated by KPMG for the observance of the European General Data Protection Regulation (GDPR).

9. In the case where a personal data subject withdraws his/her consent for personal data processing, the Counterparty shall be obliged to notify the Company or KPMG accordingly in the soonest possible time. Upon notification about such withdrawal, KPMG shall undertake to physically remove the personal data of such subject from the database of the Platform.
10. The Counterparty shall undertake not to use the Platform or the Website for:
 - spamming or mass mailings;
 - scanning ports of other web-connected servers;
 - distribution of malware, viruses, spyware, etc.;
 - distribution of illegal content or materials protected by the Russian legislation on intellectual property or by international law;
 - committing acts that might violate the rights and freedoms, or discredit the honor and dignity of any person;
 - attempting access to an account and/or login and password of another person, including by way of login and password guessing.

11. The Counterparty confirms that KPMG may disclose any information posted on the Platform to the extent required by effective Russian law, requested by a government agency or in the course of legal proceedings.
12. The Counterparty understands that access to the Platform may be suspended, restricted, prohibited or discontinued at any time.
13. The Counterparty shall be responsible for taking the appropriate measures to prevent unauthorized users from accessing the Platform, including such measures as the non-disclosure of user names or passwords to any other persons.
14. KPMG can ensure browser compatibility and fault-free operation of the Platform, only provided that the following minimum PC configuration requirements are met by the Counterparty: CPU Intel Core i5 2.4 GHz, 8 GB RAM, HDD 250 GB, Intel HD Graphics video adapter, monitor with 1280 x 1024 minimum resolution, Windows 7 x64, Microsoft Office 2013, at least one of the following browsers: Google Chrome latest series (v.75+), Mozilla Firefox latest series (v.64+), Microsoft Edge latest series (v.42+).
15. The Counterparty is encouraged to utilize up-to-date antivirus software, firewalls, separation of account authority in operating systems, and other state-of-the-art methods to ensure safe computer operation. KPMG shall not be held responsible for improper functioning of the Website and the Platform in the case of non-compliance with the minimum technical requirements defined in clause 14 of this Annex 2, or for losses resulting from the distribution of viruses, compromised credentials etc. In this regard, KPMG shall not be held responsible for any violation of security or confidentiality, as well as loss of data as a result of any unauthorized use of the Platform. While KPMG takes reasonable measures to ensure continued operation of the Platform, KPMG cannot guarantee that there will be no suspension or interruption in the operation of the Website or the Platform, or temporary lack of access to the Website or the Platform, and shall assume no responsibility for such failures.
16. It shall be prohibited for the Counterparty to (a) utilize the Platform by way of leasing, timesharing (shared operation of the Platform with third parties according to a fixed schedule), offering subscription, hosting or outsourcing services; (b) remove or alter any markings or indication of the KPMG's rights; (c) provide any kind of access to any third parties for the business purposes of such third parties (except for the cases where such access is expressly permitted under the Agreement).
17. Unless the Counterparty can prove otherwise, any actions on the Website or on the Platform performed with use of its account or login/password are deemed performed by the Counterparty, and the Counterparty shall bear full responsibility for such actions, their consequences and outcomes, including the cases where the Counterparty's account, login/password utilization by third parties was authorized by the Counterparty.
18. The Counterparty will not grant access to the Website or the Platform to third parties without prior written consent for such access obtained from the Company and KPMG.
19. All rights in/to the Platform and the Website shall be owned by KPMG in full scope. The Counterparty shall undertake not to use the content of the Website or the Platform for any purposes other than specified in these Provisions for Platform Access without prior written permission of KPMG. Nothing contained in herein shall grant the Counterparty any rights in/to any intellectual property deliverables owned by KPMG.
20. The Counterparty shall agree not to reassemble, reverse engineer or otherwise modify the Platform, or attempt to tamper with or otherwise gain access to other elements of the KPMG's environment or network resources to which no access was granted for the Counterparty.
21. The Counterparty confirms that it shall bear responsibility for the following:
 - a. management and control of its activities, assurance of business functioning;
 - b. making decisions concerning the use, scope of use or practical implementation of the provided Platform access services;

c. making any decisions which affect interests or activities of the Counterparty.

22. The Counterparty shall bear full responsibility for the completeness and reliability of source data, as well as for the consequences of the utilization of results obtained with the use of the Platform, or any judgments and management decisions based on the results obtained with the use of the Platform.

In no event shall KPMG or the KPMG Representatives be held liable for any loss, damage or costs of the Counterparty or other persons related to the Counterparty's utilization of the results and/or calculations obtained with the use of the Platform, either before or after the Counterparty would accept such results or calculations under any circumstances, including any actual damages, lost profits or consequential damages, even if KPMG was advised of the possibility of such damages (including, but not limited to the liability for termination of operations, computer failure, inability to use the Platform, loss of data or profits), without regard to the form of any actions, including but not limited to those following from the Agreement, negligence or liability in tort which result from or arise in connection with the calculations or results of operations or data processing by the Platform, any content or means of access for the utilization of the Platform, or any copying, demonstration or other use thereof, and KPMG shall be exempt from any such liability.

23. The Provisions for Platform Access shall be interpreted and governed in accordance with the legislation of the Russian Federation.

Confidentiality

24. The Counterparty will not mention or reproduce the name of KPMG without prior written consent of KPMG, which may be given under certain conditions.

25. The Counterparty may disclose, provided that integrity of the same is preserved, any results of Platform utilization to its lawyers and other consulting service providers (professional consultants) with the purpose of obtaining their advisory support, provided that the Counterparty warns them that they have no right to disclose the received information without prior written consent of KPMG (except for the use of such information for their own internal purposes), and KPMG shall assume no obligations and bear no liability to such persons in connection with such information.

26. The Counterparty will not provide any results of Platform utilization to any third party without adherence to the agreed method, content or form of provision. The Counterparty shall undertake not to reproduce the logo of KPMG without prior written consent of KPMG, which may be given under certain conditions.

27. In the case where the Counterparty is required by Russian legislation or other applicable laws or resolutions of competent authorities to disclose (including by way of publication in mass media) any results of Platform utilization, information and/or materials received from KPMG (including recommendations, advisory details, quotes of statements by the KPMG employees and managers), or information received from other persons that has been confirmed or agreed with KPMG, the Counterparty shall be obliged to notify KPMG in advance and in writing about the content, method and form of such disclosure, unless the applicable law or other regulations prohibit such notifications.

28. The Counterparty may not without the prior written consent of the Company and KPMG disclose to a third party and/or publish/permit publication of any information (hereinafter referred to as the information) that (i) was provided by the Company or KPMG in connection with the use of the Platform; (ii) was provided by one of the Parties in connection with contractual relations; (iii) became known to the Counterparty by virtue of obligations performance under the Agreement; or (iv) was lawfully created by the Company or KPMG by virtue of obligations performance under the Contract between KPMG and the Company.

29. The Counterparty confirms that KPMG has the right, acting at its sole discretion, to:

- a. disclose information to relevant persons (such as authorized bodies, auditors or others) in order to meet obligations under the law, regulations or any applicable professional standards (including the International Code of Ethics for Professional Accountants published by the International Ethics Standards Board for Accountants);
 - b. disclose information to insurers, legal and other consultants of KPMG and the KPMG Representatives, provided that they are subject to the same confidentiality obligations as stipulated by these Provisions for Access, in the case of an action or a threatening institution of an action against the KPMG Representatives regarding the use of the Platform;
 - c. disclose the work materials, or disclose or transfer other information to the KPMG Representatives, in the scope necessary to use the Platform and/or to facilitate the exchange of statistical data between the KPMG Representatives, hold quality control or compliance surveys, observe the financial reporting requirements, coordinate decision-making procedures concerning client cooperation and project implementation, and check the observance of the arm's length principle and the existence of the conflicts of interest, provided that such information is subject to the same confidentiality assurances as stipulated by these Provisions for Access.
30. KPMG and/or its Representatives may mention that the Counterparty has been granted access to the Platform for marketing purposes. KPMG and/or the KPMG Representatives may specify the name or logo of the Counterparty by way of its free-of-charge use in promotional and advertising materials, and refer to the general nature, scope or type of the rendered services.

**APPENDIX 2 TO THE GENERAL TERMS
AND CONDITIONS OF AGREEMENTS
ENTERED INTO BY PJSC ALROSA AND
RELATED PARTIES BASED ON THE
RESULTS OF PROCUREMENT**

Form of Certificate on Performance of Obligations under the Agreement

_____ «__»_____ 20__

_____ (the Company), represented by _____, acting
under the _____, on the one part, and

_____ (the Counterparty), represented by _____, acting
under the _____, on the other part, together hereinafter referred to as the Parties, have
made and signed this Certificate on Performance of Obligations by the Parties under the Agreement
No. _____ of _____

No.	Name of document on acceptance of goods, works, services*	Details of shipping document		Total number of goods / works (rendered services)	UoM	Name of payment document	Details of payment document		Amount of payment =(with indication of currency)	Currency exchange rate
		Date	No.				Date	No.		
TOTAL:				xxxx					xxxx	

Signatures: