

SANCTION PROVISIONS

1. The Buyer represents that neither it nor its affiliates within the Buyer's group of companies (the "Affiliates") are subject to, and comply with, any restrictive or discriminatory measures in trade or other economic arena imposed with the intent to induce a change in policy or individual actions ("Sanctions") that have been implemented by the Sanctioning Authority in respect of any of the following categories:
 - (i) countries,
 - (ii) country groups,
 - (iii) individuals,
 - (iv) legal persons ('Sanctioned Persons').

Sanctions may, in particular, manifest themselves in the form of a partial or total ban on imports/exports, a ban on the use or provision of services, a ban on entry/entry into a specific territory, the freezing of assets, a ban on the transit of products through specific territories, a ban on commercial settlements or investments with/with the Sanctioned Persons. For the purposes of these GTCS, Sanctioning Authority means:

- (i) UN and its body/institutions,
 - (ii) Republic of Poland and its institutions,
 - (iii) any EU Member State not listed in the following subsections,
 - (iv) European Union and its institutions,
 - (v) Kingdom of Great Britain and Northern Ireland and its institutions,
 - (vi) United States of America and its federal institutions.
2. The Buyer undertakes to:
 - not directly or indirectly resell products purchased from the Seller to any Sanctioned Persons or provide such persons with technical assistance;
 - not conduct any activities that may result in a breach of the Sanctions.
3. The Buyer acknowledges that the Seller's products, including dual-use items, are subject to restrictive measures, in particular on Russia, Belarus, Syria, Iran, North Korea, Russian-occupied areas not controlled by the Government of Ukraine and undertakes to act in compliance with the Sanctions imposed.
4. As regards the sale, delivery, transfer or export of the Seller's products to a third country, the Seller prohibits the Buyer from re-exporting the Seller's products to Russia or Belarus or re-exporting them for use in Russia or Belarus, whereas the Buyer undertakes to comply with this prohibition (clause: "Not to Russia," "Not to Belarus").
5. Neither Party will be obliged to fulfil the Contract if in so doing the Party would be in contradiction of the Sanctions applicable to the Party. If the performance of the Contract constitutes a breach of the Sanctions or may be construed as breaching/exceeding the Sanctions, the Seller will be entitled, at its sole discretion, to notify the other Party of the following:
 - a) to suspend the execution hereof until the Sanctions have ceased;
 - b) to terminate the Contract with immediate effect if reasonable to expect that the Sanctions will continue to apply for a period making further performance hereof impracticable or unusable for the Seller.
6. If the Seller is obliged to make a payment to the other Party for a part hereof already performed in such a case, the Seller's payment obligation:

- (i) will be suspended until making such a payment is no longer in breach of the Sanctions or
- (ii) the Seller may withdraw from the fulfilled part hereof within twelve (12) months of becoming aware of the Sanctions and return its performance to the other Party.

In any event, the Seller is not liable to the other Party for actions to comply with the Sanctions.

7. Upon the Seller's written request, the Buyer:
 - a) will provide the Seller without undue delay with the documents confirming the final destination of the product sold;
 - b) if the Seller is obliged to deliver the documents referred to in paragraph 7(a) at the request of a public administration authority, the Purchaser will deliver them within a period that will allow the Seller to comply with such a request in a timely manner.
8. To avoid any doubt, failure to provide the documentation referred to in paragraph 7 will be deemed and considered a reasonable suspicion that the Buyer is subject to Sanctions or that the Buyer is attempting to circumvent the Sanctions and the Seller will, under such circumstances, be entitled to exercise, at its discretion, the powers referred to in paragraph 5 and the time limit for their exercise will be calculated from the refusal/non-receipt of the documents within the time limit indicated by the Seller.
9. The Buyer agrees to indemnify the Seller against any liability including the imposition of fines, penalties or expenses (including but not limited to court fees) that the Seller may sustain as a result of a breach of the Sanctions by the Buyer or its Affiliates and, if possible, to join such proceedings if they are instigated against the Seller. The Seller may require the Buyer to compensate the Seller for the total damage it sustains as a result of the breach of the Sanction by the Buyer and/or its Affiliates.
10. In the event of a breach of the prohibition specified in paragraphs 2-4 above, the Seller:
 - a) will notify the Sanctioning Authority of any breach or circumvention of the Sanctions;
 - b) the Seller will be entitled to claim compensation from the Buyer for any damage sustained as a result of a breach of the Sanction by the Buyer or its Affiliate.
 - c) The Seller will be entitled to terminate the Contract with immediate effect if the Buyer is reasonably to be expected to have breached the Sanctions.