

# CODE OF CONDUCT FOR SUPPLIERS

## 1. PURPOSE

- 1.1. UAB MT Group is an EPC contractor operating in Eastern and Northern Europe and is specializing in execution, engineering and construction of big scale projects in energy and infrastructure sectors and prefabrication of steel structures for industry. Our highly skilled team members and years of experience specializing in heavy industry branches have made us a reliable and trustworthy business partner.
- 1.2. Terms thus sets forth the basic terms and conditions applicable to all contracts for supply, provision of services and / or works concluded by MT Group. Unless otherwise expressly agreed in writing, all offers and proposals to perform Works, supply Goods and/or Services are only given and all orders only accepted subject to these conditions of contract which apply to all instances of supply by MT Group and override and exclude any other conflicting terms or conditions stipulated or incorporated or referred to by the Client. In case of any discrepancies between Agreement and Terms, clauses of Terms shall prevail.

## 2. DEFINITIONS

- 2.1. **Agreement**
  - (i) contract, signed or accepted by Parties, or
  - (ii) MT Group's sales offer as accepted by Client in its purchase order, or
  - (iii) Client's purchase order accepted by MT Group,

The Agreement includes all its appendices and amendments fully signed by authorized representatives of the Parties. Terms is always an integral part of Agreement;
- 2.2. **Client**
  - the Party of the Agreement who purchases Goods, Services and / or Works executed by or on behalf of MT Group;
- 2.3. **Days**
  - calendar days unless stated otherwise;
- 2.4. **Effective date**
  - the date of the signing off of the Agreement by the both Parties or the date of signing by the last remaining Party if it is done not at the same time;
- 2.5. **Technical Documentation**
  - certificates and other documents which have to be submitted MT Group in accordance with requirements stipulated in Agreement, Technical Task and other annexes;
- 2.6. **Terms**
  - these General Terms and Conditions of Agreements concluded with MT Group;
- 2.7. **Goods**
  - any design, materials, spare parts, documentation or equipment and services to be supplied by MT Group under Agreement,

whether alone or in connection with Services and / or Works, by or on behalf of MT Group;

**2.8. MT Group**

- UAB "MT Group", a dully registered company with its legal entity's code 302203568 and legal address Kareiviu str. 6, LT-09117 Vilnius, Lithuania;

**2.9. Party / Parties**

- either MT Group or the Client or them both together;

**2.10. Services**

- any services, training and other things, other than Goods, that shall be delivered or performed under Agreement, whether alone or in connection with Goods and / or Works, by or on behalf of MT Group;

**2.11. Subvendor**

- any (sub) suppliers, consultants or person or company (other than MT Group) hired by the MT Group to execute the Agreement or a part thereof;

**2.12. Technical Task**

- document provided by the Client and agreed between the Parties prior Agreement signing, which clearly and explicitly indicates and describes Goods to be supplied, Works to be executed and Services to be performed by and on behalf of MT Group;

**2.13. Works**

- any works executed by MT Group in accordance with the task of the Client, and transfer the results thereof to the Client under Agreement, whether alone or in connection with Goods and / or Services, by or on behalf of MT Group.

**3. SCOPE OF DELIVERY**

**3.1.** Under the Agreement concluded between MT Group and the Client, MT Group undertakes to supply Goods, execute Works and / or perform Services as explicitly described in the Agreement and its appendices. The detailed scope of Goods, Works and/ or Services provided by the MT Group as well as detailed requirements thereof is subject to Technical Task.

**3.2.** The delivery includes MT Group's standard Technical Documentation in English.

**3.3.** Scope of delivery may be amended during its implementation only by written amendments undersigned by duly authorized representatives of the Parties.

**4. PRICE AND PAYMENT**

**4.1.** The price payable by the Client for Works, Goods and Services shall be stipulated in the Agreement and detailed in its appendices.

**4.2.** In case additional Goods, Services or Works not specified in the Agreement but necessary for the proper, safe and efficient operation, construction or maintenance of the Goods, Services or Works and for the fulfillment of MT Group's obligations shall be supplied and/or executed by MT Group at additional price based on price list added to the Agreement, or in case of abstinence of such document, on price agreed between the Parties.

- 4.3. In the absence of formal Agreement, all orders placed for the Works, supply of Goods and/or Services are accepted for execution at MT Group at current list price as at the commencement date of supply (a copy of which will be made available for review upon request).
- 4.4. Any sum payable by the Client to MT Group under the Agreement is expressed exclusive of any value added tax or duties which the Client shall pay in addition when it is due to pay the principal sum. Prices payable by the Client to MT Group under the Agreement are exclusive of the costs of transport and packaging (unless otherwise agreed in writing by MT Group) which the Client will pay in addition at the same time.
- 4.5. Unless expressly agreed in writing between MT Group and the Client, payment shall be due in full within 30 days from date of invoice without any deductions whether by way of set-off, counterclaim or otherwise. Time for payment shall be of the essence; no payment shall be deemed to have been received by MT Group until MT Group has received cleared funds.
- 4.6. All payments payable to MT Group shall become due immediately upon termination of the Agreement despite any other provision.
- 4.7. If any payment is delayed by the Client without the fault of MT Group, in addition to other remedies applicable according the Agreement, Terms and applicable law, MT Group is entitled to suspend the execution of the Agreement and postpone deadlines for the period equal to delay for payment.

## **5. TIME SCHEDULE AND DELIVERY**

- 5.1. Schedule for execution of the Agreement shall be explicitly indicated in the Agreement and/or its appendices thereto. After signing the Agreement Parties may mitigate the detailed schedule for the execution of the Agreement.
- 5.2. MT Group shall act with diligence and good faith to discharge its obligations but shall have no liability for not providing or completing its Works, Services or delivering the Goods by or within any particular time unless and only to the extent otherwise agreed in writing.
- 5.3. Any agreed delivery term for Goods shall be constructed in accordance Incoterms 2010. If no delivery term is specifically agreed, delivery terms shall be Ex Works (EXW) Mažeikiai, Lithuania.
- 5.4. If any part of the Agreement, including delayed delivery of Goods, Services and/ or Works, is delayed due to reasons attributable to the Client or any third party under the control of the Client, the Client shall compensate any additional expenses incurred by MT Group by such delay.

## **6. CLIENT'S OBLIGATIONS**

- 6.1. In order for MT Group to perform works, supply the Goods and/or Services, the Client shall agree to:
  - 6.1.1. permit MT Group, its employees and agents to carry out a survey (if required) at such times as is convenient for both Parties;
  - 6.1.2. carry out the Client responsibilities as specified in the quote;
  - 6.1.3. provide MT Group with such information and documentation as is reasonably required;

- 6.1.4. obtain all permissions, consents and health and safety approvals from such organizations and authorities which are required for the Goods to be delivered, installed and for the Works and/or Services to be performed; and
- 6.1.5. make available to MT Group the facilities, resources, working space and personnel as specified in the quote and/or as MT Group reasonably requires from time-to-time.

## **7. RISK AND TITLE**

- 7.1. Title to the Goods and/or Services and/or Works shall pass to the Purchaser upon payment in full irrespective of the delivery status, unless explicitly agreed in the Agreement.
- 7.2. In cases the Client delays to take over duly delivered Goods, Services and/ or Works, in addition to other remedies applicable by this Terms, Agreement and applicable law, the risk of loss or damage is transferred to the Client upon the delivery date stated in the Agreement.
- 7.3. At all times, the Client shall use and administer the Goods and/or Services and/or Works with due diligence. Unless expressly agreed in writing, delivered Goods and/or Services and/or Works may not be transferred, alienated, modified nor be used as collateral to the benefit of third parties if payment for such Goods has not been received in full.
- 7.4. In the event any Goods and/or Services and/or Works are seized prior to full payment being received by MT Group, the Client shall, with immediate effect, confirm in writing to its creditor and/or the administrator or receiver that the Goods are the property of MT Group. The Client shall provide MT Group with a copy of the confirmation issued to the creditor and/or the administrator or receiver immediately thereafter.

## **8. EQUIPMENT**

- 8.1. All tools, vehicles, equipment and/or materials taken into or onto the premises of the Client that are not intended for incorporation in the Works shall at all times remain the property of MT Group. If any tools, vehicles, equipment and/or materials utilized during the supply of Goods and/or Works and/or Services are damaged beyond repair, lost, stolen or cannot be returned to MT Group due to nuclear contamination or other causes, the Client will be responsible for the full replacement value of such item, as new, and the cost of such item will be invoiced to the Client at MT Group's current standard list price in effect at that time.
- 8.2. MT Group shall supply the Goods and/or Works and/or Services on the basis of utilizing equipment and/or materials that MT Group or its sub-contractor has procured, hired or designed and manufactured. For the avoidance of doubt, MT Group reserves the right to decline instructions from the Client stipulating the use of other equipment and/or materials.
- 8.3. The Client shall indemnify, protect, defend and hold MT Group, its suppliers, affiliates, subsidiaries, parent company, and their respective officers, directors, managers, agents, and employees, harmless from any and all claims, actions, suits, damages, liabilities (including negligence, tort and strict liability), and any costs or expenses of any nature whatsoever (including legal fees), arising out of death, injury

or damages to person or property resulting from or arising out of MT Group utilizing the Client's equipment during the supply of Goods and/or Works and/or Services.

## **9. CONFIDENTIALITY**

- 9.1.** The Parties agree to keep confidential and not to communicate to third parties the content of Agreement. This shall also apply to any information disclosed the each other Party or which is either marked confidential or which has to be deemed confidential from the circumstances it is provided under or comes to the attention of the other Party.
- 9.2.** The secrecy obligation does not apply to any information of which either Party can prove by written documents that it:
  - 9.2.1.** was known at the time of disclosure and was not disclosed to it by a third party breaching any secrecy obligation, or
  - 9.2.2.** is generally available to the public through no fault of one of the Parties, or
  - 9.2.3.** was received under no obligation of secrecy from a third party which did not receive it directly or indirectly from the disclosing Party.
- 9.3.** Upon termination of the Purchase Order the Parties shall return to each other all documents, files, or other evidence or copies thereof containing secret information.
- 9.4.** The secrecy obligation shall survive for a period of 5 years from the date of the Effective Date, unless other term is stipulated in the Agreement.

## **10. INTELLECTUAL PROPERTY**

- 10.1.** All intellectual property provided by MT Group to the Client or used or created during the supply of Goods and/or Works and/or Services shall remain the sole property of MT Group together with all rights of use and ownership to it. All such intellectual property shall be deemed Confidential and treated accordingly.
- 10.2.** MT Group will afford such access to and right of use of its intellectual property as is necessary for the Client to discharge its statutory, regulatory and safety obligations in respect of such goods or items with which MT Group's intellectual property may be associated. Such access to and right of use shall not be transferrable or assignable and nothing contained or implied in this provision shall be construed as conferring any ownership or right of use of any patent, design or trade mark applied for or registered in the name of or on behalf of MT Group.
- 10.3.** For the purposes of this clause, intellectual property shall include (but not be limited to) all technical information, drawings, designs, reports, data, methods and techniques, patents, trademarks, and patent or trademark applications.

## **11. WARRANTY**

- 11.1.** MT Group warrants that Goods and/or Services and/or Works to be supplied pursuant to Agreement will be free from defects in materials and workmanship.

- 11.2.** No obligation shall exist with respect to any alleged defect that is not reported and/or discovered within a period of twelve (12) months from the date of acceptance of the Goods and/or Works by the Client.
- 11.3.** Upon notification of deficiency Goods and/or Services and/or Works MT Group shall, at its option, either:
- 11.3.1.** correct any non-conformity, or
- 11.3.2.** refund the price of such Goods and/or Services and/or Works at the pro-rata contract rate.
- 11.4.** In the event MT Group chooses to correct any non-conformity, MT Group shall do this, at its option, either by repairing or altering any defective part or parts, or by supplying a replacement part.
- 11.5.** MT Group shall not be liable for any defect in the quality of the Goods and/or Works (whether in contract, tort or otherwise) if:
- 11.5.1.** Client continues to use the Goods or the affected plant, engineering utility network after giving notice of such defect; or
- 11.5.2.** the defect arises as a result of:
- (a) Client failing to operate its plant, engineering utility network within the parameters as advised originally by Client to MT Group or as recommended to MT Group by Client; or
- (b) Client failing to follow MT Group's oral or written instructions as to the storage or use of the Goods and / or Works and conditions of operation.
- 11.6.** The warranty period for replaced or repaired parts is twelve up to (12) months from the date of replacement or repair but in any case not exceeding twelve (12) months from the date of acceptance of the Goods and/or Works by the Client.

## **12. LIABILITY**

- 12.1.** In the event of failure by the MT Group to deliver Goods and/or Services and/or Works to the Client within the terms specified in Agreement, MT Group shall pay to the Client liquidated damages equivalent to 0.05 percent of the price of delayed Goods and/or Services and/or Works for each complete day of delay, until the receipt of the Goods and/or Services and/or Works.
- 12.2.** In the event of failure by the Client to make payment for Goods and/or Services and/or Works within the terms specified in Agreement, the Client shall pay to MT Group delay damages equivalent to 0.05 percent of the unpaid payment amount without VAT for each complete day of delay, until the payment is made.
- 12.3.** MT Group shall not be liable for any defect in the quality of the Goods and/or Services and/or Works (whether in contract, negligence or otherwise) unless the Client gives written notice of the defect to MT Group within fifteen (15) days of:
- 12.3.1.** the date of delivery of the Goods or completion of the Works and/or Services (where the defect would be apparent to the Client upon a reasonable inspection), or
- 12.3.2.** the date when the Client knew or ought reasonably to have known of the defect (where the defect would not be apparent to the Client upon a reasonable inspection), and
- 12.3.3.** MT Group is given a reasonable opportunity after receiving the notice of examining such Goods or completed Works and/or Services and the Client (if asked to do so by MT Group) returns such Goods to MT Group for the examination.

- 12.4.** MT Group's liability under the Agreement shall not exceed the amount of shall not exceed 5 percent of total value of Agreement excluding VAT. MT Group shall have no liability or responsibility for any of the Client's financial or economic loss or indirect or consequential loss or damage of whatever nature including, but not limited to, loss of profit, loss of use of the plant or any asset or facility, loss of production or productivity, loss of contracts with any third party or liabilities of any nature to any third party arising out of the delivery, non-delivery, supply or use of the Goods or performance, non-performance or supply of the Works and/or Services (even if caused by the respective Party's negligence).
- 12.5.** Further, MT Group shall have no liability or responsibility caused to third parties by use or wrongful use of the Goods and the Client shall indemnify, protect, defend and hold MT Group, its suppliers, affiliates, subsidiaries, parent company, and their respective officers, directors, managers, agents, and employees, harmless from any and all claims, actions, suits, damages, liabilities (including negligence, tort and strict liability), and any costs or expenses of any nature whatsoever (including legal fees), arising out of death, injury or damages to person or property resulting from or arising out of the use of these Goods.

### **13. TERMINATION**

- 13.1.** In the event after the initial agreement between the Parties is reached, but the Client should fail to sign Agreement, the Agreement I considered cancelled after 15 days upon MT Group's request to sign the Agreements and MT Group shall be entitled to require the Client to remunerate any incurred costs thereof.
- 13.2.** MT Group may terminate the Agreement or parts thereof at any time upon written notice to the Client without any cost to MT Group, and/or claim damages:
- 13.2.1.** If Client becomes bankrupt, or goes into liquidation, or Client makes a general assignment for the benefit of creditors or a receiver is appointed for any property of MT Group, or
- 13.2.2.** Liquidated damages payable by the Client reaches ten (10) percent of the Agreement Price, or
- 13.2.3.** If Client fails to comply with any provision of the Agreement.
- 13.3.** In case the Client suspends or terminates the Agreement at any time in whole or part, MT Group shall be reimbursed for all costs incurred in relation to any preparatory work, any work performed and any procured or subcontracted items for which MT Group cannot avoid making payment, together with a fair and reasonable contribution to overheads and profit. For the avoidance of doubt, any cancellation or postponement of the supply of Goods and/or Works and/or Services after MT Group's personnel have been mobilized at the Client's request shall be subject to a minimum charge of eight hours per worker, specialist, technician together with any associated additional charges incurred for the transportation of equipment.

### **14. FORCE MAJEURE AND COVID-19**

Neither Party shall be liable for any failure to fulfil any term or condition of the Agreement of which its fulfilment has been delayed, interfered with or prevented by any event which is beyond the control of

the Party concerned, is not for his risk and was not reasonably foreseeable, provided Client is not already in default of these obligations at the time of the Force Majeure occurrence. For avoidance of doubt, it is considered as a force majeure event in case the state of emergency is declared by an authorised institution. Force Majeure shall not give rise to any claim for damages.

- 14.1.** The Party affected by the Force Majeure situation shall notify the other Party of such conditions in writing forthwith but no later than within 7 (seven) days after their occurrence.
- 14.2.** The Parties understand and acknowledge that pandemic situation (including current Covid-19 pandemic) may and will cause adverse effects and / or hardship to MT Group. MT Group is entitled to its sole discretion and without any liability to withhold, postpone or cancel the performance of any or all its contractual obligations.

## **15. GENERAL CONDITIONS**

- 15.1.** Provisions of Agreement, including these Terms, are binding and supersede and replace any Client's terms.
- 15.2.** No other agreement or understanding purporting to modify or change terms, conditions or specifications of the Agreement shall be binding unless it has been confirmed in writing by Purchaser.
- 15.3.** MT Group commits to comply with the applicable laws and regulations (such as EU General Data Protection Regulation (GDPR Regulation (EU) 2016/679)), as amended from time to time, in relation to privacy and personal data protection.
- 15.4.** These Terms and Conditions and the following Agreements shall be governed by and construed in accordance with Lithuanian Law. For all legal relations between the Parties, Lithuanian law shall apply.
- 15.5.** Disagreements and disputes between the Parties shall be settled by mutual agreement. Any dispute, arising out of or relating to this Terms, shall be finally settled by arbitration in the Vilnius Court of Commercial Arbitration in accordance with its Rules of Arbitration. The number of arbitrators shall be one. The language of arbitration shall be English. The law of the Republic of Lithuania shall be applicable to the dispute.