RENK Bearings GmbH –
Terms and Conditions of Service (International)

1. Definitions

In these Terms and Conditions of Service (International) ("General Conditions"), the following terms shall have the meanings hereunder assigned to them:

1.1. "Contract": the agreement between the parties concerning Services, concluded by RENK's acknowledgement in writing of Purchaser's purchase order, which shall be deemed to incorporate these General Conditions and all appendices, including agreed amendments and additions in writing to the said documents.

1.2. "in writing": a physically or electronically embodied form of text communicated by one party to the other by letter, fax or electronic means (including email).

1.3. "Equipment": the specific object (objects), on which Services are to be performed under the Contract.

1.4. "Services": work performed by RENK on site and/or in RENK's plant as specifically agreed in the Contract including but not limited to any or all of the following: inspections, fault tracing, overhauls, repairs, remedial work, functional verification, assistance at testing, supply and replacement of spare parts, installation work, commissioning services, and/or technical assistance (including, as the case may be, technical assistance provided via means of telecommunication or virtual reality).

1.5. "Remote Services": as defined in Clause 4.1.

1.6. "RENK": RENK Bearings GmbH as supplier.

1.7. "Purchaser": the customer ordering Services from RENK.

1.8. These Terms and Conditions of Service shall only apply to transactions with business enterprises, public-law entities or special funds under public law, which have their registered office outside the Federal Republic of Germany. For purchasers with registered offices in the Federal Republic of Germany, the "Terms and Conditions of Service (Germany)" shall apply.

2. Contract Formation

2.1. These General Conditions apply to all Services provided by RENK to the exclusion of any other terms, except as otherwise agreed by the parties in writing. Purchaser's payment, or receipt of the Services without reservation shall be deemed acceptance of these General Conditions.

2.2. Unless expressly stated otherwise, all quotations are non-binding.

2.3. All information contained in general Services documentation and price lists shall be binding only to the extent that they are incorporated in the Contract in writing.

3. Performance of Services; Reservation on feasibility

3.1. Services shall be undertaken by RENK with proper skill and care.

3.2. Unless otherwise agreed, RENK shall only use parts of the original brand or parts of equivalent quality when carrying out the Services.

3.3. RENK shall not be liable for any defects in or damage caused by parts provided by the Purchaser to be installed or used by RENK in the performance of the Services.

3.4. The provision of Services relating to the Equipment is subject to technical and economic feasibility. Due to the initial condition of the Equipment, which was unknown to RENK or could not be fully determined at the time the contract was concluded, it may become apparent during the course of the work that the provision of the Services is not possible or is possible only at disproportionate expense. In this case, RENK shall be entitled to refuse further performance of the contract and to suspend the Services in whole or in part. The Purchaser shall not be entitled to completion.

4. Remote Services

4.1. As may be agreed in the Contract, RENK may, under the Contract, be obliged to provide technical services to the Purchaser using telecommunication networks in the form of advice and instructions on activities of the Purchaser or persons acting on behalf of the Purchaser at a remote location e.g. for commissioning, inspection, repair and overhaul („Remote Services"). Unless explicitly agreed otherwise, the sole responsibility for the correct performance of the aforementioned activities on site shall remain with the Purchaser and the performance of the Remote Services shall only be aimed at enabling the Purchaser and the persons acting on its behalf to perform these activities.

4.2. During Remote Services, the Purchaser must follow any instructions given by RENK and carry out manual steps or other interventions on the Products strictly as per RENK's instructions. The assessment of any dangers arising on site is incumbent on the Purchaser alone. The latter shall ensure that any wo rk safety instructions are complied with at all times.

4.3. RENK shall perform its activities based exclusively on the information provided by the Purchaser and may rely on the correctness and completeness thereof, especially with regard to correctly grasping the situation on site.

4.4. Purchaser shall provide professionally trained and technically sufficiently qualified personnel who is able to communicate with RENK in German or English in the course of RENK providing Remote Services. Where a translator is needed, Purchaser shall ensure that such translator is knowledgeable of the respective technical terminology as well.

4.5. For the performance of the Remote Services, Purchaser shall provide and maintain a permanently stable and undisturbed data connection, which is protected against access by a third party. Purchaser shall strictly adhere to any further technical system requirements specified by RENK.

4.6. If the Purchaser fails to comply with its duties to cooperate or to adhere to any instructions issued by RENK, RENK shall be released from its obligation to provide its services and any liability of RENK for damages arising therefrom shall be excluded.

4.7. Any liability of RENK for damages being attributable to incorrect and/or unauthorized acts of, as well as incorrect and incomplete information provided by the Purchaser shall be excluded.

4.8. Any data and further information exchanged between the Parties in the course of the provision of Remote Services may only be used for the performance of the Remote Services. No licenses or other rights of any kind, in particular to patents, software, know-how, trademarks or copyrights, shall be granted to the Purchaser, unless expressly agreed otherwise.

5. Price and Payment. Payment in case of Non-Completion

5.1. Unless otherwise agreed in writing, the Services carried out by RENK shall be paid on a time and cost basis and RENK shall provide the Purchaser with a price estimate of the Services after fault tracing or assessment of serviceability / repairability, but before undertaking any remedial or other work. The price estimate shall not be binding.

5.2. If a lump sum has been agreed upon in writing and it subsequently becomes apparent that the Services cannot be performed at these costs, or if RENK during the performance of the Service deems additional work necessary, the Purchaser's consent shall be required if the stated costs are exceeded by more than 15%.

5.3. If the Purchaser at any stage chooses not to proceed the Contract for Services to be paid on a time and cost basis or if the Services are not carried out or completed due to any reason except for RENK's default, the Purchaser shall pay RENK for the Services and other work RENK has performed and still has to perform in order to wind up the Services at RENK's current rates, including without limitation fault tracing, establishing the price estimate, and any other documented costs incurred in performing and winding up such Services.

5.4. If a lump sum has been agreed upon, and if at any stage the Purchaser chooses not to proceed the Contract or if the Services are not completed for any reason except for RENK's default, the Purchaser shall pay the lump sum, after deduction of such costs which have not been incurred by RENK.

5.5. RENK's invoice for the Services shall specify the following items separately, unless a lump sum price has been agreed:

- working time;
- time and costs of travel, accommodation and reasonable expenses of personnel;
- transportation costs;
- costs of spare parts;
- costs of other material which has been used;
- any costs caused by delay not attributable to RENK;
- other costs if any.

5.6. Payment shall be made within thirty (30) days after the date of invoice. Unless otherwise agreed, the Contract price shall be paid in Euro (EUR).

5.7. Payment shall not be deemed to have been made before RENK has received payment.

5.8. If the Purchaser fails to pay by the due date, RENK shall be entitled to interest from the day on which payment was due and to compensation for recovery costs (including legal fees). The rate of interest shall be as agreed between the parties or if none has been agreed, it shall be nine (9) percentage points above the rate of the main refinancing facility of the European Central Bank per annum. RENK may in addition, after having notified the Purchaser thereof, until it receives payment, suspend its performance of the Contract and/or retain the Equipment and other property of the Purchaser, which may be in its possession. The Purchaser shall in case of such suspension compensate RENK for any additional costs incurred due to such suspension and resumption of the Services. If the Purchaser has not paid the amount due within three (3) months, RENK shall be entitled to terminate the Contract by notice in writing to the Purchaser and, in addition to the interest and recovery costs according to this Clause, to claim compensation for the loss it incurs.

6. Taxes

6.1. Except as agreed otherwise, prices are stated net of statutory turnover tax, sales tax, value-added tax or other similar taxes (hereinafter referred to as "turnover tax or similar taxes"). Any payable turnover tax or similar taxes shall be added to the prices.

This shall not apply if the Purchaser is legally liable to pay the turnover tax or similar taxes and/or the reverse charge process is applicable. If the Purchaser's national legislation demands the application of the reverse charge procedure or any other simplified procedure which obliges the recipient of a supply or service to self-assessment or the withholding of turnover tax or similar taxes, the Purchaser shall be obliged to make such self-assessment and/or withholding and to pay the respective amount over to the competent fiscal authorities within the periods allowed. If the application of the reverse charge procedure or any other procedure is optional, RENK will inform the Purchaser whether or not such a procedure is to be applied.
The Purchaser shall support RENK to the best of the Purchaser's ability in obtaining a tax exemption and/or satisfying the conditions of zero-rating. Upon RENK's request, the Purchaser shall transmit to RENK all documents requested by RENK in this context within fourteen (14) calendar days (for instance, exemption certificates for supplies, evidence of intra-EU delivery or export certificates).
If RENK is obliged to pay turnover tax or similar taxes under this item due to the Purchaser's failure to comply with its duties, the Purchaser shall reimburse RENK for such turnover tax or similar taxes, unless the Purchaser is not responsible for the violation of this duty.

6.2. The Purchaser and RENK shall each be responsible for the payment of their own taxes on income.

6.3. Payments subject to tax withheld at source shall be governed by the following provisions:

6.3.1. If the Purchaser is legally obliged to withhold taxes from the payment to be made to RENK in the name and on behalf of RENK and to pay the same over to the local fiscal authority, the Purchaser shall be responsible for complying with this obligation. If the Purchaser fails to comply with this obligation and fails to withhold and pay such tax over to the fiscal authorities in whole or in part, the Purchaser shall compensate RENK for any loss resulting from a subsequent tax claim, unless the Purchaser is not responsible for the violation of this duty. RENK shall be responsible for satisfying the formal conditions of a possible reduction of the withholding tax rate (if applicable down to zero-rating). Any required applications and residence certificates shall be provided by RENK. The Purchaser shall support RENK to the best of its ability in obtaining a reduction of the withholding tax (if applicable down to zero-rating).

6.3.2. If (a) a double taxation agreement ("DTA") exists between Germany and the country of residence of the Purchaser or the country in which the activities are carried out by RENK, and (b) the conditions for a reduction of the withholding tax (if applicable down to zero-rating) are satisfied under the applicable DTA, the Purchaser may only retain the maximum withholding tax amount specified by the applicable DTA from the payments to RENK. If the conditions under (a) and (b) are not satisfied, the Purchaser may only withhold the withholding tax at the rate applicable under the national law of the country of residence of the Purchaser or the country in which the activities by RENK are carried out and shall pay the same over to the local fiscal authorities in the name of RENK and in a timely manner.

6.4. The Purchaser shall promptly send RENK a proper tax certificate on the transfer of the tax withheld at source in RENK's name. If the proper tax certificate is not sent or is not sent in due time, the Purchaser shall bear any and all tax disadvantages resulting for RENK from the omitted or delayed provision of the official tax certificate, unless the Purchaser is not responsible for the violation of this duty.

7. Confidential Information

7.1. All non-public, confidential or proprietary information ("Confidential Information") disclosed by one party to the other (whether before or after the formation of the Contract) relating to the Services, the Contract or the business of the disclosing party, shall remain the property of the disclosing party and the disclosing party reserves all proprietary, copyright, patent and other intellectual property rights therein. The receiving party shall refrain from acquiring Confidential Information by observing, studying, disassembling, testing or reverse engineering of any products, spare parts, software or other tangible objects provided by disclosing party under the Contract.

7.2. Confidential Information received by one party shall not, without the prior written consent of the other party, be (a) used for any other purpose than the one for which it is provided, and (b) communicated to any third party. The receiving party shall inform the disclosing party without undue delay of any unauthorized disclosure or use of Confidential Information (e.g. as a result of an information security incident) and shall reasonably assist the disclosing party in the recovery and prevention of any further disclosure or distribution of such Confidential Information.

8. Purchaser's Obligations

8.1. If the Services are to be carried out at the premises of the Purchaser, the premises where the Equipment is located, or any other site away from RENK's own premises, the Purchaser shall ensure that:

8.1.1. RENK's personnel are able to start work on the agreed date and to work during regular working hours. Provided that the Purchaser has been given reasonable advance notice in writing, work may be performed outside regular working hours to the extent deemed necessary by RENK;

8.1.2. the Purchaser has given timely notice informing RENK in writing of all relevant safety regulations in force at the premises where the Services are carried out;

8.1.3. all health and safety measures required by law or reasonably required by RENK are taken before and during the time the Services are carried out, provided that RENK shall be under no obligation to carry out Services in an environment which it considers to constitute a risk to the health and/or safety of its personnel;

8.1.4. RENK's personnel are able to obtain suitable accommodation according to normal business standards which is reasonably close to the premises where the Services are carried out and which include access to internationally acceptable hygiene facilities and medical services;

8.1.5. the Purchaser has made available to RENK free of charge at the proper time at the premises where the Services are carried out all necessary cranes, lifting equipment, equipment for transport at the premises, auxiliary tools, machinery, materials and supplies (including fuel, oils, grease and other materials, gas, water, electricity, steam, compressed air, heating , lighting, etc.), as well as measuring and testing instruments. RENK shall specify in writing its requirements concerning any of the foregoing in good time before the agreed date for starting the Service;

8.1.6. the Purchaser has made available to RENK free of charge adequate office facilities at its premises, equipped with telephone and internet access;

8.1.7. the Purchaser has made available to RENK free of charge necessary storage facilities, providing protection against theft and deterioration of the tools and equipment required for the Services and the personal effects of RENK's personnel; and

8.1.8. the access routes to the place where the Services are to be carried out are suitable for the required transport of RENK's personnel and equipment.

8.2. The Purchaser shall give all necessary assistance for the import and re-export of RENK's equipment and tools, including assistance with customs formalities. The assistance as such shall be provided free of charge.

8.3. The Purchaser shall give all necessary assistance free of charge to ensure that RENK's personnel obtain, in good time, visas and any official entry, exit or work permits and, if necessary, tax certificates in the Purchaser's country, as well as access to the premises where the Services are carried out.

9. Purchaser's Delay

9.1. The Purchaser shall immediately notify RENK if it cannot let RENK carry out the Services at the agreed time. Any agreed time for completion of the Service shall then be extended as necessary having regard to all relevant circumstances. The Purchaser shall reimburse RENK for any additional costs that the latter incurs due to delay in carrying out the Services which is not attributable to RENK, including but not limited to costs for:

- Waiting time and time spent on extra journeys;
- costs and extra work resulting from the delay, including without limitation for removing, securing and setting up the Equipment or any equipment required for the performance of the Services;
- additional costs as a result of RENK having to keep its equipment required for the performance of the Services at the Purchaser's premises longer than expected;
- additional costs for journeys and board and lodging for RENK's personnel;
- additional financing costs and costs of insurance;
- any other documented costs incurred by RENK as a result of changes in the schedule for performing the Services not being attributable to RENK.

9.2. The costs for each of the foregoing items shall be reimbursed as incurred. If, however, any price list currently applied by RENK covers the situation, such price list shall be applicable.

10. Supplier's Delay

10.1. If RENK for reasons attributable to it, fails to complete the Services by the agreed time, the Purchaser may by notice in writing to RENK fix a reasonable final period for completing the Services,

which shall not be less than one week. If RENK for reasons attributable to RENK fails to fulfil its obligations within such final period, the Purchaser may terminate the Contract by notice in writing to RENK and may itself carry out or employ a reasonably skilled third party to carry out the necessary work.

10.2. Where such work has been undertaken by the Purchaser or a third party pursuant to Clause 10.1., RENK shall reimburse the reasonable costs thereof incurred by the Purchaser as well as any remuneration already paid by the Purchaser to RENK pursuant to Clause 5.1. related to such part of the Services which proved to be of no benefit to the Purchaser, the aforementioned payments being in full settlement of RENK's obligations with regard to the failure to complete the Services by the agreed time.

11. Risk of loss and damage to Equipment

11.1. The risk of loss or damage to the Equipment while carrying out the Services shall be borne by the Purchaser, unless such loss or damage is due to RENK's negligence.

11.2. Unless otherwise agreed, necessary transport of the Equipment or parts thereof to and from RENK in connection with the Services shall be at the risk and expense of the Purchaser. The Purchaser shall follow RENK's instructions regarding such transport.

11.3. Where the Purchaser is in delay in taking delivery of the Equipment after the completion of the Services, RENK shall arrange for suitable storage at the Purchaser's risk and expense.

12. Technical Documentation

The Purchaser shall timely provide current technical documentation (e.g. drawings, descriptions, charts and instructions) in its possession, which is relevant for carrying out the Services and shall ensure that such technical documentation is complete and accurate in all material aspects.

13. Testing after Service

The responsibility for any tests as are reasonably required in order to ascertain that the Services have been successfully completed shall be with the Purchaser, unless otherwise agreed in writing.

14. Liability for defects

14.1. RENK warrants that (i) the Services are provided with a degree of skill and care as can be considered customary in RENK's industry, and that (ii) any spare parts provided by RENK when performing the Services are free from defects in design, material and workmanship. Any failure of the Services and any spare parts provided by RENK when performing the Services to conform to this warranty, subject to Clause 14.2, is hereinafter referred to as "Defect(s)".

14.2. RENK shall not be liable for Defects or damage arising out of:

14.2.1. material provided or a design specified by the Purchaser;

14.2.2. the Equipment; or

14.2.3. being otherwise due to circumstances, which are not attributable to RENK, such as without limitation incorrect use of the Equipment, inadequate maintenance, incorrect installation, unauthorized repairs or alterations, normal wear and tear or deterioration or incorrect storage.

14.3. RENK's liability shall be limited to Defects, which appear within a warranty period of twelve (12) months from the completion of the Services.

14.4. The Purchaser shall promptly notify RENK in writing of any Defect, which appears, including a description of such defect.
If the Purchaser fails to notify RENK in writing of a Defect promptly, RENK shall not be liable for the Defect. Where the Defect may cause damage, the Purchaser shall immediately inform RENK in writing. The Purchaser shall bear the risk of damage to Purchaser's or any third parties' property, including the Equipment, resulting from its failure so to notify. The Purchaser shall take reasonable measures to minimize damage and shall comply with any related RENK instructions.

14.5. On receipt of the notice under Clause 14.4, RENK shall at its own cost remedy the Defect within reasonable time, as applicable and in the reasonable discretion of RENK, by re-performing the defective Service and/or repairing or replacing any defective spare parts provided by RENK when performing the Services. The time for the remedial work shall be chosen in order not to interfere unnecessarily with the Purchaser's activities.

14.6. Remedial works performed under warranty shall be carried out at the place where the Equipment is located, unless RENK deems it more appropriate that the Equipment be sent to a destination specified by it. If the remedial works can be performed by replacement or repair of a defective part and if dismantling and re-installation of the part do not require special knowledge, RENK may require that the defective part is sent to a destination specified by it. In such case, RENK shall have fulfilled its obligations in respect of the Services when it delivers a duly repaired part or a replacement part to the Purchaser.

14.7. The Purchaser shall at its own expense provide access to the Equipment and arrange for any intervention on components except for the Equipment, to the extent necessary for RENK to perform the remedial works.

14.8. Unless otherwise agreed, the Purchaser shall bear any additional costs which RENK incurs for remedying the Defect caused by the Equipment being located in a place other than the place of performance of the Services.

14.9. If the Purchaser has given such notice as mentioned in Clause 14.4 and no Defect is found for which RENK is liable, the Purchaser shall reimburse RENK for its costs resulting from the notice.

14.10. If RENK does not fulfil its obligations under Clause 14.5 within a reasonable time, the Purchaser may by notice in writing fix a final reasonable period for completion of RENK's obligations, which shall not be less than one week.

14.11. If RENK fails to fulfil its obligations within such final period, the Purchaser may itself carry out or employ a third party to carry out the necessary remedial work at the risk and expense of RENK.

14.12. Where successful remedial work has been undertaken by the Purchaser or a third party as stipulated under Clause 14.11, RENK shall reimburse the reasonable costs incurred by the Purchaser for the remedial work in full settlement of RENK's liabilities for the said Defect.

14.13. Where the Defects have not been successfully remedied, as stipulated under Clause 14.11:

14.13.1. the Purchaser shall be entitled to a reduction of the Contract price in proportion to the reduced value of the Service, or

14.13.2. where the Defect is so substantial as to deprive the Purchaser of the benefit of the Contract as regards the Service, the Purchaser may terminate the Contract by notice in writing by a document signed by Purchaser to RENK. The Purchaser shall then be entitled to compensation for its loss, costs and damages within the limitations provided for in Clause 18.

14.14. Except as provided in Clauses 14.1 -14.13, RENK shall not be liable for Defects.

15. Anticipated non-performance

Notwithstanding other provisions in these General Conditions regarding suspension, each party shall be entitled to suspend the performance of its obligations under the Contract, where it is clear from the circumstances that the other party is not going to perform its obligations. A party suspending its performance of the Contract shall forthwith notify the other party thereof in writing.

16. Force Majeure

16.1. Either party shall be entitled to suspend performance of its obligations under the Contract to the extent that such performance is impeded or made unreasonably onerous by Force Majeure, meaning any of the following circumstances: industrial disputes and any circumstance beyond the control of the parties including, without limitation, fire, war, extensive military mobilization, insurrection, requisition, seizure, embargo, restrictions in the use of power, currency and export restrictions, epidemics, natural disasters, extreme natural events, terrorist acts and defects or delays in deliveries by sub-contractors caused by any such circumstance referred to in this Clause.
A circumstance referred to in this Clause whether occurring prior to or after the formation of the Contract shall give a right to suspension only if its effect on the performance of the Contract could not be foreseen at the time of the formation of the Contract.

16.2. The party claiming to be affected by Force Majeure shall notify the other party in writing without delay on the intervention and on the cessation of such circumstance. If a party fails to give such notice, the other party shall be entitled to compensation for any additional costs which it incurs and which it could have avoided had it received such notice.

16.3. Either party shall be entitled to terminate the Contract by notice in writing by a document signed to the other party if performance of the Contract is suspended under Clause 16.1 for more than three (3) months.

17. Assignment, Subcontracting

Neither party may assign the Contract or any claims arising therefrom to a third party. RENK may, however, subcontract performance of the Services or any part thereof to a third party. Such subcontracting shall not in any way affect RENK's obligations under the Contract.

18. Limitation of Liability

18.1. Notwithstanding any other provision in these General Conditions or the Contract, whether by way of indemnity or by breach of contract, statutory duty, tort, negligence, or otherwise, and whatever the cause thereof: a) RENK shall not be liable for loss

of production, loss of profit, loss of use, loss of contracts, loss of data, or for any special, consequential or indirect loss or damage of any nature whatsoever in connection with the Contract, and (b) the total overall liability of RENK shall not exceed 100% of the Contract price.

18.2. The limitations or exclusions of liability provided in Clause 18.1 shall however only apply to the extent permitted by applicable mandatory laws and shall not apply in case of gross negligence or willful misconduct.

19. Export control

19.1. Sanctions and Export control

19.1.1. The Purchaser shall comply with applicable UN- EU, US, German, UK and other national export control, sanctions and embargo laws and regulations ("Sanctions and Export Control Laws"), and where applicable adhere to the anti-boycott statutes of § 7 German Foreign Trade and Payments Ordinance and/or Council Regulation (EC) No. 2271/1996.

19.1.2. Prior to exchanging any hardware, software, technical data, technology or services subject to Sanctions and Export Control Laws, the Purchaser shall notify RENK in advance and provide applicable export control classifications and jurisdictions. The Purchaser shall comply with all applicable import restrictions and any Sanctions and Export Control Laws, related to any further export, reexport or transfer including but not limited to provisos in relevant authorisations.

19.1.3. For each delivery of tangible items of the Purchaser to RENK, the Purchaser shall provide export control classifications, jurisdictions and authorisation numbers in shipping documents. For intangible items, such information shall be referenced in related documents. Unmarked deliveries shall be considered not export control classified.

19.1.4. If the Purchaser becomes subject to Sanctions and Export Control Laws or is owned/controlled by a targeted person, or performance would breach Sanctions and Export Control Laws (a "Sanctions Event"), the Purchaser shall promptly notify RENK. The Parties shall consult to mitigate the effects, and RENK may, to the extent permitted by law without liability, suspend performance or terminate the contract with immediate effect, upon written notice.

19.1.5. RENK shall be entitled, to the extent permitted by law without liability and upon written notice, to suspend performance of its obligations or terminate the contract with immediate effect if, following conclusion of the contract, it becomes apparent that the performance of the contract is prevented or restricted by applicable Sanctions or Export Control Laws, or if any required governmental authorization, approval, export license or other clearance is denied, revoked or not granted.

19.2. Information about end Purchaser

Due to national and international export control requirements, RENK is required to conduct export controls. For some countries, export control restrictions may apply if goods can be used for sensitive purposes, e.g., military, chemical plants, or nuclear technology. Therefore, prior to placing an order, the Purchaser must provide the following information: the name and address of the end Purchaser, a description of the intended use of the subject matter of the contract with RENK, and a description of the end Purchaser's business areas. Based on request of RENK, the Purchaser shall provide RENK with an end use certificate and, if applicable, the Purchaser shall oblige the relevant end user to provide the end use certificate to RENK.

19.3. Russia / Belarus Re-Export Prohibition

19.3.1. The Purchaser (Importer/Buyer) shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation any goods supplied under or in connection with this Agreement that fall within the scope of Article 12g of Council Regulation (EU) No 833/2014. Furthermore, the re-export to Belarus, as well as the re-export for use in Belarus, of goods supplied under or in connection with this Agreement and falling within the scope of Article 8g of Council Regulation (EU) No 765/2006 and listed in its Annexes, is also prohibited by contract.

19.3.2. RENK (the exporter/seller) hereby prohibits the sale, export or re-export of RENK products pursuant to sections 19.3.1.

19.3.3. The Purchaser (importer/buyer) shall use its best endeavours to ensure that the purpose of paragraphs 19.3.1. and 19.3.2. is not frustrated by third parties in the further chain of commerce, including potential resellers.

19.3.4. The Purchaser (importer/buyer) shall establish and maintain an appropriate monitoring mechanism to detect behaviour by third parties in the wider chain of commerce, including potential resellers, that would frustrate the purpose of paragraph 19.3.1.

19.3.5. Any breach of paragraphs 19.3.1., 19.3.2. or 19.3.3. shall constitute a material breach of a material term of the contract and RENK (the exporter/seller) shall be entitled to seek appropriate remedies, including but not limited to:

a) termination of the contract and
b) a penalty equal to 0.5% of the total value of the contract or 100% of the price of the exported goods, whichever is higher.

19.3.6. The Purchaser (importer/buyer) shall promptly inform RENK (the exporter/seller) of any problems in the application of paragraphs 19.3.1., 19.3.2. or 19.3.3., including any relevant third party activities that may frustrate the purpose of paragraph 19.3.1. The Purchaser (importer/buyer) shall provide RENK (exporter/seller) with information on compliance with the obligations under paragraphs 19.3.1., 19.3.2. or 19.3.3. within two weeks of the simple request for such information.

19.3.7. If RENK (the exporter/seller) becomes aware of a prohibited (re-) export, RENK (the exporter/seller) shall make the necessary notifications to the competent export control authorities in accordance with the requirements of Regulation (EU) No. 833/2014 and Council Regulation (EU) No. 765/2006.

20. Disputes and applicable law

20.1. All disputes arising out of or in connection with the Contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The arbitral proceedings shall be held in English.

20.2. The Contract shall be governed by the substantive law of Switzerland.