

## General Conditions of Purchase

These General Conditions of Purchase (hereinafter referred to as “GCP”) and the Purchase Order accepted by the Supplier collectively constitute the supply contract (hereinafter: Contract) for delivering Supply agreed in the Purchase Order. The General Conditions of Purchase shall apply to those questions, which are not covered in any other documents made a part hereof the Contract. Should the contractual conditions covered in the Purchase Order differ from that of the General Conditions of Purchase, the conditions of the accepted Purchase Order are applicable.

The General Conditions of Purchase are issued by the Rotary Drilling Co. Ltd. (H-8800 Nagykanizsa, Erzsébet tér 22.).

The issuing date of the General Conditions of Purchase is 01.04.2013.

The General Conditions of Purchase take effect from the date of their issuing. The General Conditions of Purchase are valid with their appendices.

### **1. Definitions**

1.1 **“ROTARY”**: ROTARY Drilling Co. Ltd. (H-8800 Nagykanizsa, Erzsébet tér 22.), Trade Registry Number: 20-10-040105, VAT registration number: 11349433-2-20.

1.2 **“Supply”**: any goods, product or equipment etc. listed in the Purchase Order which the Supplier is required to deliver to the Purchaser as defined in the **Contract**.

1.3 **“Parties”**: **Supplier** and **Purchaser** collectively.

1.4 **“Purchaser”**: shall mean **ROTARY** Drilling Co. Ltd. who shall give the **Purchase Order** to the **Supplier** in order to purchase and deliver **Supply**.

1.5 **“Purchase Order”**: shall mean the written order of the **Purchaser** in order to purchase and deliver the **Supply**. Contractual rights and obligations between the **Parties** shall occur either by the acceptance of the **Supplier**'s unchanged quotation or by the acknowledgement of the modified quotation by the Purchaser.

1.6 **“Contract”**: the **Purchase Order** accepted by the **Parties** and these **General Conditions of Purchase** collectively.

1.7 **“Purchase Price”**: shall mean the price of the **Supply** in the currency and in the amount as set forth in the **Purchase Order**. **Purchase Order** shall include the costs fixed in the **Purchase Order**. Unless otherwise specified in the **Purchase Order**, the **Purchase Price** shall include all costs of packaging, delivering at the place of destination, insurance, and all additional and extra costs, including the incidental costs of import licence as well. The taxes (such as VAT) and other fees deductible as taxes (such as environmental product fee) shall be listed separately and shall be included in the Purchase Price (net price + VAT).

1.8 **“Supplier”**: is the party, who is required to deliver the Supply to the Purchaser according to the Contract.

If the Supplier appoints any sub-contractors hereinafter, the Supplier shall bear full responsibility for the deliveries which are to be made in the quantities, in the quality and at the time specified in the Purchase Order.

1.9 **“Delivery slip”**: is a supporting document for the release and receipt of Supply which the Supplier shall attach to the delivered Supply, or the Supplier shall hand over together with the Supply in a number and with the details defined by the Purchaser.

1.10 **“REACH regulation”**: concerns the Registration, Evaluation, Authorisation (and Restriction) of Chemicals. It came into effect on 1 June 2007 and it is still valid. Its primary aim is that the manufacturers and importers of chemical substances are required to identify and provide for their downstream users the chemical risk-management information needed for the safe use of chemical substances. This shall happen through the classification and labelling system and the application of the material safety data sheets.

1.11 The **“new CLP regulation”** (No 1272/2008/EC) on classification, labelling and packaging of substances and mixtures shall amend the REACH regulation and shall ensure that the chemical substances on the whole world shall be classified and labelled globally in a uniform way. The Globally Harmonised System of Classification and Labelling of Chemicals facilitate worldwide trade while protecting human health and environment from the dangers of chemical substances and mixtures.

1.12 **“ADR”**: shall mean European Agreement concerning the International Carriage of Dangerous Goods by Road.

The following articles (chemical substances, and mixtures, objects) are called dangerous goods that are flammable, explosive, hazardous to health (especially corrosive and toxic) or harmful to the environment.

## **2. Rules of Purchase Price Calculation**

2.1 According to these GENERAL CONDITIONS OF PURCHASE, the Supplier is obliged to use similar pricing practices, rules, methods in the Purchase Order when calculating the Purchase Price of the Supply.

2.2 To the request of the Purchaser, the Supplier shall provide an accurate and detailed pricing practice with technical specification in writing (in the form of a quotation) so that the Purchaser shall be able to check the requirements with reference to paragraph 2.1. The pricing practice should include the following:

- net selling price (exclusive of VAT); total sum of net price (exclusive of VAT)
- if there are extra delivery, loading and other costs, then it should be listed exhaustively in net + VAT sums

The Supplier should grant the Purchase Price in local currency (ie. HUF).

## **3. Acceptance of the Purchase Order**

3.1 The Purchaser in view of the quotation (paragraph 2.2.) shall give a Purchase Order to the Supplier for delivering Supply. The Supplier shall acknowledge receipt of the Purchase Order and the General Conditions of Purchase in writing with authorized signatures within five working days from the date on which the Purchase Order was received or within a period of time which was set forth in the Purchase Order by the Purchaser.

3.2 If the Supplier fails to acknowledge receipt of the Purchase Order within the above-mentioned time limit, but delivers the Supply as defined in the Purchase Order and the Purchaser accepts the performance, then the Purchase Order and the General Conditions of Purchase are deemed to be an acceptance by the Parties.

3.3 The Purchase Order shall include the following as a minimum:

- the Purchase Order number and date
- the Parties key details (the Supplier's name and contact details, the Purchaser's name and the name and contact details of the administrator issuing the Purchase Order)
- a description of the Supply and the quantity
- the place of delivery
- the date of delivery
- the Purchase Price
- the invoicing address to which the invoice shall be issued
- the postal address to which the invoice shall be sent, if it differs from that of the above-mentioned
- the necessary documentation (such as manufacturing notes, manuals, stock lists etc.) which are attached to the Purchase Order.

3.4 The Purchaser shall exclude the liability for ordering such Supply or amending Purchase Orders which were not sent officially by him in writing with their authorised signatures.

#### **4. Fulfilment**

4.1 The Supplier is required to deliver Supply in the quantities and in the quality specified, as set forth in the Purchase Order with due care against a Purchase Price at the time and at the place and with the terms – including all appendices, amendments and specifications – and other documentation agreed upon the Purchase Order to the Purchaser. The Supplier shall hand over the Supply's quality certificates, records, manufacturing notes and all information and documents required for the safe and proper use of the Supply (such as manuals), and the warranty / guarantee ticket upon acceptance of the Supply.

The Supplier shall mark the delivered Supply's mass per unit volume and customs tariff number on the accompanying document of the Supply (goods, equipments etc.).

4.2 The Supplier shall be responsible for packaging the Supply which shall be adequate so as to prevent any damage to the Supply during transport, handling and storage during the time of delivery in compliance with the law or the Purchase Order. All packaging and shipping documents must bear the Purchase Order number and the delivery address. The Supplier shall forward all packaging with detailed packing lists.

4.3 The delivery deadline is the time set forth in the Purchase Order by which the Supplier is expected to tender the Supply for Purchaser's acceptance at the delivery place specified. The Supplier shall not deliver or require acceptance of Supplies before the agreed delivery date without the express written consent of the Purchaser. The Purchaser shall only accept part delivery, if it has been set forth in the Purchase Order or the Parties have agreed upon it.

The Supplier shall inform the Purchaser about the dispatch of Supply by fax or by mail at the time specified in the Purchase Order and shall send all necessary information of Supply and its dispatch.

4.4 Before the acceptance of receipt the Purchaser reserves the right to carry out itemized or random sample checking on the quantity and on the quality of the Supply.

4.5 The transfer of ownership, the transfer of dispositional authority and the transfer of risks shall pass to the Purchaser upon receipt and acceptance of Supply at the delivery destination. The Supplier is responsible for all loss damage or deterioration to the Supply during delivery by its own transport till the place of destination.

4.6 In case the Supply belongs under the legal authority of the European Community Regulation No. 1907/2006 concerning the Registration, Evaluation, Authorisation (and Restriction) of Chemicals (hereinafter REACH), the Supplier shall ensure the Purchaser that he is fully aware of and shall abide by the provision of REACH, including the phase deadlines of REACH in order to fulfil the Contract. The Parties shall agree that in the event of breach of the REACH obligations by the Supplier shall qualify as default delivery and thus the Purchaser is entitled to refuse the acceptance of the Supply and / or to terminate the Contract without any liability for damages or loss.

4.7 Entering the ROTARY Co. Ltd.'s permanent and temporary sites (drilling sites) for work purposes, the Supplier (the Sub-contractor) must be acquainted with the rules of entrance and the rules of stay on sites.

Entrance to the ROTARY Co. Ltd.'s permanent sites: Unauthorised Sub-contractor(s) shall not enter the permanent sites for work purposes. Before entering, the Sub-contractor(s) must check in at the porter's lodge where the registration takes place (name and number of persons, number and registration number of vehicles etc.). If the Sub-contractor is to perform an already pre-registered and approved work, then the porter service shall contact the assigned person and ask him to the porter's lodge to dispatch the Sub-contractor to its care and for its responsibility, and in any other cases, the workers shall be accompanied by a staff member at all times. The contact person shall inform the workers of the rules of stay on sites, the rules of work (with reference to the rules of Authorisation System and the kind of work needs to be permitted) and of the rules of transport within sites.

Entrance to the ROTARY Co. Ltd.'s temporary sites (drilling sites): When entering the drilling sites and during work on the drilling sites the requirements of the attached appendix 2. must be applied.

## **5. Payment terms:**

5.1 Invoices shall be issued by the Supplier after fulfilling the obligation as set forth in the Contract.

The Supplier shall be entitled to issue invoices if the delivered Supply has no defects in quantity and quality and the delivery has been officially accepted by the Purchaser in writing. In all cases, the issued invoices shall quote the SAP Purchase Order number of the Purchaser. The Purchaser considers the delivery officially accepted if all delivery documents and delivery slips are signed on behalf of the Purchaser by the assign of the Purchaser and besides of the signature, the legible name of assign also should be present on all documents. Without the legible name and signature of the assign of the Purchaser the delivery shall not be considered as acknowledged and accepted by the Purchaser.

Without the above mentioned details (officially accepted delivery documents and / or missing SAP Purchase Order numbers) the Purchaser shall consider the invoices formally default therefore all incomplete invoices shall be returned unpaid to the Supplier.

5.2 Invoices shall be issued by the Supplier in an original copy after acceptance date promptly or at latest within fifteen (15) working days in the name of the Purchaser and shall be sent to the address specified in the Purchase Order together with all the accompanying and officially accepted documents.

The Supplier shall send the issued invoice in the name of the Purchaser to the Purchaser's postal address:

The invoicing address of the ROTARY Co. Ltd. (all invoices shall quote this address)

**ROTARY FÚRÁSI Zrt.**

8800 Nagykanizsa, Erzsébet tér 22.

The postal addresses shall be set forth in the Purchase Orders. The Purchaser shall only accept invoices that are sent to this postal address by post.

5.3 The Supplier shall issue invoices in compliance with all applicable statutory provisions and the provisions of the Contract. The Supplier shall attach to all invoices the Delivery slips that have been officially accepted by the Purchaser. The Delivery slip shall quote the unit price set forth in the Purchase Order.

5.4 Payment of invoices shall not operate as a waiver of the right of the Purchaser.

5.5 The Supplier shall quote all on its invoices the name of its bank and bank account number, and its VAT registration number as well. Assignment (transferring sum to another bank account), factoring and mortgage shall be all subject to separate agreement with the Purchaser.

5.6 The Purchaser shall be entitled to withhold any sum from the Purchase Price as a compensation for late performance penalty of the Supplier. The Purchaser shall inform the Supplier about the event in writing.

5.7 Payment of invoices issued in compliance with all applicable statutory provisions and according to the Purchase Order, shall be paid within 30 days net date of invoices by bank transfer. 30 days payment terms shall only be accepted if the Supplier sends the invoice by post to the postal address as defined above within 5 days of the invoice date. Should the invoice fail to arrive within 5 days, invoices shall be paid within 30 days from the date of receipt by the Purchaser. Should the due date of the invoice fall on non-working day or bank holiday, the Purchaser is entitled to pay the invoice on the first working day.

The currency of the invoice and payment is HUF (Hungarian forint).

The Purchaser shall meet its obligations on the day of its bank account debit.

The Purchaser shall not pay in advance.

5.8 Should the invoice be not in compliance with the Contract or the precondition of payment terms are not met, the Purchaser shall request supplementing documents. In the event of this the invoice shall be paid within 30 days from the date of receipt of supplementing documents as set forth in the Contract.

5.9 Should the Supplier have any overdue payment, the Purchaser shall be entitled to set-off any overdue sum by the Supplier against any amount owed by the Purchaser to the Supplier in connection with the Contract or other relationship and to inform the Supplier simultaneously.

5.10 In the event of default in payment by either Party, so the due payment is not transferred on the due date, either Party is entitled to charge interest on any amount outstanding from the time when payment was due till the time when payment was fulfilled by interest for default which is equivalent of the central bank's current prime rate.

The default Party is required to transfer the default interest to the entitled Party within 8 days from the date of receipt of the dunning letter of the entitled Party. The default interest is calculated by the 360 days per annum and the number of overdue days.

The default interest shall be paid in the currency set forth in the respective contract.

5.11 In the event of any other set-off the parties are subject to separate agreement on the method and rate of set-off.

## **6. Warranty and guarantee**

6.1 The Supplier grants to the Purchaser a manufacturing warranty whose term shall not be shorter than the prescribed period by law.

The Supplier also grants a guarantee for the Supply's performance as set forth in the Contract as follows:

- for the duration of 12 months as from the installation of the Supply but for a maximum of 18 months as from the acceptance of the Supply depending on earlier succeed.

6.2 The Supplier according to the above mentioned warranties and guarantees to the Purchaser for the contractual performance and that the delivered Supply shall be:

- (a) correspondent to any specification of the Purchase Order and to all law, rules and provisions including product liability
- (b) fit for the particular purpose for which they are intended and sold, and subject to such special use of Supply as shall have been indicated by the Purchaser to the Supplier
- (c) free of all visible or latent defects
- (d) free from any encumbrances, rights and privileges of any third party
- (e) legally purchased or sold by the Purchaser.

6.3 Should the Supply is defective or is not correspondent to paragraph 4 and / or to any specification indicated in the Contract during the warranty period , the Supplier is bound to, on receipt of the written letter of the Purchaser and at the Purchaser's option either:

- (a) repair the defects or
- (b) replace the Supply or
- (c) give rebate to the Purchaser

at its own cost.

If the Supplier does not repair or replace the defective or faulty Supply within 7 working days as of the date of the request by the Purchaser or within the time limit set forth in the Purchase Order, the Purchaser is entitled to take appropriate measures to arrange the same itself or through a third party on advance notice of the Supplier unless otherwise provided for in the Purchase Order. In any event, the Supplier shall bear all cost of any replacement and repair of the Supply.

6.4 The Supplier is liable for compensation for damages that are validated against the Purchaser by a third party and arise from breach of warranty.

## **7. The Supplier notification obligation**

7.1 During the term of the Contract the Supplier shall be entitled to notify the Purchaser in writing, if it becomes the subject of any bankruptcy, liquidation or final settlement

proceedings, or enters into any liquidity problems that shall compromise the performance of the Contract.

7.2 During the term of the Contract the Supplier shall be entitled to notify the Purchaser in writing whenever failure to comply with deadlines and delivery times set forth in the Purchase Order is foreseeable, or result in undue extra cost.

## **8. Confidentiality**

The Purchaser's confidentiality request is included in appendix 1. (Confidentiality Clause).

The declaration shall not apply to any information needed to be disclosed to any third party supplying financial, accounting, insurance and other financial and debt collection services, or to any claims arising from the contract in case of assignment by the Purchaser to any information needed to be disclosed to the Assignee for contracting and performance purposes. Furthermore, it shall not apply to any information needed to be disclosed to any third party by the Purchaser for contracting and performance purposes of financial guarantee based on the Contract. This provision shall not apply to business entities belonging to the member of MOL and INA Group based on the Purchaser's inner regulation. This confidentiality obligation shall be binding on the members of MOL / INA Group and their confidentiality shall be ensured by the Purchaser.

## **9. Protection of good repute**

The Supplier shall perform its contractual obligations that it will not insult the Purchaser's good repute in any way. The Parties are liable to protect each other's good repute against a third party.

## **10. Late performance penalty**

10.1 Whenever failure to comply with deadlines and delivery times based on the Contract (hereinafter: delays in performance), the Supplier is entitled to pay late performance penalty calculated as follows:

1% per started late working day with a maximum aggregate late fee of 20% of the total amount of the Purchase Price.

In the event of delays in performance, the Supplier is entitled to set up an extended deadline or delivery time in accordance with the Purchaser.

Failure to comply with the extended deadlines shall result in breach of contract which shall not acquit the Supplier of paying the late performance penalty.

10.2 In the event of the Supplier failing to meet the contractual deadlines and delivery times for any reason and failing to set up extended deadlines or delivery times in accordance with the Purchaser or failing to comply with the extended deadlines and delivery times, the Purchaser is entitled to consider it as breach of performance of the Contract. Therefore, the Supplier is entitled to pay cancellation penalty at a rate of 20% of the total amount of the Purchase Price.

In the event of breach of performance the Supplier shall not claim the Purchaser Price of the Supply concerned.

10.3. In the event of default performance of the Supplier other than stated in paragraph 10.1 and 10.2, the Supplier is entitled to pay late performance penalty at a rate of the default contractual obligation's financial amount or in case it is incalculable 20% of the total amount of the Purchase Price.

10.4. In the event of the Supplier failing to notify the Purchaser of contractual breach (late delivery, default performance or breach of performance), the Supplier is entitled to pay late performance penalty at a rate of 20% of the total amount of the Purchase Price.

10.5. In the event of the Supplier disclosing any confidential information, the Supplier is entitled to pay a penalty at a rate of 20% of the total amount of the Purchase Price.

10.6. The Purchaser shall have the right to claim damages against the Supplier for the amount exceeding the amount of late performance penalty. The Purchaser shall send a written notification with the amount of late performance penalty to the Supplier by post. The Supplier is entitled to pay the penalty within 15 days from the date of receipt of this notification by bank transfer.

In the event of failure to pay the late performance penalty promptly, provisions of paragraph 5.10 shall be applied.

## **11. Termination of Contract**

In the event of circumstances occurring as incorporated in this paragraph, the Purchaser is entitled to cancel or terminate the Contract without prior instruction or specific formalities, by sending notice of by registered mail with return receipt requested, without giving rise to any indemnity or damages of any kind whatsoever if the nature of the Contract or the service will not exclude it or performed services can be fully refunded. The termination shall be effective immediately.

- (a) In the event of breach of rules entering the sites of the Purchaser by the Supplier and / or its representative (please refer to paragraph 4.7 or appendix 2.) or,
- (b) In the event of breach of confidentiality as set forth in the Contract by the Supplier or,
- (c) The Supplier with its declaration or its behaviour / proceedings shall insult the Purchaser's good repute and fair business or,
- (d) In the event of the Supplier failing to meet the contractual deadlines and delivery times and the Purchaser has no further interest of performance or,
- (e) In the event of repeated breaches by the Supplier based on the Contract not mentioned above
- (f) In the event of insolvency, or in the event the Supplier becomes the subject of bankruptcy or liquidation proceedings.

In the event of the Purchaser's termination with immediate effect, the Parties are obliged to clear against each other the contractual amount including breach of contract and its consequences.

In the event of termination with immediate effect, the Purchaser reserves the right to be compensated for damages arising from breach of contract and to enforce its contractual rights.

In the event of the Supplier failing to acknowledge receipt of termination note for any reason, the termination note shall be posted repeatedly after thorough checking of the postal address. In the event of unsuccessful repeated delivery, the termination note shall be considered as received within 10 (ten) days from the date of second delivery.

## **12. Impossibility of performance**

In the event of non-performance beyond the reasonable control of both parties, the Contract shall not be ineffective automatically at the time of the occurrence. The affected party shall immediately notify the other Party in writing providing thorough description of the

circumstances and shall initiate consultation within 8 days. The Parties shall settle consultation within 10 days.

The contractual deadlines shall lengthen by the time of reasonable efforts to avoid the occurred circumstances pro rata.

In the event of circumstances giving rise to an event of impossibility foreseeable continuous for longer than 30 days and consultation will not be settled, the Contract shall be terminated on the following day.

In the event of the aforementioned circumstances the Parties shall begin settlement of the terminated Contract according to the rules of impossibility.

On request of the Non-default Party, the affected Party is entitled to provide an authority or representation statement of the event of impossibility not reasonably foreseeable.

Both contractual Parties shall immediately notify each other in writing of the supervention of imminent impossibility, impossibility of performance and its duration. In the event of late notification or failure of notification, the defaulting party is responsible for damages arising from non-notification even if the other party or nobody is responsible for impossibility of non-performance.

### **13. Validity and severability**

Any term or provision of the Contract that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or unenforceability of the remaining terms of the Contract, and shall remain valid.

### **14. Scope of Contract**

The Contract becomes effective by the acceptance of the provisions of the Purchase Order and the General Conditions of Purchase and it becomes ineffective by contractual performance.

### **15. Governing Law**

With respect to matters not regulated hereunder, the provisions of the Hungarian Civil Code shall prevail.

### **16. Dispute Resolution**

Parties shall seek to settle any disputes arising in connection with the Contract primarily through non-judicial channels.

In the event of disputes which cannot be settled through non-judicial channels, Parties appoint the exclusive competence of either the district council of Nagykanizsa or Zalaegerszeg Court as Court of Registration with the relevant jurisdiction.

### **17. Miscellaneous ordinances**

17.1 In the event of separate agreement between the Parties on using orders with electronic signature, the provisions of the separate agreement shall amend the General Conditions of Purchase's respective provisions.

17.2 Modifications or departures from the Contract – except from the provisions of the GCP – shall only apply if they have been agreed in writing by mutual consent. Modifications of the records of the Parties in the trade registry such as changes in the address of head office, the name of representatives, the bank account number, the name of their bank, and changes in

the details of assigns and entities who take part in signing contracts and delivering Supply, shall be of no force or effect.

The affected party shall inform the other party in the event of the aforementioned modifications within 10 days from the date of change (registration) in writing with their authorized signatures. On request of the Purchaser, the Supplier is entitled to provide an original copy of Certificate of Incorporation of the Court of Company Registration and the Declaration of Registration in the event of name modification.

17.3 During the performance of Contract the contractual Parties are entitled to cooperate and therefore they are obliged to immediately inform the other party of the changes in all material data, and essential facts and considerations affecting the Contract in their mutual interest.

17.4 The Purchaser is entitled to assign the Contract, in whole or in part, or any rights or obligations or debts set forth in the Contract to any third party, subject to prior information of the Supplier. The Supplier shall provide its consent to the assignment irrevocably by acknowledge receipt of the Purchase Order.

The Supplier shall assign the Contract, in whole or in part, or any rights or obligations or debts set forth in the Contract to any third party, or debit it for its own benefit with the prior written consent of the Purchaser.

17.5 The Supplier shall have the obligation to undergo any certification proceedings related to Suppliers according to the Purchaser's quality management system and shall comply with the obligation of data provision promptly, faithfully and according to schedule.

17.6 The Supplier shall not be entitled to refer to the cooperation with the Purchaser or the Contract without the prior written consent of the Purchaser. The Purchaser shall have the right to withdraw its consent in writing, at any time, without assigning any reason.

17.7 The Supplier is entitled to read and interpret all-pervasive the provisions and the legal consequences of the General Conditions of Purchase attached to the Purchase Order which was sent prior by the Purchaser as part of the Request for Proposal, so it was disclosed to the Supplier before sending the Tender. In the event of the Supplier performing Supply delivery to the Purchaser as defined in the Purchase Order and according to the Purchase Order (with the order acknowledgement of the Supplier in writing or without its order acknowledgement in a way as specified in paragraph 3.2), the Supplier represents and acknowledges by performance of Supply that he have interpreted the General Conditions of Purchase and agrees to be bound by it. The Parties declare that they have fully understood the provisions of the General Conditions of Purchase. The parties also declare that the content of the General Conditions of Purchase is not contrary to good faith and it is dully justified.

## **Appendices:**

Appendix 1. – Confidentiality Clause

Appendix 2. – Rules of entering a temporary site (locations, well operations without equipment)

Appendix 1 GENERAL CONDITIONS OF PURCHASE

**CONFIDENTIALITY CLAUSE**

1. .... (Declarant) hereby recognises that every kind of commercial information, data, fact and document in connection with market or of any other nature is to be considered Confidential Information with which the ROTARY, its employee or representative provides the Declarant in connection with the tender procedure of goods (materials, tools, products etc.), during making an offer and the ordering process or when entering into a contract either in writing or orally. Each piece of information of this nature is considered to be business secret and the Declarant must not give it away to a third party without the prior written consent of ROTARY, make it available or use it for a purpose other than that of the application, quote, completing the order or performing the contract.
2. The confidentiality obligation stemming from the present Declaration is not to be applied to the following pieces of information:
  - that are available for the public or will become public through no fault of the Declarant's own or
  - that were demonstrably known for the Declarant before the present Declaration was signed or
  - that were given away to the Declarant by a third party who or which does not have a confidentiality obligation towards the ROTARY or
  - the publication of which is made obligatory by force of law.
3. The obligation described above in connection with confidentiality is to be ceased within five (5) years after the Declaration is signed.

The Declarant submitted its offer recognising and considering the General Conditions of Purchase (hereinafter referred to as GCP). In case of winning the GCP is the contractual condition of the Purchase Order, which is recognised as obligatory by the Tenderer on itself regarding the conditions of the GCP when signing the present document.

/Dated/:

Authorised signature:

Name(s):

Position(s):

**Rules of entering a temporary site (locations, well operations without equipment):**

**SAFETY IS THE FIRST PRIORITY**

During well operations with or without equipment it is extremely important to inform those arriving at the site before entering there the opportunity to enter the area, the rules of staying on the site as well as their stay must be registered because in case of possible emergencies the number of cars and people to be saved must be known. **Our purpose is to protect human life and minimise harm to health and financial losses.**

The person who arranges entries must know the general rules regarding the area of the well operation, must be aware of the different signals concerning emergencies, the methods of reacting to emergencies as well as his/her role in the process.

**The signal of entry to the site:**

For those arriving at the site along the way in, on a place well visible, the following flag signals are used at the site board that raises awareness and calls attention:

- **Green flag:** Free entrance
- **Yellow flag:** Caution (danger of explosion, cases of fire or practices)
- **Red flag:** Entrance is forbidden (danger of hydrogen-sulfide or practice)

**Entrance to the sites**

During entry the person operating the access control system of the equipment (receptionist) registers the name, company of the person who has arrived at the equipment as well as the time of the entry. a. He/she gets informed about the purpose of entering the site then informs the person briefly in connection with

- the speed limit valid on the site (**5 km/h**)
- the location of the parking lot and the rule of parking (parking in the direction equal to that of the emergency route).
- He/she orders the entering person to look for the responsible leader of the site (Head Tool Pusher) after entering and parking
- It is allowed to carry out work only with a valid work permit – the head tool pusher shall give information about the details of this.

Opening the barrier and completing administration tasks can be carried out after providing information in speaking. If the purpose of the entry is not obvious (language problems) entry must not be allowed but the Head Tool Pusher or the Health and Safety Administrator must be informed. It is allowed to enter the site by passenger car only in case there is free parking place.

## Appendix 2 GENERAL CONDITIONS OF PURCHASE

It is FORBIDDEN to bring in the following things to the drilling site or location of well operation:

- Gun, ammunition, explosives, fireworks and other pyrotechnic tools
- Drinks containing alcohol, drugs

During work it is FORBIDDEN to wear jewellery protruding from the body (earring, bracelet, ring, piercing)

Smoking is allowed only at designated smoking areas.

### **Personal protection equipment:**

Standard protection equipment on drilling sites and well operation sites (except for entrance and row of booths)

- Protective boots
- Protective garment (with long sleeves and long legs)
- Protective gloves
- Protective glasses
- Protective helmet
- Earplug or other means of hearing protection near engines

### **Emergencies**

**All of the unexpected events, emergencies** (accident, fire, not intended operation) **have to be immediately reported orally** to the Head Tool Pusher or the Safety Supervisor of the drilling site.

The **List of Emergency Telephone numbers** is attached to every telephone on the location.

When the **Distress Signal(s) can be heard, everybody must immediately go to the assembly point** – taking the prevailing wind direction into account - **and wait there until the next instruction.**

### **Distress signals:**

- |  |   |
|--|---|
| ▪ <b>Gas alarm:</b> Three long whistle signs   | <b>Calling off:</b> One long whistle sign |
| ▪ <b>Fire alarm:</b> Two long whistle signs    | <b>Calling off:</b> One long whistle sign |
| ▪ <b>H2S alarm:</b> Continuous whistle sign    | <b>Calling off:</b> One long whistle sign |
| ▪ <b>Other alarm:</b> More short whistle signs |   |

### **On leaving**

- Everybody has to check out (in accordance with the ideas described above).