Supply Contract
no_____ from_____

1. The Contracting Parties:

Automobile DACIA S.A., Mioveni, No. 1 Uzinei Street, postal code 115400, code of fiscal registration RO 160796, registration number J03/81/1991, bank account RO98BRDE030SV0576261030, opened at BRD, Argeş branch, phone no. 0040248341906, legally represented by Mihai-Dan BORDEANU, through Cristian-Florin TUCA, Director of Purchases, Romania, as a purchaser, on the one hand,

and

..... (name of business operator), address ..... telephone/fax…….registration number……, code of fiscal registration ……, account (Treasury, bank)……, represented by……. (name of the manager), position…….as a supplier, on the other hand.

2. Definitions

2.1 - In this contract the following terms shall mean:

a) contract - this agreement and all its annexes;
b) purchaser and supplier - the contracting parties, as they shall be named in this contract;
c) price of the contract - the price payable to the Supplier by the Purchaser under the contract for the full and proper performance of all obligations under the contract;
d) products - equipment, machines, tools, or any other goods, referenced in the annex/annexes to this contract, which the Supplier is obliged by contract to provide to the Purchaser;
e) services - services related to the delivery of products, i.e. the activities related to the supply of products such as transportation, insurance, installation, commissioning, technical support during the warranty period and any other similar obligation of the Supplier as stipulated by the present contract;
f) origin - the place where the products were made, manufactured. The products are manufactured when from the process of manufacturing, processing or assembling result major and essential components of a new product, commercially acknowledged, which is different from its components, through its basic characteristics, purpose or utility. The origin of products and services can be distinct from the nationality of the Supplier;
g) final destination - the place where the Supplier is obliged to deliver the goods;
h) the commercial terms of delivery shall be interpreted in accordance with INCOTERMS 2020 - International Chamber of Commerce (ICC);
i) force majeure - is a circumstance of foreign origin, with an extraordinary, absolutely unpredictable and inevitable character, which is outside the control of any party, which is not due to error or fault, and makes impossible the execution and fulfilment of the agreement; such events are: wars, revolutions, fires, floods or other natural disasters, restrictions arising from quarantine, embargo - the list is not exhaustive, but declarative. One shall not consider a force majeure event, similar to the above-mentioned events, the one which, without creating an impossibility of performance, makes the obligations of a party be extremely expensive;
j) day - calendar day, year - 365 days.

3. Interpretation

3.1. - In this contract, unless stated otherwise, the singular shall include the plural and vice versa where the context so permits.

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3.2. - The term "day" or "days" or any reference to days means calendar days unless specified differently.

4. Object and price of the contract

4.1.- The Supplier is obliged to deliver, set up and put in place the following:
.....…..... 1 piece to achieve the performances required in the period/periods agreed and in accordance with the obligations under this contract.

4.2. - The Purchaser shall pay the Supplier the price agreed for the performance of the supply contract... -1 piece

4.3. - The price agreed for the fulfilment of the contract, i.e. the price of the products delivered and of the accessory services provided, payable to the Supplier by the Purchaser, is……..*(Currency)*, excluding VAT.

5. *Delivery terms:*

According to Incoterms 2020, the delivery terms are DAP Dacia Mioveni

6. *Duration of contract*

6.1 - The duration of this contract is ……. months, i.e. from…….until .....

6.2 - The contract shall commence upon signature by both parties and shall end with the signing of the minutes at the date when the technical performances of the equipment are to be obtained, as required by Annex 1 - Technical Specifications (Specifications) and Annex no. 2 - Other technical requirements, but not before the final payment to the Supplier.

7. *The contract documents*

7.1. - The contract documents are:

a) Addendums to the contract
b) General Purchasing Conditions, 2017 version
c) Annex no.1 - Technical Specifications (specifications);
d) Annex no. 2 - Other technical requirements, if the case,
e) Supplier's technical and commercial offer;
f) Contract execution schedule
g) Payment milestones
h) Firm commitment of support from a third party, if the case
i) Annex with detailed lot composition (lines, facilities and equipment), if the case
j) Other documents, if the case

Documents are applied in the order of priority indicated above. However, this Agreement, including any changes thereto, shall prevail.

8. The main obligations of the Supplier

8.1 - The Supplier undertakes to deliver/provide to the Purchaser, to assembly, to put into operation: …….....- 1 piece to achieve the required performances, products defined in this contract.

8.2- The Supplier undertakes to supply the products according to the standards and/or performances presented in the tender.

8.3 - The Supplier undertakes to supply the goods in the periods/at the dates specified in the tender annexed to the contract.

8.4 - The Supplier undertakes to indemnify the Purchaser against any:

i) claims and legal actions resulting from infringement of intellectual property rights (patents, names, trademarks, etc.), related to the equipment, materials, facilities or equipment used for or in connection with the products purchased, and

ii) related damages, costs, charges and expenses of any kind, unless such infringement results from compliance with the specification issued by the Purchaser.

8.5. The Supplier is liable to the Purchaser and, as the case may be, to third parties under the provisions of the Romanian Civil Code for any non-execution or improper execution of the Contract, especially

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when it concerns design errors, compliance, production, functioning or performance of means and/or service provision and for any apparent or hidden defects. The Purchaser may provide assistance to the Supplier for the performance of the goods and/or the provision of services, and the checks that the Purchaser reserves to carry out cannot be considered as an acceptance of the quality of the goods and/or services provided by the Supplier who will remain solely responsible for them, it being agreed that the reception by the Purchaser does not exempt the Supplier from its contractual liability.
The Supplier bears the risk of non-compliance by the agencies and/or subcontractors with the provisions on the use and security of the means.
The Supplier shall be liable for any loss, damage or material, moral or physical damage, whether direct or indirect, resulting from its liability, as defined above, and without prejudice to any other limitation or exclusion clause. However, the Purchaser's claims against the Supplier for loss of production, loss of profits and loss of rights will be limited to the full contractual amount.

9. The main obligations of the Purchaser

9.1- The Purchaser commits to purchase, respectively to buy and pay the price agreed in the contract. Currency payments shall be made according to the legal provisions.
9.2- The Purchaser undertakes to receive the products within the agreed time.
9.3 - The Purchaser shall pay the price of the products to the Supplier within 90 days after signing the documents that attests the completion of the events mentioned below, except the COP.
The invoices will be issued in the following steps, with FSR:

LOT 2	
Milestone	Payment
Reception of the first measured parts (PPC)	40%
Customer reception (RCP)	30%
End of commissioning approvement (ATFMR)	20%
Technical performance review Achievement after implementation (COP)	10%

INVOICE AND PAYMENT CALENDAR

MILESTONE 1: 40% of contractual value
It will be paid the advance invoice released on reception of the first measured parts (PPC), signed by the Supplier and the technical and payment manager designated in the contract.

MILESTONE 2: 30% of contractual value
The final invoice will be issued based on Customer Delivery Agreement (RCP) on the total amount of the contract, of which only 30% will be paid from the RCP milestone, signed by the Supplier and the technical and payment manager designated in the contract.

MILESTONE 3: 20%
It will be paid based on the Technical Commissioning Approvement (ATFMR), signed by the Supplier and the technical and payment manager designated in the contract based on the final invoice issued at RCP milestone

MILESTONE 4: 10%
It will be paid based on the Performance Obtaining Statement (COP) signed by the Supplier and the technical and payment manager designated in the contract based on the final invoice issued at **RCP milestone.** For this milestone, the payment period is 30 days net.

The MILESTONES will be signed by:
Technical agreement: Cristian-Marius IOAN

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Payment agreement: Elena-Laura PELIGRAD

10. Penalties for non-culpable obligations

10.1 - If, from its own exclusive fault, the Supplier does not fulfil its obligations, or fulfils them incorrectly, the Purchaser, without previous notification, shall be entitled to deduct from the contract price, as a penalty, an amount equal to a percentage of the contract price. For each day of delay in the execution of contractual obligations, penalties of 0.1% of the contract shall be applied to the Supplier until the effective fulfilment of obligations, but with a ceiling of 5% of the total net contract value. Payment of these penalties do not mean that the Purchaser is not entitled to demand compensations for the results of delays/faults, if the Purchaser can justify the existence of a greater prejudice.

10.2 - If, from its own exclusive fault, the Purchaser does not fulfil its obligations of payment, within 60 days of the expiry of the agreed period, the Supplier shall be entitled to apply as penalty an amount equal to a percentage of the payment value of each unpaid milestone. For each day of delay in the execution of contractual obligations, penalties of 0.1% of the overpassed and unpaid milestone shall be applied to the Purchaser until the effective fulfilment of obligations, but with a ceiling of 5% of the payment value of each unpaid milestone.

10.3 Failure to comply with the obligations under this agreement by either party, by fault, and if the failure of compliance is not corrected within one month after the official notification an imediately in case of an emergency, entitles the injured party to treat the contract as terminated/without court intervention, at the date specified in the notification in this regard, without affecting the right to claim penalties under art. 10.1. and art. 10.2.

10.4 – If, due to provable reasons not in the responsibility of the Supplier, the contract is terminated, based on justificative documents, the Purchaser will pay the value of the expenses engaged concerning the manufacturing of ordered goods up until that point, according to the contractual prices (or the price differences not paid until the point of said termination). These goods and studies will become the property of the Purchaser.

11. Reception

11.1 - The Purchaser has the obligation to notify, in writing, the Supplier as to the identity of its representatives authorized to perform reception.

11.2 - The inspections and tests from within the final (quality) reception performed at the final destination of the products: Automobile Dacia SA, Mioveni, No 1 Uzinei Street, Arges County, Romania.

11.3 - If any of the products received does not meet the specifications, the Purchaser is entitled to reject it and the Supplier, without changing the contract price, shall:

a) replace the rejected goods or

b) make any necessary changes for the products to meet the technical specifications.

11.4 - Clause 11.3 does not absolve the Supplier from the obligation of warranty assuming or from any other obligations under the contract.

12. Packing and marking

12.1 - The Supplier is obliged to pack and mark the products so that they could cope, without limitation, to rough handling during transportation, transit and exposure to extreme temperatures, sunlight and precipitation that may occur during transport and storage outdoors, so as to reach the final destination in good condition.

In the case of weights' and volumes' packaging in boxes, the Supplier will consider, where appropriate, the remoteness of the final destination of the products and the absence of heavy handling facilities at all points in transit.

12.2 - All product packaging materials and all materials necessary for the protection of packages (wooden pallets, protective sheets, etc.) shall remain the property of the Purchaser.

13. Delivery and product accompanying documents

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13.1 - The Supplier is obliged to deliver the goods at the final destination indicated by the Purchaser, observing:
a) the delivery deadlines assumed in the tender and
b) the commercial deadlines assumed in the tender
13.2 - When shipping products, the Supplier is required to notify in writing, both to the Purchaser and, if applicable, to the insurance company, the dispatch information, contract number, description of goods, quantity, place of loading and unloading.
The Supplier shall send the Purchaser the documents accompanying the goods. The Supplier is required to accompany all products supplied with accompanying documents that certify the authority, conformity, including but not limited to, instructions for use, maintenance, warranty certificate, certificate of compliance, invoice and certificate/any other documents certifying the age of technology according to international quality standards.
13.3 - The certification by the Purchaser that the products have been supplied wholly or partly is done after installation and reception, by signing of receipt by the authorized representative, on the documents issued by the Supplier for delivery.
13.4 - Product delivery is considered completed when the provisions of the clauses regarding product reception are satisfied.

14. The warranty period granted to the products

14.1 - The Supplier is obliged to ensure that the goods supplied under the contract are new, original, unused. The Supplier is also required to ensure that all products supplied under this contract shall have no defect as a result of the project, materials or workmanship (except when the design and/or material is specifically requested by the Purchaser) or of any other act or omission of the Supplier and that they will operate at the required parameters in normal operating conditions.
14.2 - The warranty period given by the Supplier to the products is the one stated in the tender, meaning: 18 months from ATFMR milestone
14.3 - The Purchaser has the right to notify the Supplier in writing of any complaint or claim that arises under this warranty.
14.4. - Upon receipt of such notice, the Supplier must intervene within 48 hours maximum (working days). The products that, during warranty period, replace the faulty products benefit from a new warranty period. The warranty period is extended with the period equal to the period in which the product has not been used.
14.5. - If the Supplier, having been notified, fails to remedy the defect within the agreed period, the Purchaser has the right to take remedial action at the risk and expense of the Supplier and without any prejudice to any other rights which the Purchaser may have to the Supplier under the contract.
14.6 - If a failure to perform the obligations of which the Supplier is liable is not remedied within a reasonable time or cannot be repaired by the Purchaser in accordance with clause 14.5, the parties may reduce the price of the Contract by mutual agreement to the appropriate amount.

15. Contract price adjustment

15.1 - For the products delivered and the services rendered, the payments due by the Purchaser to the Supplier are the ones stated in the tender attached to the contract.
15.2 - The contract price shall not be adjusted.

16. Delays in fulfilling the contract

16.1 - The Supplier is obliged to fulfil the supply contract in the period/periods mentioned in the tender.
16.2 - If, throughout the contract, the Supplier does not comply with the period of delivery or of performance, then it shall notify the Purchaser in a timely manner; changing the date/periods of supply assumed in the offer will be made by agreement of the parties, by addendum.
The procurement contract modification is achieved by addenda. Amendments to the contract may be made only during the execution of the contract.

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Any amendment that extends the performance of the contract, respectively …… months, must be such that implementation be accomplished before the end of the financing agreement and payments be made under the rules of eligibility established through the grant agreement.
The purpose of the addendum must be closely related to the original contract.
The tender which led to the signing of the contract may change, in case of products, if what was tendered is not currently placed on sale on the market (with the presentation of relevant evidence in this sense) and if the products are replaced with some having technically equal or superior characteristics, with no problems of compatibility, without changing the price.
16.3 - Unless the Purchaser agrees to an extension of time for delivery, any delay in performing the contract entitles the Purchaser to claim penalties from the Supplier.

17. Force majeure

17.1 - Force majeure is established by a competent authority
17.2. - Force majeure exempts the contracting parties from the obligations assumed under this contract, as long as it applies.
17.3. - Fulfilment of the contract will be suspended during the force majeure, but without prejudice to the rights to which the parties were entitled until its occurrence.
17.4 - The contracting party invoking force majeure shall notify the other party immediately and completely of the production thereof and shall take all measures at its disposal to limit the consequences.
17.5 - The contracting party invoking force majeure shall notify the other party of the cessation of the cause thereof within 15 days after termination.
17.6 - If the force majeure lasts or is expected to last for more than 6 months, either party shall be entitled to notify the other party of the termination of this contract, without either party being entitled to claim damages from the other.

18. Settlement of disputes

18.1 - The Purchaser and the Supplier shall make every effort to resolve amicably, by direct negotiations, any disagreement or dispute which may arise between them under or in connection with this contract.
18.2 - If the Purchaser and the Supplier fail to resolve amicably a contract dispute, each party may request that the dispute be settled by the courts of Romania.
Recourse to the courts cannot be hampered by failure to file diligence of amicable settlement, which are optional, except for the steps that the law requires as binding.

19. Language of contract

19.1. - The language of the contract is Romanian.
19.2 - In case of differences between Romanian version and English version, the Romanian version shall prevail.

20. Communications

20.1 - Any communication between the parties relating to the performance of this contract shall be submitted in writing.
Any written document must be registered when sent and when received.
20.2 - Communications between parties can be made by telephone, telegram, telex, fax or e-mail, on the condition of written confirmation of receipt of the communication.
20.3 For the proper implementation of this agreement the parties designate the following:
For the Purchaser: Corina-Marioara STROE ;
For the executant: ..... ;

21. Conflict of interests

21.1 If during implementation of the contract it is noted that the Purchaser and/or the Supplier has not met the obligations set out in Articles 14 and 15 of Government Emergency Ordinance (GEO) no 66/2011, with the subsequent amendments and completions to it, the contract is justly terminated.

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22. Applicable law

22.1 - The contract shall be interpreted under the laws of Romania.

The parties agreed to conclude this contract today, ……, in two (2) copies, one for each side.

Purchaser……. Supplier……..

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