

GENERAL TERMS AND CONDITIONS FOR SUPPLY OF GOODS AND PERFORMANCE OF SERVICES

"AZERCONNECT GROUP" LLC, acting in accordance with the Company's Charter (hereinafter referred to as the **"Buyer" or "Azerconnect"**) on the one hand and the **Seller** (as indicated in the Contract and/or Purchase Order) acting in accordance with its Statutory documents and duly represented by its Authorized Representative (hereinafter referred to as the **"Seller"**) on the other hand, have concluded the Contract and/or Purchase Order for the Supply of Goods (including Software and Licenses) (hereinafter referred to as the **"Goods" or "Products"**) and Provision of Services (hereinafter referred to as the **"Services"**) as it is defined in the Schedules or any other Annexes within the framework of the following General Terms and Condition for the Supply of Goods and Provision of the Services (hereinafter referred to as the **"General Terms and Conditions"**).

The Seller and the Buyer shall hereinafter be collectively referred to as the "Parties" and in singular as the "Party".

1. THE SUBJECT, APPLICATION AND AUTHORITY

1.1. Within the terms of the Contract and/or Purchase Order and General Terms and Conditions Seller shall sell to the Buyer Goods or provide the Services specified in the Contract and/or Purchase Order and the Buyer shall accept the Goods and/or Services and compensate the Seller the agreed cost of those.

1.2. No commitment and/or purchase shall be effective, unless authorized Purchase Order is issued by the Buyer and signed by the Parties. The Parties shall not be liable for any Purchase Order, variation, letter of intent, or instructions to proceed with a Purchase Order unless and until it has been Authorized.

1.3. The General Terms and Conditions apply in preference to and supersede any terms and conditions referred to, offered or relied on by the Seller at any stage in the sourcing process between the Buyer and the Seller with reference to the Goods and Services, until otherwise agreed by the Parties in written in specific Contract and/or Purchase Order where express terms will take precedence over present General Terms and Conditions.

1.4. The Seller represents and warrants the accuracy of any information or data provided to Buyer during the sourcing process and for the purpose of entering the Contract and/or Purchase Order, as well as the quality of the deliverables and reports foreseen under the Contract and/or Purchase Order, in accordance with the highest industry and professional standards.

1.5. Technical and/or commercial offers submitted by the Seller within sourcing process may be used as a part of any Contract and/or Purchase Order.

1.6. All time limits contained in the Contract and/or Purchase Order shall be deemed to be of the essence in respect of the performance of the delivery of the Goods and/or the provision of the Services.

1.7. The Seller shall provide all technical and administrative support needed to ensure the timely and satisfactory delivery of the Goods and/or performance of the Services.

1.8. If the Seller is engaged by the Buyer based on a Long-Term Agreement, quantity options may be considered indicative; actual quantity to be ordered based on Purchase Order in accordance with actual demand. The Seller confirms that the price will remain regardless of the volume of annual orders placed for the entire period of the contract (aligned with demand periods).

1.9. The Seller shall be deemed to have examined the Specifications and Requirements and these General Terms and Conditions. No claims from the Seller for additional payment will be allowed on the grounds of misinterpretation of the Requirements and/or Specifications (whether it was prepared by the Buyer or by the Seller) or these General Terms and Conditions.

2. DELIVERY TERMS

2.1. Seller shall deliver the Goods to the Buyer and perform the Services in a timely manner in accordance with the terms reflected in the Contract and/or Purchase Order and General Terms and Condition.

2.2. All Goods items shall be packed and adequately protected against damage and deterioration in transit and delivered as per Clause 2.1. carriage paid in accordance with Seller's general packing and shipping standards. Any information related to the handling and storage of Goods upon receipt shall be stated in the

Documentation.

2.3. All delivery expenses shall be included into the price of Goods indicated in the Contract and/or Purchase Order.

2.4.1. In case of international delivery by non-resident entities of the Republic of Azerbaijan, the Goods shall be delivered in accordance with DAP Baku or CIP Baku (Incoterms 2020) "Point of Destination", as defined in the Contract and/or Purchase Order

2.4.2. Along with each delivered Goods the Seller shall provide to the Buyer following documents, which shall be pre-agreed and confirmed by the Buyer five (5) working days before dispatch of the Goods:

2.4.2.1. Shipping/Customs invoice (approved from the Buyer side original invoice must be accompanied with the shipment);

2.4.2.2. Export declaration EX1 (copy for each shipment);

2.4.2.3. Waybill (CMR/AWB/ Bill of lading and etc.);

2.4.2.4. Packing list (2 (two) originals);

2.4.2.5. Certificate of Origin (1 (one) copy);

2.4.2.6. Certificate of conformity (1 (one) copy)

2.4.3. In case of local delivery, the Goods shall be delivered to the warehouse of Buyer. Along with each delivered Goods the Seller shall provide to the Buyer following documents:

2.4.3.1. Contract and/or Purchase Order (1 (one) copy);

2.4.3.2. E-delivery note (1 (one) copy);

2.4.3.3. Acceptance act (2 (two) originals);

2.4.3.3. Invoice (1 (one) copy).

2.5. Risk of loss of and damage to the Delivered Goods shall pass to the Buyer in accordance with the Delivery term set out in Clause 2.4.1. and 2.4.3.

2.6. The Buyer shall not be liable for any additional compensation regarding any delivery of the Goods.

2.7. The Seller shall provide all necessary documentation regarding the type and quality of the Goods supplied, which are an integral part of the Goods.

2.8. The Seller is obligated to meet all delivery and performance deadlines specified in the Contract and/or Purchase Order. Time is of the essence, and failure to meet deadlines without prior written approval from the Buyer may result in penalties, including but not limited to the imposition of liquidated damages or termination of the Contract and/or Purchase Order.

2.9. Upon request by the Buyer, the Seller shall provide goods on a consignment basis, subject to mutual agreement on specific quantities, duration, and storage conditions. Title to the consignment stock shall remain with the Seller until the stock is withdrawn by the Buyer. Risk of loss or damage to the consignment stock shall pass to the Buyer upon delivery to the agreed location.

3. ACCEPTANCE CONDITIONS

3.1. Upon delivery of Goods and/or delivery of the Services, the representatives of the Seller and Buyer shall sign the relevant Acceptance act (attached to present General Terms and Conditions) proving the fact of delivery of the Goods and/or Services. Such document shall include the delivery date, quantity, specification, price as well as other details of the Goods, acceptance of the Services in accordance with the technical specification and shall be considered as the document evidencing the fact of delivery of the Goods and/or acceptance of the Services.

3.2. If the Goods or Services fail to conform with the Specification of the Contract and/or Purchase Order, whether by reason of not being of the required quality, and whether the Goods and/or Services have been subjected to Acceptance Tests or otherwise, the Buyer shall, without prejudice to its rights under Clauses 12 and 15, have the right to reject such Goods and/or Services within ten (10) working days after Delivery of Goods and Services refuse from signing the Acceptance act and acceptance of such Goods and/or Services.

3.3. In case the Software/License is ordered separately, such Software/License Delivery shall be deemed delivered upon signature of relevant Software Acceptance Act in relation to such Software/License (attached to present General Terms and Conditions). Following the Buyer's receipt of the Software/License from the Seller via electronic channels, the Parties shall sign the Software Acceptance Act evidencing that relevant Software has been transmitted. The date of transmission as indicated in the Software Acceptance Act shall be deemed the Date of Actual Delivery in relation to such Software.

3.4. In no case shall Buyer be obligated to accept any Goods unless and until Buyer has had a reasonable opportunity to inspect the Goods following delivery. The Goods shall not be deemed accepted unless and

until Buyer in fact provides the written acceptance.

3.5. As soon as the Acceptance Tests are appropriate to, or specified for, the Goods and/or Services have been completed and the Goods and/or Services have passed the Acceptance Tests, the Buyer shall sign an Acceptance Act, which will state the Acceptance Date and any outstanding defects Services in Goods and/or Services (if any). The Seller undertakes to rectify such defects and without delay and, in any case, by a specific date, which shall be binding, and which shall be agreed in writing by the Parties. If the Seller fails to remedy such defects within the period specified and agreed, the Buyer's rights shall be as set out in Clauses 12 and 17.

3.6. Neither Delivery of the Goods nor Completion of the Services nor putting into use constitutes acceptance of the Goods and/or Services by the Buyer.

3.7. The making of any payment due under the Contract and/or Purchase Order shall not constitute acceptance and shall not prejudice the Buyer's rights of rejection.

4. PRICE

4.1. Unless specifically agreed in the Contract and/or Purchase Order with residents entities all prices shall be in AZN. The Contracts and/or Purchase Orders with non-resident entities shall be concluded in foreign currencies agreed by the Parties. All Prices shall be Fixed Prices for the duration of the Contract and/or Purchase Order, inclusive of all costs, including, without limitation, carriage, packaging and certification (where required).

4.2. In case if the prices in the Contract and/or Purchase Order between the resident entities of the Republic of Azerbaijan are specified in the foreign currency, the prices under the Contract will constitute the AZN equivalent of the foreign currency amount, calculated in accordance with the official exchange rate of the Central Bank of the Republic of Azerbaijan effective on the date of payment under the Contract and/or Purchase Order.

4.3. The fixed prices of the Contract and/or Purchase Order are not subject to any adjustment or revision because of price or currency fluctuations (except the cases stated in Clause 7.1.), or the actual costs incurred by the Seller in the performance of the Contract and/or Purchase Order.

5. TAXES

5.1. The Buyer shall be liable for payment of all taxes levied in connection with the execution of the Contract and/or Purchase Order applicable according to the tax legislation of the Republic of Azerbaijan.

5.2. The Seller shall be liable for payment of all taxes levied in connection with the execution of the Contract and/or Purchase Order under the legislation of its country of incorporation.

5.3. For resident entities, VAT applicable in accordance with the Tax Legislation of the Republic of Azerbaijan shall be indicated separately and paid by the Buyer. E-delivery note shall be provided by the Seller in accordance with the Tax Legislation of the Republic of Azerbaijan.

5.4. For non-resident entities:

5.4.1. The price of the Services and price of the Software/Licenses in the Contract and/or Purchase Orders concluded with non-resident entities shall be indicated exclusive of applicable taxes in accordance with the Tax Legislation of the Republic of Azerbaijan.

5.4.2. The Seller acknowledges that in accordance with the tax legislation of the Republic of Azerbaijan, the price of the Services and price of the Software/Licenses is subject to withholding tax at the source of payment. It is expressly agreed by the Parties that after deduction of Withholding tax at the source of payment in accordance with the tax legislation of the Republic of Azerbaijan, the Buyer shall pay to the Seller only the price of the Services and price of the Software/Licenses exclusive of taxes applicable according to the tax legislation of the Republic of Azerbaijan.

5.4.3. Taking into consideration that the Price is exclusive of withholding tax as specified in Clause 5.4.1, in the event that a withholding tax application is required, the final applicable withholding tax amount according to the applicable laws and/or regulations of the Republic of Azerbaijan or under the applicable double tax treaties will be considered in the Contract and/or Purchase Order Gross price as WHT inclusive and invoices accordingly. The Net amount (WHT exclusive) will be grossed up based on tax legislation of the Republic of Azerbaijan.

5.4.4. Where preferential tax treatment is applicable under a double tax treaty or arrangement, or the prevailing domestic tax laws/regulations, only the tax amount under such preferential tax treatment will be

withheld by the Buyer. The Buyer will apply with tax authorities for such preferential tax treatment with commercially reasonable efforts. The Seller shall provide adequate and appropriate assistance during the application (provision of the Residency Certificate and other supporting documents in need).

6. PAYMENT TERMS

6.1. Provided the Goods and/or Services have been properly delivered in compliance with the requirements of the Contract and/or Purchase Order, this General Terms and Conditions and have been accepted by the Buyer on the basis of the Acceptance Act in accordance with the Contract and/or Purchase Order and present General Terms and Conditions, the Seller shall be entitled to claim payment of the Price or the percentage of the Price, stated on the Contract and/or Purchase Order.

6.2. Payment for Goods and/or Services shall be due within sixty (60) calendar days from the date of receipt of the invoice issued on the basis of the Acceptance act (together with whatever supporting documentation that may be required by Buyer) signed by both Parties.

6.3 If an advance payment is due to the Seller in accordance with the Contract and/or Purchase Order, the Seller shall submit an original invoice for the amount of that advance payment upon signature of the Contract and/or Purchase Order by the Parties. The amount of advance payment shall be transferred to the Buyer not earlier than thirty (30) calendar days from the date of receipt of the invoice for advance payment (together with whatever supporting documentation that may be required by Buyer).

6.4. In case if any Contract and/or Purchase Order with resident entities contains the prices in foreign currency the payment shall be made in AZN based on official exchange rate of the Central Bank of the Republic of Azerbaijan.

6.5. Payments for the Services including Services for Support and Maintenance Services may be set in the amounts and pursuant to the schedule of payments set forth in the Contract and/or Purchase Order, upon completion by the Seller of the corresponding deliverable(s) and upon receipt by Buyer of the original invoices issued by the Seller based on the Acceptance act (together with whatever supporting documentation that may be required by Buyer) signed by both Parties.

6.6. The Buyer may, by own initiative or in consideration of the Seller's request, make payments for the Goods and/or Services before the date mentioned in Contract and/or Purchase Order.

7. DEVALUATION PROTECTION CLAUSE

7.1. In the event that the official exchange rate of the Azerbaijani Manat (AZN), the national currency of the Republic of Azerbaijan, to any contracted foreign currency experiences a devaluation of more than fifty percent (50%) compared to the Exchange Rate prevailing on the Effective Date of the Contract and/or Purchase Order, the Parties may enter into good faith negotiations to determine an appropriate adjustment to the exchange rate or compensation related to the devaluation. In the event that the devaluation does not exceed fifty percent (50%), the fixed price shall remain unchanged and binding, and no negotiations or adjustments to the exchange rate shall be made.

8. QUALITY OF THE GOODS/SERVICES AND STANDARD OF PERFORMANCE

8.1. The Seller guarantees that all Goods and/or Services provided under the Contract and/or Purchase Order shall be of the highest quality and/or International Quality Standards, conform to the specifications set forth in the procurement documents, Contract, or the Purchase Order, present General Terms and Conditions.

8.2. The Seller shall ensure that the Goods and/or Services are free from defects in material, design, and workmanship and are suitable for the intended purpose.

8.3. The Seller shall perform all Services in a professional, competent, and efficient manner, ensuring that the Services are delivered according to the highest industry standards. The Seller must possess the necessary skills, experience, and qualifications to perform the Services specified in the Contract and/or Purchase Order.

8.4. The Goods and/or Services provided must comply with the specifications, drawings, and any other documentation provided by the Buyer. The Seller is responsible for ensuring that all Goods and/or Services adhere to any relevant regulatory, statutory, and safety standards that apply within the jurisdiction of the Buyer.

8.5. The Buyer has the right to inspect and test the Goods and/or Services at any stage of production, delivery, or performance. The Seller shall provide reasonable access to its facilities, equipment, and records

to ensure compliance with quality requirements. The Seller must allow for any necessary quality assurance tests and correct any deficiencies identified during inspection.

8.6. Where applicable, the Seller must provide certification of conformity to relevant standards, such as quality control certificates, safety compliance, and product certifications. These documents must be delivered to the Buyer at the time of delivery or performance.

8.7. If the Goods and/or Services fail to meet the agreed quality standards, the Seller must promptly remedy such deficiencies at no additional cost to the Buyer in accordance with the Clause 3 of present General Terms and Conditions. The Seller must replace, repair, or re-perform any defective Goods and/or Services within a reasonable time, as agreed with the Buyer.

9. SOFTWARE

9.1. Where the provision of the software is not subject to separate license arrangements or specific software conditions, the Seller shall be responsible for providing in accordance with the Contract and/or Purchase Order, all software; firmware and associated documentation where:

9.1.1. the Goods comprise and/or include computer hardware and/or

9.1.2. the software and associated documentation is necessary for the satisfactory operation of the Goods or the use of the Services and/or

9.1.3. where the provision of such software and associated documentation is specified in the Contract and/or Purchase Order. For the purposes of clarification any reference to software in this Clause shall be deemed to include and apply to any firmware provided and/or to be provided under the provisions of the Contract and/or Purchase Order.

10. WARRANTY

10.1. Seller shall guarantee to the Buyer the correspondence of the supplied Goods and performed Services to the quality standards indicated in the Purchase Order and satisfactory to the requirements of the Buyer in accordance with the Clause 8 of this General Terms and Conditions and shall submit relevant quality certificates and any required documents in relation to this.

10.2. Unless otherwise agreed in the Contract and/or Purchase Order, Seller shall provide the warranty for the Goods and/or performed Services for the minimum period of twelve (12) months from the date of the relevant Acceptance act.

10.3.1. The Seller's warranty for Goods shall include the following conditions:

10.3.1.1. Materials and Workmanship: The Goods must be free from defects in material, design, and workmanship that would impair their normal functionality, safety, or usability.

10.3.1.2. Performance: The Goods must meet or exceed the performance specifications as outlined in the Contract and/or Purchase Order or any written technical specifications agreed upon between the Parties.

10.3.1.3. Conformance with Specifications: The Goods must conform to the specifications, drawings, and descriptions provided by the Buyer or agreed to by the Parties.

10.3.1.4. Compliance with Legal and Regulatory Standards: The Goods must meet all applicable industry standards, laws, and regulations relevant to their manufacture, use, and sale in the Buyer's jurisdiction.

10.3.2. In the event that the Goods are found to be defective or non-compliant with the terms of this warranty, the Buyer is entitled to one or more of the following remedies, at the Buyer's discretion:

10.3.2.1. Repair: The Seller shall, at its sole expense, repair the defective Goods within ten (10) business days of receiving written notice from the Buyer, unless otherwise agreed. If the Goods cannot be repaired within a reasonable timeframe, the Buyer may choose an alternative remedy.

10.3.2.1. Replacement: The Seller shall replace any defective Goods with equivalent or superior Goods that meet the specifications outlined in the Contract and/or Purchase Order, at no cost to the Buyer (including transportation and installation costs, where required).

10.3.2.1. Refund: If neither repair nor replacement is feasible within a reasonable period, the Buyer may request a full or partial refund for the defective Goods, based on their value or the portion of the Goods that are defective.

10.3.2.1. Other Compensation: In case of non-conformance of the Goods, the Buyer may seek additional compensation or remedies, including reimbursement for any damages or losses suffered due to the defect and influencing standard Buyer's operations.

10.4.1. The Seller's warranty for Services shall include the following conditions:

10.4.1.1. Professional Standards: The Services must be performed by qualified personnel with the necessary expertise and experience to meet or exceed the industry standards and the specifications outlined in the Contract and/or Purchase Order.

10.4.1.2. Conformance to Specifications: The Services must fully conform to the specifications, performance criteria, and deadlines agreed upon in the Contract and/or Purchase Order. The Seller is liable for any deviation from these terms.

10.4.1.3. Compliance with Legal and Regulatory Standards: The Services must comply with all relevant laws, regulations, and industry standards, including health and safety regulations and other legal requirements applicable to the Services.

10.4.2. If the Services are found to be defective or fail to meet the agreed specifications, the Buyer is entitled to the following remedies:

10.4.2.1. Re-performance of Services: The Buyer may request the Seller to re-perform the defective Services at no cost to the Buyer within ten (10) business days of receiving written notice from the Buyer, unless otherwise agreed. If the Services cannot be re-performed within a reasonable timeframe, the Buyer may choose an alternative remedy.

10.4.2.2. Correction of Deficiencies: The Seller shall correct any deficiencies or errors in the Services at no additional cost to the Buyer.

10.4.2.3. Refund: If the defects or deficiencies are substantial and cannot be corrected in a timely manner, the Buyer may request a full or partial refund for the defective Services.

10.4.2.4. Compensation for Damages: In the event that defective Services cause harm to the Buyer's operations, including lost profits, delays, or additional costs incurred, the Buyer is entitled to full compensation for those damages.

10.5. In case if the provision of the warranty maybe condition to any defect or damage which arises or develops as a result of any alteration, addition or attachment to the Goods, in this case the Seller shall inform the Buyer in advance about such cases and reflect in the Contract and/or Purchase Order. Absence of such notification will be considered by the Buyer as full compliance to the warranty terms reflected in the present General Terms and Conditions.

10.6. If required by the Buyer before the end of the Warranty Period, the Seller shall enter into a separate contract for the maintenance of the Goods.

11. SAFETY

11.1. Any safety precautions required for the handling of the Goods are to be clearly indicated on each consignment in accordance with the requirements of the corresponding legislation.

11.2. In case of necessity, Goods must be accompanied by emergency information in English in the form of written instructions, labels or markings. The Seller shall observe the requirements International Agreements relating to the packing, labelling and carriage of hazardous Goods.

11.3. Seller shall execute and maintain the Services the way to avoid injury or damage to any person or property. In carrying out its Services, the Seller shall at all times be in compliance with all applicable local and state laws, corporate rules and regulations, and shall exercise all necessary precautions for the safety of its employees and subcontractors appropriate to the nature of the Services and the conditions under which the Services are to be performed.

11.4. Safety precautions as applicable shall include, but shall not be limited to:

- (1) adequate life protection and lifesaving equipment and procedures;
- (2) instructions in accident prevention for all employees and subcontractors, such as safe walkways, scaffolds, fall protection ladders, bridges, gang planks, confined space procedures, trenching and shoring, equipment and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accidents or injuries; and
- (3) adequate facilities for the proper inspection and maintenance of all safety measures.

11.5. Seller shall be responsible for all costs of clean up and/or removal of spilled regulated substances as a result of Seller's services or operations performed under the Contract and/or Purchase Order.

12. LIABILITY. INDEMNIFICATION, LIQUIDATED DAMAGES

12.1. The Seller will indemnify and keep the Buyer indemnified fully in respect of and in connection with:

12.1.1. direct loss and/or expense, and all actions, claims, demands, costs and expenses incurred by or made

against the Buyer which arises from any Services provided and/or advice given or anything done or omitted to be done under, or in connection with, the Contract and/or Purchase Order by the Seller; and

12.1.2. any actions, claims, demands or costs in respect of the death or injury to any person arising from defective materials, Goods, workmanship or design, or by reason of the Seller's negligence, or any act or omission on the part of the Seller's employees, sub-contractors, or agents in connection with the Contract and/or Purchase Order; and

12.1.3. direct damage to the Buyer's property (including any materials, tools or patterns sent to the Seller for any purpose).

12.2. Seller shall be liable for direct material and nonmaterial damages and losses caused to the Buyer as a result of improper performance of the obligations under the Contract and/or Purchase Order.

12.3. The Buyer shall not be liable for damage sustained by the Seller in performance of the Contract and/or Purchase Order except in the event of willful misconduct or gross negligence on the part of the Buyer.

12.4. The Seller shall be liable for any loss or damage caused by himself in performance of the Contract, including in the event of subcontracting. The Buyer shall not be liable for any act or default on the part of the Seller in the performance of the Contract and/or Purchase Order.

12.5. The Seller shall provide compensation in the event of any action, claim or proceeding brought against the Buyer by a third party as a result of damage caused by the Seller in performance of the Contract and/or Purchase Order.

12.6. In the event of any action brought by a third party against the Buyer in connection with performance of the Contract and/or Purchase Order, the Seller shall assist the Buyer.

12.7. In no case, the Buyer shall be liable for any special, indirect or consequential, punitive loss or loss of profits or contracts.

12.8. The Seller shall take out insurance against risks and damage relating to performance of the Contract and/or Purchase Order, if required by the Buyer, and take out supplementary insurance as reasonably required by standard practice in the industry. A copy of all the relevant insurance contracts shall be sent to the Buyer should it so request.

12.9. If the Seller fails to timely fulfill its obligations under the Contract and/or Purchase Order it shall be obliged to pay the liquidated damages to the Buyer equal to one (1) % of the amount indicated in relevant Purchase order for each day of delay.

12.10. If the Seller fails to properly fulfill its obligations under Purchase Order the Buyer is entitled to apply one time penalty to the Buyer equal to thirty (20) % of the amount indicated in relevant Purchase order, excluding the amount of penalty for delay indicated in the Clause 12.9.

12.11. In the case of non-fulfillment by the Seller of its obligations under the Contract and/or Purchase Order, the Buyer has the right to terminate Contract and/or Purchase Order immediately and unilaterally by sending written notification. In such case, Seller shall return whole amount paid by the Buyer till the date of termination and Seller shall compensate any direct or indirect material and non-material damage sustained by the Buyer.

12.12. The aggregate liability of the Seller arising out of the Contract and/or Purchase Order is limited with the related Contract and/or Purchase Order's price.

12.3.1. The Buyer shall periodically assess the performance of each Seller based on criteria including, but not limited to, product quality, delivery timeliness, customer service, and adherence to agreed Terms and Conditions ("Performance Criteria"). The Seller agrees to cooperate with the Buyer in providing relevant information or reports as may be required for such evaluation.

12.3.2. If the Seller's performance falls below the agreed Performance Criteria over any evaluation period, the Buyer reserves the right, at its sole discretion, to:

12.3.2.1. Issue a written warning to the Seller detailing the specific areas of underperformance and requesting corrective action.

12.3.2.2. Suspend future orders or engagements with the Seller until such underperformance is rectified to the Buyer's satisfaction.

12.3.2.3. Exclude the Seller from any future opportunities or contracts with the Buyer, either temporarily or permanently, in the event that performance fails to improve following the warning or corrective actions.

13. ASSIGNMENT AND SUBCONTRACTING

13.1. The Seller shall not assign, transfer, or otherwise dispose of any of its rights or obligations under this Contract and/or Purchase Order, in whole or in part, to any third party without the prior written consent of

the Buyer. Any such assignment without the Buyer's express written consent shall be deemed a material breach of the Contract and/or Purchase Order and may result in immediate termination of the Contract and/or Purchase Order.

13.2. The Seller shall not subcontract any of its obligations under this Contract and/or Purchase Order, in whole or in part, to any third party without the prior written consent of the Buyer. The Seller shall ensure that any subcontracting arrangement is fully compliant with the terms and conditions of the Contract and/or Purchase Order and shall remain responsible for the performance of all obligations under the Contract and/or Purchase Order, even if subcontracted.

13.3. If the Buyer grants consent to subcontract, the Seller shall ensure that any subcontractor complies with the terms and conditions of the Contract and/or Purchase Order and performs the work to the same standards required of the Seller. The Seller shall remain fully responsible for the performance of the subcontracted work and the actions and omissions of its subcontractors.

13.4. The Seller shall ensure that any subcontractor is qualified and capable of performing the specific tasks or services subcontracted. The Seller shall provide the Buyer with relevant details regarding the subcontractor, including the nature of the work being subcontracted, upon the Buyer's request.

13.5. The Seller remains solely responsible for the performance and quality of all subcontracted work. In the event that a subcontractor fails to meet the standards set forth in the Contract and/or Purchase Order, the Seller shall take immediate action to correct any deficiencies and bear any costs incurred to do so. The Buyer reserves the right to require the Seller to remove any subcontractor from the project if the Buyer deems their performance unsatisfactory.

14. FORCE-MAJEURE

14.1. The Parties shall not bear responsibility for full or partial non-fulfillment of the obligations under the Contract and/or Purchase Order, if such non-fulfillment or improper fulfillment was caused by flood, fire, earthquake and other acts of God as well as blockade and acts of the state authorities and other force-majeure circumstances which are not under the Parties control following the signing of the Contract and/or Purchase Order. The Party facing a force-majeure situation shall immediately inform the other Party about these circumstances in writing.

15. CONFIDENTIALITY

15.1. The Seller shall protect any information of technical, technological, commercial, organizational, financial or personal nature, programs, personal data or any other information, irrespective of its contents or form, concerning essential matters of the Buyer, its management, shareholders or personnel and customers, especially financial information against any disclosure.

15.2. Seller shall keep confidential all information of the Buyer obtained under or in connection with the Contract and/or Purchase Order, whether such information is related to the Contract and/or Purchase Order or otherwise, shall not divulge the same to any third party without written consent of the Buyer, and shall use it only for the purposes of the Contract and/or Purchase Order.

15.3. The Seller shall divulge the information of the other party only to those employees, including the agents and/or employees of any authorized sub-contractors in accordance with Clause 15.4, below, who are directly involved in the Contract and/or Purchase Order and/or use of the Goods and/or provision of the Services, and shall ensure that such employees are aware of and comply with these obligations as to confidentiality.

15.4. The Seller acknowledges and agrees that, in the course of its engagement by the Buyer, the Buyer may receive or have access to Seller's personal and/or business information. Seller gives its explicit consent under the General Terms and Conditions to collect, receive, transmit and store such information in cloud-based solution. Buyer's liability on collection, receipt, transmission, access, storage, disposal, use and disclosure of Seller personal and/or business information is restricted (limited) by the liability of cloud solution provider (or owner).

15.5. The Seller must ensure that all Personnel are bound by the requirements of this Clause, and shall be held responsible for any breaches of confidentiality committed by them.

15.6. The provisions of this Clause shall continue in perpetuity, notwithstanding the cancellation, termination or discharge of the Contract and/or Purchase Order.

16. GOVERNING LAW AND DISPUTE RESOLUTION

16.1. The construction and performance of the Contract and/or Purchase Order shall be governed by the Law of the Republic of Azerbaijan.

16.2. The Buyer and the Seller shall in good faith use all reasonable endeavors to resolve any dispute or difference that may arise between them in respect of the construction, meaning and effect of these General Terms and Conditions or any matter arising out of or in connection with the Contract and/or Purchase Order in accordance with the legislation of the Republic of Azerbaijan.

16.3. The Parties hereto agree that any dispute arising out of or in connection with the Contract and/or Purchase Order that may not be settled through discussions between them shall finally be subject to settlement by an appropriate court authorities of the Republic of Azerbaijan applying the legislation of the Republic of Azerbaijan.

17. TERMINATION

17.1. The Buyer may terminate the Contract and/or Purchase Order in whole or in part, at any time for convenience upon providing thirty (30) calendar day's prior written notice to the Seller.

17.2. In the event the Buyer initiates termination of the Contract and/or Purchase Order for convenience, the Buyer's obligations under the Contract and/or Purchase order shall cease as of the effective date of termination. No further liabilities shall accrue to the Buyer beyond such date.

17.3. The Buyer may terminate the Contract and/or Purchase Order immediately by providing written notice to the Seller in the event that:

17.3.1. the Seller is in material breach of any of the terms of the Contract and/or Purchase Order (including but not limited to failure to perform its obligations, delay, or non-conformance with agreed specifications) and, where that breach is capable of remedy, fails to rectify such breach within ten (10) calendar days after receipt of the written notice from the other party specifying such breach and requiring its remedy; or

17.3.2. the Seller becomes bankrupt or insolvent, or has a receiving order made against it, or compounds with its creditors or, being a corporation, commences to be wound up or if the party attempts to carry on its business under a receiver for the benefit of any of its creditors.

17.4. In the event of termination in accordance with Clause 17.3. the Seller shall, within five (5) business days from the date of termination, return to the Buyer any and all advance payments or other sums received under the Contract and/or Purchase Order and reimburse any direct or indirect material and non-material damage sustained by the Buyer as a result of the material breach.

17.5. The termination of the Contract and/or Purchase Order for any reason shall not affect the rights of either party accrued up to the date of such termination.

18. FINAL PROVISIONS

18.1. These General Terms and Conditions, together with any appendices, exhibits, and other documents expressly incorporated by reference, constitute the entire agreement between the Buyer and the Seller. No other statements, representations, or agreements, whether written or oral, shall be binding upon the parties unless expressly incorporated herein.

18.2. Any amendments or modifications to these General Terms and Conditions shall be made in writing and signed by authorized representatives of the Buyer. No verbal or implied modifications to these General Terms and Conditions shall be valid without the express written consent of the Buyer.

18.3. Any notice required or permitted under the Contract and/or Purchase Order shall be in writing and shall be deemed to be properly given when delivered in person, sent by a recognized courier service, or sent by email or facsimile to the addresses specified in the Contract and/or Purchase Order. The Buyer may modify the contact information at any time by providing written notice to the Seller.

18.4. The Buyer's address for notices shall be the address specified in the Contract and/or Purchase Order or any updated address provided by the Buyer in writing. The Seller's address for notices shall be as stated in the Contract and/or Purchase Order or as provided in writing to the Buyer.

18.5. The headings used in these General Terms and Conditions are for convenience only and shall not affect the interpretation or construction of any provision hereof.

18.6. All provisions of these General Terms and Conditions which by their nature should survive termination or expiration, including but not limited to confidentiality obligations, indemnification, and dispute resolution, shall remain in full force and effect after the termination or expiration of the Contract and/or Purchase Order.

DRAFT – ACCEPTANCE ACT

This **Acceptance Act** ("Act") is made and entered into on **[Insert Date]**, by and between:

- **Buyer:** [Full Legal Name], with registered address at [Address]; and
- **Seller:** [Full Legal Name], with registered address at [Address].

The Buyer and the Seller individually referred as a "Party" and together as the "Parties".

1. Subject of the Act

This Act confirms the acceptance by the Buyer of the following delivered items / completed works / provided services under the Contract and/or Purchase Order dated **[Insert Contract/Purchase Order Date]**, titled **"[Contract/Purchase Order Name or Number]"**:

Description of Delivered Goods / Works / Services:

- [Insert description of what was delivered or performed]
- [Include reference to specifications, quantity, and any relevant technical or contractual details]
- [Add project stage or milestone number, if applicable]

2. Delivery and Inspection

The Seller confirms that the above items or services were delivered/performed on **[Insert Date]**. The Buyer has conducted an inspection and/or review, and confirms that:

- The items/services conform to the terms and specifications of the **Contract/Purchase Order**;
- No material defects or deficiencies were found;
- Any minor remarks or outstanding items are listed in **Annex A**, to be resolved as per the Contract/Purchase Order or General Terms and Conditions.

3. Acceptance Status

The Buyer hereby:

- ☐ **Fully Accepts** the goods/works/services
- ☐ **Accepts with Remarks** (see Annex A for details)
- ☐ **Does Not Accept** (see Annex A for reasons)

4. Legal Effect

By signing this Act, the Buyer acknowledges that the Seller has fulfilled its obligations for the described delivery or scope, except as otherwise noted in **Annex A**. All further claims shall be subject to the warranty and liability provisions of the Contract/Purchase Order or General Terms and Conditions.

5. Signatures**For the Buyer:**

Name: _____
Title: _____
Signature: _____

For the Seller:

Name: _____
Title: _____
Signature: _____

Annex A – Remarks / Deficiencies / Outstanding Items

(To be completed if there are any issues, remarks, or non-material defects.)

Draft - Software Acceptance Act

This **Software Acceptance Act** ("Act") is made and entered into on **[Insert Date]**, by and between:

- **Buyer:** [Full Legal Name], with registered address at [Address]; and
- **Seller:** [Full Legal Name], with registered address at [Address].

The Buyer and the Seller individually referred as a "Party" and together as the "Parties".

1. Project / Software Description

Project Name: **[Project Name]**

Software Version: **[Version Number]**

Scope: **[Brief description of the delivered software or phase/milestone]**

2. Delivery Date and Acceptance Testing

The software was delivered to the Buyer on: **[Delivery Date]**

The Buyer has completed acceptance testing in accordance with [Contract/Purchase Order Name or Number] and confirms that:

- The software performs in material accordance with the specifications;
- All major bugs or deficiencies have been resolved or documented for future resolution;
- Any agreed-upon exceptions are listed in **Annex A** to this Act.

4. Acceptance Status

Based on the testing and evaluation, the Buyer hereby:

- ☐ **Accepts** the software as delivered
- ☐ **Accepts with Reservations** (see Annex A for conditions)
- ☐ **Does Not Accept** (see Annex A for reasons)

5. Legal Effect

By signing this Act, the Buyer acknowledges that the Seller has fulfilled its obligations for the described delivery or scope, except as otherwise noted in **Annex A**. All further claims shall be subject to the warranty and liability provisions of the Contract/Purchase Order or General Terms and Conditions.

6. Signatures

For the Buyer:	For the Seller:
Name: _____	Name: _____
Title: _____	Title: _____
Signature: _____	Signature: _____

Annex A – Exceptions / Reservations / Outstanding Issues

(Only required if applicable. List any remaining issues, bugs, or items to be resolved after acceptance.)

END OF THE DOCUMENT