

"TÖRÖLVE"

..... 1. sz. példány

OM Contract  
December 9, 2014

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2202/T/ME/2014.

Korlátozott terjesztésű! (1+18 lap)

2016. február 14-ig  
minősítő:

Kelt: 2016. febr. 12. a NY-HE/147/2016  
rkt-ban írt alapján

az írt többi része továbbra  
is megkapja "TITKOS" minősítést!

"TITKOS!"

~~Ért. idő: 2014. XII. 08.~~  
Minősítő:

"Secret!"

~~Ért. idő: 08. XII. 2014.~~  
Classified:

OM CONTRACT

## Operation and maintenance support for Paks Nuclear Power Plant units 5 and 6, Hungary

"KT"

MINŐSÍTÉS TÖRÖLVE  
Minősítő neve, beosztása:

NY-HE/266-11/2014. sz. írt alapján  
Felülvizsgálat dátuma: 2014. 04. 23.  
Átvezette:

"TITKOS"

MINŐSÍTÉS TÖRÖLVE  
Minősítő neve, beosztása:

NY-HE/266-18/2014. sz. írt alapján  
Felülvizsgálat dátuma: 2014. 05. 10.  
Átvezette:

FELJEGYZÉS:

Az írt 1 példányban történő  
másolását engedélyezem.

Bp. 2014.



minősítő

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## LIST OF APPENDICES

Appendix A – Scope of Reports

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ORIGINAL

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OM CONTRACT

Operation and maintenance support for Paks Nuclear Power Plant units 5 and 6, Hungary

This contract (“**this Contract**”) for operation and maintenance support for Paks Nuclear Power Plant units 5 and 6, Hungary (the “**Contract**”) is made on 9 December 2014 in Budapest by and between:

- (1) MVM Paks II. Nuclear Power Plant Development Private Company Limited by Shares, a company under the laws of Hungary, with company registration number 17-10-001282, having its registered office at Gagarin street 1, Paks, Hungary 7030 (the “**Owner**”) duly represented herein by Mr. Sándor Nagy (chief executive officer), on the one hand, and
- (2) Joint-Stock Company Nizhny Novgorod Engineering Company Atomenergoproekt, a company under the laws of the Russian Federation, with company registration number 1075260029240, having its registered office at Ploshchad Svobody 3, Nizhny Novgorod, Russia, 603006, the Russian Federation (the “**Contractor**”), duly represented herein by Mr. Vladimir Savushkin (senior vice-president), on the other hand,

and each of the parties to be hereinafter referred to as the “**Party**”, and the Owner and the Contractor together the “**Parties**”,

on the following terms and conditions:

RECITALS

- A. The Government of the Russian Federation and the Government of Hungary have entered on 14 January 2014 into the agreement on cooperation in peaceful use of nuclear energy and on 28 March 2014 into the agreement on the extension of a state credit to the Government of Hungary for financing of the construction of nuclear power plant in Hungary, in accordance with which the Government of the Russian Federation and the Government of Hungary agreed to cooperate to further maintain and develop the capacity of the Paks nuclear power plant, including designing, constructing, commissioning and decommissioning of two new units 5 and 6 with VVER (pressurized water reactor) type reactors, having each at least 1000 MW, and with the purpose to substitute the operating units 1 to 4, which will be de-commissioned in future.
- B. In accordance with the agreement on cooperation in peaceful use of nuclear energy of 14 January 2014, the Government of the Russian Federation and the Government of Hungary agreed to cooperate in supporting the modernization, reconstruction and decommissioning of the operating power units 1 to 4 of the Paks nuclear power plant, including the supply of new equipment, maintenance, repair and modernization of systems and equipment, works on extending service life of the power units, consultations on technical issues and works on decommissioning of the power units after expiration of their service life time.
- C. Pursuant to the terms of the agreement on cooperation in peaceful use of nuclear energy of 14 January 2014, the Government of the Russian Federation and the Government of Hungary agreed that the Russian competent authority and/or the Russian authorized organization on the

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one hand and the Hungarian competent authority and/or the Hungarian authorized organization on the other hand, shall enter into implementation agreements with respect to development of capacity of the Paks nuclear power plant.

- D. MVM Paks II. Nuclear Power Plant Development Private Company Limited by Shares was designated by the Hungarian competent authority as the Hungarian Authorized Organization and is the Owner under the Contract. The Owner belongs to the MVM Group which is one of the leading groups in the business of production, distribution and sale of electricity in Central Europe and the largest energy group in Hungary. The Owner is envisaged to be the future licensee and operator of Units 5 and 6.
- E. Joint-Stock Company Nizhny Novgorod Engineering Company Atomenergoproekt was designated by the Russian competent authority as the Russian authorized organization and is the Contractor under the Contract. The Contractor belongs to the State Atomic Energy Corporation Rosatom which is one of the leading groups and the largest energy group in the Russian Federation.
- F. This Contract is intended to constitute an Implementation Agreement under Article 7 of the agreement on cooperation in peaceful use of nuclear energy of 14 January 2014. The Parties declare and acknowledge that they intend the Contract to be concluded in execution of the above mentioned intergovernmental agreements and they intend that this Contract complies with its terms.
- G. The Parties further acknowledge that simultaneously with the entering into this Contract they entered into the engineering, procurement, construction contract ("EPC Contract") regarding the implementation of units 5 and 6, contract(s) for nuclear fuel supply and spent nuclear fuel treatment and storage.
- H. Owner, or an Affiliate, owns the Site and will own the Facility and desires to contract for certain operation and maintenance services for the Facility and Contractor has agreed to provide reports, goods, products, materials and services for the Facility on the terms and conditions set forth in this Contract.

NOW THEREFORE, in consideration of the mutual representations, covenants, undertakings and conditions set forth herein and in the other Implementation Agreements, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

**1. DEFINITIONS**

1.1. Unless otherwise defined herein, capitalized words shall have the meaning assigned to them in the EPC Contract as of the closing.

1.2. In addition:

"Confidential Information" means the information of confidential nature as set out in Article 11.3;

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“Condition Precedent” means the condition set out in Article 9.1;

“Consumables” means any materials, including liquids, (however, not spare parts) that cannot be reused, and that are necessary for operation of any equipment forming part of the Facility, and requiring periodical reload or replacement, including but not limited to oils, lubricants and chemicals for water purification;

“Dispute” has the meaning given to this term in Article 10.3;

“Effective Date” means a date as defined in Article 7.1;

“EPC Contract” means the engineering, procurement and construction (EPC) contract for the construction of Paks Nuclear Power Plant units 5 and 6, Hungary between the owner and contractor, it being understood that at the moment this Contract is signed the Owner is the owner and Contractor is the contractor under the EPC Contract;

“Expendables” means any expendable products, equipment or other materials required for operation, maintenance and functioning of the Facility;

“Intellectual Property” means any and all works, inventions, designs, know-how or other intangible assets which are protected by or may be protected upon fulfilment of certain conditions required by the Applicable Law or law of any other country by intellectual property rights (e.g. by patents, utility models, industrial designs, trademarks, copyrights or business secret), irrespective of whether they are registered or not and irrespective of the object in which they are incorporated.

“O&M Services” means services as defined in Article 2.2;

“Performance Bank Guarantee” means a guarantee as defined in Article 5.1;

“Parent Company Guarantee” means a guarantee as defined in Article 6.1;

“Reports” means the service of making annual and topical reports by the Contractor provided on the terms and conditions specified in Appendix A;

“Rusatom Service” means the Joint Stock Company Rusatom Service, incorporated and existing under the laws of the Russian Federation, main state registration number 1117746845523, having its registered office at 15A, Leninsky Avenue, Moscow, the Russian Federation;

“Services” means jointly the Reports service and the O&M Services to be provided by the Contractor to the Owner under this Contract;

“Spare Parts” means (i) the strategic spares required to ensure the availability of the unit, and (ii) all spares, including, but not limited to the wear parts required for the continuous safe operation, and (iii) the special tools required for the maintenance activities, to be delivered by the Contractor under the Contract;

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“Fixed Fee” has the meaning given to this term in Article 3.1.

- 1.3. Unless otherwise required by the context in which a defined term appears, the terms that are defined in other articles herein or in an appendix hereto shall have the meanings given to them in those articles.
- 1.4. Definitions in the singular shall also be used for the plural and vice versa, when it is required by the context.

## 2. SERVICES

- 2.1. The Contractor shall provide the Owner with annual topical reports (the “Reports”), the scope of which as well as terms and conditions are specified in Appendix A hereto.
- 2.2. Upon request of the Owner the Contractor will provide the Owner with the maintenance and operation services set forth in this Contract and pursuant to the Appendix B hereto, as agreed and amended from time to time (“O&M Services”). For the avoidance of doubt, the Parties will agree on the exact scope of the O&M Services and its terms and conditions in separate addenda hereto as amended from time to time (“Addendum” or “Addenda”). The Addenda for Services shall be negotiated and agreed between the Parties by the term stipulated at Article 7.2 hereto.
- 2.3. The Contractor shall perform the Services under this Contract in a prudent, reasonable, and efficient manner and in accordance with all Applicable Laws, the requirements of the system operator of Owner under this Contract and pursuant to the following appendices as agreed and amended from time to time which will be incorporated and made integral part of this Contract by this reference:

Appendix A – Scope of Reports

Appendix B – Scope of O&M Services

The Contractor shall ensure that in the course of rendering the Services the Contractor will keep the Owner's interest in mind, in particular, the interest to optimize the useful life of the Facility and to minimize costs and outages or other unavailability.

- 2.4. Should the O&M Services, agreed in the Addenda in accordance with Article 2.2 hereto, include providing of personnel, the Parties shall agree on all personnel requirements (quantity of personnel and number of working hours, terms of travel, accommodation, safety, medical insurance, and other personnel allowances) and the working conditions in the relevant Addenda.
- 2.5. In case of assignment of the Contract to any third party, other than for Rusatom Service, the Contractor, upon a written request of the Owner given in reasonable time prior to the the fulfilment of the obligations stipulated in this Contract, shall duly demonstrate to the Owner that it is fit to meet any and all obligations under this Contract.
- 2.6. Within the scope of the Services set forth in the appendices hereto, Contractor shall provide labor and professional, supervisory and managerial personnel as are required to perform the

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Services agreed by the Parties and as specified in the appendices. Such personnel shall be qualified to perform the Services to which they are assigned and shall meet applicable requirements.

- 2.7. Without written consent of the Owner the Contractor may not subcontract all or part of the Services to any subcontractor whose personnel will be present on Site or will be in direct communication with the Owner's personnel. Apart from that, the Contractor may subcontract all or part of the Services at its discretion. In any case, the Contractor shall remain liable vis-à-vis the Owner for the services rendered by its subcontractors engaged for performance of the Services hereunder.
- 2.8. Contractor shall comply with all Applicable Laws. Contractor shall apply for and obtain, and Owner shall assist Contractor in applying for and obtaining, all necessary permits, licenses and approvals (and renewals of the same) required to allow Contractor to do business or perform the Services in Hungary. Contractor may also have to file such reports, notices, and other communications as may be required by any governmental or European Union agency regarding or in connection with the Services.
- 2.9. Owner shall at its own cost apply for the licenses, permits and authorizations for which only the Owner can apply.
- 2.10. As far as liability for Nuclear Damage is concerned, provisions of the Vienna Convention on Civil Liability for Nuclear Damage dated 21 May 1963 shall apply.
- 2.11. The Parties agree that the Contractor upon the Owner's order accepted by the Contractor will supply to the Owner the Spare Parts manufactured or supplied by the Contractor for the expected lifetime of the Facility. In such case the Parties will negotiate and sign an Addendum hereto, in which they agree on the terms and conditions of such lifetime supplying. In such case and until otherwise agreed by the Parties, the Term of the present Contract shall be extended accordingly. If such lifetime supplying is agreed:
- 2.11.1. The Contractor will warrant that as defined in the relevant Addendum, the supplied Spare Parts will be interchangeable and identical with or superior to the quality of the parts installed in the original equipment and other goods.
- 2.11.2. The Parties will agree that the documentation supplied with any equipment will indicate the expected lifetime of the equipment and major parts thereof and contain a list of priced Spare Parts thereto specified by the manufacturer. The Parties will further agree on terms and conditions of storage and handover of the documentation of the Contract before the expected life of the Facility.

3. COMPENSATION

- 3.1. As compensation to Contractor for performance of the Reports defined in Article 2.1, Owner shall pay Contractor an annual fixed fee (the "Fixed Fee") in the amount agreed by the Parties in Appendix A hereto.



- 3.2. Compensation of the Contractor for the O&M Services shall be negotiated and agreed between the Parties together with the scope of O&M Services as specified in Addenda hereto within the term specified in Article 7.2.
- 3.3. Acceptance of the Services provided by the Contractor shall be deemed occurred upon signing of acceptance protocol by the Parties.
- 3.4. The Fixed Fee for the Reports described in Appendix A shall be paid within ninety (90) calendar days from the date of issuance of the invoice by the Contractor. Each invoice shall be provided by the Contractor to the Owner in two original copies and shall be provided by the Contractor to the Owner upon signing of acceptance protocol by the Parties.
- 3.5. For delay of transferring any payment pursuant to Article 3.4, the Owner shall pay the late payment interest in the amount of 0.05 % of the delayed payment for each day of delay, however the total amount of the penalty shall not exceed 5 % of the delayed payment.
- 3.6. All charges of the Owner's bank in relation to the transfer of funds as a payment under this Contract shall be borne by the Owner. All charges at the recipient bank(s) shall be borne by the Contractor.
4. **INSURANCE**
- The terms and conditions of the insurance, which the Parties will be obliged to procure and to maintain, will be agreed by the Parties in Addendum.
5. **BANK GUARANTEES**
- 5.1. The Contractor shall provide a performance bank guarantee for the proper performance of this Contract as may be agreed in Addenda hereto (“**Performance Bank Guarantee**”) as per each scope of O&M Services. Amount of such Performance Bank Guarantee, terms and validity period shall be agreed by the Parties related to each scope of O&M Services in the relevant Addendum to this Contract.
6. **PARENT COMPANY GUARANTEE**
- 6.1. In addition to the Performance Bank Guarantee referred to above the Contractor may provide an ultimate parent company guarantee (“**Parent Company Guarantee**”), whereby the Contractor's ultimate parent company duly guarantees to the Owner the due performance meeting of any and all obligations of the Contractor under this Contract at the time provided in the relevant Addendum.
7. **TERM AND TERMINATION**
- 7.1. This Contract enters into force as of the date of fulfillment of Condition Precedent as specified in Article 9.1 hereto (the “**Effective Date**”). The start of Reports shall be from the Effective Date on terms and conditions specified in Appendix A. The start of O&M Services shall be the date of the issuance of the Provisional Takeover Certificate (as described in the EPC Contract) of a Unit through and including the last calendar day of the fifth (5) year therefrom (the “**Term**”). The

Parties acknowledge and agree that this Contract is not a mandate or any mandate like agreement that would be subject to the mandatory right of termination in accordance with article 404 CO, which allows a party to terminate the mandate at any time.

- 7.2. The Parties shall start negotiating the Addenda not later than two (2) years before the date of the issuance of the Provisional Takeover Certificate and shall agree on the scope of the O&M Services by not later than one (1) year before the issuance of the Provisional Takeover Certificate to allow the Contractor sufficient time to prepare for rendering of the O&M Services.
- 7.3. Subject to extension or renewal of the Performance Bank Guarantee, if the issuance of such Performance Bank Guarantee has been agreed by the Parties, unless otherwise agreed or terminated upon a six (6) months' prior notice, the Term shall be automatically extended until the last calendar day of the subsequent year.
- 7.4. Each Party shall be entitled to terminate this Contract for valid reasons (in German: *wichtiger Grund*) prior to the end of the term of this Contract at any time with immediate effect, giving the other Party a notice of termination in writing. In this section, "valid reasons" are considered to be any circumstance which renders the continuation of this Contract in good faith unconscionable for the Party giving notice. Circumstances that qualify as valid reasons shall be, but are not be limited to, the following:
- (a) if one of the Parties fails to fulfill its material obligations and duties under this Contract which failure has an adverse impact upon the due and timely performance of the Services, or if the Owner fails to make payment within ninety (90) days upon receiving of invoice, provided in both cases that the notice has been given to the defaulting Party at least thirty (30) days in advance to proposed termination date and the defaulting Party did not commence to cure the breach within such thirty (30) days period;
  - (b) if one of the Parties shall become bankrupt or insolvent, or have a receiving order made against it, or compound with its creditors, or if one of the Parties shall be a corporation commenced to be wound up, not being a voluntary winding up for the purpose of amalgamation or reconstruction, or have an administration order made against it or carry on its business under an administrator or a receiver or manager for the benefit of its creditors or any of them;
  - (c) if any valid decision about one of the Parties entering into liquidation (winding-up) is issued, not being a voluntary liquidation or winding up for the purpose of amalgamation or reconstruction;
  - (d) if one of the Parties' performance of any obligations under this Contract becomes unlawful; and
  - (e) if an event of Force Majeure prevents one of the Parties from performing a substantial part of its obligations under this Contract for a continuous period of ninety (90) days, or during several repeating periods, over a period of time which cumulatively exceeds ninety (90) days as a result of the same Force Majeure event.

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- 7.5. This Contract shall cease to be effective on December 01, 2015, if the EPC Contract has ceased to be effective in accordance with its terms on such date (condition subsequent).
- 7.6. This Contract shall be terminated in case of change of Applicable Laws which results or could result, irrespective of the foregoing reasons, in impossibility for the Contractor to deliver the Services.
- 7.7. Unless otherwise agreed by the Parties, the Contract may be terminated in cases of Authority's decision:
- (a) to shut down the Facility; or
  - (b) to change Applicable Laws which results or could result, irrespective of the foregoing reasons, in impossibility for the Contractor to deliver the Services.

If an Authority decides to suspend the operation of the Facility, then upon the expiration of such suspension the Owner and the Contractor shall continue performance of their contractual obligations for the remaining part of the Term. At the same time the financial, guarantee and other obligations of the Parties, in force at the time of the decision of the temporary stopping, will remain in force until their fulfillment. Parties' obligations to make payments, their warranties and other contractual obligations that arise, or relate to actions taken, before the occurrence of the suspension shall remain effective until they are fully performed.

If the Owner decides to suspend the operation of any Units of the Facility, then upon expiration of such decision, the Contractor and the Owner shall continue performance of their contractual obligations for the remaining part of the Term. Parties' obligations to make payments, their warranties and other contractual obligations that arise, or relate to actions taken, before the occurrence of the suspension shall remain effective until they are fully performed.

- 7.8. In any cases of suspension above, the Owner shall pay to the Contractor the price of the products manufactured or Services purchased fully and/or partly prior to receipt of the Owner's notification on suspension and/or termination of the operation of each Unit of the Facility. The price of the above mentioned products and Services will be calculated according to the price of the products and the Services indicated in the relevant Appendix or Addendum.
- 7.9. In case of any decisions on termination of the Contractor or the Owner, the notifying Party shall within two (2) Business Days after the date on which it first became aware of or should reasonably have become aware of the adoption of such decision, notify in a written form the other Party of such decision, the steps that it proposes to take to terminate the Contract and an anticipated date of termination.
- 7.10. If an Authority decides to stop the operation of either of Units of the Facility but at least one of them remains in operation, the Parties will agree to change the amount and specification of products and Services.
- 7.11. In case of termination of this Contract the Owner shall pay to the Contractor:

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- (a) price of all Services (including confirmed expenses incurred in relation to non-completed Services), if termination occurred after the Services were fully or partly rendered, whether or not they were accepted by the Owner;
- (b) 100% of the price of undelivered products (including confirmed expenses for manufacturing or procurement), if termination occurred after the products were fully or partly manufactured

7.12. This contract shall automatically, without any action of any of the Parties hereto, terminate on the date when the termination of the EPC Contract becomes effective due to a termination by any of its parties in accordance with its terms.

**8. ASSIGNMENT, DELEGATION AND TRANSFER**

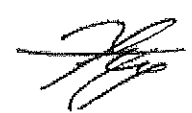
- 8.1. Without the express written consent of the Owner (such consent not to be unreasonably withheld or unreasonably hindered), the Contractor may not assign any of its rights, or claims in respect of this Contract or any part thereof, or delegate any duty or obligation or any part thereof or transfer this Contract to a third party. For the avoidance of doubt, the provisions of this Article 8 shall not affect the Contractor's rights to involve subcontractors in accordance with this Contract.
- 8.2. As a condition to any assignment the Parties shall agree regarding, at least, their arrangements with respect to any outstanding liabilities of the assignor, existing or pending Authority Approvals, Bank Guarantees, the Parent Company Guarantee, insurances, pending or threatened administrative, court or arbitration procedures, Subcontractors and any and all rights and obligations of the assignor with third parties that may affect the performance of the Services.
- 8.3. Unless otherwise provided for in this Article 8, any attempted assignment of rights or delegation of duties without the prior written consent of the Owner shall be void and ineffective.
- 8.4. Notwithstanding Articles 8.1 – 8.3 and any other provisions of this Contract, the Contractor may assign, delegate and transfer its rights and obligations under this Contract to Rusatom Service Owner's consent shall be deemed given by signing hereof and with Rusatom Service becoming solely liable to the Owner for the fulfillment of the respective obligations of the Contractor under this Contract existing as of the date this Contract was signed by the Parties, however always provided, that as conditions to such assignment under this Article 8.4 the Contractor shall deliver to the Owner the legal opinion and the closing certificate with the content substantially the same as provided in Articles 8.7 – 8.8, regarding the prospective assignee. Upon such assignment, delegation and transfer, the Owner shall not be entitled to make any claims to the assignor/transferor under this Contract or in connection with it.
- 8.5. Any permitted assignment, transfer or delegation pursuant to this Article 8 shall only be effective towards the Owner upon written notification of the Owner by the Contractor.
- 8.6. In case of a permitted assignment, transfer or delegation pursuant to this Article 8, the Contractor is obliged to impose on any permitted assignee, transferee or delegee all restrictions as per this Article 8.



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8.7. The closing certificate referred to in Article 8.4 above shall contain the statements of the assignee/transferee to the effect that:

8.7.1. the execution and delivery of, and the performance of the assignee's/transferee's obligations under, this Contract (i) will not violate the 's certificate of incorporation and bylaws, (ii) will not violate any provision of Russian or Swiss law or governmental regulation applicable to the assignee/transferee, (iii) will not result in the material breach of the provisions of or constitute a material default under any indenture or other agreement to which the assignee/transferee is a party, or by which it is bound or to which it or any of its property is subject, and (iv) will not conflict with or result in the breach of any order, judgment, decree, ruling or finding of any court or governmental agency or entity exercising such power by which the assignee/transferee is bound;

8.7.2. the Cooperation Intergovernmental Agreement and the Financial Intergovernmental Agreement are effective, and the Owner may rely on their enforceability as an essential part of the assignee/transferee's warranties;

8.7.3. the representations and warranties contained in this Contract and in any Appendix delivered pursuant hereto shall be true, correct and in full compliance with the Applicable Laws in all material respects;

8.7.4. no court or other government body or public authority or entity exercising such power shall have issued an order which when being effective shall then be in effect restraining or prohibiting the commencement or completion of supply of Services contemplated hereby.

8.8. The legal opinions referred to in Article 8.4 above shall be given by a Russian, Hungarian and Swiss counsel for the assignee/transferee, based on the following assumptions:

8.8.1. the assignee/transferee has duly and validly executed and delivered each instrument, document and agreement to which the assignee/transferee is a signatory and that the assignee/transferee's obligations set forth therein are its legal, valid and binding obligations, enforceable in accordance with their respective terms;

8.8.2. each individual executing any instrument, document or agreement on behalf of the assignee/transferee is duly authorized and legally competent to do so;

8.8.3. the execution and delivery of, and the performance of obligations under, this Contract (i) will not violate any provision of Hungarian (including European Union), Russian or Swiss law, respectively, or governmental regulation applicable to the Services, (ii) will not result in the material breach of the provisions of or constitute a material default under any indenture or other agreement to which the assignee/transferee is a party, or by which it is bound or to which it or any of its property is subject, and (iii) will not conflict with or result in the breach of any order, judgment, decree, ruling or finding of any court or governmental agency or entity exercising such power by which the assignee/transferee is bound;



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8.8.4. technical terms and conditions in this Contract are accurate and complete and are in full compliance with any applicable laws in all material respects;

8.8.5. any and all licenses required to the supply of the Services by the Applicable Laws shall have been duly given or will have been obtained in due time;

8.8.6. all documents submitted to the counsels as originals are authentic and all documents submitted to them as copies are in conformity to original documents, all signatures on all documents submitted to them for examination are genuine,

to the effect that:

- (i) the assignee/transferee is a company validly existing under the laws of the Russian Federation;
- (ii) the obligations of Contractor set forth in the Contract become the valid and binding obligations of the assignee/transferee, enforceable against it in accordance with the terms of this Contract, except as the enforcement thereof may be limited by bankruptcy or liquidation and other laws of general application relating to creditors.

8.9. Any permitted assignment, transfer or delegation pursuant to this Article 8 shall only be effective towards the Owner upon written notification of the Owner by the Contractor.

8.10. In case of a permitted assignment, transfer or delegation pursuant to this Article 8, the Contractor is obliged to impose on any permitted assignee, transferee or delegee all restrictions as per this Article 8.

8.11. For the avoidance of doubt, in case any assignment, transfer or delegation is accompanied by amendment of this Contract, the requirement of co-signature by ESA and/or approval by the European Commission as per Article 8 shall apply, always in accordance with the then prevailing laws.

## 9. ~~CONDITION PRECEDENT~~

### ~~Condition Precedent~~

9.1. The Parties agree that this Contract (other than the provisions of this Article 9 and Article 11) shall not come into force and effect unless and until the coming into force of the Fuel/Spent Fuel Contract.

## 10. GOVERNING LAW AND DISPUTE RESOLUTION

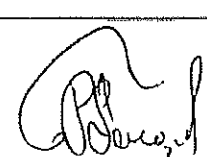

### Governing Law

10.1. This Contract, including the Parties' agreement with respect to the settlement of disputes as provided in this Article 10, and any non-contractual obligations arising out of or in connection with this Contract shall be governed by and construed in accordance with the laws of Switzerland without regard to its choice of law provisions.

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10.2. The UN Convention on Contracts for the International Sale of Goods of 1980 shall not be applicable to the Parties' relations, rights or obligations in connection with this Contract.

#### **Amicable Settlement of Disputes**

10.3. In the event of any dispute, controversy or claim arising out of or in connection with this Contract (including any questions regarding the existence, validity, invalidity, breach or termination thereof) or any non-contractual obligations arising out of or in connection with this Contract (the "Dispute"), the Parties shall, upon written notice from either of them, enter into negotiations with a view to resolving the Dispute within forty five (45) days.

#### **Arbitration**

10.4. Unless settled amicably any dispute, controversy or claim, whether contractual or non-contractual, arising out of, in relation to, or in connection with this Contract, including the validity, invalidity, breach, or termination thereof, shall be finally resolved by international arbitration in accordance with the Swiss Rules of International Arbitration of the Swiss Chambers' Arbitration Institution in force on the date on which the Notice of Arbitration is submitted in accordance with these Rules.

10.5. The number of arbitrators shall be three. The place and seat of the arbitration shall be Zurich, Switzerland. The arbitral proceedings shall be conducted in English.

10.6. The arbitrator(s) shall have full power to open up, review and revise any certificate, determination, instruction, opinion or valuation of (or on behalf of) the Owner and the Contractor.

10.7. Arbitration may be commenced prior to or after completion of the Services. The obligations of the Parties shall not be altered by reason of any arbitration being conducted during the progress of the Services.

#### **Sovereign Immunity**

10.8. The Parties acknowledge article 177 section 2 of the Swiss International Private Law Statute and hereby undertake not to raise the sovereign immunity defense in connection with any arbitration pursuant to this Article 10 in particular but without limitation the Parties undertake not to invoke their own law to contest the arbitrability of a dispute or their capacity to be subject to arbitration.

#### **11. CONFIDENTIALITY**

11.1. All provisions with respect to confidential information of the Project Act shall be applicable in respect of both Parties, the Contractor hereby expressly submits itself to the Project Act. The present Article 11 shall be construed in accordance with the provisions of the Project Act.

11.2. The Contractor committed itself to ensure that all of its Subcontractors and any other third person engaged by the Contractor concerning the performance of this Contract will observe and be subject to the confidential information related provisions of the Project Act, (with special regard to the rules related to classified information) by concluding a confidentiality agreement

*[Handwritten signature]*

*[Handwritten signature]*

*[Handwritten signature]*

between the Contractor and such third parties. Pursuant to Article 2.7, the Contractor is liable to the Owner for any act and omission of all Subcontractors or any other third parties engaged by the Contractor, thus for any act or omission which can be deemed as a breach of the confidential information related regulations of the Project Act.

- 11.3. Confidential information includes the entire contents of and any detail or part of this Contract, all and any financial, commercial, technical information and data in relation to this Contract, in any form, including information representing a commercial secret (the “Confidential Information”).
- 11.4. The provisions of this Article 11 shall be applied to any Confidential Information regardless of whether it is marked by the Parties as "confidential" or not.
- 11.5. Each Party shall treat confidentially the Confidential Information and refrain from its disclosure in any part to any third parties including but not limited to the general public or any sector thereof and to any actor of mass media (with the exception set forth in this Article 11), and shall make every effort to prevent any disclosure of any Confidential Information without the prior written consent of the other Party; irrespective of the fact whether such pieces of information were prior to, on or after the Effective Date.
- 11.6. The Parties agree to make Confidential Information available to their employees, executive officers, professional external consultants, advisors, banks, subcontractors who are involved in the performance of this Contract in the event that this is necessary for the performance of this Contract or in connection with it, to the extent that it is required for implementing this Contract, as well to auditors and Affiliates, provided that the Party making such information available causes such persons to treat the information confidentially by concluding a confidentiality agreement with each such persons on conditions not less stringent than those set forth in this Article 11; or if such persons are bound by professional duty of confidence.
- 11.7. The Parties shall keep and handle all the Confidential Information provided by the other Party, and shall make all reasonable efforts to protect such Confidential Information as if their own, in particular to:
- 11.7.1. limit the access to it only for those own personnel who need the Confidential Information in order to perform this Contract or in connection with this Contract;
  - 11.7.2. oblige those own personnel to treat this information as confidential.
- 11.8. Obligations specified in this Article 11 shall not apply to the Confidential Information:
- 11.8.1. which was known or available on a legitimate ground to the other Party, its employees, experts or Affiliates before the date of the execution of this Contract;
  - 11.8.2. which was came into the public domain before the date of the execution of this Contract;
  - 11.8.3. the disclosure of which is required by Applicable Laws and the Applicable Standards, resolution of any authority, decision of court or arbitration, including the case where









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the disclosure is required for Authorities taking part in performing the Financing Agreement;

11.8.4. the disclosure of which is permitted pursuant to Article 11.6.

11.9. Where the circumstances referred to in this Article 11.8 apply, the Party subject to either such requirement shall, where reasonably practicable, notify the other Party of the applicable requirements and of a disclosed Confidential Information.

Unless provided otherwise in this Contract, in case of termination of this Contract by either Party, each Party shall, with no delay, return all documents including Confidential Information received from the other Party under this Contract, upon the first notice thereof.

11.10. The provisions of this Article 11 shall remain in effect for a the time period set out in the Project Act during the term of this Contract and thereafter from the date of the termination of this Contract for any reasons and in any manner, and/or from the date when this Contract ceased to be valid for any reason and in any manner.

## 12. MISCELLANEOUS

12.1. The Parties will agree on the regime of Intellectual Property use (if any) in each case separately, subject to the specific scope of Services rendered by the Contractor.

12.2. The original language versions of all applicable laws, guides and Authority approvals shall prevail, and each Party shall bear all risks associated with any errors or discrepancies in any translations of the same, regardless of the source or provider of such translations.

12.3. Except where provided to the contrary in this Contract (including the Appendices as well), all official communications in connection with this Contract shall be:

(a) in writing;

(b) duly signed by the relevant Party authorized to give that notice; and

(c) given to the recipient Party:

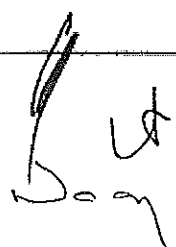
i. by hand delivery to the address set out in Article 12.4;

ii. by registered mail sent to that Party to the address set out in Article 12.4 or

iii. by facsimile transmission to that Party to the facsimile number set out in Article 12.4; and

(d) in each case be marked for the attention of the person specified in Article 12.4.

12.4. Any notice or other official communications required hereunder shall be sent to the following addresses:



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**If to the Owner:**

Company's name: MVM Paks II. Nuclear Power Plant Development Private Company  
Limited by Shares  
Address: Gagarin street 1. floor 3, Paks, Hungary, 7030  
Fax: + 36 (75) 501-647  
For the attention of: Mr. Sándor Nagy, Chief Executive Officer

**If to the Contractor:**

Company's name: Joint-Stock Company Nizhny Novgorod Engineering Company  
Atomenergoproekt  
Address: Ploshchad Svobody 3, Nizhny Novgorod, Russia, 603006  
Fax: +7 (831) 421-06-04  
For the attention of: Mr. Vladimir Savushkin, Senior Vice President

All official communications must be taken as given, served or made in relation to a Party:

- (a) in the case of delivery by hand, on delivery;
- (b) in the case of pre-paid mail, on the second day after the date of posting;
- (c) in the case of facsimile, on receipt of a transmission report confirming successful receipt at the conclusion of the transmission.

A Party may from time to time change any of the details specified in this Article by not less than five (5) working day notice to the other Party.

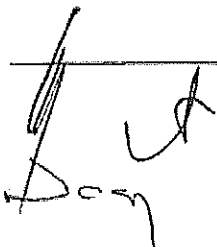
12.5. Nothing in this Contract is to be treated as creating a partnership or trust and, except as specifically provided in this Contract, no Party may act as agent of a Party or in any way bind another Party to any obligation.

12.6. A Party will bear its own costs in relation to the negotiation, preparation and execution of this Contract and any further document required.

12.7. The Parties must do all things reasonably required to facilitate the performance of the transactions contemplated by this Contract.

12.8. This Contract was entered into simultaneously with the EPC Contract and Fuel/Spent Fuel Contract and subject to the coming into force simultaneously with the Fuel/Spent Fuel Contract, pursuant to the Cooperation Intergovernmental Agreement.

12.9. Notwithstanding any provisions herein or otherwise to the contrary, this Article 12.9 and the obligations set forth in Article 10 (Governing Law and Dispute Resolution) and Article 11







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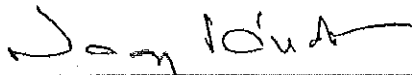
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(Confidentiality) of this Contract shall survive in full force despite the expiration or termination of this Contract.

12.10. The language of this Contract and all notices to be provided hereunder shall, except to the extent expressly agreed otherwise in writing between the Owner and the Contractor, be English. If this Contract or any related documents are translated into another language, the English version shall prevail.

12.11. This Contract is made in English in three (3) original counterparts, one being retained by the Owner and two counterparts by the Contractor.


Done at Budapest, on the date written out above



Owner

MUN PAKS II. ATOMERŐMŰ TÁRSASÁG  
ZÁRTKÖRŰEN MŰKÖDŐ KORLÁTOZTANUL  
NAGY SÁNDOR

Contractor

  
Mr. V. Savushkin  
Senior Vice-President  
NIAEP JSC

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Ellenjegyzem!

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2014.12.09.