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**Confidential Agreement**

This Agreement, effective as of ..... (“**Effective Date**”), is made by and between

(1) ..... a company validly organised and existing under the laws of ..... with an address of....., register no. ...., (hereinafter referred to as “**Potential Supplier**”), represented by:

.....  
.....  
.....

and

(2) **PCC P4 Sp. z o. o.** a company registered and operating under the laws of Poland, a member of the **PCC Group** with registered office in Brzeg Dolny, 4 Sienkiewicza Street (56-120 Brzeg Dolny), entered into the register maintained by the District Court for Wrocław-Fabryczna, IX Division of the National Court Register, under entry no. 0000366820, holding NIP [*taxpayer ID*]: 988-028-53-75, REGON [*enterprise ID*] 021363663, paid-up share capital 50 050 000 PLN, (hereinafter referred to as “**PCC**”),

represented by: Mr. Szymon Gross, Chairman of the Board

PCC and Potential Supplier hereinafter also referred to individually as “**Party**” and collectively as “**Parties**”;

**Preamble**

**WHEREAS**, in consideration of the importance and the high value of Information disclosed by PCC to the Potential Supplier, the Parties have decided to define their rights with respect to such information and to protect any proprietary and confidential features therein.

**Subject of the Agreement:**

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The Parties desire to evaluate the feasibility of a possible business relationship between the Parties concerning preparation of a proposal of the Potential Supplier of the subject matter related to **Innovative Ultra-Pure Monochloroacetic Acid Production Plant (U-P MCAA)** investment to be used in any one or more steps of the development, marketing, sales, production, packaging, storage or distribution of MCAA (Monochloroacetic Acid) or other MCAA based products (hereinafter referred to as the “**Purpose**”) based on Potential Supplier’s knowledge and know-how and on information received from PCC, from MCAA SE or from cooperating with PCC design offices. It is possible, that the Parties execute the agreement as a consequence of introducing a proposal of the Potential Supplier, what is however not in any manner granted or warranted by PCC.

**PCC** intends to provide to **Potential Supplier** certain information which are considered valuable and confidential. In consideration of being furnished with, or granted access to such information, the Parties hereby agree as follows:

**§ 1**

**Confidential Information**

1.1 The confidential information, hereinafter “**INFORMATION**” or “**CONFIDENTIAL INFORMATION**”, covered by the present agreement (hereinafter referred to as “**the Agreement**”) is defined as all information relating to the Purpose, and all other information related to the activity of PCC, MCAA SE or other companies from the capital group of PCC Rokita or related the them, in particular, but not limited to:

- a) all information, disclosed by PCC, MCAA SE or cooperating with PCC design offices (the “**Disclosing Party**”) to the Potential Supplier (“the **Receiving Party**”) or information acquired by the Potential Supplier by other means, including, but not limited to, technical, engineering, scientific, financial and commercial information, designs, inventions, copyright material, know-how, ideas, studies, findings, conclusions, data, plans, charts, graphs, photographs, reports, letters, specifications, manuals, tables, processes, operating and testing procedures, samples, measurements,
- b) all information which the Receiving Party, or its representatives, might receive or discover or acquire at the occasion of their visit(s) to the Disclosing Party’s facilities, or through their discussions with the Disclosing Party’s representatives,
- c) all information relating to the existence and content of the present Agreement, as well as relating to the existence and content of other agreements executed by the Parties, regardless the form of the agreements, and all information exchanged during the negotiations and execution of them.
- d) acquired by the Potential Supplier in relation to the executed works for the benefit of the



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Disclosing Party or commissioned by the Disclosing Party, on the basis of any agreement as well as without any agreement and commission,

- e) all results of works performed by the Potential Supplier as a result of performing any commissions of the Disclosing Party, or/including agreements executed with the Disclosing Party or as a result of any actions undertaken for the Disclosing Party without a commission or on any other basis, in particular all performed by the Potential Supplier analysis, reports and measurements.

INFORMATION may be disclosed to the Potential Supplier either orally, in writing electronically or in any other form. It is deemed that all the information disclosed by the Disclosing Party are confidential, regardless the form of the disclosure, unless PCC explicitly states that information is not confidential.

1.2 Information shall not be considered as CONFIDENTIAL INFORMATION, if it is:

- a) public knowledge at the time of its disclosure to the Receiving Party, or if it subsequently becomes public knowledge other than by breach of this Agreement by the Receiving Party or by any other improper or unlawful manner; or
- b) previously known to the Receiving Party, if the Receiving Party became a possessor of such CONFIDENTIAL INFORMATION in a manner other than by breach of this Agreement by the Receiving Party or by any other improper or unlawful manner and capable of being so demonstrated by written records; or
- c) obtained or acquired, without being subject to an obligation of confidentiality, by the Receiving Party from a third party who, insofar as known to the Receiving Party at such time, confirmed by written records, properly had such information and was free to pass it on; or
- d) independently developed by the Receiving Party without reference to any CONFIDENTIAL INFORMATION and capable of being so demonstrated by written records;

and the Potential Supplier notified PCC in advance, in written, on the intention of the disclosure of information or on use information in other way together with presenting the justification of treating information not as CONFIDENTIAL INFORMATION according of this Agreement.

## **§ 2** **Confidentiality**

### **2.1 The Potential Supplier undertakes:**

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- a) to treat the CONFIDENTIAL INFORMATION as strictly confidential: not to divulge (or cause to be divulged) to any third party, in particular not to sell, trade, publish, reproduce or reverse engineer of the CONFIDENTIAL INFORMATION without the prior written under pain of nullity consent of PCC and provided that the third party has signed a confidentiality agreement with PCC containing confidentiality and restricted use obligations not less strict than the obligations accepted by Receiving Party under this Agreement;
  - b) not to use (or cause the use of) the CONFIDENTIAL INFORMATION for any purpose other than solely for the subject of the Agreement without the prior and written under pain of nullity consent of PCC.
  - c) not to make known or cause to be made known to any third party, the fact that any CONFIDENTIAL INFORMATION was disclosed to it by the Disclosing Party or originated from Disclosing Party;
  - d) not to make known or cause to be made known to any third party knowledge of the Parties collaboration in connection with the Subject;
  - e) not to exploit CONFIDENTIAL INFORMATION commercially or to use it to acquire or register intellectual property rights.
- 2.2 The Potential Supplier is liable as for its own acts and omissions for the acts and omissions of the third parties, including subcontractors and other parties used for the performance of its activity and of its representatives, to whom the Potential Supplier disclosed Confidential Information or which acquired such information as a result of the breach of the obligations of the Potential Supplier.
- 2.3 The Potential Supplier, according to Article 391 of the Polish Civil Code, warrants keeping CONFIDENTIAL INFORMATION strictly confidential by the third parties and other parties other parties used for the performance of its activity or which acquired such information as a result of the breach of the obligations of the Potential Supplier, what does not exclude far-reaching liability of the CONTRACTOR set in this AGREEMENT.
- 2.4 If required by a court, authority of competent jurisdiction, authorised state agencies and local authorities under a regulation or other entities related to financing the project under an agreement, CONFIDENTIAL INFORMATION may be disclosed to the extent required by such subpoena or order, provided that the Receiving Party gives the PCC a written under pain of nullity notice of such requirement without delay and prior to such disclosure, so as to provide an opportunity to prevent or limit such disclosure.
- 2.5 The Potential Supplier agrees that the Disclosing Party may, but is not obliged to, disclose to the Potential Supplier specifics or details relating to prices of its products (including but not limited to, discounts and allowances), terms or conditions of sale (including credit terms) to its customers, future price intentions, production costs, productions and capacity levels,

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profits or profit margins, sales territories, bids or intents to bid, customers (including the identity, selection and termination of customers), distribution practices (including the selection or termination of distributors or the terms of agreements with distributors), products planned for sale in the future, new or secret or developing technology, market shares or market positions. The Potential Supplier agree that no meetings or discussions will be held between employees and/or representatives of the Party where such confidential information may be discussed except when, except the Parties, solely the attorneys for each of the Parties, obliged to keep information secret, are present during the discussion and minutes are taken. If the Potential Supplier acquired such information, this information shall be treated as CONFIDENTIAL INFORMATION.

- 2.6 This AGREEMENT does not limit the PCC's right (which the Parties hereby confirm the ORDERING PARTY is entitled to) to disclose all information and documentation relating to the Purpose, in particular all documentation and information received from Potential Supplier relating to the Purpose, in particular the PCC' right to disclose these documentation and information among others cooperating with PCC designers, PCC Rokita Group companies, cooperating with PCC companies or technical advisers.

**§ 3**

**Return and Destruction of Confidential Information; Duration, Rights and Ownership**

- 3.1. This Agreement shall come into force on the Effective Date and shall remain valid and in effect for a period of fifteen (15) years ("Expiration Date"). The confidentiality obligations shall be binding upon and inure towards the successors of the Parties.
- 3.2. This Agreement shall apply to all CONFIDENTIAL INFORMATION disclosed by Disclosing Party to the Potential Supplier or acquired by the Potential Supplier in any other way, in particular to CONFIDENTIAL INFORMATION related to the commercial agreements executed by the Parties, unless the Parties explicitly state otherwise.
- 3.3. Neither this Agreement nor any CONFIDENTIAL INFORMATION transmitted in accordance herewith shall be construed to grant the Receiving Party any Rights or licenses to the CONFIDENTIAL INFORMATION or to transfer to the Receiving Party of such rights.
- 3.4. The CONFIDENTIAL INFORMATION shall remain the property of the Disclosing Party and the Disclosing Party may demand the return thereof at any time upon giving written notice to the Receiving Party. Immediately after receipt of such notice, the Receiving Party shall return all of the original CONFIDENTIAL INFORMATION and shall destroy all copies and reproductions (including the electronic form) in its possession and in the possession of its representatives to whom it was disclosed pursuant to this Agreement. The Receiving Party may however retain one (1) copy of the CONFIDENTIAL INFORMATION in its confidential legal files for the sole purpose of identifying and maintaining its obligations under this Agreement.

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- 3.5. For each breach of the confidential obligation defined by the Agreement and/or resulting from the binding provisions of law, The Potential Supplier shall pay to PCC the contractual penalty in amount of 150.000 (one hundred fifty thousand zlotys) for each breach. This shall not exclude the PCC's right to pursue on the basis of general rules compensation exceeding the amount of contractual penalties.
- 3.6. The Potential Supplier acknowledges and agrees, that CONFIDENTIAL INFORMATION is company classified information under the Act of 16 April 1993 on combating unfair competition (consolidated text: Journal of Laws of 2003 No. 153, item. 1503 with amendments), whose transmission, disclosure or use is under the terms of this Act an act of unfair competition.

**§ 4**

**Miscellaneous**

- 4.1 Although the Parties believe that the CONFIDENTIAL INFORMATION which may be disclosed hereunder are accurate, it is understood that the Receiving Party shall be solely responsible for any reliance on CONFIDENTIAL INFORMATION or other information received from the Disclosing Party hereunder. In particular, Disclosing Party makes any representations or warranties, express or implied, as to the quality, accuracy, correctness and completeness of the CONFIDENTIAL INFORMATION, unless explicitly stated otherwise in the written declaration of the Disclosing Party.
- 4.2 All supplements and amendments to this Agreement, including any change to this provision itself, must be made in writing, unless null and void and unless other specific form is mandatory.
- 4.3 Insofar as provisions of this Agreement are or become in parts or in total invalid, ineffective or unenforceable, this shall not affect the validity, effectiveness and enforceability of the other provisions. The invalid, ineffective or unenforceable provision shall be deemed to be replaced by a provision to accomplish as far as possible the purpose and intent of the invalid, ineffective or unenforceable provision. The same shall apply in the event of omissions in this Agreement.
- 4.4 In case of arising any questions, disputes or discrepancies between the Disclosing Party and Receiving Party, the Parties shall try to settle the case reasonably. In case of a lack of reasonable settlement of the dispute arising in relation to this Agreement (including its validity, meaning, force or termination) shall be settled by a common Polish court competent for the registered office of PCC.
- 4.5 This Agreement shall be governed by, and construed in accordance with, the laws of Poland.





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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by according authorized representatives of each Party on the day and year specified at the beginning, in two original copies (2), one copy for each Party.

**Potential Supplier**

**PCC**

\_\_\_\_\_  
Name, function: \_\_\_\_\_

\_\_\_\_\_  
Name, function: Szymon Gross,  
Chairman of the Board