

**FRAMEWORK AGREEMENT FOR THE LEASE OF MICRODUCTS IN THE INITIAL PHASE
FOR THE DEVELOPMENT OF NETCITY TELECOMMUNICATION ASSOCIATED
INFRASTRUCTURE**

[REGISTRATION **DATE**]

MICRODUCTS LEASE AGREEMENT

No. [●]

entered into between

NETCITY TELECOM S.A.
as Grantor

and

[●]
as User

This agreement (hereinafter the **Agreement**) has been concluded on [●] (the **Signing Date**) in Bucharest by and between:

- (1) **Nectcity Telecom S.A.**, having its headquarters at 27C Cernauti Street, Sector 2, Bucharest, Romania, registered with the Commercial Registry under number J40/23190/2007, sole registration code (CUI) 22902080, represented by Mr. Nicolae Ghioca in his capacity of director and by Mr. Petru Fuiorea in his capacity of commercial manager, hereinafter referred to in the Agreement as the **Grantor** or **Nectcity Telecom**,

and

- (2) [●], having its headquarters at [●], registered with the Commercial Registry under number [●], sole registration code (CUI) [●], represented by [●], hereinafter referred to in the Agreement as the **User**

(the Grantor and the User, collectively, the **Parties**, and separately, the **Party**).

WHEREAS

- (A) The Grantor is building an associated telecommunication infrastructure, specifically the Nectcity Infrastructure, on the territory of Bucharest as described in principle in Annex 1 (*Description of the Nectcity Infrastructure Concept*).
- (B) The User intends to develop telecommunication networks by leasing elements of the Nectcity Infrastructure. In this purpose, the User is interested in leasing Microducts (as defined below).

1. INTERPRETATION AND DEFINITIONS

1.1 Interpretation

In this Agreement, unless the context otherwise requires, it is agreed that:

- (a) singular, etc.: words in the singular include the plural, words in the plural include the singular, words importing the masculine gender include the feminine and the neutral, words importing the feminine gender include the masculine and the neutral, words importing the neutral gender include the masculine and the feminine;
- (b) headings, etc.: headings and paragraphs are for the purpose of organisation only and shall not be used to interpret this Agreement;
- (c) incorporation by reference, amendments: references to “this Agreement” include its Preamble, Recitals, Clauses, Subclauses, Paragraphs, Subparagraphs, Annexes and Schedules (which are incorporated herein by reference) and this Agreement as from time to time amended, unless otherwise stated;
- (d) clauses, etc.: references in this Agreement to Preamble, Recitals, Clauses, Subclauses, Paragraphs, Subparagraphs, Annexes and Schedules are to the preamble, recitals, clauses of, annexes and schedules to this Agreement, unless otherwise stated;
- (e) modification or amendment of statutes: references to a law, statute or statutory provision include that law, statute or provision as from time to time modified, completed or republished, whether before or after the date of this Agreement; provided, however, that nothing in this paragraph (e) shall operate to increase the liability of any Party beyond that which would have existed had this paragraph (e) been omitted;

- (f) time of day: references to time of day are to the time of day in Romania, unless otherwise stated;
- (g) terms: whenever a term is established by this Agreement it shall be calculated as follows: (i) terms established by days or weeks shall not include the day from which they start but shall include the day on which they elapse, (ii) terms established by months elapse on the corresponding day of the last month of the term, if existing, or on the immediately following day, and (iii) terms established by years elapse on the corresponding day of the last month from the last year of the term, if existing or on the immediately following day, as the case may be; and
- (h) persons: references to persons include their universal successors and their universal title successors (*succesorii universali și cu titlu universal*).

1.2 Definitions

The terms and expressions written with a capital letter in the Agreement have the meaning that complies with the definitions provided below, unless otherwise specified:

Acceptance Certificate means the certificate in the form set out in Annex 3 (*Form of the Acceptance Certificate*) signed by the Parties after the completion of the Acceptance Tests.

Acceptance Date means the date on which a Microduct Segment is or is deemed to be accepted in accordance with the provisions of Subclause 4.3 below.

Acceptance Tests means those tests or procedures set out in Annex 2 (*Testing and Acceptance Procedures*) to verify that the Microducts are in accordance with the Specifications.

Affiliate means, (a) in relation to any legal entity, any other legal entity that, directly or indirectly, controls, is controlled by or is under common control with such legal entity. For the purposes of this definition, “control” (together with the expressions “controlling”, “controlled by” and “under common control”) means the possession, directly or indirectly, of any of the following: (i) ownership of more than half of the capital or business assets, or (ii) the right to exercise more than half of the voting rights, or (iii) the right to appoint more than half of the members of the board of directors or other statutory bodies legally representing such legal entity; or (b) in relation to any individual, a family member of such individual up to the 4th degree inclusively.

Applicable Law means the laws of Romania including any law, ordinance, order, regulation, instruction, norm or decision validly issued and published by the competent authorities of Romania.

Business Days means a day on which banks are open for business in Bucharest (excluding Saturdays, Sundays and public holidays). If the last day of a term does not fall on a Business Day, then such term shall be deemed to be due on the immediately following Business Day.

Concession Agreement means the public works concession agreement for the building of the Bucharest underground infrastructure for telecommunication networks No. 4390 of 2 June 2008 executed between the Bucharest Municipality, as lessor and UTI Systems S.A. and Nectcity Telecom, as lessee.

Delivery means the delivery by the Grantor and the takeover by the User of a Microduct Segment for use in accordance with the provisions of this Agreement. Terms like “Deliver” or “Delivered” shall be construed accordingly.

Delivery Takeover Minutes means the minutes executed by the Grantor and the User, ascertaining

the Delivery of a finalised Microduct Segment.

Force Majeure Event means any unforeseen and unavoidable circumstance, event or series of events independent of the will of the Parties and which renders, partially or totally, the performance of any obligations of either Party hereunder impossible.

Installation Fee shall have the meaning ascribed to such term in Paragraph 7.2(b) below.

Installation Service means the service for the installation of the wires into the Microduct Segments as described in Annex 5 (*Installation Services*).

Intellectual Property means (a) copyright, patents, database rights and rights in trade marks, designs, know-how and confidential information (whether registered or unregistered); (b) applications for registration, and the right to apply for registration, for any of these rights; and (c) all other intellectual property rights and equivalent or similar forms of protection existing anywhere in the world.

Leased Route means the route, as described in Annex 6 (*Leased Route*), along which are located the Microducts leased by the Grantor to the User in accordance with the provisions of this Agreement.

Microduct means each individual telecommunication duct part of a telecommunication duct of the Netcity Infrastructure.

Netcity Infrastructure means the infrastructure of telecommunication network ducts and Microducts to be built by the Grantor on the territory of Bucharest in accordance with the provisions of the Concession Agreement, as described in Annex 1 (*Description of the Netcity Infrastructure Concept*).

Microduct Segment means a Microduct independent segment identified along the Leased Route, leased by the Grantor to the User in accordance with this Agreement.

Segment Delivery Date means the date of delivery of a finalised Microduct Segment from the Grantor to the User.

Specifications means the technical specifications of the Microducts set out in Annex 4 (*Specifications of the Microducts*).

Underlying Rights means certain rights of way and other rights and arrangements obtained by the Grantor with respect to certain properties adjacent to or crossed by the Microducts for the construction and operation of the Netcity Infrastructure.

Usage Fee shall have the meaning ascribed to such term in Paragraph 7.2(a) below.

Usage Right means the right of the User to use the Microducts along segments of the Leased Route granted by the Grantor to the User in accordance with the terms and conditions of this Agreement.

Validity Period means the term of the Agreement between the Signing Date and [●].

2. OBJECT AND DURATION OF THE AGREEMENT

- 2.1 In consideration of payment of the Usage Fee by the User to the Grantor, the Grantor will lease the Delivered Microduct Segments in accordance with the provisions of this Agreement.
- 2.2 In consideration of payment of the Installation Fee by the User to the Grantor, the Grantor will perform to the User the Installation Services as defined in Clause 3.1 below.

2.3 This Agreement shall be in force until [●]. The Usage Right over the Delivered Microduct Segment shall start on the Delivery Date and shall end on [●].

3. RELATED SERVICES

3.1 Installation Service

In consideration of payment of the Installation Fee, the Grantor shall supervise the first installation of the optical fibre wires of the User into the Delivered Microducts along the Leased Route, according to the procedure provided in Schedule 5 (*Installation Services*).

[option] In consideration of payment of the Installation Fee by the User to the Grantor, the Grantor shall install the telecommunication wires of the User into the Delivered Microducts along the Leased Route according to the procedure provided in Schedule 5 (*Installation Services*).

3.2 Leasing Services

(a) The Grantor leases to the User the Delivered Microduct Segments according to the Specifications along the Leased Route, and performs the maintenance of the Microducts starting with the Segment Delivery Date.

(b) In performing the maintenance services, the Grantor is entitled to replace any Microducts, upon giving a [●] days prior written notice to the User in this respect, and provided that such replacement shall be performed in a way that minimises any interruption in the use of the respective Microduct Segments by the User. Such replacement shall be executed at the sole cost of the Grantor, and such cost shall not include any disconnection and reconnection costs, fees or expenses incurred by the User in relation to such substitution. If deemed necessary and in order to ensure the effectiveness and correspondent standards of the Nectcity Infrastructure, the Grantor is entitled to substitute the Microducts with others of the same or of superior specifications, even if such substitution or intervention would require the User to replace, change, upgrade or otherwise intervene at its own turn on the User's telecommunication cables and ancillary equipment. In any event, any substitution or intervention shall be subject to Acceptance Tests in accordance with Annex 2 (*Testing and Acceptance Procedures*) and shall conform at all times with the Specifications in accordance with the terms of this Agreement.

(c) The User shall not be entitled to intervene in any way on the Microducts without the prior written approval of the Grantor.

3.3 Collocation and client connection services

The Grantor shall provide collocation and client connection services with respect to the Delivered Microduct Segments based on separate agreements ancillary to this Agreement.

4. DELIVERY AND ACCEPTANCE TESTING. RELOCATION

4.1 Within [●] days after the Segment Delivery Date, the User shall carry out and complete the Acceptance Tests for the respective Delivered Microduct Segment. Within such term the User shall be obliged to issue either: (1) the Acceptance Certificate or (2) a written notice to the Grantor specifying the failures of the respective Microduct Segment revealed by the Acceptance Tests, failing which the Microducts Segment shall be deemed accepted by the User without any comments or exceptions and the Grantor shall be entitled to issue the invoices for the Installation Fee and the Usage Fee.

- 4.2 If a written notice is delivered by the User to the Grantor with respect to any failure of the Microduct Segment revealed by the Acceptance Tests, the Grantor shall investigate and use all reasonable endeavours to rectify all faults and enable those Acceptance Tests to be repeated on the respective Microduct Segment. Upon finalisation of remedial actions by the Grantor, the User shall repeat the Acceptance Tests and the provisions of Subclause 4.1 above shall be applicable.
- 4.3 If the User is required to relocate any part of the Nectcity Infrastructure during the Validity Period, including without limitation any of the facilities used or required in providing the Usage Right, the Grantor shall determine the extent of, the timing of and methods to be used for such relocation provided that any relocation shall be constructed and tested in accordance with the Specifications. The User shall bear the costs of relocation.
- 4.4 The Grantor shall deliver to the User updated drawings with respect to the relocated Microducts within [●] days after the completion of relocation.
- 4.5 Relocation shall not affect the Validity Period.

5. SPECIFICATIONS OF THE MICRODUCTS

The Grantor hereby commits that the Microducts shall meet the Specifications on its respective Segment Delivery Date.

6. OPERATION OF THE MICRODUCTS

- 6.1 The operation by the User of the Microducts and any ancillary or associated equipment shall not cease or impair service over any of the facilities integrated in the Nectcity Infrastructure or any other rights of use, shall not impair privacy of any communications over such facilities (except as privacy may be affected under the Applicable Law), or cause damage or be hazardous to plant or to any person. The User shall hold harmless the Grantor and bear the cost of any additional protective devices whose installation is reasonably required due to the use of such facilities by the User, any permitted assignee of the User or any client(s) of the User or of any such permitted assignee and the cost of any damage relating thereto.
- 6.2 Access by the employees or other representatives of the User to the Nectcity Infrastructure shall be made only as expressly permitted by the Grantor. The Grantor shall be entitled to supervise any such access.
- 6.3 The Grantor shall use all reasonable efforts to ensure that other users of the Nectcity Infrastructure are held by a similar obligations as provided in Subclauses 6.1 and 6.2 above.

7. FEES

- 7.1 In consideration of the lease of the Microduct Segments and of the Installation Service, the User commits to pay to the Grantor the following:
- (a) the total fee for the entire Validity Period for the Usage Right over the Delivered Microduct Segment is of EUR [●], payable in RON at the reference exchange rate communicated by the National Bank of Romania valid as at the payment date (the **Usage Fee**). The fee is determined in accordance with the following formula EUR [●] / month / km of Delivered Microduct Segment (rounded at the upper round number) multiplied by the total number of months of the Validity Period between the Delivery Date and the date mentioned in Subclause 2.3 above;
 - (b) the fee for the Installation Services is of EUR [●], paid in RON at the reference exchange

rate communicated by the National Bank of Romania valid as at the payment date (the **Installation Fee**) and covers all the works for installation/supervision of the telecommunications wires into the Delivered Microduct Segment. The Installation Fee is determined in accordance with the following formula EUR [●] / km of Delivered Microduct Segment.

- 7.2 The amounts of each Fee specified in this Clause 7 (*Fees*) do not include VAT which shall be added by the Grantor in accordance with the Applicable Law on each invoice communicated to the User.

8. PAYMENT AND INVOICES

- 8.1 The Installation Fee is payable by the User in a single tranche based on the separate invoice issued by the Grantor within seven (7) Business Days after the Acceptance Date.
- 8.2 The User will pay the Usage Fee in monthly instalments of EUR [●], in advance, based on the invoices issued by the Grantor within first five (5) Business Days of each calendar month.

[option]

The User shall pay an amount of EUR [●] ([●]% of the total value of the Usage Fee for the entire Validity Period) representing an advance of the Usage Fee within seven (7) Business Days from the Acceptance Date. The remaining Usage Fee shall be paid starting with the second calendar month of the Validity Period in monthly instalments of EUR [●], based on the monthly invoices issued by the Grantor within first five (5) Business Days of each calendar month.

- 8.3 All payments under this Agreement shall be made no later than [●] days from the invoice date. In the event the User fails to pay the Fees when due, it shall owe a penalty of [●]% of the amount due, for each day of delay. The penalties may exceed the amount of the principal due. In the event of delays in the payment of invoices exceeding 31 (thirty-one days) the Grantor is authorised to terminate the Agreement by sending to the User a simple written notice in this respect, no other formalities nor the intervention of a legal court being required. The Agreement shall be terminated on the date when the notice has been sent.
- 8.4 Payments shall be made by bank transfer to the bank account specified on the invoice.
- 8.5 The Grantor shall issue the invoices for the respective Fees in accordance with the relevant in force provisions of the Applicable Law.

9. WARRANTIES

9.1 Representations and warranties

- (a) Each of the Parties hereby represents and warrants, as of the Signing Date, for the benefit of each other Party, that:
- (i) it is a company duly established, validly existing and in good standing under the Applicable Law and has taken all necessary action to approve the execution and carrying out of the terms of this Agreement and any other agreement and document it has executed or will execute in connection with this Agreement;
 - (ii) it has taken all required steps to approve the signing and fulfilment of the provisions of this Agreement, and currently holds the power and authority to carry out the terms of this Agreement and other documents which it has executed or will execute in relation to this Agreement;

- (iii) the Persons executing this Agreement and any other document executed in direct connection with this Agreement on its behalf are duly authorised to do so;
- (iv) this Agreement and any other document executed in direct connection with this Agreement constitute legally binding commitments of each respective Party and are enforceable against such Party; and
- (v) the execution and performance of this Agreement and the fulfilment of the terms hereof by one Party do not violate any laws that are applicable to it in relation to this Agreement, and shall not result in a breach of or a default under such law, and shall not constitute a breach of any agreement to which it is a party to or by which it is otherwise bound.

9.2 Reliance on representations, warranties and commitments

Each Party acknowledges that it is entering into this Agreement in reliance on the accuracy of the representations and warranties and the expected performance of the commitments undertaken by each Party to this Agreement.

9.3 Lack of representations or warranties not expressly provided

Each Party states that, except for the explicit provisions of Subclause 9.1 (*Representations and warranties*) of this Agreement, none of the Parties has granted or is granting, in relation to this Agreement, any other representations or warranties of any kind, implied or in any other manner.

10. INTELLECTUAL PROPERTY

No licence, patent or any other Intellectual Property Right whatsoever shall be granted to either Party pursuant to this Agreement including, without limitation, in connection with the User's use of the Microducts.

11. FORCE MAJEURE

- 11.1 Should either of the Parties acknowledge that a Force Majeure Event prevents proper performance by it of this Agreement, it shall notify in this regard the other Party in writing as soon as possible, but no later than [3] days after the occurrence of the Force Majeure Event.
- 11.2 Should the Force Majeure Event result in a delay of the Delivery, the Grantor shall be entitled to consider that the performance of its obligations in relation to the Delivery is suspended during the Force Majeure Event. The Parties shall make every effort to agree the change of the deadlines and to formalise such understandings through additional acts amending this Agreement.

12. ASSIGNMENT UPON TERMINATION OF THE CONCESSION AGREEMENT

Upon termination of the Concession Agreement for any reason whatsoever, this Agreement with all the rights and obligations hereunder shall be automatically assigned by Netcity Telecom to the Municipality of Bucharest, acting by the Bucharest City Hall. Starting with the date of such termination of the Concession Agreement, the Municipality of Bucharest shall replace Netcity Telecom in all the rights and obligations arising out of this Agreement. Any amounts, regardless of their cause, due by the User to Netcity Telecom pursuant to this Agreement for the period between the Signing Date and the date of termination of the Concession Agreement, shall remain due to Netcity Telecom.

13. TERMINATION

- 13.1 Either of the Parties has the right to terminate the Agreement with immediate effect upon occurrence of a Force Majeure Event, which prevents one Party from performing its commitments under the Agreement during an uninterrupted period of [(three) 3 months]. This shall be without prejudice to the statutory duty of the Parties to prevent any damage threatening by the Force Majeure Event, in particular by offering alternative means of fulfilment of the Agreement.
- 13.2 Each Party (a **Non-Defaulting Party**) shall have the right, without prejudice to its other rights or remedies, to terminate this Agreement by simple written notice sent to the other Party (the **Defaulting Party**) if the Defaulting Party is in a material or persistent breach of any of its obligations under this Agreement and either that breach may not be remedied to the reasonable opinion of the Non-Defaulting Party or the other Defaulting Party failed to remedy the breach within [●] days after receipt of Non-Defaulting Party's written notice requesting the remedial of the breach. The Agreement shall be terminated on the third day from the sending of the aforementioned notice by the Non-Defaulting Party without being necessary any other formalities or the intervention of a court.
- 13.3 The Grantor is entitled to terminate this Agreement if the User is using the Microducts object of this Agreement in breach of the arrangements concluded hereto or if the User installs equipment that does not comply with the technical requirements and this may cause damage to the Netcity Infrastructure. The Grantor shall notify its intention to terminate the Agreement by sending to the User a written notice indicating the obligations breached by the User and giving to the User a [●]-day term to remedy such beach. Should the breach of the contractual obligations continue after expiry of the aforementioned term, the Grantor shall be entitled to terminate the Agreement by a separate written notice. The Agreement shall be terminated on the [●] day after the sending of the second notice without being necessary any other formalities or the intervention of a court.
- 13.4 The right of a Party to terminate this Agreement as a result of the breach of the commitments by the other Party does not prejudice the rights and legal measures available to the Party that is not in breach of the Agreement under any circumstances.
- 13.5 Any termination of this Agreement shall not affect any outstanding rights or liabilities of either Party, nor shall it affect the coming into force or the continuance in force of any provision of this Agreement which is expressly or by implication intended to come into force or continue in force on or after termination.
- 13.6 Upon termination of this Agreement for any reason whatsoever, the User shall lose any right of access, in any manner, to the Netcity Infrastructure and the Grantor shall be entitled to proceed, at its own discretion, to the elimination from the Netcity Infrastructure of all cables and other equipments related to the User's communication network. The Grantor shall not be held to preserve the integrity of such cables and equipments or to take any measures for delivering them to the User nor to keep them for the purposes of such delivery, being entitled to dispose of them at its own discretion.

14. LIMITATION OF LIABILITY

- 14.1 The liability of the Grantor to the User, including attorneys' fees, awarded under this Agreement shall not exceed an aggregate limit of [●] EUR.
- 14.2 In no event shall the Grantor and the User be liable, for any indirect, incidental or consequential damages, such as, but not limited to, loss of anticipated profits or revenue, loss of clients, loss of reputation, increased expense of operation of other equipment or system or cost of capital.

14.3 The User is liable for the degradation or failure (remediable) and also for the destruction (irremediable) of the Microducts if these occur from the fault of the User or its subordinates.

15. CONFIDENTIALITY

15.1 The User and the Grantor hereby undertake: (a) not to reveal, disclose, communicate, or divulge to any person or entity in any manner whatsoever any Confidential Information which has come to its knowledge or has been developed, or in any other way been gathered or received by it; (b) to prevent the publication, communication, or disclosure of any Confidential Information; and (c) for the entire Validity Period agrees not to, directly or indirectly, either on its own behalf or on behalf of any other person, use any Confidential Information for any business purposes or other purposes.

15.2 For the purposes of this Clause 15 (*Confidentiality*), **Confidential Information** shall mean any and all information that is not generally known to the public that relates in any way to the Grantor or the User's business activity, including without limitation trade secrets, customer lists, concepts, techniques, technologies, processes, methods, systems, designs, business and development plans, and which has come to the knowledge of the User or the Grantor as a consequence of this Agreement. Confidential Information also includes the terms of this Agreement, as well as any future discussions and documents of the Parties, any information in whatever form, tangible or intangible, that is not generally known to the public and that was provided in connection with negotiations and other discussions leading up to the execution of this Agreement and/or that the Grantor designates as being confidential. Confidential Information does not include any information that the User or the Grantor can prove:

- (a) was publicly available at the time of its disclosure through no wrongful act of the User or the Grantor, as the case may be, or a breach of a duty of care of a third party of which the User or the Grantor, as the case may be, is aware of or could reasonably be aware of;
- (b) becomes publicly known through no wrongful act of the User or the Grantor, as the case may be;
- (c) following disclosure, becomes available to the User or the Grantor, as the case may be, either directly or indirectly, from a source other than the Grantor or the User, as the case may be, or the current or former employees of the Grantor or the User, as the case may be, which source is not bound by any obligation of confidentiality to the Grantor or the User, as the case may be, in respect of such information;
- (d) was disclosed by the User or the Grantor to a public authority in Romania or abroad pursuant to the compulsory legal provisions of the respective state, provided however that the Party making such disclosure notifies the other Party in advance about such disclosure in reasonable detail, or if notification in advance is not possible, immediately upon disclosure.

15.3 The communication by the Grantor to the Bucharest Municipality of any information with respect to this Agreement and/or any matters related to the performance of this Agreement in accordance with the provisions of the Concession Agreement, does not represent disclosure of Confidential Information.

16. MISCELLANEOUS

16.1 Notices

- (a) Any notice or other communication in connection with this Agreement, including communication of a subpoena in connection with a Dispute (as defined below), shall be in writing (which includes fax, but not any other form of electronic communication) and shall

be sufficiently given or served if delivered by hand, post or fax to the party to whom it is to be given at its address appearing in this Agreement as follows:

(i) For the Grantor, to:

Netcity Telecom S.A.

Attention to: [●]

Address: [●]

Fax: [●]

(ii) For the User, to:

[●]

Attention to: [●]

Address: [●]

Fax: [●]

or to such other attending person, address or fax number as the relevant Party may have notified to the other Parties in accordance with this Subclause 16.1 (*Notices*).

- (b) The persons mentioned above as attendants of notices served between the Parties under this Agreement shall be the respective Parties' representatives for any and all communications, decisions, approvals and contractual procedures in accordance with this Agreement. Such representatives shall be on call in the normal working hours of the respective Party.
- (c) Unless otherwise stated herein, any notice will be considered to be delivered for purposes of this Agreement if delivered by hand, sent by fax or prepaid overnight courier service by an internationally reputable carrier in the case of international service. If a notice is sent by fax, it will be considered to be delivered if the sender has received confirmation of receipt of the fax via the sending fax machine and has a copy of such confirmation.
- (d) Without prejudice to the foregoing, any notice shall conclusively be deemed to have been received:
 - (i) on the next Business Day in the place to which it is sent, if sent by fax;
 - (ii) three (3) Business Days from the time of posting if sent by overnight courier; or
 - (iii) at the time of delivery if delivered by hand.

16.2 Costs, expenses

Each of the Parties will bear its respective expenses incurred in connection with the negotiation, preparation, execution, and performance of this Agreement, including but not limited to fees, and expenses of agents, representatives, counsel, and accountants.

16.3 Assignment and subcontracting

Except as otherwise provided in this Agreement, neither Party may assign, transfer or otherwise

dispose of any of its rights or subcontract, transfer or dispose of any of its obligations under this Agreement without the prior written consent of the other Party which shall not be unreasonably withheld or delayed.

16.4 Governing Law

This Agreement shall be governed by and construed in accordance with the Applicable Law.

16.5 Dispute resolution

Any dispute or difference arising out of or in connection with this Agreement, including without limitation any disputes regarding its valid conclusion, existence, nullity, breach, termination or invalidity (each a “**Dispute**” for purposes of this Subclause 16.5 (*Dispute resolution*)), that cannot be resolved by amicable negotiations within [30 days] from the notice served by any of the Parties relating to the potential Dispute, shall be finally settled by the Romanian competent courts.

16.6 Whole Agreement

This Agreement contains the whole agreement between the Parties relating to the transactions and arrangements contemplated by this Agreement and supersedes all previous agreements, whether oral or in writing, between the Parties relating to these transactions. Except as required by statute, no terms shall be implied (whether by custom, usage or otherwise) into this Agreement.

16.7 The rights of each Party under this Agreement:

- (a) may be exercised as often as necessary;
- (b) except as otherwise expressly provided in this Agreement, are cumulative and not exclusive of rights and remedies provided by the Applicable Law; and
- (c) may be waived only in writing and specifically.

Delay in exercising or non-exercise of any such right is not a waiver of that right.

16.8 Differences

- (a) In the event of differences between the provisions set out in the body of the Agreement and the Annexes, the provisions set out in the body of the Agreement shall have the binding force.
- (b) Should either of the Parties discover any differences whatsoever, it shall inform the other Party of this respect. The Parties shall make every effort to correct such differences in accordance with the above instructions and shall award such agreements the form of and shall execute an amendment to the Agreement correcting the differences.

16.9 Severability

If any provision in this Agreement shall be held to be illegal, invalid or unenforceable, in whole or in part, under the Applicable Law, such provision or part shall to that extent be deemed not to form part of this Agreement but the legality, validity and enforceability of the remainder of this Agreement shall not be affected. In such event, the Parties shall use their best endeavours within a reasonable time to replace the provision held to be illegal, invalid or unenforceable with a provision towards the same purpose that shall be legal, valid and enforceable, with a view to comply with the goals set forth under this Agreement.

16.10 Amendments (Variation)

No variation of this Agreement shall be effective unless previously mutually agreed to by the Parties and evidenced in writing.

16.11 Language

- (a) The Agreement shall be executed in Romanian [and English] language. [In case of any differences between the English and Romanian language the Romanian version shall prevail. (optional)]
- (b) All documents to be furnished or communications to be given or made under this Agreement shall be in the English language or, if in another language, shall be accompanied by a translation into English, which translation shall be the governing version between the Parties.

IN WITNESS WHEREOF, the Parties to this Agreement have caused this Agreement to be duly executed in two (2) originals in English and two (2) originals in Romanian language, one of each for each Party, on the date first above written.

THE GRANTOR

By:

By:

Name: Nicolae Ghioca

Name: Petru Fuiorea

Position: director

Position: commercial manager

Necity Telecom S.A.

THE USER

By:

By:

Name: [●]

Name: [●]

Position: [●]

Position: [●]

[●]

ANNEX 1

DESCRIPTION OF THE NETCITY INFRASTRUCTURE CONCEPT

ANNEX 2

TESTING AND ACCEPTANCE PROCEDURES

ANNEX 3

FORM OF THE ACCEPTANCE CERTIFICATE

ANNEX 4
SPECIFICATIONS OF THE MICRODUCTS

ANNEX 5
INSTALLATION SERVICES

ANNEX 6
LEASED ROUTE