

**General Terms and Conditions of BIOENERGO - KOMPLEX, s.r.o.
for the purchase of goods between entrepreneurs**

effective from 11.3.2024

I. INTRODUCTORY PROVISIONS AND DEFINITIONS

1. General Terms and Conditions (hereinafter referred to as "**GTC**") are the terms and conditions of BIOENERGO - KOMPLEX, s.r.o, with its registered office in the Czech Republic, Kolín - Kolín IV, Pod Hroby 130, Postal Code: 280 02, ID No.: 278 88 754, registered in the Commercial Register maintained by the Municipal Court in Prague, Section C, Insert 124393 (hereinafter referred to as the "**Buyer**"), and form an integral part of the Purchase Contract (hereinafter referred to as the "Contract") concluded between the Buyer as a customer (the Buyer) on the one hand and the Supplier (the Seller) on the other hand (hereinafter referred to as the "**Seller**").

2. By signing the Contract, the Seller confirms that he/she has duly familiarized himself/herself with these GTC prior to its conclusion and at the same time expresses his/her consent to their content. The Seller further declares that the information provided in the Contract is complete and true. The Parties agree that the Contract may be signed by representatives of the Parties by simple electronic signature or other mechanical means.

3. In accordance with the provisions of Section 1751 (1) of Act No.89/2012 Coll., the Civil Code, as amended (hereinafter referred to as the "**Civil Code**"), the GTC regulate the mutual rights and obligations between the Buyer and the Seller arising in connection with or on the basis of the Contract concluded by the Seller in the course of his business activities or in the course of his independent exercise of his profession. The provisions of the Contract shall prevail over those provisions of the GTC which would conflict with them or which have been excluded by agreement of the Buyer and the Seller within the Contract. These GTC shall prevail over those provisions of the law which are not mandatory in nature, as well as the Seller's terms and conditions and terms and conditions drawn up by professional or interest organisations which do not apply to the mutual rights and obligations between the Parties arising in connection with or under the Contract, unless the Parties expressly agree otherwise.

4. Unless otherwise stated or unless the context otherwise requires, the following capitalized terms shall have the following meanings for the purposes of these GTC:

- "**Accredited laboratory**" means an analytical laboratory accredited by the Czech Institute for Accreditation, o.p.s. (CIA) according to the revised standard ČSN EN ISO/IEC 17025:2018 for the required type of analysis.
- "**Sustainability Criteria Certificate**" is a document for proving the sustainability of biomass pursuant to Section 47b(3) of Act No. 165/2012 Coll., on Supported Energy Sources and on Amendments to Certain Acts, as amended.
- "**ČSN No.46 2300-2**" is the Czech technical standard ČSN 46 2300-2 (462300) entitled Oilseeds - Part 2: Oilseed rape seed, effective from 1 July 2006.
- "**ČSN EN ISO 17225-1**" is the Czech technical standard of the European standard ČSN EN ISO 17225-1 (838202) entitled Solid biofuels - Specifications and fuel classes - Part 1: General requirements, effective from 1 April 2022.

- "**Composition label of the Goods**" is a written document issued by the Seller in accordance with Regulation (EC) No 767/2009 of the European Parliament and of the Council of 13 July 2009 on the placing on the market and use of feed, respectively Act No 110/1997 Coll., on food and tobacco products and on amending and supplementing certain related laws, as amended (hereinafter referred to as the "**Food Act**").
- "**Delivery Note**" is a document drawn up by the Seller or a person authorised by the Seller for the purpose of proof of dispatch of the Goods, which contains basic data relating to the Goods to be delivered (date, place, quantity, type, other specifications of the Goods, if any, and other data).
- The "**CMR International Waybill**" and the "**CMR Waybill**" are documents proving the conclusion of the contract of carriage. If the consignment note is missing, defective or lost, the existence or validity of the contract of carriage shall not be affected and the provisions of the relevant legislation, in particular the Convention on the Contract for the International Carriage of Goods by Road (CMR) and Act No 111/1994 Coll., on Road Transport, as amended, shall continue to apply. The first copy of the consignment note shall be given to the consignor, the second shall accompany the consignment and the third shall be retained by the carrier.
- "**Civil Code**" has the meaning set out in point 3 above.
- "**Receipt of Goods**" is a document of receipt of the Goods by a person designated by the Buyer, for example the Warehouseman, upon delivery of rapeseed oil, which contains basic data concerning the Goods delivered (date, place, quantity, type, or other specifications of the Goods).
- "**Declaration of compliance with sustainability criteria**" is a written document issued by the Seller upon delivery of rapeseed and rapeseed oil in accordance with Government Regulation No. 189/2018 Coll., on sustainability criteria for biofuels and reduction of greenhouse gas emissions from fuels, as amended, containing the elements according to Annex 6, Part C of this Regulation.
- "**Declaration of Conformity (POS) according to the certification scheme used**" is a document of sustainability made by the Seller when supplying fuel according to Directive (EU) 2018/2001 of the European Parliament and of the Council (REDII) on the promotion of the use of energy from renewable sources.
- "**Declaration on the method of production of fuel from biomass (Declaration A)**" is a written document issued by the Seller in accordance with the Decree of the Ministry of Industry and Trade No. 110/2022 Coll., on the determination of types and parameters of supported renewable sources and criteria of sustainability and greenhouse gas emission savings for bioliquids and fuels from biomass, containing the elements according to Part A of Annex No. 3 of this Decree.
- "**Car cleanliness declaration**" is a document signed by the carrier in which he declares that the means of transport intended for the transport of the Goods has not transported any genetically modified commodities that could contaminate the transported Goods and, if so, that he has taken all necessary measures to clean the vehicle in order to prevent contamination of the non-GMO commodities subject to transport.
- "**Shipping Documents**" are documents used in the transportation of Goods from the place of shipment to the place of delivery that inform about the nature and characteristics of the Goods being transported.

- "**Reference Sample**" means a sample of a batch of Goods which the Buyer is entitled to take upon loading of the Goods for the purpose of analysis during the warranty period or the shelf life of the batch, or the statutory retention period of the Reference Sample, in order to verify the quality of the Goods delivered under the Contract and to identify any defects in the Goods for which the Goods could not be used at all or only at a higher cost to the Buyer.
- "**Warehouseman**" is a person appointed by the Buyer who takes delivery of the Goods from the Seller or a person authorised by the Seller, e.g. a carrier, at his designated premises and confirms receipt of the Goods.
- "**Contract**" is an agreement concluded in documentary or electronic form between the Buyer and the Seller within the meaning of § 2079 et seq. of the Civil Code, of which these GTC are an integral part, in which specific details concerning the binding legal relationship between the Parties further regulated by these GTC are specified.
- The "**Parties**" are collectively referred to as the Buyer and the Seller and each of them individually as a "**Party**".
- "**Quality Specification**" is a document of the Seller, which is an annex to the Contract and contains a specification of the quality parameters of the Goods.
- "**Canola Seed Specification**" is a document prepared by the Buyer on 1 January 2024 setting out the parameters and quality of the Canola Seed, which is Annex 1 to these GTC.
- "**Quality Specification - Biomass Pellets - Fuel**" is a document prepared by the Buyer on 1 January 2022 setting out the parameters and quality of biomass pellets - fuel, which is Annex 2 to these GTC.
- "**Weighing slip**" is a document of the result of weighing of the Goods which contains the following information:
 - a) the date, time and place of the weighing of the Goods,
 - b) the result of the measurement of the axle pressures and the instantaneous mass of the vehicle,
 - c) the registration number of the vehicle,
 - d) the name and surname of the driver of the vehicle,
 - e) the name and surname of the person carrying out the checkweighing,
 - f) the registration mark of the weighing slip.
- "**Decree 110/2022**" means the Decree of the Ministry of Industry and Trade No. 110/2022 Coll., on the determination of types and parameters of supported renewable sources and criteria for sustainability and greenhouse gas emission savings for bioliquids and biomass fuels, as amended.
- "**Force majeure**" is an extraordinary, unforeseeable and insurmountable obstacle which arose independently of the will of the obliged party and prevented it from fulfilling its obligation. Force Majeure shall include, but not be limited to: civil disturbances, riots, wars, government intervention, epidemics, prohibition of import or export of the Goods, official prohibition to trade in the Goods, natural disasters, floods, technological accidents on the part of the Buyer lasting at least 48 hours and other unforeseeable and unavoidable events.
- "**Accounting Act**" means Act No. 563/1991 Coll., on Accounting, as amended.

- "**Goods**" is the name given to the item to be purchased under the Contract, including but not limited to rapeseed, sunflower seed, biomass fuel pellets or other commodities and products specified in the Contract.
- "235/2004 Coll., on value added tax, as amended.

II. SUBJECT OF PURCHASE

1. The subject of purchase is the Goods of the agreed type, quantity and quality parameters according to the Contract and these GTC.
2. By concluding the Contract, the Seller is obliged, under the terms and conditions set out in the Contract and these GTC, to deliver the Goods of the agreed type, quantity and quality parameters to the Buyer and to enable the Buyer to acquire ownership of the Goods, and the Buyer is obliged to pay the Seller the agreed purchase price for the proper and timely delivery of the Goods.
3. In the event that the subject of purchase is rapeseed, the Seller expressly declares that it complies with the conditions set out in CSN 46 2300-2 and the Specification for Rapeseed Seed, whereby in the event of a conflict the Specification for Rapeseed Seed shall prevail over CSN 46 2300-2. The Seller shall at the same time issue a Declaration of Conformity to the Sustainability Criteria, which shall be sent to the Buyer at the latest with the invoice.
4. In the case where the subject of purchase is biomass pellets - fuel, the Seller expressly declares that it complies with the conditions specified in the Quality Specification - Biomass Pellets - Fuel. The Seller shall be obliged to provide a **Sustainability Criteria Certificate** and to prepare a Declaration of Method of Production of Biomass Fuel (Declaration A) **and a** Declaration of Conformity (POS) according to the certification scheme used, which shall be sent to the Buyer together with the invoice.
5. In the case where the subject of purchase is rapeseed oil, the Seller is obliged to issue a Declaration of Conformity with Sustainability Criteria, which shall be sent to the Buyer with the invoice at the latest.
6. An integral part of the Contract is the Quality Specification or other documentation containing the specification of the Goods sold, which the Seller is obliged to deliver in the quality parameters specified therein or declared by the Seller, unless otherwise agreed. The Seller is obliged to deliver the Goods to the Buyer without defects or damage and in a quantity and quality that complies in all respects with the Contract, these GTC and other documents, in particular the Canola Seed Specification and the Quality Specification - Biomass Pellets - Fuel. In the event that the Buyer finds that the Goods do not conform to the required quality or quantity, the Buyer shall be entitled to refuse to accept and/or return the Goods.

III. PURCHASE PRICE OF GOODS AND PAYMENT TERMS

1. The purchase price of the Goods corresponds to the mutual agreement of the Parties set out in the Contract. Unless expressly stated otherwise, the Purchase Price includes all taxes (including VAT) and duties, surcharges and other charges that may be levied in the Czech Republic in connection with the importation of the Goods from another country, but does not include the costs associated with the delivery of the Goods. The Seller is entitled to payment of the purchase price only if the Goods have been delivered without defects.

2. A delivery of Goods containing rapeseed grown from genetically modified rapeseed shall be returned to the Seller at the Seller's expense. The costs of the analysis by an Accredited Laboratory shall be borne by the Party to whose disadvantage the result is .

3. In the event that the subject of purchase is rapeseed and the Goods do not comply with the conditions specified in ČSN 46 2300-2 and the Specification of rapeseed, the Buyer is entitled to a discount on the purchase price, specifically:

Oil content: 1,5 % discount on the contract price per tonne for each percentage (or fraction thereof) below the oil content specified in the contract (reduced by 1 percentage point).

| Impurities | Free fatty acids |
|--|--|
| 2% - 3.99% = 1% discount on the purchase price | 2% - 3.99% = 2% discount on the purchase price |
| 4% - 5.99% = 2% discount on the purchase price | 4% - 5.99% = 2.5% discount on the purchase price |
| From 6% = 3% discount on the purchase price | From 5% = 3% discount on the purchase price |

| Erucic acid | Humidity |
|---|---|
| 2% - 2.99% = 7% discount on the purchase price | 8,1 % - 9,0 % = discount 100 CZK/t |
| 3% - 4.99% = 10% discount on the purchase price | above 9.0% - the goods will be returned |
| From 5% = 15% discount on the purchase price | |

4. In the event that the object of purchase is biomass pellets - fuel and these goods do not comply with the conditions specified in the Specification of biomass pellets - fuel, the Buyer is entitled to a discount on the purchase price, specifically:

- Moisture tolerance up to 12%, then for each percentage of moisture above this limit - discount 100 CZK/t.
- Deductions for calorific value - will be applied additionally after sample analysis in an accredited laboratory. In case of calorific value below 16,5 GJ/t, 100 CZK/t will be deducted from the price for every 0,5 GJ/t below 16,5 GJ/t.

5. The Buyer undertakes to pay the Seller the purchase price specified in the Contract, based on the invoice issued by the Seller.

6. The Seller shall issue an invoice that will serve as an accounting document according to the Accounting Act and will contain the requirements of a tax document according to the ITA or other legal regulations. In the case where the subject of purchase is biomass pellets - fuel, the Seller shall indicate on the invoice the type of supported biomass sold in accordance with Annex 1 of Decree 110/2022

7. If the invoice does not contain the details of an accounting document according to the Accounting Act and/or tax document according to the Tax Act, or according to other legal regulations, as well as the details stipulated by the Contract including these GTC and/or contains factual or content inaccuracies, the Buyer is entitled to return the invoice to the Seller together with a written indication of the defects or shortcomings of the invoice in question. In such case, the Seller is obliged to issue a new invoice, free of defects or deficiencies and with a new due date, so that the due date of the new invoice corresponds to the full length of the agreed due date.

8. Unless otherwise agreed by the Parties in the Contract, the due date of the invoice issued under the terms of the Contract is 30 days from the date of delivery to the Buyer. The Buyer shall pay the purchase price of the Goods by wire transfer to the account designated by the Seller in the invoice. The Seller is obliged to designate for payment of the Purchase Price only the account number which is an account duly notified to the locally and functionally competent tax administrator and published by him within the meaning of the Tax Act, unless the relevant legislation provides otherwise. Payment shall be deemed to have been made when the entire invoiced amount has been debited from the Buyer's account. The Buyer is entitled to pay the purchase price by unilateral set-off of its claims.

9. In the event of the Buyer's default in payment of any amount under the Contract, the Seller shall be entitled to demand interest on the overdue amount annually at the repo rate set by the Czech National Bank for the first day of the calendar half-year in which the default occurred, increased by eight percentage points.

10. The Seller undertakes to send the original invoices including other attachments electronically in machine-readable format to the email address: invoices@bioenergo-komplex.cz.

11. By signing the Contract, the Seller declares that it properly registers and reports all performances under the Contract in its accounting records, and if it is a VAT payer, then also in the relevant records for VAT purposes. The Buyer is entitled to require the Seller to prove that it properly registers and reports the performances under the Contract in its accounting records and records for VAT purposes (the said facts are proved by the output from the accounting system or by submitting tax claims, summary reports and control reports). The Seller further declares that in connection with all performances under the Contract it shall comply with all tax obligations that may arise from such performances and that it shall pay all taxes due in connection with such obligations in due and timely manner. The Seller declares, if it is a VAT payer, that it is aware of its obligation to pay VAT on the purchase price to the tax authorities and that it will pay VAT properly, on time and in the correct amount. The Seller undertakes to always use the identification number under which it is registered for VAT and which it is obliged to indicate in the heading of the Contract in relation to the Buyer. In the event of cancellation of VAT registration, the Seller is obliged to inform the Buyer of this fact within 24 hours of cancellation of VAT registration. Otherwise, if the Seller violates this provision of the GTC, he is obliged to pay the Buyer for the damage incurred, with the obligation to compensate the Buyer for the damage within 14 days of receipt of the Buyer's request for compensation.

12. The Parties agree that in cases where the Buyer is or may become liable for the payment of VAT, or if the Buyer becomes or may become so as a result of a change in the legal regulation, the Buyer is entitled, in accordance with the relevant provisions of the VAT Act (in particular the provisions of Sections 109 and 109a), to pay to the account of the Seller the purchase price of the Goods without value added tax. The amount corresponding to the value added tax shall be paid by the Buyer to the Seller, as the provider of the taxable supply, instead of to the Seller, as the provider of the taxable

supply, to the deposit account of the Seller's tax administrator with the data necessary for the identification of the payment in accordance with the relevant provisions of the VAT Act. The payment of the value added tax to the account of the relevant tax administrator of the Seller shall thus fulfil the Buyer's obligation towards the Seller to pay the purchase price in the amount of the tax paid.

13. The Buyer undertakes to inform the Seller without undue delay about the payment of value added tax to the account of the relevant tax administrator of the Seller in accordance with the provisions of the VAT Act.

14. If the Buyer is called upon by the locally competent tax administrator to pay VAT on behalf of the Seller, the Buyer is entitled to unilaterally set off its recourse claim against the Seller resulting from this payment against any payable claim of the Seller against the Buyer; the agreed price under the Contract shall be deemed to be paid even if the Buyer pays the tax on behalf of the Seller in accordance with the relevant provisions of the VAT Act. The Buyer undertakes to inform the Seller of this procedure.

15. The Seller is not entitled to assign any of its claims against the Buyer to a third party without the Buyer's prior written consent.

IV. TERMS OF DELIVERY, ACCEPTANCE OF GOODS AND TRANSFER OF RISK OF DAMAGE TO GOODS

1. The Seller is obliged to deliver the Goods to the Buyer within the term of the Contract, to hand over to the Buyer the Transport Documents relating to the Goods and to enable the Buyer to acquire ownership of the Goods. Delivery terms shall be governed by the international rules for the interpretation of delivery clauses of INCOTERMS 2010, unless otherwise agreed in the Contract.

2. The Seller shall deliver the Goods to the Buyer or a third party designated by the Buyer at the place of delivery specified in the Contract or subsequently agreed between the Parties. Unless otherwise agreed, the place of delivery of the Goods shall be the registered office of the Buyer. If the Contract provides for a place of delivery of the Goods other than the Buyer's registered office, the Seller shall notify the Buyer of the instructions for delivery of the Goods a reasonable time in advance of the date of delivery, not later than 5 working days before the commencement of carriage. In the event that the Buyer requires delivery of the Goods to a delivery point other than that specified in the Contract, the Buyer undertakes to notify the Seller of such other delivery point no later than 2 working days before the commencement of carriage. Notification of the change of delivery point shall be made by the Buyer via e-mail, with the Seller confirming the new delivery point to the Buyer.

3. The goods are duly delivered on condition of actual delivery to the place of delivery in the presence of the Buyer or his authorized representative, unless otherwise agreed. The Buyer shall acquire title to the Goods as soon as the Goods delivered to him are actually handed over. The Buyer acquires the right of ownership even if the Seller is not the owner of the goods sold, unless at the time when the Buyer should have acquired the right of ownership he knew or should have known and could have known that the Seller is not the owner and that he is not entitled to dispose of the goods for the purpose of sale. Prior to delivery of the Goods, the Buyer acquires title to the Goods if he has acquired the right to dispose of the consignment.

5. The risk of damage to the Goods shall pass to the Buyer upon receipt of the Goods from the Seller. In the event that the Seller sends the Goods to the Buyer by means of a carrier, the risk of damage to the Goods shall pass to the Buyer at the moment of receipt of the Goods from the carrier by the Buyer.

6. The Seller is obliged, if it arranges the transport of the Goods:

- a) provide the Buyer with the identification details of the means of transport that will transport the Goods;
- b) ensure that there are no other Goods or products in the storage space for the Goods;
- c) ensure the cleanliness of the means of transport, the way of ensuring the impossibility of the Goods' deterioration during transport to the place of delivery, in particular that the means of transport does not carry toxic, hazardous material, fertilizers, etc., which shall be evidenced by a Declaration (goods guide) on the cleanliness of the car;
- d) ensure that the Goods transported are carefully covered with a tarpaulin in the case of the use of a truck, trailer or semi-trailer;
- e) ensure that the seals of the means of transport are checked to ensure that no losses occur during transport;
- f) ensure that the weight of the loaded means of transport does not exceed the maximum permissible weight in accordance with the legislation in force at the place of loading of the Goods, during transport, up to the place of delivery of the Goods. In the event that the Seller discovers any deficiencies during the inspection, the Seller shall inform the Buyer thereof before the Goods are loaded onto the means of transport and, in the event that the Seller discovers any deficiency in the security of the Goods during transport and their careful covering with a tarpaulin, the Seller shall inform the Buyer thereof without undue delay after the discovery of such deficiency, with the understanding that it shall proceed in accordance with the Buyer's instructions. In the event that the Seller discovers the deficiency, the Seller shall not be entitled to load the Goods into a means of transport or to send the Goods for carriage without the Buyer's consent.

7. The Seller undertakes to hand over to the Buyer the originals or officially certified photocopies of the following Transport Documents no later than upon delivery of the Goods to the place of delivery:

- i. Delivery note (in case the subject of purchase is biomass pellets - fuel, the type of biomass fuel sold must be indicated in accordance with Annex 1 of Decree 110/2022);
- ii. A serious ticket;
- iii. a certified CMR International Waybill or CMR Waybill issued by the carrier;
- iv. A label on the composition of the Goods in the case of the sale of rapeseed expeller and rapeseed oil for feed purposes; the label must comply with the requirements of the Food Act.

8. On receipt of the Goods, the Buyer or a person authorised by the Buyer, such as the Warehouseman, shall check all details of the Shipping Documents. In the event that any are missing, the Buyer shall contact the Seller without undue delay with a request to complete the missing data or Shipping Documents and the Seller undertakes to forward the missing data and Shipping Documents to the Buyer so that the Goods can be taken over as soon as possible. Upon receipt of the Goods, the Buyer, or its authorised representative, such as the Warehouseman, shall issue its Weight Ticket and provide a copy to the Seller. Similarly, the Buyer or its authorised representative, such as the Warehouseman, shall sign the International CMR Bill of Lading / CMR Waybill (and in the case of rapeseed oil, the Goods Receipt) copies of which shall subsequently be provided to the Seller.

9. Upon delivery of the Goods to the place of delivery, the Buyer is entitled to take a Reference Sample of the Goods. The quality control of the Goods based on the Reference Sample shall be carried out by the Buyer's laboratory.

V. RIGHTS AND OBLIGATIONS OF THE PARTIES

1. The Seller shall deliver the Goods to the Buyer on the terms and conditions set out in the Contract and these GTC.
2. For the purposes of the Contract, circumstances which may affect the performance of the contractual obligations shall be deemed to be Force Majeure. By contrast, the Contracting Parties do not consider changes in weather conditions, prolonged droughts, rains and similar adverse weather conditions or obstacles arising from the personal circumstances of the obliged Contracting Party or arising only at the time when the obliged Contracting Party was in default of the performance of the contractual obligation, or obstacles that the obliged Contracting Party is obliged to overcome, in particular a technical failure of the Seller's equipment, to be Force Majeure. However, the Seller is obliged to inform the Buyer about these facts without delay, to notify the Buyer of the reason for the delay, the estimated duration of their elimination and the deadline for fulfilling the obligation.
3. The Obligated Party shall not be liable for breach of an obligation under the Contract if the breach was caused by Force Majeure. The Party claiming Force Majeure against the other Party shall inform the other Party in writing without undue delay, stating the causes and the probable duration of the Force Majeure. The obligations of the Parties under the Contract shall be suspended for the duration of the Force Majeure event. The Party shall also be obliged to indicate how it will minimise the effects of the Force Majeure.
4. If performance of the Contract becomes impossible due to Force Majeure, the Parties shall agree on a corresponding amendment to the Contract in relation to the Goods, price and time of performance. If no agreement is reached, either Party shall be entitled to withdraw from the Contract by unilateral declaration sent by registered letter to the other Party.
5. The Buyer acknowledges and agrees that the Seller, if it so chooses, shall insure claims against the Buyer arising from the Contract.

VI. RIGHTS UNDER LIABILITY FOR DEFECTS

1. A defect in the Goods is a condition where the function, quality or quantity of the Goods delivered is not in accordance with the terms and conditions specified in the Contract, these GTC, including the Specification for Rapeseed Seed or the Specification for Quality - Biomass Pellets - Fuel, as applicable, and/or where the Goods do not conform to the documentation provided, even if the defect becomes apparent later.
2. The Seller is responsible for the fact that the Subject of Purchase delivered by him will be free from any defects. The rights and obligations of the Parties arising from defective performance shall be governed by the applicable generally binding legal regulations. The Seller undertakes that the Goods delivered shall be free from any defects for the agreed or otherwise usual purpose and that they shall retain all the agreed or otherwise usual characteristics for the duration of the warranty period. The Seller provides the Buyer with a guarantee of the quality of the Goods for a period of 2 years.
3. The Buyer shall, upon delivery of the Goods to the agreed place of delivery, properly inspect the Goods and notify the Seller of any defects immediately upon discovery. In the case of defects which the Buyer has detected on the basis of the Reference Sample taken, the Buyer shall send the results of the Reference Sample to the Seller together with the notification of defects. The place of quantity and quality acceptance shall be the place designated by the Buyer as the place of destination. These measured values shall be decisive and unchangeable. The Buyer shall

notify the Seller of defects detectable only during subsequent processing of the Goods by the Buyer (in particular pressing) within 10 working days of the date on which such defect was detected.

4. The Seller is obliged to send the Buyer a notice of acceptance of the Buyer's claim or a proposal for further action to resolve the claim without undue delay, no later than 5 working days after receiving written notification of the identified defects in the Goods. In the event that the Seller does not accept the results of the Buyer's Reference Sample Laboratory, the Seller shall notify the Buyer of this fact within 3 days from the date of sending the Buyer the result of the inspection. In such case, the Buyer shall send the Reference Sample to an Accredited Laboratory for testing. If the Accredited Laboratory determines on the basis of the Reference Sample that the Goods from which the Reference Sample was taken do not comply with the conditions agreed in the Contract and/or the GTC, or the Rapeseed Seed Specification or the Quality Specification - Biomass Pellets - Fuel, as the case may be, the Buyer shall be entitled to recharge the Seller for all costs incurred in verifying the quality of the Goods or the Reference Sample.

5. If the Goods are defective, the Buyer is entitled, at its option, to:

- i. require delivery of replacement Goods for the defective Goods,
- ii. require delivery of the missing part of the Goods,
- iii. require the removal of legal defects,
- iv. require the removal of defects by repairing the goods if the defects are repairable,
- v. demand a reasonable discount on the purchase price of the Goods, or
- vi. in the event of a material breach of the Contract, withdraw from the Contract, in particular if the complaint is not settled by the Seller within 30 days of written notification of the defect by the Buyer, or within 15 days of receipt of the results of the analysis of the Reference Sample.

6. The Buyer is entitled to notify the Seller of the choice of the right of defective performance under the preceding paragraph within 5 working days, or within 2 working days from the date of receipt of the Seller's proposal to resolve the claim.

7. The exercise of the right of defective performance does not affect the Buyer's right to compensation for damages caused by the provision of defective performance.

VII. STATEMENT

1. By signing the Contract, the Seller declares that

- a. is in a good economic situation, has sufficient financial means to pay all payments under the Contract;
- b. it duly and timely fulfils its obligations and is not subject to any enforcement or insolvency proceedings and is not threatened with the commencement of any of the aforementioned proceedings;
- c. is not engaged in any litigation and is not a party to any proceeding in which failure would result in an obligation whose performance would be impossible or could economically or otherwise threaten or destabilize the Seller, nor is it threatened with such a proceeding;
- d. duly and punctually fulfils all its due obligations;

- e. it is not outside the context of its own business, and the person who signed the Contract was an authorized representative of the Seller, which is a duly established and existing legal entity or a natural person doing business;
- f. has had the opportunity to familiarize himself with the contents of the GTC prior to the conclusion of the Contract, understands and has sufficiently discussed the contents with the Buyer and wishes to be bound by the Contract and the GTC.

2. The Seller further declares that he is not a person with whom proceedings for registration in the register of unreliable taxpayers are being conducted and is not an unreliable taxpayer and is not threatened with the initiation of proceedings for registration in the register of unreliable taxpayers, and undertakes to inform the Buyer that he may have become an unreliable taxpayer under the VAT Act.

3. By signing the Contract, the Seller declares that he is aware of the consequences of making false or incomplete statements and undertakes to compensate the Buyer for any damage incurred as a result of the falsity of any statement. The Seller undertakes to maintain the truthfulness of all declarations throughout the duration of the obligation under the Contract.

4. The Parties declare that neither of them feels itself to be and is not the weaker party, that they have experts to consult on the content of their mutual rights and obligations, and that they exclude that they are unreasonably prejudiced by the Contract or these GTC or that any of their provisions are grossly disproportionate to their mutual rights and obligations.

5. At any time during the term of the Contract, the Seller undertakes to provide the Buyer, upon the Buyer's request, with an extract from the Commercial Register not older than 30 days from the date of execution.

VIII. WITHDRAWAL FROM THE CONTRACT

1. The Buyer has the right to withdraw from the Contract in whole or in part in the event of a material breach of the Contract or a legal obligation by the Seller and provided that the Seller has not remedied the breach, even within an additional period of time provided by the Buyer. For the purposes of the Contract, a material breach of the Contract by the Seller shall be deemed to be in particular:

- (i) if the Seller fails to deliver the Goods properly and on time;
- (ii) if the Buyer discovers defects in the delivered Goods that could not be subsequently removed;
- (iii) if any of the Seller's statements in Article VII of these GTC prove to be false.

2. The discovery of defects only during subsequent processing of the Goods by the Buyer (especially odor) is also considered a material breach of contractual obligation by the Seller and the Buyer is entitled, regardless of the possibility of delivery of new or replacement Goods for defective Goods by the Seller, to withdraw from the Contract.

3. The Seller has the right to withdraw from the Contract in whole or in part in the event of a material breach of the Contract by the Buyer. For the purposes of the Contract, a material breach of the Contract shall be deemed to be:

- (i) if the Buyer fails to pay the purchase price properly and on time, more than 60 days after the due date;

- (ii) if the Buyer unreasonably refuses to accept the Goods delivered in accordance with the Contract and these GTC.

4. Withdrawal from the Contract is effective upon delivery of a written expression of will of the withdrawing Party to the other Party with a specific reason for withdrawal, provided that the reason for withdrawal must be sufficiently specified.

5. Upon termination of the Contract, all rights and obligations of the Parties shall cease with ex tunc effect, except for the right to compensation for damages (including damages and lost profits) and the payment of unjust enrichment, payment of contractual penalties, confidentiality, choice of law and jurisdiction in the event of dispute resolution between the Parties and provisions relating to rights and obligations which by their nature are intended to survive termination of this Contract.

IX. SANCTIONS

1. In the event of non-delivery of the Goods within the agreed time according to the Contract, provided that the Seller has not delivered the Goods even within the alternative period provided to him, the Buyer is entitled to demand from the Seller a contractual penalty in an amount equal to 5% of the purchase price of the undelivered Goods for each day of delay.

2. In the event that a defect is found in the subsequent processing of the Goods which results in the Buyer's withdrawal from the Contract, the Buyer is entitled to claim a contractual penalty in an amount equal to 5% of the purchase price of the defective Goods.

3. In case of breach of the Seller's obligation to deliver the agreed volume of biomass pellets - fuel, or in case of delay in its delivery, the Buyer is entitled to demand from the Seller payment of a one-time contractual penalty in the amount of CZK 2.000,- for each undelivered ton of biomass pellets - fuel, or a ton of biomass pellets - fuel, the delivery of which the Seller is in delay. In the event of breach of the Seller's obligation to deliver the agreed volume of rapeseed under the Contract, or in the event of delay in its delivery, the Buyer is entitled to demand from the Seller payment of a one-off contractual penalty in the amount of CZK 3,500,- for each undelivered tonne of rapeseed, or tonne of rapeseed, the delivery of which the Seller is in delay.

This does not exclude the Buyer's possibility to claim other contractual penalties according to this Article IX of these GTC.

4. The payment of the contractual penalty under this article of the GTC shall not affect the Buyer's claim for compensation for damages (including damages) or the release of unjustified enrichment arising from the breach of obligation; the contractual penalty shall not be counted towards the compensation for damages or the release of unjustified enrichment.

5. All contractual penalties are payable within 10 days from the date of delivery of the demand for payment of the contractual penalty by the entitled Party to the obliged Party.

X. REPLACEMENT OF INTEREST

1. A Party that breaches any obligation under the Contract shall be liable to compensate the other Party for the loss (including damages and lost profits) caused by its breach.

2. The obligation to compensate for damage does not arise if the failure of the obliged Party to fulfil its obligation was caused by the act, omission or delay of the injured Party or by the lack of cooperation to which the injured Party was obliged. The Party that has committed the breach of duty shall not be

obliged to compensate the other Party for the damage caused thereby, if it proves that such breach of duty was the result of an extraordinary unforeseeable and insurmountable obstacle or Force Majeure.

3. If any obligation under the Contract is breached by either Party and the other Party or both Parties suffer damage as a result of such breach, the Parties shall use their best efforts and means to amicably settle such damage out of court.

XI. TERMINATION OF OBLIGATIONS UNDER THE CONTRACT

1. The obligation under the Contract shall terminate upon performance or by written agreement of the Parties to terminate or withdraw from the Contract.

2. Unless otherwise agreed, the termination of an obligation under the Contract shall not affect the provisions relating to:

- (i) contractual penalties,
- (ii) compensation for damages (including damages and loss of profit),
- (iii) confidentiality,
- (iv) choice of law and jurisdiction in the event of disputes between the Parties,
- (v) the provisions of those rights and obligations which by their nature are intended to survive the termination of this Agreement.

XII. SUBMISSION

1. The Parties undertake to inform each other without delay of all important facts relating to the performance of the Contract, in particular of circumstances which could jeopardise its performance.

2. The Parties agree that, unless otherwise agreed in the Contract, documents to be delivered by postal service providers shall be delivered to the address of their registered office as entered in the Commercial Register. In the event of a change in the delivery address or other relevant information, the Contracting Party undertakes to notify the other Contracting Party in writing without undue delay. The Seller may be served at its electronic address.

3. In the event of non-acceptance of the consignment, the last day of the storage period with the postal service operator shall be considered the date of delivery, even if the addressee has not been informed of the deposit of the document. In the case of refusal to accept the mail, the day on which the refusal to accept the mail was made.

4. The Parties agree that a change of identification data, in particular a change of registered office and/or place of business, a change of statutory bodies, or a change of contact details, shall not be deemed to be a circumstance modifying this Agreement. However, the Seller is obliged to inform the Buyer of such facts/changes.

XIII. MILKING

1. The Parties undertake to keep confidential all facts of which they become aware in connection with the performance of the Contract and to protect all confidential data and information arising out of and in connection with the performance of this Contract of which they become aware by any means (including its contents) and which are not generally available. The Seller acknowledges that the terms and conditions of the transactions (in particular price and other circumstances) and information about

the Buyer's contractual partners (Warehousemen, carriers, buyers or customers and others) are confidential information and constitute trade secrets of the Buyer.

2. The Parties undertake not to disclose such data, information and facts to any third party not bound by the obligation of confidentiality provided for by law without the prior written consent of the other Party and not to use them for any purpose other than the performance of the Contract. Such consent of the other Party shall not be required where the Party is obliged to disclose or make public such information in order to fulfil its obligations under generally applicable law.

3. The Parties undertake to instruct all persons who will be involved in the performance of the Contract on their side of the obligation of confidentiality and protection of confidential information, and further undertake to ensure compliance with these obligations by all persons involved in the performance of the Contract in an appropriate manner.

4. The termination of an obligation under the Contract for any reason shall not affect the obligation of confidentiality and preservation of confidential information.

XIV. COMMON AND FINAL PROVISIONS

1. The Contract, these GTC and all relations arising from and related to them are governed by the legal order of the Czech Republic, in particular the Civil Code, even if the conflict of laws rules refer to another legal order.

2. Unless otherwise provided in the Contract, the Parties undertake to resolve any dispute arising under or in connection with these GTC and/or the Contract preferably amicably within thirty days from the date on which one Party notifies the other Party of the dispute. The Parties agree that all disputes between them that have a basis in the Contract and these GTC, as well as any other disputes that may arise between them in connection with the contractual relationship under the Contract and these GTC (including disputes in tort), shall be exclusively settled by the courts of competent jurisdiction in the Czech Republic with local jurisdiction given by the registered office of the Buyer at the time of filing a lawsuit or other motion to initiate proceedings.

3. These GTC are valid and effective until the date of entry into force and effect of the new GTC. The contractual relationship between the Seller and the Buyer shall be governed by the GTC currently in force and effective at the time of conclusion of the Contract.

4. The Contract may be amended by agreement of both Parties.

5. The Buyer is entitled to make a change to these GTC, while the obligation to notify the Seller of such a change shall be fulfilled by publishing the new GTC on its website www.bioenergo-komplex.cz, no later than 2 months before their entry into force. The Seller is entitled to refuse to change the GTC within 1 month before the new GTC comes into force. If the Seller does not refuse the new GTC within the aforementioned period, they shall be binding towards him in the amended form from the moment of the effectiveness of the amendment specified by the Buyer.

6. In the event that any provision of the Contract or these GTC is or hereafter becomes for any reason apparently invalid, void, ineffective or unenforceable, this shall not affect the Contract as a whole or any other provision thereof, provided that such provision is severable from the other parts and provided that it can be assumed from its content or from the circumstances under which it was concluded that the legal transaction would have occurred without the defective part if the Parties had recognized the defect in the provision in time. In such a case, the Parties undertake to promptly replace the apparent, invalid, ineffective or unenforceable provision of these GTC with another provision that

most closely matches the substance, meaning and purpose originally intended by the Parties by the defective provision.
