



Offer:

**Service contract 2024 / 2025 for Waste to Energy plant
UAB Kauno kogeneracinė įmonė, Lithuania**

Customer: UAB Kauno kogeneracinė įmonė

Plant: Waste-to-Energy-plant Kauno kogeneracinė įmonė



Please note the following: In 2024, support is only possible via remote access. Any subsequent text passage that refers to the execution of work on site can only be carried out from 2025 onwards.

The operation of your plant is a dynamic process; the composition of the waste delivered may be subject to fluctuations and the acceptance of additional fractions (sewage sludge co-incineration, etc.) may require adjustments to the parameters of the combustion control. In addition regular (post-) training of the operating personnel minimizes the risk of any mistake that can have a negative impact on the behaviour of the combustion. Newly hired employees receive first-hand training when one of our combustion specialists is on site. So there are several reasons that may require regular attendance of our employees on site.

Performing services on the basis of an existing agreement has advantages. Separate individual offers for diverse services are not necessary, only a purchase requisition is sufficient. Support via remote access is also part of this agreement. After discussion between both parties, it is decided which work can or cannot be carried out on this basis. For activities that are outside of the scope of this agreement, individual offers are made.

You hereby receive our offer for a service contract with a term of approximately two years.

The service contract is agreed between both contracting parties and applies under the following conditions:

Location: Waste-to-Energy-plant Kauno kogeneracinė jėgainė, Lithuania

- On site and via remote access.
- Timeframe: Service contract for 2024 and 2025; an extension requires consultation between both contracting parties.
- On-site support on request and in coordination between both parties.
- Support via remote access on request and in coordination between both parties.
- An contingent of € 20,000 / year will be agreed (at Clients discretion).
- Invoicing of the services is based on executed effort and to the hourly workrates of SAR Elektronik GmbH, which are part of this offer (if no work is carried out, no invoices are issued).
- The services are provided from Monday til Friday (in dayshift; works outside these working hours must be agreed upon).
- After completion of the work, a working hour form must be signed by the client. This form is the basis for the invoicing.
- This signature serves the purpose of recognition of the executed tasks only. No legal acceptance is provided with this signature.

Remote access support

The remote access allows SAR to observe the ongoing combustion process remotely in order to get an overview and a first impression of the current situation, and consecutively assess the plant-behavior.

The remote access support is not comparable to a presence on site. It can merely be used to assess whether a problem can be solved by recommending a slight adaptation in operator handling, a change in parameter settings or a small intervention in the CCS-software. By extensive or complex problems a presence on site is needed in order to assess the effects of a modification on all aspects and to be able to intervene at once in the event of undesirable (secondary) effects. The remote access can also help to avoid unnecessary travelling to site. Changes are made only in consultation with the client. Remote access is only executed on clients request.



SAR Environmental Technology

Hourly rates 2024 – 2025 (full year) for an

- **Process engineering commissioning engineer**
- **Firing specialist**
- **Software programmer**

Invoicing is based on the actual costs incurred, according to the hourly rates listed below, plus VAT.

Hourly rate on site on weekdays for 10 hours per day	Monday – Saturday within 06:00 a.m. to 10:00 p.m.	135,00 €
Hourly rate weekdays in house (SAR-office) for 8 hours per day	Monday – Friday within 08:00 a.m. to 06:00 p.m.	95,00 €
Hourly rate overtime:	from 11 th hour on site from 9 th hour in house	+ 25 % + 25 %
Night allowance:	from 10:00 p.m. to 06:00 a.m.	+ 25 %
Hourly rate for Sundays and bank holidays:		+ 50 %
Arrival- / Departure, travelling time:		equally working time
Travelling costs by car: Travelling costs by railway, plane etc.:		0,70 € / km against receipt
Overnight costs:		against receipt
Bill of expenses:		against receipt
Additional catering costs:		inclusive

Following costs / works are not part of the offer:

- Programming and / or troubleshooting in DCS, with the exception of tasks agreed upon between client and contractor.
- Plant observation and -operating outside the SAR scope of delivery.

Response time after request:

No binding statement can be made as to how long it will take for the contractor to be on site following a request from the client and/or to be able to provide support remotely. The service offered is service operations in the scope of firing and combustion control. Training for the staff who operate the "tool" SAR-CCS is also part of the scope. These are not unexpected and urgent operations that require the shortest possible response time. Service operations can only be carried out in coordination with and in consideration of other assignments. These are binding commitments that we have made to our customers. Requesting a service operation cannot mean that we no longer feel bound by these commitments. It can happen that we respond very promptly, but it can also be that weeks pass before our employees have the opportunity to go on site. It is not possible to give an average response time.

General terms of contract:

Liability:

SAR is liable for intent, gross negligence as well as personal injury according to the legal regulations. As far as law does not direct anything else, consequential damages or indirect damages are excluded. Especially damages caused by loss of production or loss of profit are excluded from the liability of SAR – as far as there is no coverage by any insurance. The joint liability out of this quotation is concluded limited to 100% of the amount of the order.

Copy rights:

The text of this proposal, as well as all the specifications, drawings, software, plans and other documents, which are drawn up in the order, highly contain, among other things, patent-protected know-how, ideas and development services of SAR. All documents and information may not be copied, evaluated, reproduced or made accessible to third parties without the explicit permission of SAR. Details of this are also subject to the legal regulations. Exceptions to this are subject to the written approval of SAR.

Reservation of ownership:

It is understood that the legally regulated reservation of ownership is valid.

Carrying out the service:

An unimpeded start-up sequence is assumed without interruption or only with intermittent interruptions. In case of interruption of commissioning, for reasons not attributable to the fault of SAR, the additional costs for the arrival and departure will be compensated by the customer.

If the service work is delayed for reasons not attributable to the fault of SAR, more than 10% of the agreed or offered commissioning-period, the resulting costs will be borne by the customer. For all commissioning operations it is assumed that the plant is available unimpeded during the entire commissioning-period in order to be able to carry out the necessary functional tests and optimisations.

Force majeure:

Shall mean circumstances which are independent of the will of the contracting parties and beyond their power to act and which do not result from contractual failures and were not foreseeable and prevent the continuation of the project in parts or as a whole. Events listed below shall not be considered as force majeure:

- Adverse circumstances in the execution and implementation of the contractual agreements,
- Reasons attributable to subcontractors or other persons and/or companies engaged by the supplier
- Defects in materials and components purchased by the supplier,
- Legal proceedings caused by the supplier's failure to comply with legal regulations,
- Adverse weather conditions if within the scope of long-term observations,
- Construction site closures due to holidays

Force majeure within the meaning of this contract shall be all unforeseeable events or events which – even if they were foreseeable – are beyond the control of the contracting parties and whose effects on the performance of the contract cannot be prevented by reasonable efforts of the contracting parties. These include, but are not limited to, unavailability of necessary materials (if ordered on time), war, warlike condition, riot, revolution, rebellion, insurrection, tumult, blockade, embargo, government order, sabotage, strike (including concentrated strike), slowdown, lockout, epidemic/pandemic, (e.g. Covid), fire, flood, storm surge, other severe weather on the scale of a catastrophe, earthquake, landslide, lightning strike.



Term of the contract:

01.04.2024 – 31.12.2025

Validity:

We are bound by this offer until **01.04.2024**

Terms of payment:

Payment: 100% after completion of each individual order.

Period for payment: 30 days, without deductions.

All prices are exclusive of VAT.