

WORKS PURCHASE AND SALES AGREEMENT No.

Klaipeda

Joint-stock company "KN Energies" (hereinafter referred to as **the Customer**), represented by
and

Emco Wheaton GmbH (hereinafter referred to as **the Contractor**), represented by

hereinafter the Customer and the Contractor are jointly referred to as **the Parties**, and each individually as a **Party**,

whereas, by the decision of the Customer, the Contractor was recognized as the winner of (10842) Maintenance works of the HPLA system at the Klaipeda LNG Terminal (hereinafter referred to as **the Purchase**), executed in accordance with the Law on Contracting Entities in the Field of Procurement in the Field of Water Management, Energy, Transport or Postal Services (hereinafter referred to as **the Law**) and the public limited company "KN Energie" low-value procurement organization procedure,

therefore, the Parties, desiring to assume contractual obligations, have agreed and concluded this work purchase and sale agreement (hereinafter referred to as **the Agreement**), which consists of the Special Conditions (hereinafter referred to as **the SC**) and the General Conditions (hereinafter referred to as **the GC**), with all its annexes, amendments and supplements.

I. SPECIAL CONDITIONS (SS)

1. Subject of the contract

- 1.1. By this Agreement, the Contractor undertakes, at its own expense and risk and from its own materials, unless otherwise specified in the Agreement, to perform the works provided for therein and discussed in this Agreement in accordance with the technical task submitted by the Customer (hereinafter referred to as **the Technical Task**), to supply, install equipment and materials, to provide services as described in the Agreement (hereinafter referred to as **the Works**) and to transfer the results of the Works to the Customer, while the Customer undertakes to accept the completed Works that meet the quality requirements and to pay for them in accordance with the terms and procedure specified in the Agreement.
- 1.2. The Contractor does not plan to use subcontractors (hereinafter referred to as **subcontractors**).
- 1.3. The location of the work is **Klaipeda LNG Terminal Jetty**.
- 1.4. The Agreement is concluded for a period of 24 months. Agreement can be prolonged one time for a period of 12 months. Agreement is valid for the maximum period of 36 months or until the maximum Agreement price is reached, whichever comes first.
- 1.5. The Contractor shall perform the Works within the terms agreed in advance with the Customer (hereinafter referred to as **the "Work Completion Term"**).
- 1.6. Performance of the Works and their transfer to the Customer is not divided in stages. Schedule for the performance of the Works (hereinafter referred to as **the Schedule**) is not applicable. The Works shall be completed within the term agreed in writing by the Parties.
- 1.7. The Contractor shall commence the Works on the date agreed in writing with the Customer (by e-mail) (hereinafter referred to as **the "Commencement Date"**).
- 1.8. **The deadline for the completion of the Works** may be extended by agreement between the Parties in the cases and in accordance with the procedure set out in this Agreement (hereinafter collectively referred to as **the "Work Completion Deadlines"**).

2. Agreement price (pricing rules) and payment terms

- 2.1. Initial Agreement price – **50 000,00 EUR (fifty thousand EUR 00 ct)** excluding value added tax (hereinafter referred to as **VAT**) . VAT is not applicable.
- 2.2. The Agreement is subject to the method of calculating the price according to **the methodology for determining the Pricing Rules, approved by order of the Director of the Public**

Procurement Service (current version), (hereinafter referred to as **the Pricing Rules**) – fixed rates and compensation of actual costs.

- 2.3. The Works are purchased according to the Customer's needs, applying the rates specified in Annex 3 to the Agreement, not exceeding the maximum price of the Agreement. The materials required for the performance of the Works and other costs related to the performance of the Works are paid to the Contractor on the principle of compensation of actual costs of the performance of the Agreement.
- 2.4. The amount of compensation for actual costs during the performance of the Agreement may not exceed EUR 30,000.00 excluding VAT, this amount is included in the maximum price of the Contract. Only the following costs will be considered as actual costs during the performance of the Contract: Materials required for the performance of the Works, other costs (including but not limited to: accommodation, meals, travel expenses, etc.), not higher than those corresponding to the market. Actual costs shall only be reimbursed to the Contractor if they have been prior approved in writing by the Customer. Any costs incurred without such prior written approval shall not be reimbursable under this Agreement. Upon request by the Customer, the Contractor must provide third-party documents substantiating the costs. The Contractor's profit cannot be included in the actually incurred costs.
- 2.5. The Customer pays the Contractor **for the Works actually performed and accepted by the Customer**.
- 2.6. VAT invoices for properly and timely completed Works, issued on the basis of the Work Transfer-Acceptance Act signed by both Parties, within 30 (thirty) calendar days from the date of receipt of the VAT invoice (hereinafter referred to as **the Invoice Payment Term**).

3. Agreement enforcement and liability

- 3.1. The performance of the Agreement is ensured by penalties (delay interest and fines).
- 3.2. The amount of late payment interest payable by the Contractor in the cases provided for in this Agreement is **0,05 % (five hundredths)**, calculated from maximum Agreement price (hereinafter referred to as **the Contractor's late payment interest**).
- 3.3. The amount of late payment interest payable by the Customer in the cases provided for in this Agreement is **0,05 % (five hundredths)**, calculated from the payable amount (hereinafter referred to as **the Customer's Late Payment Interest**).

4. Other provisions

- 4.1. When performing the Works and services related to the Works on the Customer's territory, the Contractor undertakes to comply with the procedure for implementing the requirements of employee safety, fire safety, physical safety and environmental protection specified in Annex No. 4 to the Agreement, as well as the requirements of occupational safety, health, civil protection, technological, environmental protection, sanitation, fire protection, technical and other legal acts and the Customer's instructions, not to violate the interests of third parties and to ensure that the requirements specified in this clause are complied with by the Contractor's employees and the third parties engaged by him.
- 4.2. When performing the Works and services related to the Works on the territory of the Customer, the Contractor undertakes to comply with the rules for recording incidents related to occupational safety and health set out in Annex No. 4 to the Agreement and to conduct an investigation and accounting of accidents that occurred with its own employees and any third party employees engaged in the performance of its work in accordance with the applicable legal acts of the Republic of Lithuania. If necessary, at the request of the construction manager, the Buyer shall appoint a competent person to work in the Contractor's commission. The Contractor shall organize first aid for victims of an accident or illness at work, and shall notify the Customer of all accidents, accidents or fires and ignitions.
- 4.3. Authorized persons of the Parties (hereinafter referred to as **the Authorized Persons**):
 - 4.3.1. The Customer's representative responsible for supervising the Contractor's performance of the obligations specified in the Agreement-

The Customer's representative specified in this clause has the right to sign the Works Transfer -Acceptance Acts and other

documents for the execution of the Agreement directly discussed in the Agreement, in accordance with the procedure established in the Agreement, but does not have the right to agree with the Contractor, orally, in writing or by any other actions and (or) methods, on changes or adjustments to the terms of the Agreement.

4.3.2. The Contractor's representative responsible for the performance of the Contractor's duties specified in the Agreement –

- 4.4. The reverse charge mechanism for VAT on works is applied in cases where the VAT law provides for such a possibility and all criteria are met.
- 4.5. Annexes to the Agreement, which are an integral part of this Agreement:
 - 4.5.1. Annex No. 1 – Technical Task.
 - 4.5.2. Appendix No. 2 – Form of the work transfer and acceptance act.
 - 4.5.3. Appendix No. 3 – Contractor's Proposal .
 - 4.5.4. Appendix No. 4. – Procedure for monitoring compliance with employee safety, fire safety, environmental protection and physical security requirements when carrying out work on the territory of AB “KN ENERGIES”
 - 4.5.5. Appendix No. 5. – Instructions for safe access to AB “KN Energies” facilities;
 - 4.5.6. Appendix No. 6 – Instructions for the safe performance of hot and cold work;
 - 4.5.7. Annex No. 7 – Instructions on general environmental protection requirements for sellers
 - 4.5.8. Annex No. 8 – Rules for calculating direct and indirect costs.
 - 4.5.9. Annex No. 9 – Confidentiality Undertaking.

II. GENERAL CONDITIONS (GC)

1. Subject matter of the contract

1. Subject matter of the contract

- 1.1. By this Agreement, the Contractor undertakes to perform the Works at its own risk, and the Customer undertakes to accept the Works completed properly and on time, meeting the quality requirements, and to pay the Contractor the Price for them. The Works include the supply of materials necessary for the performance of the Works and the provision of services, when their provision is necessary for the proper performance of the Works.
- 1.2. The Contractor shall perform the Works strictly in accordance with the Customer's Technical Task, in compliance with this Agreement and the applicable requirements established by the legal acts of the Republic of Lithuania.
- 1.3. In cases where the SC specifies a fixed price or a fixed price with revision and/or a method of calculating the price for compensation for Agreement performance costs, the Works are performed according to the Customer's needs and the Customer is not obliged to purchase all the Works and/or quantities specified in the Technical Task. The preliminary Works and their quantity are specified in the Technical Task.
- 1.4. In cases where the SC specifies a fixed price or a fixed price with revision and/or a method of calculating the price for compensation for Agreement performance costs, during the validity period of the Agreement the Customer may refuse part of the Works or reduce the scope of the Works, as well as order additional Works not provided for in the Technical Terms of Reference, as well as Works provided for in the Technical Terms of Reference, but exceeding their quantities or scope.
- 1.5. Rejected works are considered to be works or their quantities (volumes) that have become unnecessary for the Customer during the performance of the Agreement and will not be purchased.
- 1.6. Additional works are considered to be works that were not provided for in the Procurement Documents and the Contract, as well as quantities (volumes) exceeding the quantities (volumes) of works provided for in the Procurement Documents and the Contract, due to which the risk of fluctuation was not transferred to the Contractor.
- 1.7. The Parties shall formalize the agreement on the refused and/or additional works in writing. Having performed any work not properly coordinated in accordance with the procedure established in the Contract, the Contractor shall not have the right to demand or expect payment for such work. Upon the Customer's request, the Contractor shall remove the work performed without the Customer's

permission within the term specified by the Customer, otherwise the Customer shall do so itself or by engaging third parties at the Contractor's expense.

2. Work deadlines

- 2.1. The Contractor shall perform the Works within the Work Completion Period and in accordance with the Schedule, when its preparation is provided for in the SS. The Works may be performed earlier than the scheduled Work Completion Period without reducing the quality of the performed Works.
- 2.2. The deadlines for the completion of the stages of the Works set out in the Schedule may be changed by written agreement of the Parties without changing the deadline for the completion of the Works.
- 2.3. When the SC provides for the possibility of extending the terms of performance of the Works, the terms of performance of the Works may be changed, applying the amendment procedure established in the Contract, by written agreement of the Parties, subject to at least one of the following conditions:
 - 2.3.1. The Customer, having such an obligation established by the Contract, does not ensure the Contractor's supply of electricity, water, or equipment, materials, or documents;
 - 2.3.2. due to the loading operations carried out by the Customer and the technological processes related to them, or any other delays, obstacles or interferences caused by or attributable to the Customer and/or third parties hired by the Customer, whose actions and/or inaction directly affect the proper performance of the Works and the Contractor cannot perform the Works or part thereof;
 - 2.3.3. if the Works or part thereof cannot be performed in accordance with the requirements of relevant legal acts due to hydrometeorological conditions that are not force majeure circumstances according to the GC and, in accordance with the technology and sequence of works established in relevant legal acts in force, it is necessary to postpone the deadline for the performance of the Works. The existence and reality of the circumstances for extending the deadline must be substantiated in the Contractor's application to the Customer by retrospective, objective and publicly available data on meteorological conditions published on the websites of entities publishing hydrometeorological forecasts and actual data, and this is confirmed by the Customer's Authorized Representative and/or the person performing technical supervision of the construction of the structure based on the information provided by the Contractor;
 - 2.3.4. actions and/or inaction of state and municipal institutions prevent the Contractor from completing the Works or part thereof on time;
 - 2.3.5. the need has arisen to purchase additional goods, services and/or works that are necessary for the performance of the Contract, or to abandon the Works or part thereof, and this affects the Contractor's deadline for the performance of the Works or part thereof;
 - 2.3.6. If, during the performance of the contract, the provisions of the legal acts of the Republic of Lithuania regulating the duration, deadlines and/or the procedure for accepting construction works change;
 - 2.3.7. other circumstances beyond the Contractor's control arose that the Contractor and/or the Customer could not have foreseen.
- 2.4. Regarding the extension of the terms of performance of the Works, the Contractor shall apply in writing to the Customer's representative immediately after the occurrence (disclosure) of the circumstances on the basis of which the extension of the terms of performance of the Works is requested, but in any case no later than 7 (seven) days before the date of commencement of the Works or the end of the term of performance of the Works, except in cases where such circumstances objectively arose or became apparent later.
- 2.5. The deadlines for the performance of the Works due to the circumstances specified in clause 2.3 of the GC may be extended in proportion to the period of existence of the foreseen circumstances, if such a possibility is provided for in the SS. In any case, the total duration of the extension of the deadlines for the performance of the Works and the permissible number of extensions, where limited, are set out in the SS.

- 2.6. 2.3 of the GC does not oblige the Customer to agree to the Contractor's requested extension of the Work performance deadlines. If the Customer refuses to extend the Work performance deadlines, the Contractor shall be provided with a reasoned and motivated explanation.

3. Quality of work

- 3.1. When performing the Works, the Contractor shall be guided by the requirements specified in the Agreement, the Customer's Technical Task, the Procurement Documents, the requirements established by normative construction technical documents and other legal acts in force in the Republic of Lithuania, and shall use construction materials and equipment only in accordance with the requirements of the Technical Task. The quality of the Works and materials shall comply with the requirements of the laws, standards, and normative construction documents in force in the Republic of Lithuania.
- 3.2. The Contractor confirms that the Works will be performed by the Contractor's employees who have the appropriate qualifications to perform the Works, i.e. who have documents issued by state institutions granting the right to perform the Works and certificates issued by equipment manufacturers confirming that the Contractor's employees are trained to work with the manufacturer's equipment used for the Works.
- 3.3. The Customer shall supervise the performance of the Works in accordance with the procedure established by legal acts and shall provide the necessary instructions and, if necessary, technical assistance for the performance of the Works provided for in the Agreement. The Parties agree that the Supervision of the Works performed by the Customer is the Customer's right, but not an obligation. The Parties confirm that due to the Customer's review and coordination of the Contractor's documents or the provision of technical assistance, when provided, during the performance of this Agreement, the Customer shall not become liable for the content of the Contractor's documents, the quality of the documents and the Works performed on their basis, and their other characteristics. The Customer's review and (or) coordination of the documents submitted by the Contractor shall not relieve the Contractor of liability for the adequacy of the Contractor's documents, the correctness of the decisions chosen by the Contractor and their compliance with the requirements of legal acts.
- 3.4. If the Contractor performed the Works in violation of the conditions set out in the Agreement, did not comply with the requirements of normative construction documents and other legal acts, the Customer has the right to demand that the Contractor, within the period specified by the Customer:
- 3.4.1. replace poor-quality materials and/or equipment with high-quality ones free of charge, or;
 - 3.4.2. correct any defects in the Works free of charge;
 - 3.4.3. would accordingly reduce the price of the Works if GC clauses 3.4.1 – 3.4.2 are not fulfilled
- 3.5. 3.4 of the GC , the Customer has the right to suspend payment for the Works until the deficiencies are eliminated.
- 3.6. If the Works are performed using materials supplied by the Contractor, the Contractor is responsible for their quality.
- 3.7. If, due to circumstances beyond the Contractor's control, the Contractor cannot use the materials or equipment specified in the Contractor's proposal (if the necessary materials and equipment are no longer produced/supplied on the market, etc.), or due to other unforeseen circumstances beyond the control of the Parties, rational use of the funds allocated for the Performance of the Works makes it necessary to replace the materials or equipment specified in the Agreement with equivalent and of no lower quality than those specified in the Contractor's proposal, the Contractor shall submit to the Customer a local estimate of the undelivered materials or equipment and a reasoned request with evidence that the replacement materials or equipment fully comply with the requirements of the Procurement Documents, Technical Terms of Reference and the Contract, are not inferior, i.e., are of equivalent or better quality, and shall submit documents for the replacement materials or equipment. The Price shall not be increased due to the replacement of materials or equipment.

- 3.8. The works are granted warranty periods provided for in the legal acts of the Republic of Lithuania, the Procurement Documents, the Agreement and the Technical Terms of Reference. The Contractor, together with the Final Acceptance and Handover Act of the Works, when required by the Law on Construction of the Republic of Lithuania (hereinafter referred to as the Law on Construction), must submit a document ensuring the fulfillment of the warranty period obligations under the Agreement in accordance with the procedure established by the Law on Construction.
- 3.9. When the SC provides for a Defects Correction Period Guarantee, which ensures the fulfillment of the warranty period obligations under this Agreement, it shall be submitted to the Customer together with the Final Acceptance and Handover Act. The Defects Correction Period Guarantee shall be an unconditional, irrevocable bank guarantee or a letter of guarantee from an insurance company agreed with the Customer. The bank or insurance company issuing the Defects Correction Period Guarantee shall, on the date of its issuance, have a long-term debt rating of not less than "BBB-" granted by the credit agencies "Fitch Ratings" or "Standard & Poor's" or "Baa3" granted by the agency "Moody's". If a separate debt rating is not granted to a bank, insurance company or branch of a financial group, in such case the main (parent or controlling) bank/insurance company shall have a rating not lower than the above on the date of issuance of the Defects Correction Period Guarantee. The warranty for the period of repair of defects must specify the following mandatory conditions:
 - 3.9.1. Beneficiary of the payment – the Customer.
 - 3.9.2. The bank or insurance company shall not require the Customer to provide any other documents or evidence, except for a written demand to pay the amount specified in the Defects Correction Period Guarantee, which shall indicate only (i) the exact amount of the payment requested, not exceeding the amount specified in the Defects Correction Period Guarantee; (ii) the Customer's bank account details; (iii) a statement that the Contractor is not fulfilling its obligations under the secured obligation, indicating the nature of the violation. In no case shall the Customer be required to provide evidence that the Customer is entitled to receive payment under the Defects Correction Period Guarantee.
 - 3.9.3. The bank or insurance company shall not have the right to assign or transfer rights and obligations under the Defects Correction Period Guarantee without the prior written consent of the Customer.
 - 3.9.4. The Defects Correction Period Guarantee must provide that any disputes related to the Defects Correction Period Guarantee shall be resolved in the courts of the Republic of Lithuania in accordance with the law of the Republic of Lithuania.
- 3.10. If defects or deficiencies are identified during the term of the Agreement and the warranty period, the Contractor must eliminate them at its own expense within 15 (fifteen) calendar days or another reasonable term agreed upon in writing by the Parties. If the Contractor fails to eliminate the defects and deficiencies within the specified term, the Customer shall have the right to engage other natural or legal persons to eliminate the defects and deficiencies. In such a case, the Contractor shall reimburse the Customer for the costs incurred in connection with the elimination of the defects and deficiencies in the Works. If retention, the Guarantor or the Defects Correction Period Guarantee were provided for in the SS, the Customer shall have the right to freely choose the source of coverage of such costs: during the term of the Agreement from the retained amount or the Guarantor, during the warranty period from the Defects Correction Period Guarantee and, if applicable, from the guarantee security provided on the grounds established in the Construction Law.

4. Handover and acceptance of works

- 4.1. All Works or parts thereof shall be accepted and the Works acceptance documents shall be executed in accordance with the procedure and conditions established by legal acts and the Contract. Only properly completed Works or parts thereof shall be transferred. The transfer-acceptance acts of all Works or parts thereof (hereinafter referred to as the “Works Transfer-Acceptance Acts”) shall be prepared by the Contractor.
- 4.2. The Contractor shall notify the Customer of the completion of the Works or part thereof under the Agreement and the Works Transfer-Acceptance Act to the Customer's Authorized Person

- together with the Works Execution Documentation no later than 5 (five) working days prior to the expected date of signing the Works Transfer-Acceptance Act.
- 4.3. The Customer shall accept the Works within 5 (five) working days from the date of receipt of the Work Transfer-Acceptance Act and sign the submitted act, returning the second copy to the Contractor, unless the Work Transfer-Acceptance Act was signed with a qualified electronic signature.
 - 4.4. Tests and control measurements (if applicable) must be carried out before the Works are accepted. The results obtained must not be worse than those specified in the Technical Specifications.
 - 4.5. In any case, all Works shall be deemed completed when all Works specified in the Agreement have been delivered and accepted, all identified defects and deficiencies have been eliminated, and the Final Act of Delivery and Acceptance of Works has been signed by both Parties. The Works shall be deemed accepted and performed upon the signing of the Final Act of Delivery and Acceptance of Works by both Parties.
 - 4.6. When the Works or parts thereof are not performed properly, the Contractor shall be informed in writing of the reason for not signing the Work Transfer-Acceptance Act. In exceptional cases, the Customer shall have the right to accept the undisputed part of the performed Works, by making written claims regarding the defects and/or quality of the Works (in which case the Customer shall pay only for the undisputed part of the Works). The Customer shall sign the Work Transfer-Acceptance Act for the disputed part of the Works only when the Contractor has corrected all relevant defects and deficiencies. Defects and deficiencies shall be eliminated at the Contractor's expense.
 - 4.7. If a dispute arises between the Customer and the Contractor regarding the quality of the Works, each Party shall have the right to request an expert examination. The costs of the expert examination shall be borne by the Party requesting the expert examination, except in cases where the expert examination confirms the claims of that Party regarding the quality of the Works provided. The Parties may also agree in writing in advance, prior to contacting the expert, on the payment of such expert examination in equal parts.
 - 4.8. When the SC provides for the transfer of Works in stages, the Works shall be accepted when all Works specified in the relevant stage provided for in the Schedule have been properly completed.
 - 4.9. When the Agreement provides for the monthly transfer of actually completed Works, the Works actually properly completed during the relevant month shall be transferred.
 - 4.10. The risk of accidental loss or damage to the work results passes to the Customer only from the date of signing the Final Handover and Acceptance Certificate.
 - 4.11. If a Party is late, or it is obvious from the available data that it will be late in fulfilling its obligations under the Agreement due to circumstances determined by the geopolitical situation, which led to raw materials or other disruptions in the supply chain, it has the right to request the other Party to additionally extend the transfer-acceptance time. If the Parties agree, the transfer-acceptance time, in addition to the extension time specified in the SC (if such is provided for in the SS), may be extended for such time during which the Party could not fulfill its obligations. The number of extensions under this clause is not limited, but cannot exceed 30 (thirty) calendar days. The Party relying on the above circumstances has the obligation:
 - 4.11.1. within 2 (two) calendar days from the occurrence of the circumstances, notify the other Party of them and, if possible, indicate the expected time of the end of these circumstances and provide evidence confirming that the Party has taken all reasonable measures and made maximum efforts to avoid these circumstances;
 - 4.11.2. to regularly provide information on what measures are being taken or will be taken to eliminate the circumstances that impede the fulfillment of the obligations assumed under the Agreement. The Parties agree that such information will be provided in writing.

5. Price and payment procedure

- 5.1. The price (Pricing Rules of the Contract) is specified in the SS.
- 5.2. The Price and the rates applicable to individual Works, when applicable under the Contract, are specified in the Contractor's proposal and shall not change during the entire term of the Contract, except in the event of revision and/or change of quantity (scope) as provided for in

- the Pricing Rules . Additional Agreement Price Revision Conditions, if applicable, in the specified SS. The Agreement Amendment Procedure provided for in the SC shall apply to the cases specified in this clause, unless otherwise specified in the SC.
- 5.3. The Contractor shall, at its own expense, fulfill all tax obligations and/or levies that have arisen or may arise during the performance of the Agreement and shall assume all risks related to the fulfillment of tax obligations and/or levies, if any.
 - 5.4. The reverse charge VAT mechanism applies to works, unless otherwise specified in the Tax Code.
 - 5.5. The Price (rates) includes all direct and indirect costs (cost of labor, machinery and materials, taxes, insurance and other costs) related to the performance of the Works and based on the Estimate of the Works submitted by the Contractor, except for cases directly discussed in the Contract.
 - 5.6. The Parties agree that when applying the fixed price or fixed price with review and/or Agreement performance cost calculation method in the Contract, the Contractor will be paid only for the Works actually performed in accordance with the prices for individual Works provided in the Agreement and the Work Estimates, not exceeding the initial value of the Agreement specified in the Contract.
 - 5.7. The Parties agree that when applying the fixed price or fixed price with review and/or Agreement performance costs calculation method in the Contract, the Contractor will be paid the fixed Price or fixed Price and Agreement performance costs specified in the Contract, except for the cases specified in the Agreement when the Price may be recalculated.
 - 5.8. If the risk of the additionally purchased or rejected Works and their quantities has not been transferred to the Contractor in accordance with the provisions of the SS, the procedure set out in clause 5.11 of the SC shall apply to the payment for the additional Works and the deduction of the rejected Works .
 - 5.9. The Contractor shall be solely responsible for the correct calculation of the quantities of Works in the Estimate of Works submitted by the Contractor when submitting a proposal for the Purchase in all cases. Changes in the quantities of Works specified in the Estimate of Works after the preparation of the design documentation of the Works and the actual performance of the Works cannot be the basis for recalculating the price of the Works, except for the cases specified in the Terms of Reference.
 - 5.10. The works that must be performed in order to properly implement the Customer's Technical Task, and which the Contractor should have and could have foreseen at the time of concluding the Contract, but did not assess in its proposal, shall be performed at the Contractor's expense and by the Contractor's own efforts, except for cases provided for in the Terms of Reference.
 - 5.11. When calculating the prices of additional or rejected Works (when changing Works, their price is calculated as the rejection of one work and the acquisition of additional work) according to the conditions of changing the quantity (volume), the following methods shall be applied in order of priority (i.e. only if it is not possible to apply the method above, the method below may be applied):
 - 5.11.1. by adjusting the Work prices specified in the Contractor's proposal;
 - 5.11.2. if possible, by deducting a portion of the price from the relevant price for the Works provided for in the Agreement;
 - 5.11.3. by applying the prices for similar Works provided for in the Contract. Similar works must be justified and determined by the Customer;
 - 5.11.4. by assessing reasonable direct (wage and related taxes, costs of construction products and equipment, mechanisms) and indirect (overhead, construction site and profit) costs in accordance with the provisions of the Pricing Annex "Rules for the Calculation of Direct and Indirect Costs" (Annex to the Agreement).
 - 5.12. The Customer will pay the Contractor for the Works performed within the Invoice Payment Term, after signing the Work Handover and Acceptance Act and accepting the VAT invoice submitted on its basis, in accordance with the procedure established in the Agreement.
 - 5.13. The Contractor shall provide all invoices, credit and debit documents, if any, issued during the performance of the Agreement to the Customer only electronically:
 - 5.13.1. Electronic invoices that comply with the European standard for electronic invoicing, the reference of which is published in Commission Implementing Decision (EU) 2017/1870 of 16 October 2017 on the reference to the European standard for electronic invoicing and

the publication of the list of syntaxes pursuant to Directive 2014/55/EU of the European Parliament and of the Council (OJ 2017 L 266, p. 19) (hereinafter referred to as the European standard for electronic invoicing) shall be provided by the means chosen by the Contractor.

- 5.13.2. Electronic invoices that do not comply with the European electronic invoicing standard can only be submitted through SABIS (General Invoice Administration Information System).
- 5.13.3. The customer accepts and processes electronic invoices through SABIS, except for the cases specified in Article 22, Part 12 of the Law on Public Procurement. An electronic invoice is understood as an invoice issued, transmitted and received in an electronic format that enables its processing automatically and electronically.
- 5.13.4. If the Customer submits invoices and other documents in a manner other than that specified in 5.13, they will not be considered delivered to the Customer and the Customer will not incur any obligations related to the payment of incorrectly submitted invoices, except for the cases specified in the Law. All costs related to the submission of accounting documents specified in clause 5.13 shall be borne by the Contractor.
- 5.14. VAT invoices are submitted to the Customer on the basis of the Works Transfer-Acceptance Acts signed by both Parties. The Customer may withhold payment for the Works or part thereof until the Contractor has properly fulfilled all of its obligations under the Agreement, including the correction of all defects in the Works and/or other quality deficiencies in the Works.
- 5.15. The Contractor shall pay all invoices for the application of fines and late payment interest provided for in the Agreement within 4 (four) calendar days from their submission, unless another payment term is indicated in such invoices.
- 5.16. The Customer has the right to deduct all amounts payable by the Contractor to the Customer under this Agreement from the amounts payable by the Customer to the Contractor (including withheld amounts) by applying unilateral set-off, and if they are insufficient, to direct the right of claim to the Guarantor, if such is provided for in the GTC. The Customer shall notify the Contractor of the unilateral set-off in writing.
- 5.17. The Customer has the right to withhold payments for the Works performed if:
 - 5.17.1. all defects and/or shortcomings of the Works specified in the Work Transfer-Acceptance Act have not been eliminated;
 - 5.17.2. The Contractor's actions or inaction in performing the Agreement resulted in direct losses to the Customer or third parties.
 - 5.17.3. If such a possibility was provided for in the Procurement Documents, direct settlement with the Contractor's subcontractors may be carried out in the following manner:
 - 5.17.4. 6.4 of the BS, of the possibility of direct settlement with the subcontractor, no later than within 3 (three) business days from the receipt of the specified information from the Contractor;
 - 5.17.5. The subcontractor, wishing to use the option of direct settlement with the subcontractor, submits a written request to the Customer;
 - 5.17.6. The terms and procedure for the Customer's direct settlement with the subcontractor are established in the Tripartite Agreement concluded by the Customer, the Contractor and the Contractor's subcontractor, which becomes an integral part of this Agreement upon its signing (hereinafter referred to as the Tripartite Agreement). The terms and procedure for the Customer's direct settlement with the subcontractor are established taking into account the conditions set out in this Agreement and in the agreement between the Contractor and its subcontractor. The Contractor has the right to object to the execution of unjustified payments to the subcontractor under the Tripartite Agreement.

6. Subcontractors and joint activities

- 6.1. When it is intended to use subcontractors to perform the Works, the Works shall be performed by the subcontractors specified in the Contractor's proposal or by those subcontractors about whom the Contractor has notified the Customer in accordance with the procedure established in the Contract.
- 6.2. After concluding the Agreement, no later than the date of commencement of the Works, the Contractor must notify the Customer of the subcontractors known to the Contractor at that time,

their contact details and responsible persons, and immediately inform the Customer of any changes to such information provided throughout the entire period of performance of the Agreement.

- 6.3. The Contractor may change the subcontractor if he fails to perform or is unable to perform the contractual obligations or fails to comply with the conditions regarding the quality of the works, does not start the works on time or works too slowly and it will not be possible to complete the Works within the time limit specified in the Agreement and conclude a subcontract(s) for the performance of individual works specified in the Agreement or part thereof. The Contractor, in accordance with the provisions of the Agreement and Article 6.650 of the Civil Code of the Republic of Lithuania (hereinafter referred to as the Civil Code), may hire new subcontractors to perform individual works, in order to increase the productivity of the works and complete the Works on time.
- 6.4. The Contractor undertakes to inform the Customer about the use of new subcontractors in the performance of the Agreement no later than 3 (three) working days in advance, and about subcontractors whose capacities the Contractor relied on in the Purchase – no later than 7 (seven) working days in advance, before they start performing the Works. Information about the changing subcontractors must be accompanied by documents substantiating their qualifications (when subcontractors whose capacities the Contractor relied on in the Purchase are changed).
- 6.5. During the performance of the Contract, subcontractors engaged for the performance of the Contract, whose capacities the Contractor relied on in the Procurement, may be replaced only for objective reasons and only after receiving the prior written consent of the Customer, which the Customer will not refuse to issue unreasonably. Objective reasons for replacing a subcontractor, whose capacities the Contractor relied on in the Procurement are considered to be situations where: (i) such a subcontractor engaged by the Contractor – a legal entity – goes bankrupt, is being restructured, ceases its activities or can no longer continue its activities or in other similar cases; (ii) the contractual relationship between the Contractor and the subcontractor is terminated through no fault of the Contractor; (iii) the qualification criteria specified in the Procurement Documents are no longer met; (iv) there are other objective circumstances that necessitate the replacement of the subcontractor. The qualifications and other capacities of the new subcontractors engaged by the Contractor may not be worse than those provided for in the Procurement Documents. Subcontractors on whose capacities the Contractor based its compliance with the established requirements of the Procurement Documents may be replaced if there are no grounds for mandatory exclusion specified in the Law on Public Procurement of the Republic of Lithuania. Upon fulfillment of the conditions for replacing subcontractors established in the Contract, the written agreement provided for in clause 13 of the GC shall not be concluded.
- 6.6. The Contractor may replace the specialist proposed for the performance of the Agreement with another specialist only after informing the Customer in writing, indicating the justified reasons for the change and receiving the Customer's written approval. The qualification of the newly proposed specialist must meet the requirements specified in the Procurement Documents for the specialist being replaced. Reasonable reasons for replacing a specialist are considered to be the reasons when the specialist(s) proposed by the Contractor, due to objective reasons (termination of legal relations with the Contractor, refusal of the specialist to perform the Works, illness, injury of the specialist, etc.) can no longer perform all or part of the Works specified in the Contract. After fulfilling the conditions for replacing the specialist set out in the Contract, The written agreement provided for in clause 13 of the GC shall not be concluded. Violation of the procedure for changing the specialist(s) shall be considered a material breach of the Procurement Agreement.
- 6.7. 6.5 and 6.6 of the GC shall be submitted to the Customer together with the request to change the subcontractor/specialist. The Customer undertakes to provide the Contractor with written consent/disagreement regarding the selected subcontractor/specialist no later than within 3 (three) working days from the date of submission of all necessary documents to the Customer.
- 6.8. Subcontractors whose capacities the Contractor did not rely on in the Procurement may be inspected by the Customer in order to determine whether there are grounds for exclusion of subcontractors specified in Article 46 of the Law on Public Procurement of the Republic of Lithuania.

- 6.9. for the performance of the Contract, including the quality of the part of the Agreement transferred to subcontractors for performance, and for the actions and/or inaction of any third parties engaged by the Contractor to perform the Works, as well as for the safety of the works. The Contractor undertakes to compensate the Customer for any losses caused by the actions or inaction of the Contractor's subcontractors to the Customer within 30 (thirty) calendar days from the date of the relevant Customer's statement of claims.
- 6.10. If the Agreement is concluded with a group of economic entities (operating on the basis of a joint venture agreement), and the need arises to replace the partners specified in the joint venture agreement with others, such a change is possible only after all the conditions specified below are met:
 - 6.10.1. The Contractor shall submit the following documents to the Customer:
 - 6.10.1.1. a request by the remaining joint venture partner to change the joint venture partner;
 - 6.10.1.2. a request by the withdrawing joint venture partner to withdraw from the joint venture agreement and transfer all obligations under the joint venture agreement to the new (replacing) joint venture partner;
 - 6.10.1.3. the new (replacing) joint venture partner to replace the departing joint venture partner and to assume all obligations of the departing joint venture partner under the joint venture agreement, as well as documents substantiating the qualifications of the new/remaining joint venture partner (if applicable);
 - 6.10.1.4. Documents confirming the compliance of the new (changing) joint venture partner with the requirements set out in the Procurement Documents regarding the absence of grounds for disqualification (if such requirements were applied).
 - 6.10.2. The Contractor obtains the Customer's written consent to change the partners in the joint venture agreement.
 - 6.10.3. The Contractor shall provide the Customer with a copy of the new joint venture agreement or amendment to the existing joint venture agreement, in which the obligations of the remaining joint venture partner must remain the same as in the previous joint venture agreement, and the new/remaining joint venture partner shall assume all obligations of the departing joint venture partner under the previous joint venture agreement.
- 6.11. The right of final decision regarding the change of the joint venture partner belongs to the Customer. If the Customer agrees to the change, the change of the joint venture partner shall be formalized by a written agreement between the Parties.
- 6.12. The Contractor shall not have the right to use the Customer's employees for the performance of this Agreement on the basis of employment contracts or in any other manner, unless this has been agreed in writing with the Customer.
- 6.13. The Contractor may not use entities that are registered in a country subject to international sanctions, as defined in the Law of the Republic of Lithuania on the Implementation of Economic and Other International Sanctions, and that are included in the list of entities subject to restrictive measures or are related to the aforementioned entities, as provided for in Council Implementing Regulation (EU) 2022/336 of 28 February 2022 implementing Regulation (EU) No 269/2014 concerning restrictive measures in view of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine and Council Implementing Regulation (EU) 2006/765 of 18 May 2006 concerning restrictive measures in view of the situation in Belarus and Belarus' involvement in Russia's aggression against Ukraine.

7. Rights and obligations of the parties

- 7.1. The Contractor undertakes to:
 - 7.1.1. The work must be performed in a high-quality and timely manner in accordance with the Technical Task submitted by the Customer, the requirements of construction technical regulations and other legal acts regulating construction activities.
 - 7.1.2. To appoint a Works Manager and qualified personnel capable of performing the Works in a high-quality, timely and safe manner and, prior to commencing the Works, but no later than 3 (three) working days before the expected commencement of the Works, to inform the Customer thereof in writing.

- 7.1.3. If the Agreement Documents provide that the Contractor must provide a list of employees (names, surnames, dates of birth) who will perform the tasks specified by the Customer and the median monthly salary offered to them, the Contractor shall provide such a list to the Customer no later than the date of commencement of the Works. If the specified information changes during the performance of the Contract, the Contractor shall immediately inform the Customer and provide an updated list of the specified employees and an updated median monthly salary, if applicable.
- 7.1.4. By the date of commencement of the Works, take over the design documentation and construction permit documents (if applicable).
- 7.1.5. Before the start of construction work, submit a project for the implementation of the construction work technology, coordinated with the Customer and/or the person performing technical maintenance, the person supervising the implementation of the project (if applicable).
- 7.1.6. Use the construction site (construction site) only for its direct purpose.
- 7.1.7. To install temporary structures or equipment, to provide household and sanitary facilities necessary for the performance of the Works and the storage of materials. To ensure the protection of material assets on the construction site and to be responsible for their damage, destruction or loss.
- 7.1.8. To deliver, unload, receive and properly store the materials, products, equipment, components and machinery required for the Works, to receive and store and properly use the materials supplied by the Customer, when the materials or part thereof are supplied by the Customer. The Contractor is responsible for the improper use of the Customer's materials.
- 7.1.9. To perform the work, use materials, products and equipment that have certificates valid in the Republic of Lithuania and meet the requirements set out in the Technical Specifications and legal acts.
- 7.1.10. To prepare construction execution documentation, fill out construction work logs (if applicable), and upon request of the Customer during the performance of the Contract, to provide the originals of all these documents within 5 (five) calendar days.
- 7.1.11. Inform the Customer about the need to change the approved technical design (if applicable) and/or other documents necessary for the performance of the Works.
- 7.1.12. When performing the Works, comply with the procedure for implementing the requirements of employee safety, fire safety, physical safety and environmental protection specified in the Annex to the Agreement, as well as the requirements of occupational safety, health, civil protection, technological, environmental protection, sanitation, fire protection, technical and other legal acts and the instructions of the Customer, do not violate the interests of third parties and ensure that the requirements specified in this clause are complied with by the employees of the Contractor and third parties engaged by him.
- 7.1.13. When performing the Works on the Customer's territory, comply with the rules for recording incidents related to occupational safety and health set out in Annex No. 5 to the Agreement and conduct an investigation and accounting of accidents that occurred with its own employees and any third party employees engaged by it for the performance of the Works in accordance with the applicable legal acts of the Republic of Lithuania. If necessary, at the request of the construction manager, the Customer shall appoint a competent person to work in the Contractor's commission. The Contractor shall organize first aid for victims of an accident or illness at work, and shall notify the Customer of all accidents, accidents or fires and ignitions.
- 7.1.14. When the Works specified in the SC include works for which a construction permit must be issued, the Contractor shall be insured for the entire period of validity of this Agreement with compulsory construction works and civil liability insurance for a minimum insurance amount not less than the minimum insurance amount established in the applicable legal acts. The Contractor must provide the Customer with certified copies of the insurance certificate (policy) and payment order that the entire or the first part of the insurance premium has been paid within 10 (ten) calendar days after the date of signing the Agreement, but no later than the date of commencement of the Works. In the event that the construction works and civil liability insurance term may expire during the period of validity of the Agreement, the Contractor must provide the Customer with a new insurance policy

or extend the existing one no later than 5 (five) business days before the end of the insurance term. In all cases, the construction works and civil liability insurance policy must be valid continuously for the entire period of validity of the Agreement.

- 7.1.15. During the performance of the work, ensure cleanliness and order at the construction site, dispose of all unsuitable and unnecessary construction and other materials at your own expense and with your own efforts in the manner specified in the Waste Management Rules, approved by order of the Minister of the Environment of the Republic of Lithuania, and other applicable legal acts, and keep records of them.
- 7.1.16. Upon completion of the Works, no later than 5 (five) working days before the date of signing the Final Handover and Acceptance Certificate, remove all unsuitable and unnecessary construction and other materials and waste, construction products and articles, mechanisms and temporary structures belonging to the Contractor from the construction site. If the Contractor fails to fulfill this obligation, the Customer, by informing the Contractor in writing 2 (two) calendar days in advance, may remove them from the construction site at the Contractor's expense and by its own efforts or by using third parties for this purpose, and submit to the Contractor a statement of expenses and an invoice for payment of expenses.
- 7.1.17. Ensure the opportunity for the Customer to check the quality of the Works performed and to familiarize themselves with the documentation of the materials and equipment used for the Works.
- 7.1.18. To carry out all legal and written instructions of the Customer that do not contradict the provisions of the Agreement.
- 7.1.19. To ensure that the implementation of the Agreement complies with the environmental, social and labour law obligations established in the European Union and national law, collective agreements and international conventions specified in Annex 7 to the Law.
- 7.1.20. Return the permits issued by the Customer to enter (enter) the Customer's territory before signing the Final Handover and Acceptance Act. When the Works are performed at Burių g. 19, Klaipėda city, the permits are returned to the Customer's permit office. When the Works are performed at another place of work (places), the Customer shall indicate to the Contractor the place of return of the permits.
- 7.1.21. To actively cooperate with the Customer in performing the Works and obligations assumed under the Agreement.
- 7.1.22. Report to SpeakUp@kn.lt any violations of the law that may have been committed or are being committed during the performance of the Agreement, such as: acts of a corrupt nature (violations of the Corruption Zero Tolerance Policy); employee abuse; violations of the rules for declaring private interests; violations of the management of confidential information; violations of physical security; possible inappropriate behavior that violates other requirements and ethical principles provided for in the Customer's Standard of Conduct.
- 7.1.23. The Contractor confirms that the performance of the Agreement will comply with the requirements specified in the legal acts of the United Nations, the United States of America, the European Union and the Republic of Lithuania regarding the implementation of international restrictive measures and sanctions. Violation of this condition shall be considered a fundamental breach of the contract. The Service Provider, having violated the requirement set out in this clause, must compensate the Customer for all direct losses related to such violation, including, but not limited to, losses related to the termination of the Contract.
- 7.1.24. The Contractor is responsible for ensuring that, throughout the entire period of performance of the Contract, the Contractor meets the requirements for the qualification of suppliers set out in the procurement documents necessary for the proper performance of the Agreement and does not have the grounds for exclusion set out in the procurement documents.
- 7.1.25. The Contractor must ensure that during the conclusion and validity of the Contract, the Contractor, its subcontractors/subcontractors, business entities, shareholders and beneficiaries are not included in any sanctions lists (EU, UN, UK, US or Lithuanian) and are not involved in money laundering, terrorist financing or tax fraud related activities.

- 7.2. The Customer undertakes:
- 7.2.1. Before the commencement of the Works, provide the Contractor with the documents required for the performance of the Works, including the construction permit (if applicable).
 - 7.2.2. To transfer the construction site to the Contractor by signing a handover and acceptance certificate, and to ensure the Contractor's access to the construction site throughout the term of the Agreement, unless the Contractor's access to the construction site would violate the interests of the Customer.
 - 7.2.3. Upon receipt of the Contractor's application of the appropriate content, to supply him with electricity and water, which are necessary for the performance of the Works. The Contractor shall settle accounts with the Customer for the services provided by the Customer in accordance with the rates applied by the Customer within 15 (fifteen) calendar days from the date of submission of the Customer's invoice to the Contractor, if payment for the services mentioned in this clause is provided for in the SS.
 - 7.2.4. Inform the Contractor about the persons who will carry out technical supervision of the construction of the structure.
 - 7.2.5. Control and technically supervise the scope, duration and quality of the Works performed.
 - 7.2.6. Immediately inform the Contractor in writing about any defects or deficiencies in the Works that have been noticed.
 - 7.2.7. To accept from the Contractor the Works duly completed and transferred in accordance with the procedure established in the Agreement and to pay for them in accordance with the procedure and within the terms established in the Contract.
 - 7.2.8. To perform other duties assigned to the Customer in the Agreement and legal acts.
- 7.3. The customer has the right:
- 7.3.1. To give mandatory instructions to the Contractor regarding the performance of the Works.
 - 7.3.2. At its discretion, at any time, inspect the progress, quality and safety of the Contractor's performance of the Works, as well as compliance with other legal acts and the Customer's instructions, without interfering with the Contractor's economic and commercial activities.
 - 7.3.3. Stop the Work if violations of the procedure for implementing Employee Safety, Fire Safety, Physical Safety and Environmental Protection requirements are recorded.
 - 7.3.4. To exercise other rights assigned to the Customer in this Agreement and legal acts.
 - 7.3.5. Taking into account Article 17(8) of the Law of the Republic of Lithuania on the Protection of Objects Important for Ensuring National Security, and the fact that KN Energies is an enterprise of strategic importance for national security, the Customer reserves the right, during the performance of the Contract, to verify the compliance of the Contractor and/or the persons engaged by him with the legal acts of the Republic of Lithuania regulating the mandatory criteria/principles for ensuring national security and other strategic interests and/or with the requirements provided for in Article 45(2)(1) of the Public Security Law /Article 58(4) (1) of the Public Security Law, and/or Article 37(9) of the Public Security Law/Article 50(9) of the Public Security Law, and/or Article 47(9) of the Public Security Law. In the event that during the validity of the Agreement it becomes apparent that the Contractor does not comply with these criteria/provisions/principles and does not correct the identified non-conformities within the period specified by the Customer, the Customer shall have the right, upon giving 10 (ten) days' notice, to unilaterally terminate the Agreement without compensating for any losses, including but not limited to losses due to the purchase of minimum quantities of the Purchased Object.

8. Agreement enforcement and liability

- 8.1. When the Agreement provides for the performance of the Agreement to be secured by a Guarantor, the Contractor shall provide the Guarantor to the Customer via the contacts specified in the Contract, no later than within 7 (seven) calendar days from the date of signing the Contract. If the Contractor fails to provide the Guarantor within the specified period, it shall be deemed that the Contractor has refused to sign the Contract. The bank or insurance company issuing the Guarantor shall have a long-term debt rating of no lower than "BBB-" by the credit agencies "Fitch Ratings" or "Standard & Poor's" or "Baa3" by the agency "Moody's" on the

date of its issuance. If a separate debt rating is not provided to a bank, insurance company or branch of a financial group, in such case the main (parent or controlling) bank/insurance company shall have a rating no lower than the one specified above on the date of issuance of the Guarantor. The following mandatory conditions shall be specified in the Guarantor:

- 8.1.1. The beneficiary of the insurance benefit is the Customer.
 - 8.1.2. The bank or insurance company shall not require the Customer to submit any other documents or evidence, except for a written demand to pay the amount specified in the Guarantee, which shall indicate only (i) the exact amount of payment requested, not exceeding the amount specified in the Guarantee; (ii) the Customer's bank account details; (iii) a statement that the Contractor is not fulfilling its obligations under the secured obligation, indicating the nature of the violation. In no case shall the Customer be required to submit evidence that the Customer is entitled to receive payment under the Guarantee.
 - 8.1.3. The bank or insurance company shall not have the right to assign or transfer rights and obligations under the Guarantor without the prior written consent of the Customer.
 - 8.1.4. The Guarantor must provide that any disputes related to the Guarantor shall be resolved in the courts of the Republic of Lithuania in accordance with the law of the Republic of Lithuania.
- 8.2. In the event that the Contractor is late in performing the Works within the Work Completion Deadline specified in the Agreement or the Work Completion Deadlines are extended in accordance with the procedure established in the Contract, the Contractor must submit an extended Guarantor 10 (ten) business days prior to the expiration of the Guarantor, the term of which shall be no shorter than 30 (thirty) calendar days after the expiration of the Work Completion Deadline .
 - 8.3. If the Contractor fails to submit an extended Guarantor in accordance with the procedure established in clause 8.2 of the GC , the Customer has the right to suspend payments under the Agreement and/or use the still valid Guarantor, and/or terminate the Agreement.
 - 8.4. The Contractor, who has not completed the Works or a part thereof within the terms established in the Agreement and/or Schedule (if the conclusion is provided for in the Contract), shall, upon the written request of the Customer, pay the Contractor default interest in the amount specified in the Agreement for each day of delay. The Customer may make a claim for the payment of default interest at any time, regardless of the validity, expiration, or performance terms of the Contract.
 - 8.5. The Customer, having received a reasoned request from the Contractor, indicating the reasons for the delay in performing the Works, related to at least one of the grounds for extending the term for performing the Works specified in the Agreement or other objective circumstances beyond the control of the Contractor or its subcontractors, based on factual evidence, has the right not to require the Contractor to pay default interest for the delay in performing the Works during the period of existence of these circumstances.
 - 8.6. The Customer, who has not paid the Contractor on time for the Works duly delivered by the latter and accepted by the Customer, shall pay the Contractor, upon his written request, the Customer's late payment interest in the amount specified in the Contract, on the amount not paid on time, for each day of delay.
 - 8.7. The Contractor must compensate the Customer for all direct losses incurred due to its own fault or the fault of third parties engaged in the performance of the Works, including, but not limited to, damage to the Customer's equipment, facilities or other damage caused by the actions and (or) inaction of the Contractor or persons engaged by it , within 30 (thirty) calendar days from the date of the relevant Customer's statement.
 - 8.8. If the result of the Works is accidentally destroyed before it is handed over to the Customer or if, through no fault of the Customer, it becomes impossible to properly complete all the Works under the Contract, the Contractor agrees that the Contractor will not be compensated for the Works completed up to that point but not handed over to the Customer.

9. Right to use the Customer's name

- 9.1. The Contractor understands and agrees that without the prior written consent of the Customer, he has no right to use the Customer's name or trademarks for any purpose or in any way,

including when presenting his services or work performed and his accumulated experience in advertisements, publications and letters to potential Customers.

10. Intellectual property

- 10.1. All intellectual property results (including copyright objects) created under this Agreement (hereinafter referred to as the intellectual property results) and the rights related to them acquired during the performance of the Agreement, including intellectual property rights, except for personal non-property rights to the intellectual property results, are the property of the Customer. This property passes to the Customer from the moment of payment, according to the Final Act of Transfer and Acceptance of Works, for the maximum period of validity established in legal acts without any restrictions and the Customer may use, publish, assign or transfer it without the separate consent of the Contractor to third parties both in Lithuania and abroad. In the event that the Customer has a need to use the result or part of it before the moment of transfer of ownership to the Customer, the Parties agree that the Customer will not transfer such information to third parties without the written consent of the Contractor.
- 10.2. The Contractor guarantees compensation for losses and/or damages to the Customer (including litigation costs) due to any claims arising from infringement or suspected infringement of intellectual property rights, except in cases where such infringement (suspected infringement) occurs due to the fault of the Customer.
- 10.3. The Contractor shall immediately notify the Customer of any claim or other claim filed against it for any infringement or alleged infringement of any intellectual property right related to the Contract.
- 10.4. If the Contractor uses the intellectual activity results of other authors to create the intellectual activity result and/or the Contractor uses other persons to create the intended intellectual activity result, the Contractor is fully responsible both to the Customer and to the persons for the legality of the use and transfer to the Customer of their works and other materials intended for creating the intellectual activity results provided for in the Agreement. The Contractor assumes liability for claims or lawsuits arising from relations with authors and other third parties due to copyright infringement related to the intellectual activity results transferred to the Customer under the Agreement and undertakes to compensate the Customer for the losses incurred as a result.
- 10.5. The Contractor, without the prior written consent of the Customer, does not have the right to sell, transfer in any other way, disclose to third parties the results of intellectual activity created under the Agreement (including their working versions), distribute/demonstrate these objects (their components) in any way and/or in any other way use the author's property rights established in legal acts to the results of intellectual activity created under the Agreement (including their working versions).

11. Confidentiality

- 11.1. "Confidential Information" means any information marked or otherwise identified in writing as confidential by a Party, as well as any information which, by its nature or under the circumstances of disclosure, the receiving Party should reasonably recognize as confidential. Confidential Information includes, inter alia, non-public information relating to the activities of the Parties and the performance of this Agreement. The receiving Party shall use the Confidential Information solely for the performance of the Agreement and shall ensure that such information is not used in any manner detrimental to the disclosing Party. All personnel and specialists of the Contractor engaged in the performance of the Agreement shall sign a Confidentiality Undertaking in the form set out in Annex 9 to the Agreement. The Contractor shall submit duly completed and signed Confidentiality Undertakings to the Customer within five (5) Business Days from the Effective Date of the Agreement. In case of replacement or appointment of additional specialists for the performance of the Agreement, the relevant Confidentiality Undertaking(s) shall be submitted together with the request for such replacement or appointment.

12. Invincible force

- 12.1. A Party shall not be held liable for any failure to perform any of its obligations under this Agreement if it proves that this occurred due to circumstances that it could not control, reasonably foresee at the time of conclusion of the Agreement, could not prevent the occurrence of these circumstances or their consequences and for the occurrence of which the Party did not assume the risk (hereinafter referred to as Force Majeure). Force Majeure is determined in accordance with Article 6.212 of the Civil Code.
- 12.2. The Party must immediately, but not later than within 5 (five) business days from their occurrence or discovery, notify the other Party of the Force Majeure circumstances and their impact on the performance and terms of the Agreement, providing evidence of the existence of the aforementioned circumstances. Failure to notify in a timely manner will be deemed to have had no impact on the performance of the Agreement until the notification was sent, and it will not be possible to claim compensation for losses incurred before the notification was sent.
- 12.3. In the event of Force Majeure, within 7 (seven) calendar days from the occurrence of Force Majeure, provide the other Party with evidence confirming that the Party has taken all reasonable measures and made every effort to reduce the distances and negative consequences.
- 12.4. The grounds for exempting the Party from liability arise only for the period of existence of the aforementioned circumstances, and after their elimination, the Party must immediately resume the performance of its obligations.

13. Agreement amendment

- 13.1. All amendments, supplements and annexes to the Agreement shall be valid only if they are made in writing and duly signed by duly authorized representatives of all Parties. Such amendments and supplements to the Agreement shall enter into force from the moment of their signing and shall become an integral part of the Agreement, unless the Parties have agreed otherwise in writing. The Agreement may not be amended by conclusory actions, written protocols and other documents signed by persons not duly authorized.
- 13.2. The terms and conditions of the Agreement may be amended during the validity period of the Agreement in accordance with the procedure established in Article 97 of the Law.
- 13.3. The Contractor/Customer has the right to propose an amendment to the Agreement by submitting a written proposal to the Customer/Contractor's authorized representative specified in the Contract, responsible for the administration of amendments to the Contract. The written proposal must provide the justification for the amendment to the Agreement and indicate the legal basis. When the amendment is related to additional work, the Customer shall additionally be provided with documents substantiating the necessity and need for additional work and explanations regarding the validity of such work and the possibility of foreseeing the need for such work in advance; when the amendment is related to the change of the Contractor, the Contractor's joint venture partner, the Contractor's subcontractor, the Customer shall additionally be provided with other documents specified in the Contract.
- 13.4. The notification must be submitted as soon as possible, but not later than within 28 (twenty-eight) calendar days after the Contractor / Customer became aware or should have become aware of the relevant event or circumstance due to which, in the opinion of the Contractor / Customer, the Agreement should be amended, unless other deadlines are set for individual amendments in the Agreement. If the Contractor / Customer fails to submit the notification and all information to be submitted together with the notification within the aforementioned 28 (twenty-eight) calendar day deadline (or within another deadline set in the Agreement) and/or submits the notification to a person authorized by the Customer / Contractor responsible for the administration of amendments to the Agreement other than the person specified in the Agreement Terms and Conditions of the Agreement, it shall be deemed that the Contractor / Customer has refused to propose an amendment to the Agreement, and the Customer / Contractor shall be released from liability related to the amendment to the Agreement or related claims.
- 13.5. A Party shall not acquire the right to transfer its obligations under this Agreement to a third party without the written consent of the other Party. The Parties agree that the Contractor and the Customer may be replaced by another party to the Agreement on the grounds provided for

in the SC and Article 97 of the Law, in accordance with the established procedure and the procedure for amending the Agreement set out in the Agreement.

14. Termination, suspension and termination of the contract

- 14.1. This Agreement shall enter into force from the moment it is signed by both Parties or from the date of submission of the Guarantor to the Customer, as established by the SS. The Agreement shall be deemed to have been signed on the date specified on the first page, unless a different date of signing is specified on both copies of the Agreement, if the Agreement is not signed with a qualified electronic signature. When, prior to the exchange of the originals of the Agreement, the Parties exchange signed digital (scanned) copies of the Agreement, the Parties hereby confirm that in any case the date of signing of the Agreement shall be deemed to be the date of signing specified in the digital copy of the Agreement transferred to the Customer.
- 14.2. The Agreement is valid until the full fulfillment of the obligations assumed under the Agreement or until the termination of the Agreement in the cases and in the manner established in this Agreement or in the legal acts in force in the Republic of Lithuania. In cases where the Agreement provides for a fixed price or a fixed price with review and (or) a method of calculating the price of compensation for the costs of performing the Agreement, the Agreement is valid until the end of the term for the performance of the Works or until the Works are performed for the initial value of the Agreement specified in the Contract, depending on which circumstance occurs earlier. The warranty for the period of correction of defects, liability, confidentiality, data protection, intellectual property, sending and receiving messages, language, dispute resolution and other conditions that, by their nature, must be valid after the performance of the Agreement shall be valid after the performance or termination of the Agreement.
- 14.3. The deadline for the performance of contractual obligations (part thereof) may be suspended upon the written request of the Contractor/Customer, by written agreement of the Parties, in accordance with the procedure established in Chapter 13 of the GC , due to the following circumstances:
 - 14.3.1. additional archaeological research that was not planned but is necessary;
 - 14.3.2. additional design services (when the Works were purchased according to a technical design), without which the Agreement cannot be completed;
 - 14.3.3. there is a delay in handing over the construction site or part of it;
 - 14.3.4. influence of third parties;
 - 14.3.5. the Work site was not vacated on time;
 - 14.3.6. additional time is necessary to complete the purchase of additional goods, services or works;
 - 14.3.7. equipment not delivered on time or permits not received that the Customer must provide;
 - 14.3.8. physical obstacles or non-climatic physical conditions encountered at the construction site during the performance of the Works and which the Contractor could not reasonably have foreseen;
 - 14.3.9. when inaccuracies are identified in the technical documentation and/or during the performance of the Works, justified technical documentation solutions are provided, which propose to improve the desired result of the Agreement and which require time for evaluation;
 - 14.3.10. when reasonable grounds arise for not performing the Works or a part thereof, the performance of which is inexpedient and time is needed to assess these grounds;
 - 14.3.11. when it is necessary to verify whether any material errors or violations have been committed – this is any violation of the Agreement, a valid legal act or non-compliance with a court decision resulting from an act or omission
- 14.4. 14.3.1 - 14.3.11 of the GC does not oblige the Customer to agree to the suspension of contractual obligations (part thereof) requested by the Contractor.
- 14.5. 14.3.11 of the GC does not give rise to the obligation for the Customer to apply sanctions or requirements to compensate for any losses (e.g., lost income, profit, absenteeism, etc.) provided for in the Agreement or legal acts regarding the suspension of the Agreement, and for the Contractor - for failure to comply with the deadlines for the performance of the Works, if it is

- established that the aforementioned fundamental error or violation was not caused by the Contractor's fault.
- 14.6. Deadline for the performance of contractual obligations (part thereof) due to the circumstances specified in GC 14.3 may be suspended for the period specified in the SS.
 - 14.7. If the circumstances that caused the suspension of the term for the performance of contractual obligations (part thereof) cease to exist, the term for the performance of contractual obligations (part thereof) shall be extended for the period that remained under the Agreement for the performance of the Contractor's contractual obligations (part thereof) until the performance of the contractual obligations (part thereof) was suspended.
 - 14.8. In cases where the circumstances due to which the term for the performance of contractual obligations (part thereof) was suspended have not yet disappeared, and the suspension of the term for the performance of contractual obligations (part thereof) lasts longer than the term specified in the Contract, the Parties to the Agreement may terminate the Contract, in accordance with Article 98(2) of the Law.
 - 14.9. During the suspension of the term for the performance of contractual obligations (part thereof), the Contractor undertakes to take all steps reasonable in the relevant circumstances to preserve, store and protect the completed Works (or part thereof) from deterioration, loss or damage.
 - 14.10. The Agreement may be terminated by agreement of the Parties or unilaterally in cases provided for in the Agreement, the Law and the Civil Code.
 - 14.11. The Customer has the right to terminate the Agreement unilaterally, without going to court, by notifying the Contractor in writing 14 (fourteen) calendar days in advance, if:
 - 14.11.1. The Contractor, having not acquired the right to extend the terms of performance of the Works under the Agreement and despite the Customer's request, does not commence the Works on the commencement date of the Works or is late in performing the Works in accordance with the term of performance of the Works and/or the Schedule, and in the latter case it becomes clear that it will not be possible to complete the Works within the terms set out in the Contract.
 - 14.11.2. The Contractor is unable to fulfill the obligations stipulated in the Agreement and, upon the Customer's request, fails to provide reliable evidence of the proper fulfillment of these obligations.
 - 14.11.3. The qualifications of the Contractor and/or subcontractor have become non-compliant with the requirements of this Agreement and these non-compliances have not been corrected within 14 (fourteen) calendar days from the date the qualifications became non-compliant.
 - 14.11.4. The Contractor shall lose the right to engage in activities if bankruptcy proceedings have been initiated against him or the bankruptcy proceedings are conducted out of court, the Contractor is liquidated or restructured and the conditions set out in Article 97, Part 1, Point 4, Subpoint b) of the Law are not met.
 - 14.11.5. The Contractor violates the provisions of this Agreement governing the management of confidential information.
 - 14.11.6. The contractor violates the provisions of GC Chapter 6 .
 - 14.11.7. The Contractor violates the conditions specified in the GTC, which are considered essential.
 - 14.11.8. There are other conditions provided for in Article 6.217 of the Civil Code.
 - 14.12. GC 14.11.1 – 14.11.8 The violations specified in paragraphs 1 and 2 are considered material violations of the Agreement.
 - 14.13. The Customer, having given the Contractor 30 (thirty) calendar days' prior written notice, has the right to terminate this Agreement or the agreement amending this Agreement on the grounds specified in Article 98(1) of the Law.
 - 14.14. Upon termination of the Agreement by the Customer GC 14.11 In accordance with the procedure established in clause 1 or in the event of the Contractor's unjustified termination of the Contract, upon the Customer's request, the Contractor shall pay the Customer a penalty of 10 (ten)% of the Price and shall also compensate for all losses of the Customer related to the termination of the Contract.
 - 14.15. The Contractor has the right to terminate the Agreement unilaterally, without going to court, by notifying the Customer in writing 14 (fourteen) calendar days in advance, if:

- 14.15.1. The Customer declares that it is no longer able to continue to fulfill its obligations under the Agreement and does not provide reliable evidence of the fulfillment of such contractual obligations.
- 14.15.2. The customer is bankrupt, undergoing restructuring, or has a bankruptcy or restructuring case filed against him.
- 14.16. If the Contractor or the Customer unilaterally terminates the Contract, the Contractor must, no later than within 5 (five) working days, transfer all the Works properly completed prior to the termination of the Agreement to the Customer by signing the Work Transfer and Acceptance Act, and the Customer must pay the Contractor for the Works completed and properly transferred to it within the terms and procedure established in the Contract.

15. Applicable law and dispute resolution

- 15.1. The Agreement and the relations between the Parties in relation to the Agreement (including issues of conclusion, validity, invalidity, implementation and termination of the Agreement) shall be governed by the law of the Republic of Lithuania and the Agreement shall be interpreted in accordance with the laws of the Republic of Lithuania.
- 15.2. Any dispute, disagreement or claim arising out of or relating to this Agreement, its breach, termination or validity shall be settled between the Parties through friendly negotiations.
- 15.3. If the Parties fail to resolve the dispute through amicable negotiations within 14 (fourteen) calendar days from the date on which one Party served the other Party with a request to resolve the dispute, such dispute will be resolved in court at the Customer's registered office.

16. Other provisions

- 16.1. The invalidity of any provision of the Agreement shall not affect the validity of the other provisions of the Agreement. The Parties agree, in accordance with the requirements of the Law, to replace the invalid provision of the Agreement with another provision that most closely matches the economic purpose of the previous provision.
- 16.2. All notices shall be deemed to have been duly served on the other Party if they are sent by e-mail or registered mail to the addresses specified in this Agreement. The Parties shall immediately, but no later than within 2 (two) business days, inform each other of any change in the Party's address, telephone or other contact details. The Parties shall inform each other of any change in the details of their bank accounts specified in this Agreement no later than within 1 (one) business day. If a Party violates this provision, documents sent by the other Party to the old address shall be deemed to have been sent to the correct address. A Party that fails to properly and timely inform the other Party of any change in details or other data shall assume all liability and obligations under the Agreement.
- 16.3. If a Party fails to exercise any of its rights under this Agreement for a prolonged period, this shall not constitute and shall not be construed as a waiver of that right.
- 16.4. A Party shall not have the right to transfer its obligations under this Agreement to a third party without the written consent of the other Party.
- 16.5. All terms of this Agreement are equivalent and one term of the Agreement may not be given priority over another term of the Agreement, regardless of in which part of the Agreement (general, special or other documents) the terms are provided for. In the event of any contradictions or inconsistencies related to the compatibility of the rights and obligations of the Parties or the conditions describing them, set out in the Agreement and in another document forming an integral part of the Agreement, the provisions of such other documents forming an integral part of the Agreement shall apply to the extent that they do not contradict the terms of the Agreement, unless otherwise expressly stated in the Agreement.
- 16.6. Annexes No. 4, 5, 6, 7 and 8 to the Agreement may be amended by the Customer's unilateral decision during the validity period of the Agreement. The Customer shall be obliged to inform the Contractor in writing of such an amendment to the Annexes to the Agreement specified in this clause immediately, but no later than within 5 (five) working days.
- 16.7. Taking into account the legal acts in force in the territories of the Republic of Lithuania and the European Union and the applicable requirements for the protection of personal data and cybersecurity, the Contractor undertakes to follow the Customer's Personal Data Privacy

Policy, Information and Cybersecurity Policy and Minimum Information and Cybersecurity Requirements for External Parties (hereinafter referred to as the Rules), which are an integral part of the Contract, during the signing and execution of the Contract. The Rules are published on the Customer's website www.kn.lt. The Contractor hereby unconditionally confirms that before concluding the Contract, the Contractor had the opportunity to familiarize himself with the Rules, therefore the Contractor is fully aware of and understands the content of the Rules.

- 16.8. In order to ensure the transparency and legality of the Contractor's activities, the Customer may apply various "Due Diligence" verification procedures before starting cooperation or during the course of cooperation, which aim to assess corruption risk factors in more detail.
- 16.9. The Agreement is written in English and signed with a qualified electronic signature. If the Agreement is not signed with a qualified electronic signature, the Parties undertake to exchange two originals in English with equal legal force, one copy for each Party, no later than within 5 (five) business days from the conclusion of the Agreement.

The Parties have read this Agreement, understood its content and consequences, and signed this Agreement as a document that reflects their will and intentions.

17. Details and signatures of the parties

	Customer:	Contractor:
name:	Joint-stock company "KN Energies"	Emco Wheaton GmbH
address:	Buriu St. 19, LT-92276 Klaipėda	Emkostr. 2-4 35274 Kirchhain, Germany
Correspondence address:	J. Janonio St. 6B, LT-92252, Klaipėda	Emkostr. 2-4 35274 Kirchhain, Germany
legal entity code:	110648893	DE112605482
VAT number:		
phone:		
email:		
No.:		
bank:		
bank code:		



TECHNICAL SPECIFICATION

1. Purchase object – Emco Wheaton hydraulic and automation system maintenance works in LNG Terminal.
2. Place of contractual obligations (delivery of good/services/ works place) – Klaipėda LNGT Jetty.
3. Term of contract completion (delivery of good/services/work execution) – 3 years for works from date signet contract.
4. Description and scope of works: Maintenance and functionality test after performed works of two Marine Loading Arms (B0300- EMCO WHEATON Order Number: 2102626)
4.1. All works have be done according Emco Wheaton GmbH Instruction Manual for Marine Loading Arms B0300. Required work for maintenance service comprises but it is not limited to the following: <ol style="list-style-type: none">1. Swivel Joint– Inspection and grease;2. Bolt Connections – Inspection;3. Painting – Inspection;4. Electrical System – Inspection and test;5. Parking Locks – Inspection;6. Bearing – Inspection and greasing;7. Support Jack Inspection and greasing;8. Drain System – Inspection;9. Hydr. Cylinder – Inspection and greasing;10. Hydr. Hoses – Inspection;11. Hydr. Fittings – Inspection;12. Hydr. Oil Level – Inspection;13. Oil Filter – Inspection;14. Air Filter – Inspection;15. Emergency Release System – Inspection and test;16. Test of ERS-System – Inspection and test;
4.2. Following documentation have be submitted during the execution of the contract: <ol style="list-style-type: none">4.2.1. Act of performed maintenance and functionality tests;4.2.2. Warrantee letter for performed works;4.2.3. List of used spare parts with the specification durian maintenance and functionality tests.
5. Warrantee – Contractor gives warranty for provided services and spare parts valid of 12 (twelve) month. (delivery of good/services/work execution).
6. Other ...
ATTACHMENTS: -

SERVICE MAINTENANCE CONTRACT
MARINE LOADING ARMS



Contract Number – KI-MC 25-037

Between
Company:

██████████
██████████████████
██████████████
████████████████████

hereinafter called the 'Owner'

and
Company:

██████████████████
██████████████
████████████████████

hereinafter called the 'Contractor'

CUSTOMER: KN Energies		Revision	0				
RFQ:		Date	2025-07-30				
Project:	Maintenance of Emco Marine Arms at Klaipėdos LNG Terminal	Prepared	DKU				
Contract-Number:	KI-MC 25-037						
Location:	Klaipėda, Lithuania						

Contents

1.	Equipment to be served	3
1.1.	Description of EW-Equipment included in this contract:.....	3
2.	Work to be performed.....	4
2.1.	Maintenance Work	4
2.2.	Documentation	4
2.3.	Repair Work	4
2.4.	Hydrostatic Test or Leak Test.....	4
2.5.	Specification of Service for Maintenance of Marine Loading Equipment	5
2.6.	Time Schedule	6
3.	Pricing	7
3.1.	Service Charge-Rates.....	7
3.2.	Additional Cost.....	7
3.3.	Lump Sum Price.....	7
4.	Extent of Supply.....	8
5.	Liability.....	8
6.	Payment Schedule	9
7.	Warranty.....	9
8.	Contract Period and Validity.....	9
9.	Company Liability Insurance.....	9
10.	Place of Jurisdiction	9
11.	Additional Agreement	9
12.	Signatures	10

CUSTOMER: KN Energies	Revision	0				
Contract No.: KI-MC 25-037	Date	2025-07-30				
Project: Maintenance of Emco Marine Arms at Klaipėdos LNG Terminal	Prepared	DKU				

1. Equipment to be served

The Contractor or his certified representative will execute the inspection and agreed maintenance work on the following equipment:

1.1. Description of EW-Equipment included in this contract:

Loading Arm 1	
Equipment Tag-No.	MLA 01
Type / Serial-No.	B0030 / KI0004782001
Drawing No. / Material No.	M2102626-001 / ZS1115841
Size	12"
Loading Arm 2	
Equipment Tag-No.	MLA 02
Type / Serial-No.	B0030 / KI0004782002
Drawing No. / Material No.	M2102626-001 / ZS1115841
Size	12"
Loading Arm 3	
Equipment Tag-No.	n. a.
Type / Serial-No.	/
Drawing No. / Material No.	/
Size	-
Hydraulic Power Unit 1	
Equipment Tag-No.	-
Type / Serial-No.	System II ERS / 61688-00
Drawing No. / Material No.	M2102626-200 / -
Hydraulic / Electric Circuit	S-1-694 / S-3-1142
Hydraulic Power Unit 2	
Equipment Tag-No.	n. a.
Type / Serial-No.	/
Drawing No. / Material No.	/
Hydraulic / Electric Circuit	-

CUSTOMER: KN Energies	Revision	0				
Contract No.: KI-MC 25-037	Date	2025-07-30				
Project: Maintenance of Emco Marine Arms at Klaipėdos LNG Terminal	Prepared	DKU				

2. Work to be performed

2.1. Maintenance Work

Contractor's maintenance work is displayed in the Specification of Service of Marine Loading Arms below. The activity schedule content will be undertaken during the first service. Upon completion of the first service the Owner will agree to the Activity Schedule which will be considered as a basis upon which subsequent services will be made. The agreed Activity Schedule is to reflect local conditions and operational factors as experienced by the Owner.

The service will comprise, but will not be limited to the following areas:

- Safety Devices
- Arm Construction
- Mechanical devices
- Hydraulics systems
- Pneumatic systems
- Electrical control and monitoring systems.

2.2. Documentation

Upon completion of the service, the Contractor will issue an Inspection Report specifying the equipment condition and recommended future action and associated time scales.

After completion of work a final inspection and test shall be made by Owner and report(s) shall be signed by the two parties. This report(s) will also record the performed work and working time and prove the acceptance.

2.3. Repair Work

Major repair work is not included in the service contract. Any repair work of this type will be agreed between Contractor and Owner and will be specified and subject to a separate order.

Repairs (i.e. less than one hour in duration) which can be reasonably executed within the inspection will be brought to the Owners attention and upon agreement by both parties carried out.

2.4. Hydrostatic Test or Leak Test

Pressure tests are not included in maintenance work, they are to be considered as a separate order. To carry out a pressure test additional time (half a day per loading arm) and equipment (blind flanges, plug-in disc, hydrotest pump etc.) is needed.

CUSTOMER: KN Energies	Revision	0				
Contract No.: KI-MC 25-037	Date	2025-07-30				
Project: Maintenance of Emco Marine Arms at Klaipėdos LNG Terminal	Prepared	DKU				

2.5. Specification of Service for Maintenance of Marine Loading Equipment

Service	Standard	Extended
Visual Inspection <ul style="list-style-type: none"> Inspection of the general condition of marine loading arm structures, noting evidence of corrosion, damage, misalignment, and leaks. Lubricate all moving parts. Check all fasteners for tightness and be sure they are all in place and not missing or corroded. 	●	●
Audit & Lubrication with Certificate <ul style="list-style-type: none"> Detailed inspection report outlining findings, suggest any operational changes, and provide maintenance recommendations. 	●	●
Major MLA Inspection Including HPU <ul style="list-style-type: none"> Startup HPU and evaluate noise and vibration levels and check fittings and connections for leaks. Review clogging indicator and replace filters and desiccants as needed. Check system pressure. Full inspection report detailing the condition of equipment. Standard function test. Run arm through full range of motion to determine condition of moving. 	●	●
Standard Function Test <ul style="list-style-type: none"> Run arm through full range of motion to determine condition of moving parts and ensure proper balance. Functional test of emergency release system without opening of ERC. 	●	
Extended Function Test <ul style="list-style-type: none"> Check smoothness of hydraulic operation and movement of pantograph. Check any accessories for proper operation (couplers, QC/DC, vapor lines, vent valves, etc.). Full functional test of emergency release system and reassembly of ERC if applicable. 		●
Leak Test with Nitrogen or Air <ul style="list-style-type: none"> Utilizing approximately 1.5 bar (21.75 PSI) Nitrogen or air pressure, bubble leak check will be performed to check the integrity of the packings. 		●
Assess Inventory for Gaps & Upgrades <ul style="list-style-type: none"> Ensure proper emergency spares are available on site in the event of a breakdown or leak. 		●

CUSTOMER: KN Energies	Revision	0				
Contract No.: KI-MC 25-037	Date	2025-07-30				
Project: Maintenance of Emco Marine Arms at Klaipėdos LNG Terminal	Prepared	DKU				

2.6. Time Schedule

The Contractor will carry out the Service once (1) in a twelve (12) month cycle or at intervals as advised after the initial service.

The exact dates of execution will be agreed in written form between Contractor and Owner six (6) weeks in advance.

In the event of unforeseen circumstances, both Owner and Contractor have the right to postpone the agreed start date up to 10 working days prior to the agreed start date.

In the event of the Owner postponing commencement of work within 10 days of the agreed start date, the Contractor reserves the right to charge reimbursement fees for travel and accommodation cost.

Work interruption at the direction of the Owner or waiting time for which the Contractor is not responsible will be reported separately and the incurred cost arising there from, invoiced for payment additional to the service work.

The Owner allows a working time of 10 hours per day from Monday to Saturday, in between 07:00 a.m. to 06:00 p.m. at site.

Contractor will not be liable for costs, damages or otherwise if the performance of this contract will be delayed or deemed not possible for reasons such as an act of God - force majeure, strike, fire, Government regulation, etc. and the Contractor shall be suitable compensated.

CUSTOMER: KN Energies	Revision	0				
Contract No.: KI-MC 25-037	Date	2025-07-30				
Project: Maintenance of Emco Marine Arms at Klaipėdos LNG Terminal	Prepared	DKU				

3. Pricing

3.1. Service Charge-Rates

The exact dates of execution will be agreed in written form between Contractor and Owner six (6) weeks in advance.

2026/2027	SERVICE ENGINEER CONDITIONS (INTERNATIONAL)	€ (EU)
	The following terms and rates will be applicable for all work of Emco Wheaton GmbH Service Engineers, as Maintenance, Erection, Repair, Commissioning, Technical Assistance, Supervision	
1	Daily rate per 10 hours day, 6 days each week. Waiting and travel time will also be charged at this rate. The rate does not include local "Withhold Tax"	
2	Above rate covers work shift up to 10 hours per day, for six days per week, at a regular working time of 7:00 am up to 6:00 pm. Working time in excess of this time period, in any twenty-four hours period, will be charged per hour, with a maximum working day of twelve hours.	
3	The engineer should be allowed one complete day rest per week (Sunday) for which only expenses would be charged. If day 7 is worked (rest day) a charge of twice the daily rate will be made. German bank holidays will be charged like day 7.	
4	<u>Travel Expenses</u> The following expenses will be charged at cost plus 25 % to cover administration costs: <ul style="list-style-type: none"> • All associated costs for travel from Emco base to site and return including actual air fares and the cost of excess luggage where applicable. Flights over 8 hours will be booked in business class. Cost for a three/four star hotel standard (alternatively provided at site) and one personal telephone call per week. • All costs for hire of motor vehicle if necessary or local travelling • All applicable taxes and levies and Visa fees. 	

3.2. Additional Cost

All required spare parts and delivery of small parts, e. g. grease and lubricants will be charged separately. Repair work or additional tests will be charged against actual service conditions or as otherwise agreed. Owner will be informed about any price variation in writing, which will be valid after date of agreement.

3.3. Lump Sum Price

Annual rate for **Standard** Service as per table 2.5 based on three (3) working days and two (2) travelling days, if the service is carried out in one course; any additional trips to site will be charged separately. The quoted prices include travelling to site, airfare, rental car, hotel accommodation and travel time.

Year 2026 Euro 17,100.00 net / total

Year 2027 Euro 17,900.00 net / total

CUSTOMER: KN Energies	Revision	0				
Contract No.: KI-MC 25-037	Date	2025-07-30				
Project: Maintenance of Emco Marine Arms at Klaipėdos LNG Terminal	Prepared	DKU				

4. Extent of Supply

The prices detailed include the following:

- Local uninterrupted work at site
- Inspection, lubrication and testing of equipment.
- Inspection and testing hydraulic & electric control system (when fitted)
- Greasing of equipment (grease is not included)
- Additional work according to check list

The prices detailed exclude the following:

- Support to be provided by others incl. labour, fitters, riggers
- Scaffolding, elevated working platform (cherry picker) or mobile crane with man basket
- Slings, Tirlors, Chain Blocks etc.
- Office facilities (for training of staff)
- Site transportation
- Water and electricity if required
- Hydrostatic Flushing and Testing Facilities (deposit of wastewater by client)
- Local work permits
- Tools and wrenches to carry out afore mentioned work.
- Measuring Hoses and pressure gauge (Minimes Box)

5. Liability

Owner will instruct and demonstrate to Contractors personnel, all health and safety requirements, either legislative or local rules, relating to the work to be undertaken. This instruction must be carried out prior to the commencement of work. Should the work to be undertaken require additional support (banks man, fire attendant etc.) this support is to be provided by the Owner free of charge and for the duration of the task.

The Owners shall provide all necessary serviceable and certified safety equipment that is required to undertake the task in a safe and professional manner, avoiding harm and injury to personnel and avoiding any adverse impact on the environment.

The Owner will supply labour assistance at the beginning of the service for introduction of the Contractors personnel to introduce him to the specific characteristics of the site.

The Owner will inform the Contractors personnel about work being carried out by others in the same vicinity, especially any other repair work being executed by third parties, which might have an influence/impact to the service activities of the Contractor.

A written confirmation from the Owner will be given at the beginning of the work, which guarantees the equipment is in a safe condition and where reasonably practicable all preparation works for the service task to be undertaken have been completed.

Contractor's personnel are obliged to adhere to the safety instructions and rules as specified by the Owner.

Contractor will not be liable for costs, damages or otherwise if the performance of this contract will be delayed or deemed not possible for reasons such as an act of God - force majeure, strike, fire, Government regulation, etc. and the Contractor shall be suitable compensated.

CUSTOMER: KN Energies	Revision	0				
Contract No.: KI-MC 25-037	Date	2025-07-30				
Project: Maintenance of Emco Marine Arms at Klaipėdos LNG Terminal	Prepared	DKU				

6. Payment Schedule

In certain circumstances the Contractor may require an advance payment for the contracted service. This payment is to be received into the Contractors account at least 15 days prior to the agreed start date.

Payment term: Payable within 30 days after date of invoice

7. Warranty

Our warranty for workmanship (performance) lasts for 6 months after date of acceptance, ordinary wear and tear or damages due to faulty operation excepted.

All claims for defects shall be submitted latest after 3 months from date of acceptance.

Our warranty is limited to a right of rework or replacement or repair. We are not liable in the event of any consequential loss or damage caused by force majeure during our service.

The exclusive place of jurisdiction for both parties will be Marburg/Lahn (Germany) regardless of the value in dispute.

We also refer to our General Sales Conditions

Warranty is subject to the fact that only EW certified specialists carry out the service and maintenance work on our equipment. Tear-and-wear parts are excluded from this warranty.

8. Contract Period and Validity

The contract starts with the agreement of both parties and will run until 31/12/2027.

If adjustments are unforeseen and imperative required, the Contractor shall inform the Owner about necessary changes. If the adjustments during running time are unacceptable for Owner, the Owner has a special right of termination. Adjustments shall also be included and agreed in written form.

Additional work to be included in this contract shall be confirmed and added in writing.

The validity of the contract draft is 30 days from submission date and must be signed within this period.

9. Company Liability Insurance

Our company liability insurance covers damages to people and damage to 3rd party property.

Confirmation of Insurance will be submitted on request.

10. Place of Jurisdiction

The exclusive place of jurisdiction for both parties will be Marburg/Lahn (Germany) regardless of the value in dispute.

11. Additional Agreement

The Contractor shall grant the Owner a discount of five (5) % on spare parts for the loading equipment described in Item 1.1 for the duration of the maintenance contract.

CUSTOMER: KN Energies	Revision	0				
Contract No.: KI-MC 25-037	Date	2025-07-30				
Project: Maintenance of Emco Marine Arms at Klaipėdos LNG Terminal	Prepared	DKU				

12. Signatures

For and on behalf of “Contractor”

For and on behalf of “Owner”

Date: _____

Name: _____

Position: _____

Phone: _____

Email: _____

Signature: _____