CONTRACT

for Engineering & Design

**Sankt Pölten, February 2025**

**The company "Voith Hydro GmbH & Co KG"** with its Small Hydro Division**,** registered under the laws of Republic of Austria with its legal address at Linzer Strasse 55, 3100 Sankt Pölten, Austria, Commercial Court St. Pölten, Commercial Register Nr. FN174760a, VAT Reg. No. ATU45323500 represented by on the one hand (hereinafter referred to as ”CONTRACTOR”), and

**Povodi Ohre, statni podnik** registered under the laws of Czech Republic with its legal address at Bezrucova 4219, 430 03 Chomutov, ID No. 70889988, VAT No. CZ70889988, Bank Connection:

Registered in the Commercial Register at the District Court Ústí nad Labem, Department A, Sheet 13052 represented general manager, manager of investments and project manager (hereinafter referred to as “OWNER”)

**Preamble**

WHEREAS,

The CONTRACTOR has within their product range Stream Diver which can be adapted to a variety of applications as requested by the OWNER.

WHEREAS,

The OWNER is interested in applying Stream Divers in Terezin river weir, for the hydro power plant **TEREZIN**.

WHEREAS,

The parties intend to cooperate to research and develop an application to fit for the intended purpose of integrating the powerplant into the existing Ohre river weir in Terezin and the CONTRACTOR has available qualified engineering resources to develop such a solution for the OWNER.

Henceforth, the Parties agree as follow:

1. **Scope of Supply under the CONTRACT**

Engineering and design of a Stream Diver solution for 4 units approximately each 250kW output integrated in a box type power plant in the existing weir, fulfilling the technical requirements concerning water quality and plant integration. Further it will be designed in terms of power and cavitation behavior considering the received documents from OWNER:

1. **Price**

The OWNER undertakes to pay the CONTRACTOR the following amount for the subject delivery defined in this CONTRACT:

Price: 19.000 Euro (excl. VAT)

(in words nineteen thousand EUR)

The price comprises development and design works, a site visit if necessary, travel cost, establishing the current state at the site, preliminary layout planning as well as subsequent offer preparation for an E&M Contract. The Price is further based on the information and documents which will be submitted by the OWNER (ANNEX 1). Changes in documents, data, scope of supplies and works after finish of the studies and submittal of an offer, due to technical clarifications or commercial terms and conditions, may require a price adjustment.

1. Commercial Conditions
   1. Terms of Payment 20 % Advance payment payable within 14 days after signature of this CONTRACT agreement.

If the OWNER does not meet its payment obligations within 14 days, the CONTRACTOR is entitled to stop all works under this CONTRACT until the payment is received.

80% Based on the tax document (invoice) issued after the handing over of the final documentation within the scope of this CONTRACT.

The whole amount of 19.000 Euro will be deducted from a subsequent main contract for supply and delivery of the equipment developed under this CONTRACT (E&M Contract), since the general layout planning is then already executed. The Total price is not refundable in case no E&M Contract is realized.

Upon completion of the work, the CONTRACTOR is obliged to issue a tax document (invoice) for the price of the work with an accounting of the advance payment provided. The tax document (invoice) is due 14 days from the date of its delivery. Each invoice will necessarily contain the relevant number of the project: **500 869**.

* 1. Delivery time

^ 6 weeks for first drawing submittal after clearance of all technical details

^ 10 weeks for final drawings (incl. 1-week correction time by owner or owner´s engineer)

Commencement is when all Parties have signed the CONTRACT.

1. Confidentiality
2. The Parties undertake to keep secret any information received from the other Party within and outside the framework of this CONTRACT.
3. The Parties undertake to respect the confidentiality of the terms of this CONTRACT and all information transmitted as confidential information or as information that by nature should be considered confidential.
4. The OWNER shall have a non-exclusive, non-transferable right to use the documentation given under this CONTRACT for the purpose of the CONTRACT only. Only if the Parties agree in a detailed E&M Contract for delivery and service of the equipment designed under this CONTRACT the OWNER may use the findings from this CONTRACT within the framework of the E&M Contract. If there is no E&M Contract realized the OWNER shall not have the right to use the scope of supply (documentation, drawings and information) provided under the CONTRACT.
5. The intellectual property rights of the given documentation, information, data, oral presentations, diagram drawings and know-how shall remain with the CONTRACTOR. Nothing in this CONTRACT is intended to give or shall be regarded as providing the OWNER with a license, express or implied, under any of CONTRACTOR's patents or other rights now owned or hereinafter acquired by the OWNER.
6. Force majeure
7. Neither Party shall be liable for non-fulfillment or improper fulfillment of obligations under this CONTRACT if it proves that non-fulfillment or improper fulfillment arose as a result of force majeure events. Covid-19, similar epidemics or pandemics, and also further waves of Covid-19 may qualify as Force Majeure events even though, Covid-19 is know beforehand.
8. Within 14 days after the Party became aware, or should have become aware, of the relevant event or circumstance constituting Force Majeure, the affected Party undertakes to notify the other Party of the occurrence of such events, provide the other Party with detailed information about such events, as well as a reasonable estimate of the period during which such force majeure events will continue.
9. If force majeure events continue for more than 60 (sixty) days, the Parties have the right to terminate this CONTRACT by submitting a written notice 7 (seven) days before the date of the intended termination.

**Article 6. Liability**

6.1 The Contractor shall be liable to the Customer for the consequences of non-fulfillment or improper fulfillment of obligations under this Agreement, as well as for the consequences of non-fulfillment or improper fulfillment by third parties engaged by the Contractor to perform work within the framework of fulfillment of obligations under this Agreement.

1. Neither the CONTRACTOR nor his subcontractors nor their respective staff shall be liable to the Owner, whether under this CONTRACT or otherwise, for any indirect, consequential or special loss or damage, loss of profit, loss of use, loss of input, loss of energy, loss of contract, loss of product, loss of opportunity, or for any financial or economic loss however arising.
2. Subject to 6.2 - The total liability of the CONTRACTOR for all claims of any kind arising out of or in connection with this AGREEMENT or its violation shall in no case exceed the Total Price of the CONTRACT.
3. Liability under this CONTRACT also applies in cases where the CONTRACTOR is liable for: a) intentional violation or gross negligence; or b) bodily injury, death or illness, as required by mandatory provisions of the law, or c) fraud, or d) criminal acts; or if required by mandatory provisions of the law.
4. The statute limitation period for damages of thirty (30) years required under § 1489 ABGB (Austrian general civil law) shall be limited to ten (10) years.
5. **Final provisions**
   1. Any change of this CONTRACT is effective if it is made in writing and signed by each party.
   2. By concluding this CONTRACT, the Parties declare to each other the following and assure each other of the following:

* The Parties are legal entities duly established in accordance with the legislation of their country, and their activities are carried out in accordance with the constituent documents and the current legislation of their country;
* The Parties have all the necessary corporate approvals and the appropriate authority to conclude this CONTRACT;
* the persons signing this CONTRACT and all documents related to it on behalf of the Parties are duly appointed to the position and authorized to sign this CONTRACT and all documents related to it;
* the conclusion of this CONTRACT does not violate and will not violate any provisions of the constituent documents of the Parties or the current legislation of Austria and the current legislation of Czech Republic.

7.3 This CONTRACT is governed by Austrian Law, place of jurisdiction is Vienna.

1. This CONTRACT is drawn up in English and in Czech, one copy for each Party. (The Czech version is for Owners proposes and is official translation from English)
2. This CONTRACT comes into force when all Parties have signed it and expires when all obligations are fulfilled or on 31 December 2025 at the latest.
3. **Signatures of the parties:**

**OWNER**

Povodi Ohre, statni podnik.

Date:

**CONTRACTOR**

Voith Hydro GmbH & Co KG

Date:

**ANNEX 1:** “Small Hydro Power Plant Terezín - StreamDiver Technology Basic Design - The scope of the works” with comments by Voith dated 2025-01-20

Agreed both parties.

**ANNEX 2:** Terezin HPP: Offer for general layout and foundation drawings, Voith dated 2025-01-23