

Pursuant to Article 28 of HEP Opskrba's d.o.o. Articles of Incorporation and Electricity Market Act, as at 12 December 2022 HEP Opskrba's Management Board passes:

SUPPLIER CONDITIONS FOR ELECTRICITY SUPPLY OF COMMERCIAL END CUSTOMERS AND FOR TAKE-OFF OF ELECTRICITY FROM COMMERCIAL END CUSTOMERS

1. INTRODUCTION

(1) The following Supplier conditions for electricity supply of commercial end customers and for take-off of electricity from commercial end customers (hereinafter: **Supplier conditions**) regulate relations between HEP Opskrba d.o.o, Ulica grada Vukovara 37, 10000 Zagreb, PIN: 63073332379 (hereinafter: **the Supplier or Contracting party**) as energy entity authorized to perform energy activity of electricity supply, for which the Supplier has obtained a permit in line with valid regulations in the Republic of Croatia, on the one hand and the commercial end customer (hereinafter: **End customer or Contracting party**) on the other hand, regarding electricity supply conditions and electricity take-off, as well as rights and obligations of the Supplier and End Customer.

(2) Within the meaning of the Supply Conditions, the Supplier's obligations include the following: electricity sale, electricity take-off, processing of billing elements, billing of electricity consumption, billing of electricity taken off from the supplier, invoice issuance and charging billed electricity and fee for stimulating electricity from renewable energy sources and cogeneration and they may include the billing and invoice issuance as well as charging the use of transmission and distribution grid and other fees in line with the provisions of the Contract on Electricity Supply and valid regulations of the Republic of Croatia.

The Supplier is not liable for the damage to other energy entities and End customers, in the event of force majeure pursuant to Article 43 of the Energy Act, but not limited to the stated article. The obligation of End customer is to take off and use electricity for the purpose of performing commercial or professional activity, to promptly settle invoices for consumed electricity and other obligations in line with the Contract and valid regulations. The competent System Operator is responsible for the safety, reliability and quality of electricity delivery, pursuant to valid regulations.

(3) All relevant regulations of the Republic of Croatia effective on the day of concluding this Contract, respectively after that day shall be applied to all mutual relations between the Supplier and End Customer. All contracts shall be concluded in the Croatian language and the communication for the duration of contractual obligation shall

be conducted in the Croatian language. Croatian legislation is applicable for the contractual relation.

(4) Supplier conditions are available at the Supplier's website. Supplier conditions are an integral part of the Contract.

(5) The Supplier conditions shall be applied to all Contracts concluded after the entry into force hereof as well as on all Contracts concluded prior to the entry into force hereof.

2. TERMS

(1) The Supplier conditions are drawn up in line with the valid laws and by-laws, which regulate electricity market, including, but not limited to the following: Electricity Market Act (OG num. 111/2021 and associated amendments, hereinafter: ZOTEE), Energy Act (OG num. 120/12, 14/14, 102/15, 68/18 and associate amendments), Law on renewable energy sources and Highly-effective Cogeneration (OG num. 138/21, and associated amendments, hereinafter: ZOIEIVUK), General Terms and Conditions for Grid use and Electricity Supply (OG num. 100/22 and associated amendments, hereinafter: General terms and conditions), Electricity Supplier and Aggregator Switching Rules (OG num. 84/22, 33/17 and associated amendments), Regulations on Conditions and Electricity Supply Quality (OG num. 84/22 and associated amendments, hereinafter: Quality conditions). If there is an amendment or new laws or by-laws are passed, amended or new laws are directly applied to all the provisions of the Supply conditions, respectively the valid Supply Contract. The Supplier shall promptly inform the End customer about all the amendments of valid regulations of the Republic of Croatia, which may affect the contractual relation between the Supplier and End customer, by highlighting the notice on the Supplier's website.

(2) Key terms which are used in the Supplier conditions are written with the first letter in upper case, as follows:

- a) **End customer:** end customer who purchases electricity at a Billing metering point for the purpose of performing commercial or professional activity, respectively who does not use electricity in own household. End customer is also the end customer with own generation facility from Article 21 hereof, whose Billing metering point belongs to commercial category in the part of supply and purchase. End customer may be a third person that may submit a Request for Concluding Electricity Supply Contract, together with the Request for temporary transmission of rights and obligations from the Contract on grid use.
- b) **Request for Concluding Electricity Supply Contract:** a request submitted on the Supplier's form published on the Supplier's website, which contains parts stipulated by Supply conditions
- c) **Supplier:** HEP-Opskrba d.o.o. from Zagreb, Ulica grada Vukovara 37, PIN: 63073332379
- d) **Billing metering point:** a point in the grid, where electricity parameters are measured for the purpose of billing with the help of the meter and other metering instruments, and which is typically the point of electricity delivery.
- e) **Billing period:** a time period to which the billing refers.
- f) **Billing data of supply:** data on the basis of which electricity consumption is billed, and is received from the System operator.
- g) **Billing data of customers with generation facility:** data on the basis of which electricity consumption and generation are billed, and is

received from the System operator.

- h) **Unique invoice:** invoice issued by the Supplier, which consists of the following: cost of electricity supply, fee for using transmission grid, fee for using distribution grid, and it may contain other fees and charges defined by special regulations, including a supply fee and cost of a warning notice, in line with the Supplier's Decision available at the Supplier's website.
 - i) **Separate invoices:** the invoice delivered by the System Operator to the End customer for the use of grid in line with the valid Contract on grid use and the invoice delivered by the Supplier to the End customer for electricity supply in line with the valid Supply Contract. End customer who has or during the validity of Supply contract obtains at least one Billing metering point at medium or high voltage, settles the fee for grid use and the fee for non-standard services of the Distribution System Operator directly to the Network Operator on the basis of a separate invoice.
 - j) **Supplier's Decision on the fees charged to the End customer:** the Decision available on the Supplier's website, which defines the supply fee and the costs independently defined by the Supplier and which states that End customer is charged for non-standard services of the Distribution System Operator in line with the Price list of non-standard services of the Distribution System Operator.
 - k) **System operator:** energy entity performing the energy activity of electricity distribution or transmission.
 - l) **Supplier's website:** <http://www.hep.hr/opskrba>
 - m) **Supplier's e-mail address:** opskrba@hep.hr
 - n) **System operator's website:** [https:// www.hep.hr/ods](https://www.hep.hr/ods) and <https://www.hops.hr>
 - o) **Supply fee:** fee that includes the following Supplier's costs: costs of receiving and processing billing data, billing certain fees defined by special laws, sending invoices for electricity, issuing copies of invoices for electricity (except in the event when the customer did not receive the invoice and has not promptly informed the Supplier about it), sending current data, access to application "My account", access to data via Supplier's free phone number. Supply fee is charged to the End customer monthly as part of each individual invoice in the amount pursuant to the Supplier's decision, which is available on the Supplier's website.
 - p) **In written form:** sending by regular post, registered mail, e-mail or in pdf form via e-mail, via "My account" application or text message.
 - q) **Contact centre:** the centre of interaction with end customers, whose scope of work includes different aspects of contacts by phone or e-mail.
- (3) For commercial end customers with a generation facility all the provisions of these Supplier conditions are applied, unless differently stated in Article 21 hereof - electricity takeover from End customer, in which case the provisions of that Article are applied.

3. PROVISION OF DATA

(1) Contracting parties shall send all notices and other communication from the Electricity Supply Contract to one another in written form in line with contact information (address, e-mail address and so on) stated in the Contract, unless it has been especially signified that the notice, respectively other communication is delivered by registered mail.

(2) The notice or any other form of communication,

which is sent by regular post or registered mail is deemed to be received by the other Contracting party upon expiry of three (3) days from the day of the submission of the notice or other communication to the post office. Furthermore, the other Contracting party is deemed to have received the notice, which is published on the Supplier's website, on the day the notice was published on the Supplier's website. If the notice was sent by e-mail, it is deemed received on the day the notice was sent to the e-mail address of the receiver.

4. CONTRACTING

(1) End customer and Supplier shall conclude the Electricity Supply Contract (hereinafter: Supply contract or Contract), on the basis of which the Supplier supplies electricity to the End customer at the Billing metering point stated in the Contract, and the End customer is obliged to settle the invoice to the Supplier. Contracting parties are also obliged to act in line with all applicable regulations of laws and by-laws.

(2) End customer who wants to conclude a Supply Contract with the Supplier shall submit to the Supplier a signed Request for concluding a supply contract on the form published on the Supplier's website. After the End customer submits to the Supplier a neatly filled out and signed Request for concluding a supply contract, the Supplier shall undertake all activities for the purpose of Contract conclusion.

(3) The Supplier is particularly, but not exclusively authorized to refuse the request of End customer for concluding a Supply Contract, in the event when the End customer has unsettled due debts to the Supplier on any grounds, or in the event that the End customer has in the previous 12 (twelve) months been late with settling 3 (three) or more consecutive monthly invoices, in the event of impossibility of completing the procedure of supplier switching or for other reasons in line with all applicable regulations of laws and bylaws.

(4) The Contract contains the following: data on Contracting parties, subject matter of the Contract, data on the Billing metering point, time of supply start, tariff model, price, due dates of payments and other conditions of electricity delivery and rights and obligations of Contracting parties pursuant to General terms and conditions and ZOTEE.

(5) The new owner of the real estate or a part of the real estate is obliged, without delay, to submit to the Supplier the Request for concluding the Supply contract along with the Request to conclude the contract on grid use, with the appropriate ownership document enclosed (land registry entry, Purchase or Gift agreement and so on). The new Supply contract and the new Contract on grid use shall be applied as at the date of consumption delimitation. The date of consumption delimitation is the date when the new owner starts being charged with the costs of electricity consumption and grid use, that is other fees connected to electricity delivery.

(6) End customer may be a third person. The third person, which uses the real estate on the basis different than the one stated in the previous paragraph hereof, may submit to the Supplier the Request for concluding the supply contract along with the Request for a temporary transmission of rights and obligations from the Contract on grid use with the delivery of the documentation confirming the existence of legal basis for the use of the real estate (e.g. Lease agreement).

(7) The form of the request for the temporary transmission of rights and obligations from the Contract on grid use is drawn up by the System

operator, and the Supplier and System operator publish it on their website. The Supply contract concluded upon request of the third person becomes effective as at the date of consumption delimitation, and the existing Supply contract ceases to be valid. The date of consumption delimitation is the date when the third person starts being charged with costs of electricity supply and grid use as well as other fees connected to electricity delivery.

(8) End customer is entitled, via their Supplier, to submit to the System operator a Request for the change of tariff model and the change of category for grid use at the Billing metering point, after technical preconditions by the System operator have been fulfilled. End customer may once a year, that is upon expiry of 12 months after the last change, submit a Request for the change of tariff model at the Billing metering point. Each subsequent change is charged in line with the Supplier's decision.

5. CHANGE OF CUSTOMER'S DATA

(1) End customer is obliged to promptly deliver to the Supplier in written form all the data about changes, which may affect the fulfilment of contractual obligations (e.g. the change of address, last name and so on). The Supplier shall, depending on the type of change, deliver to the End customer a new Contract, annex to the existing Contract or a notice on conducted changes within 15 (fifteen) days from the day of receiving the notice by the End customer. New Contract or the annex to the existing Contract is applied from the first day of the following month i.e. as at the date of consumption delimitation, under condition that assumptions for that have been met in line with valid regulations. If the End customer does not notify the Supplier on the stated changes in the manner described above, all invoices, notices and other documentation sent to the End customer on the basis of data available to the Supplier is deemed correctly billed, correctly delivered and correctly applied, and the End customer shall bear all possible costs that arise out of that.

(2) If there are changes on the Billing metering point (e.g. change of owner, tenant, change of tariff model and so on), the End customer is obliged to notify the Supplier about it without delay in the written form.

(3) As long as the Supplier does not receive from the End customer the Request for cancelling a billing metering point previously conducted with the DSO, the Contract for the stated Billing metering point shall be effective and the End customer is obliged to pay the Supplier an invoice with all billed fees connected to that Billing metering point.

6. SUPPLY QUALITY

(1) Electricity supply quality consists of: voltage quality, reliability of power and service quality. The System Operator shall permanently maintain and improve the level of electricity supply quality at the place of electricity delivery, in line with Quality conditions. The quality of service is a part of the electricity supply quality, which refers to the level of service provision the System Operator and the Supplier shall ensure to the End customer, in line with the General Terms and Conditions as well as Quality conditions.

(2) Under the conditions and in the manner stipulated by Quality conditions, the End customer is entitled to a financial compensation from the Supplier, if individual service quality indicators within their competence do not achieve the level of guaranteed quality standard of services.

(3) In the event of failure to execute the Contract or in the event of incorrect Contract execution, including the inaccurate and late settlement, the End customer is entitled to demand from the

Supplier the compensation from damage which they prove to have suffered in line with the regulations of the law of obligations.

(4) For the period of duration of force majeure and other conditions that could not have been affected, the Supplier is exempted from all obligations taken over.

7. BILLING AND INVOICE

(1) The Supplier shall issue to the End customer the invoice for all billing metering points pursuant to billing data received from the System Operator for the billing period. Exceptionally, the Supplier may issue the End customer a separate invoice for one or more billing metering points. The invoice, along with parts stipulated by special regulations contains all elements in line with General terms and conditions and ZOTEE. The Supplier is not responsible for incorrect and untimely delivery of metering data by the System operator. Pursuant to General conditions, metering data at contracted billing metering points are determined by the System operator for a billing period.

(2) If the End customer is issued separate invoices, then the Supplier's invoice contains the amount of electricity price, the fees in line with the Supplier's decision from Article 2, Paragraph 2, Item j) of the Supplier conditions and all other fees and charges defined by separate regulations. End customer shall pay the fee for grid use pursuant to valid Contract on grid use to the System operator in line with a separate (individual) invoice, which the Distribution or the Transmission System Operator issues to the End customer in line with the valid Contract on grid use.

(3) The Supplier shall issue the End customer at low voltage a unique invoice, which consists of the cost of electricity supply, the fee for use of transmission grid and the fee for use of distribution grid, which may contain other fees and charges defined by special regulations or the Supplier's decision, Article 2, Paragraph 2, Item j) of the Supplier conditions.

(4) End customer who has or during Contract duration obtains at least one Billing metering point at medium or high voltage, shall settle the fee for grid use and the fee for non-standard services of the Distribution System Operator, as a rule, directly to the System Operator on the basis of a separate invoice.

(5) If End customer's Billing metering point at medium and/or high voltage becomes a Billing metering point at low voltage in time of Contract duration period, and if at that time all End customer's billing metering points become billing metering points at low voltage, End customer shall upon Supplier's request sign an annex to the Contract or a new Contract under the same Supplier conditions, related to the issuance of a unique invoice, respectively separate invoice and submit to the Supplier the appropriate payment security instrument.

(6) End customer is issued an invoice with the consumption specification by Billing metering points within 5 (five) days from the day of taking over metering data from the competent System operator.

(7) If the System Operator delivers to the Supplier corrected billing data on which the Supplier bases their invoice from Paragraph 1 hereof of Supplier conditions, the Supplier shall issue to the End customer an authorization or a charge on the grounds of corrected billing data.

(8) The invoice is delivered to the End customer by post on the proper address stated in the Contract or via e-mail, with End customer's consent.

(9) End customer may in written form request from the Supplier to issue the invoice in electronic form (e-invoice) by means of a chosen information provider. In the event that the Law on E-Invoicing in Electronic Procurement is applied on the End customer, the End customer shall be issued and delivered the invoice exclusively by means of the Financial Agency service "e-invoice for the country", as the central platform for e-Invoice exchange.

(10) If the End customer does not receive the invoice within 15 (fifteen) days upon the expiry of the Billing period, they shall without delay inform the Supplier about it, who shall issue the copy of the invoice free of charge.

(11) The End customer shall settle the invoice in due time. In the event of an objection to the invoice, the End customer shall pay the Supplier the undisputed part of the invoice, and file an objection for the disputed part in written form by post at the Supplier's address or by e-mail at the Supplier's e-mail address: oprskrba@hep.hr, at the latest within 20 (twenty) days from the day of invoice issuance. The Supplier shall reach a Decision on the objection at the latest within 15 (fifteen) days from the day of receiving a neat objection. The objection must contain all the necessary data for the identification of the End customer and the Contract, the explanation of the reason for objection, documents and other evidence on which the objection is based. If the End customer subsequently submits data needed for settling the objection, the due time of 15 (fifteen) days starts from the day of delivering the last data to the Supplier.

8. ACTIVITIES FOR SALES PROMOTION

(1) The Supplier may conduct activities for electricity sales promotion, which may include different benefits for End customers in a certain period, in a manner and pursuant to Terms and Conditions that shall be published on the Supplier's website.

9. PAYMENT

(1) End customer may settle the invoice by paying at the Supplier's transaction account designated on the invoice, within 15 (fifteen) days from the date of invoice issuance, unless otherwise stated in the Contract, along with stating the End customer's code or credit authorization number stated on the invoice. End customer is deemed to have completed the payment on the day when the money is visible on the Supplier's transaction account. End customer may pay before due date, under conditions that may be specially defined in the Contract.

(2) Information on the possible methods of payment is published on Supplier's website.

(3) If the End customer does not settle their payment within the time period set on the invoice, the legally prescribed default interest for the said delay shall be charged by the Supplier. In case of delayed settlement of liabilities from Paragraph 1 hereof, the Supplier shall first settle costs, then interest and finally the principal.

(4) The Supplier shall issue a warning in written form to the End customer who did not settle the liabilities in due time. The Supplier shall charge the costs of written warning to the Customer, in line with the Supplier's decision from Article 2, Paragraph 2, Item j) of the Supplier conditions.

(5) The Supplier is entitled to demand from End customer payment security instruments issued in line with the Enforcement Act, under conditions and in the manner defined by the Contract.

10. TEMPORARY DISCONTINUATION OF ELECTRICITY SUPPLY

(1) End customer is informed and agrees that the Supplier is obliged to file a request to the

competent System Operator to temporarily discontinue electricity supply to the End customer, if the Customer has not settled the total due financial obligation to the Supplier even following the written reminder or in any other cases pursuant to the General Terms and Conditions for Grid use and Electricity Supply. The competent System Operator is obliged at the request of the Supplier to temporarily discontinue electricity supply to the End customer.

(2) If the reasons specified herein, under which the Customer's electricity supply was temporarily discontinued, cease to exist, the Supplier shall (including, but not limiting oneself to: information on the cessation of reasons from this Article, Customer's request etc.) request from the System Operator to re-establish the Customer's electricity supply in the time period determined by the General Terms and Conditions for Grid use and Electricity Supply, respectively Conditions of electricity supply quality.

(3) In line with the Supplier's decision from Article 2, Paragraph 2, item j) of the Supply Conditions, the End customer is obliged to compensate to the Supplier the costs caused by the temporary discontinuation and reestablishment of electricity delivery, pursuant to the valid Price list of non-standard services of the Distribution System Operator.

11. CONTRACT DURATION

(1) Unless defined otherwise in the Contract, the Contract is concluded at the definite period of 12 (twelve) months starting from the first day of electricity supply under Contract. The Contract is prolonged for further 12 (twelve) months, if a Contracting party does not inform the other at least 30 (thirty) days before Contract expiry that they do not want to prolong the Contract. In that case the prolongation for further 12 (twelve) months occurs a limitless number of times, until one Contracting party informs the other that they do not want to prolong the Contract for the forthcoming period, at least 30 (thirty) days prior to Contract expiry.

12. CONTRACT TERMINATION DUE TO CHANGE OF REAL ESTATE OWNERSHIP OR CESSATION OF LEGAL ENTITY OR CUSTOMER'S DEATH

(1) Supply contract of the former owner's end customer with the existing supplier, respectively the Contract on grid use of the former owner with the system operator ceases to be valid by the conclusion of a new End Customer supply contract, respectively the new contract on grid use with the new owner. Independent of the obligations of the new owner, the former real estate owner or the former owner of a part of the real estate is obliged to deliver the notice on unilateral termination to the existing Supplier, that is the cancellation of Supply contract or Contract on grid use, along with the documentation on the change of ownership.

(2) End customer supply contract and Contract on grid use in the event of death of a natural person or cessation of the legal entity, which is the End customer cease to be valid on the date of concluding a new end customer supply contract and the new contract on grid use with the heir, legal successor or the third person and exceptionally natural person or legal entity, in ownership of the real estate or a part of the real estate (third person). Supply contract and Contract on grid use concluded with the third person cease to be valid on the date of concluding a new Supply contract and a new Contract on grid use with the heir or legal successor.

(3) If the new Contract with the heir, legal successor or exceptionally the third person is not concluded in

the period of 30 days from the day of the knowledge of death of the natural person or of cessation of legal entity, the System Operator may, at Supplier's request, temporarily discontinue electricity delivery at the stated Billing metering point, if neatly due financial obligations are not settled at the stated Billing metering point.

13. CONTRACT TERMINATION DUE TO BREACH OF CONTRACTUAL OBLIGATIONS

(1) The Supplier and the End Customer hereby agree that in case of Contract breach they may terminate the Contract by means of a Contract Termination Notice (hereinafter: the Notice) sent to the other Contracting Party, with the additional period for remedying of 8 (eight) days from the day of receiving the Notice. The Notice is sent by regular post or by registered mail or by e-mail. It is deemed that the Contract Termination Notice has been received by the other party after the expiry of 3 (three) days from the date of the submission of the Notice in the form of a regular mail to the post office, i.e. after the expiry of 3 (three) days from the date of submission of the Notice through registered mail. If the Notice has been sent via e-mail, it is deemed to be received on the day of sending the Notice to the receiver's e-mail address.

(2) The Contract ceases to be valid at 12:00 midnight of the last calendar month in which the additional period for remedying expired. If applicable, damage liability, damage determination and the obligation of damage compensation which one Contracting party caused to the other by breaching contractual obligations, shall be determined in line with the provisions of the law of obligation.

(3) In the event the Supplier was given false/inaccurate information and/or invalid and void and/or falsified documentation, which served as the basis for concluding the Supply contract, the Supplier shall promptly, upon knowledge of the stated deliver to the Customer the Contract Termination Notice in written form.

14. CONTRACT TERMINATION DUE TO SUPPLIER SWITCH

(1) End customer is entitled to unilateral Contract termination, if they want to conclude a Supply Contract with another supplier, in line with the Supplier and Aggregator Switching Rules.

(2) The Supplier shall within 4 (four) weeks upon the change of supplier issue to the End customer the final settlement of electricity, under condition that they previously received billing data from the System operator.

15. CONTRACT TERMINATION DUE TO INCREASE OF A PART OF ELECTRICITY PRICE WHICH IS CONTRACTED FREELY OR PROVIDING UNFAVOURABLE SUPPLY CONDITIONS

(1) End customer may freely and free of charge terminate the Supply Contract in the event of increase of a part of electricity price which is contracted freely or of providing unfavourable supply conditions.

16. CONTRACT TERMINATION IN THE EVENT OF TERMINATION OF THE CONTRACT ON TEMPORARY TRANSFER OF RIGHTS AND OBLIGATIONS FROM THE CONTRACT ON GRID USE

(1) Supply contract concluded upon request of the third person ceases to be valid on the day of termination of the Contract on temporary transfer of rights and obligations from the Contract on grid use.

(2) Transferor of rights and obligations from the Contract on grid use (e.g. the real estate owner) is obliged to inform the Supplier of their own choice

without delay on the termination of the Contract on temporary transfer of rights and obligations and obligations from the Contract on grid use and to submit the Request for concluding the Electricity Supply Contract. Otherwise, the System operator shall send a notice to the End customer on the option of temporary discontinuation of electricity delivery at the stated Billing metering point, in the event the procedure of concluding a new Contract is not launched.

17. CONTRACT TERMINATION WITH TEMPORARY DISCONTINUATION OF ELECTRICITY DELIVERY AT END CUSTOMER'S REQUEST

(1) End customer is entitled, upon fulfilling technical pre-conditions by the System operator, to file a request to the Supplier for terminating the Supply contract along with a temporary discontinuation of electricity delivery at their billing metering point at least 15 days prior to the date for which the Contract termination and temporary electricity deliver discontinuation have been requested. The Contract ceases to be valid with the date of consumption delimitation and the final settlement is delivered to the customer within 30 days from the day of temporary electricity delivery discontinuation.

(2) The request is filed on the form published on the Supplier's websites.

18. CONSEQUENCES OF CONTRACT TERMINATION

(1) If the Contract is terminated due to Customer's supplier switch or if the Customer terminates this Contract for any reason, or if the Supplier terminates the Contract due to End customer's breach of contractual obligations, the Supplier is entitled to charge to the Customer the Early Termination Fee (ETF) for the remaining number of billing periods from the date of Contract termination until the expiry of the Contract duration period, unless defined otherwise in the Contract.

ETF is calculated under the following formula:

$$ETF = CP \times KPR \times T \times OR$$

ETF = Early Termination Fee

CP = average invoice amount for the last 3 (three) billing periods preceding the date of Contract termination. If the date of Contract termination is not preceded by 3 (three) billing periods, CP shall be calculated as an average invoice amount based on two or one billing period. The average invoice amount does not include fees paid by the Customer under separate regulations, and for the Customer at low voltage, average invoice amount does not include Grid Use Fee or the fees the Customer pays in line with special regulations.

KPR = the early contract termination coefficient of 0.4

T = the 10% tolerance coefficient of 0.9

OR = the number of the remaining billing periods from the date of Contract termination until the expiry of the contracted period.

The Supplier shall inform the End customer in writing of the fee amount the Customer is obliged to reimburse to the Supplier pursuant to provisions herein. The payment of such fee is due within 15 (fifteen) days from the day of the Customer's receipt of the said information.

(2) Along with ETF, the Customer is obliged to compensate to the Supplier for any other damage caused to the Supplier due to Contract termination hereof.

(3) In the event of Contract termination due to Supplier's breach of contractual obligations, due to non-acceptance of the amendments to the Supplier conditions pursuant to Article 24 of Supplier conditions, due to non-acceptance of the

increase of electricity price in line with Article 20 of the Supplier conditions, the Supplier shall not bill ETF to the End customer.

19. FILING OBJECTIONS AND SETTLING DISPUTES

(1) End customer is obliged to submit any objection connected to Supplier's service provision contracted by the Contract, except invoice objections which are regulated by Article 7, Paragraph 11 of the Supplier condition, to the Supplier by post to the address: Ulica grada Vukovara 37, or by e-mail to the address: opskrba@hep.hr.

(2) The objection must contain the data appropriate for the correct identification of the End customer and the Contract, the explanation of reasons for objection, documentation and other evidence on which the Customer bases their objection. The Supplier shall decide about the objection at the latest within 15 (fifteen) days from the day of receiving a neat objection, containing all data for decision-making. If the End customer subsequently submits individual data necessary for objection settlement, due 15 (fifteen) days start from the day of delivery of the last data to the Supplier. Filing objections does not maintain maturity of any other End customer's financial obligation to the Supplier.

(3) The Supplier and the End customer shall try to settle the disputes, which may arise from this Contract amicably. In the event when the amicable dispute resolution is not possible, the dispute shall be resolved by the actual competent court in Zagreb, unless the Contract defines otherwise.

20. ELECTRICITY PRICES

(1) Unless otherwise defined in the contract, the Supplier is entitled to change tariff elements and electricity prices, particularly, but not exclusively due to the change of market conditions and in the event of the increase of annual consumer price index set by the Croatian Bureau of Statistics. Tariff elements and electricity prices do not include: value added tax, fee for stimulating electricity generation from renewable energy sources and cogenerations and other possible taxes, fees, excise duties, and charges which are or later become applicable to electricity delivery, and which shall be billed separately on the electricity invoice. The change of stated costs, fees and charges does not mean the change of electricity price because of which the Customer has the right to terminate the contract.

(2) The Supplier shall inform the End customer about the change of prices 14 (fourteen) days at the latest prior to them becoming effective. The Supplier shall inform the End customer about the change of prices in written form, along with informing the End customer on the right to terminate the contract as well as on the consequences of contract termination. The Supplier may additionally inform the End customer about the forthcoming change of price and the right to terminate the Contract by highlighting the notification about it on the invoice. If the notification of price change has been sent to the End customer via e-mail, it, the End customer is deemed to have received the notification on the day of sending. If the Notification of price change has been sent by post, the End customer is deemed to have received it upon expiry of 3 (three) days from the day of submitting the Notification to the post office.

(3) If the End customer does not accept new prices, in case of their increase, they may freely and free of charge terminate the Supply contract. If the End customer does not accept new prices, in case of their decrease, the Supplier is entitled to charge the End customer ETF from Article 18 hereof.

(4) If the End customer does not agree with the new electricity prices, they are obliged to submit to the Supplier the Contract Termination Notice in written form, within 8 (eight) days from the day of receiving Supplier's notification about new prices. In that event the Contract is terminated at 12:00 midnight of the last day of calendar month in which the Supplier received a written Contract termination notice by the End customer, under condition that such notice was received by the Supplier at the latest by due date defined in the Supplier and Aggregator Switching Rules. If the Supplier received End customer's Contract Termination Notice after the deadline defined in the Supplier and Aggregator Switching Rules, the Contract is terminated at 12:00 midnight) of the last day of the calendar month following the month in which the Supplier received End customer's Contract Termination Notice.

(5) In the event of Contract termination by the End customer, pursuant to this Article, the Supplier shall bill all delivered electricity until Contract termination according to the prices valid before proposed change of electricity prices became effective.

(6) If the Supplier does not receive a written Contract termination notice by the End customer within 8 (eight) days from the day End customer received the Notification about the change of prices, the End customer shall be deemed to agree with the changes. In the period from the day of application of new prices until Contract expiry, the Supplier shall bill electricity delivered to the End customer in line with new prices.

21. ELECTRICITY TAKE-OFF FROM END CUSTOMER

(1) This Article of Supplier conditions refers to a commercial End customer with a generation facility, respectively the customer with own generation, whose Supply Contract contains provisions on the take-off of electricity surpluses generated by End customer. All the provisions hereof shall apply to the stated End customer, unless this Article states otherwise. End customer to which the provisions of the Supplier conditions, that is this Article apply may also be the Institutions, which are billed in the manner stated by the Contract.

(2) End customer with own generation is the End customer of electricity, with the installation onto which is connected a facility for electricity generation from renewable energy sources or highly-efficient cogeneration, and which serves to meet the needs of End customer and has the option of delivering the surpluses of generated electricity into transmission or distribution network.

(3) At Supplier's request, End customer is obliged to deliver information on the generation facility located at the Point of delivery, as well as evidence on fulfilling conditions from Article 51 of ZOIEIVUK. In the event of change of installed and/or connected power during Contract duration, the End customer is obliged to deliver to the Supplier the new Power consent.

(4) In line with Article 51 of ZOIEIVUK, the Supplier shall for the time of duration of the Contract take off surpluses of electricity from End customer, generated from generation facility at the Point of delivery, as long as the following conditions are cumulatively met: as long as ZOIEIVUK stipulates this obligation by the Supplier and as long as End customer cumulatively fulfils all conditions from ZOIEIVUK and all conditions hereof.

(5) Supplier's obligation to take off electricity surpluses generated from the generation facility at the Point of delivery in line with Paragraph 4 hereof shall cease prior to the expiry of Contract duration:

a) if any of End customer's conditions cumulatively stated in ZOIEIVUK as well as conditions from this Article of Supplier conditions cease or b) if valid regulations cease to stipulate Supplier's obligation to purchase electricity surpluses from End customer with own generation or c) if after signing the Contract and during its execution there are changes in legislation, which change the conditions for or generation manner and/or electricity sale and/or obligations of taking off surpluses by the Supplier or if conditions at electricity market change.

(6) End customer shall without delay inform the Supplier in written form about the occurrence of case from Paragraph 5, Item a) hereof, or otherwise they shall reimburse the Supplier the whole amount of damage which the Supplier suffers as a consequence of ceasing to fulfil conditions from ZOIEIVUK. Supplier's obligation to take off surpluses of generated electricity from the generation facility ceases automatically with the day when any condition or guarantee hereof ceases to be fulfilled.

(7) In the event of occurrences from Paragraph 5 Item b) hereof Supplier's obligation of taking off surpluses of electricity generated in that facility automatically ceases with the day when regulation amendments, which no longer stipulate Supplier's obligation to purchase electricity surpluses from end customers, become effective, or on another day expressly specified in the amended regulation, under condition that the Supplier has not decided differently, about which they shall inform the End customer before the amended regulation becomes effective.

(8) In the event of occurrences from Paragraph 5 Item c) hereof, the Supplier is entitled to request from End customer the amendment of Contract provisions for their adaptation to new regulations, respectively changed conditions at the market. If within 1 (one) month from Supplier's request to the End customer for Contract amendments pursuant hereto, the negotiations do not commence or do not result in changes with which the Contract would be adapted to changed legislation, respectively market conditions, with the expiry of this due date, Supplier's obligation to take off surpluses of electricity generated from the generation facility automatically ceases.

(9) Electricity volumes the End customer shall deliver to the Supplier are the same as the total electricity generation in the generation facility reduced by End customer's own consumption. Electricity volume which End customer delivered to the Supplier at the Point of delivery, exclusively after the System Operator approves the status of customer with own generation, is determined with metering instruments at the Point of delivery and in line with the reading conducted by the System Operator.

(10) The Supplier shall pay to the End customer a unit price for surpluses of generated electricity taken off at the Point of delivery in the Billing period as defined in the Contract. VAT is calculated onto the price defined in the Contract. End customer shall settle all other taxes and other charges on the paid price for delivered electricity.

(11) End customer and Supplier shall ensure and submit to the System Operator the e-mail address for the delivery of monthly billing metering data prior to the beginning of Contract application. In the event of discrepancy between electricity volumes delivered into the electric power grid for sale to the Supplier stated on the copy of the reading the System Operator delivers to the Supplier and the data stated on End customer's invoice, End

customer shall issue a new invoice on which they shall adjust the stated electricity volumes sold to the Supplier with the data from the reading copy of the System Operator delivered to the Supplier.

(12) Supplier's obligation to pay taken-off surpluses of generated electricity from Paragraph 10 hereof is due within due date defined by the Contract, which begins from the day when the Supplier received the invoice for surpluses from Paragraph 10 hereof, respectively the day of receiving the invoice with correctly state volumes of sold electricity from Paragraph 11 hereof.

(13) If it is subsequently deemed that the volumes delivered by the System Operator, on which End customer invoice from Paragraph 10 hereof is based, are not correct, one of the following invoices delivered from the End customer to the Supplier for delivered electricity shall have volumes stated, which reflect correct readings. If the Supplier issues the invoice in the name of End customer, "self-issued" invoice shall be corrected in a proper manner. If for any reason the Contract is no longer applied, the Contracting parties shall in the appropriately applicable manner settle mutual obligations.

(14) In the event of the change of conditions and/or the price of purchase, at which the Supplier takes off electricity from End customer, Article 20 of the Supplier conditions is applied in identical manner.

22. FORCE MAJEURE

(1) The event of force majeure, as described in the Energy Act, includes all the events and circumstances, which if they could have been predicted, could not have been stopped and which cannot be affected, reduced, removed or their effect cannot be cancelled. The Supplier is relieved of responsibility for the failure to fulfil, for late or incomplete fulfilment of their contracted obligations, if their failure to fulfil them was a result of force majeure. These are in particular: natural disasters (earthquake, flood, thunder strike, storm, drought, ice activities and others), epidemics, explosions which are not a consequence of improper and reckless handling and which could not have been predicted, and are not a consequence of material and equipment deterioration, war, rebellion or sabotage, cyber/internet attack, the decisions of the Croatian Government stated in Article 26 of the above mentioned Act, as well as all other events and circumstances, for which in case of doubt, arbitration decides it is force majeure.

(2) The Supplier is not responsible for the damage done to other energy entities and End customers, in the event of force majeure, including, but not limiting to Article 43 of the Energy Act.

23. OTHER PROVISIONS

(1) The Supplier is authorized to inform the End customer about information, notices and other notifications regarding the Contract by post, phone call, e-mail or text message, using the contact details which End customer delivered to the Supplier in the Contract or subsequently in an appropriate manner (by phone, e-mail or post). The Supplier is entitled to record and save all End customers' phone calls to the Supplier's phone line intended for end customers. In the event of communication by the Supplier's phone line intended for end customer, the Supplier is entitled to request from the End customer identification details and to check those in a legal way, with an aim of determining End customer's identity. End customer's failure to provide such details and to give correct and/or incomplete information entitles the Supplier to refuse End customer's request. The Supplier is entitled to use the recordings of Supplier's phone line intended

for end customers exclusively to execute rights and obligations hereunder.

(2) End customer entitles the Supplier for the whole period of Contract duration to limitlessly acquire, process and use all the information and data from the competent System Operator, which refer to the End customer and Billing metering points, which are the subject matter of the Contract and to use them for the purpose of Contract execution, but also for all other purposes, if defined by the Contract.

(3) The Supplier shall collect all the data of End customer and process them for the purpose of executing the Contract on end customer supply and / or of executing the legal obligation of a supplier. The Supplier shall not give End customer's data for use or make them available to third persons in any other manner without End customer's consent, unless, if in line with the provisions of Electricity Market Act or other special laws or regulations, they shall publicly disclose the data or declare them to competent state bodies. The Supplier shall not oblige the End customer to keep any data from the Contract, settlement and invoice (particularly the price, the method of changing price and metering data) as confidential information.

(4) The Supplier or the Purchaser has the right to access metering data and/or to the delivery of metering data from the metering data database only of the grid user, with whom they concluded the Supply Contract or Contract which regulated electricity purchase. Exceptionally, the Supplier or the Purchaser has the right to access metering data and/or to the delivery of metering data from the metering data database of the grid user, with whom they have not concluded the said Contract, only on the basis of a written authorization of grid user.

(5) Supplier's decision from Article 2, Paragraph 2, item j) of the Supplier conditions is available on the Supplier's website. The Supplier shall inform the End customer on the possible change of the amount of fees and costs they determine themselves at the latest within 14 (fourteen) days before they become effective in written form and/or on the previous invoice via the Supplier's website. The change of costs, fees and payments, which are not included in the price of electricity do not represent the change of electricity price, because of which the Customer is entitled to Contract termination.

(6) The notices and information the Supplier is obliged to put at End customer's disposal, in line with valid laws and by-laws are available on the Supplier's website, or via "My Account" application on the Supplier's website, that is on the invoice. The End customer is deemed to have received that notice or information on the day it is published on the Supplier's website. Stated information are also available to the End customer on the free phone number 0800-5255 and on the e-mail address: opskrba@hep.hr

24. AMENDMENTS TO SUPPLIER CONDITIONS

(1) The Supplier shall inform the End customer about the amendments to the Supplier conditions via the Supplier's website within 14 (fourteen) days at the latest before they become effective. Along with the notification of the amendments to the Supplier conditions, a written notification with the description of forthcoming amendments shall be highlighted on the Supplier's website and it will include information on the End customer's right to terminate the Contract as well as the consequences of Contract termination. The Supplier may additionally inform the End customer on the forthcoming amendments to the Supplier conditions and the right to terminate the Contract in

written form or by highlighting the notification about it on the invoice.

(2) The End customer is deemed to have been informed about the amendments to the Supplier conditions on the day the amendments to the Supplier conditions have been published on the Supplier's website, regardless of the day of sending additional notices stated in Paragraph 1 hereof.

(3) If the End customer does not accept the amendments, in the event that they are less favourable for End customer, End customer may freely and free of charge terminate the Contract. If the End customer does not accept the amendments, in the event they are more favourable for End customer, the Supplier is entitled to charge the End customer ETF form Article 18 hereof.

(4) If the End customer does not agree with the amendments, they may submit to the Supplier the Contract Termination Notice in written form, within 8 (eight) days from the day of Supplier's publication of proposed amendments on the Supplier's website. In that event the Contract is terminated at 12:00 midnight of the last day of calendar month in which the Supplier received a written Contract termination notice by the End customer, under condition that such notice was received by the Supplier at the latest by the due date defined in the Supplier and Aggregator Switching Rules. If the Supplier received the End customer's notice on Contract termination in the period shorter than defined in the Supplier and Aggregator Switching Rules, the contract is terminated at 12:00 midnight of the last day of the calendar month following the month in which the Supplier received End customer's Contract Termination Notice.

(5) If the Supplier does not receive a written Contract termination notice by the End customer within 8 (eight) days from the day End customer received a Notification about the amendments to the Supplier conditions, the End customer shall be deemed to agree with the amendments to the Supplier conditions.

25. COMING INTO FORCE OF THE SUPPLIER CONDITIONS

(1) The Supplier conditions are published on the Supplier's website as at 15 December 2022 and they shall come into effect as at 1 January 2023,

(2) When these Supply conditions come into effect, Supplier conditions from 15 January 2021 cease to be valid.

Director: Davor Guttert, BSc. Econ.