

PEGASUS AGRICULTURE A-FRAME PURCHASE TERMS AND CONDITIONS

Article 1: Definitions And Interpretation

Definitions Unless otherwise specified in these Terms and Conditions or the context otherwise requires:

“A-frame” means an A shape hydroponic growing structure with automated drip feed system, manufactured from steel and plastic with approximate dimensions of length: fifteen (15) metres, width: two (2) metres, height: two decimal five metres (2.5) metres, growing holes: nine hundred and Sixty (960) and

“A-frames” shall be construed accordingly.

“A-frame Management Agreement” means the agreement made between the Purchaser and the Farm Manager in relation to the Purchaser’s A-frames.

“Pegasus Agriculture” means Pegasus Agritech Greenhouses and Equipment Trading L.L.C, a company organised and existing under the laws of the United Arab Emirates, whose registered office is at 902, Boulevard Plaza Tower 2, Downtown Dubai, Dubai, UAE, P.O. Box 235427.

“Agreement” means the agreement made between the Purchaser and Pegasus Agriculture in relation to each Dealing, the terms and conditions of which agreement is constituted by these Terms and Conditions read together with the Purchase Form.

“Banking Day” means any day (other than a Friday, Saturday or Sunday) on which commercial banks are generally open for business in the jurisdiction in which (in the case the Purchaser is not a natural person) the principal office or (in the case the Purchaser is a natural person) the primary residence of the Purchaser is located as specified in the Purchase Form and in Dubai, United Arab Emirates.

“Base Currency” means the relevant currency of purchase of the Purchase Quantity specified in the Purchase Form.

“Base Rate” means:

- a. If the Base Currency is Euros, EURIBOR;
- b. If the Base Currency is United States Dollars, US\$ LIBOR;
- c. If the Base Currency is Great Britain Sterling Pounds, RONIA;
- d. If the Base Currency is United Arab Emirates Dirhams, EIBOR; or
- e. If the Base Currency is some other convertible currency, the per annum rate specified by Pegasus Agriculture.

“Customer Reference Number” means a number that is generated by Pegasus Agriculture, which will be utilised in connection with Dealings between the Purchaser and Pegasus Agriculture.

“Dealing” means any purchase of A-frames and “Dealings” shall be construed accordingly.

“Default Rate” means the aggregate of the Base Rate plus two per cent (2%) per annum.

“Delivery” means in the case of a sale of A-frames by Pegasus Agriculture to the Purchaser, the physical delivery of the Purchaser’s A-frames by Pegasus Agriculture of the Purchase Quantity in accordance with paragraph 2.1; and “Delivery” and “Delivered” shall be construed accordingly.

“Delivery Failure” means the failure to Deliver the Purchase Quantity to the Purchaser pursuant to Article 2 for any reason whatsoever.

“Delivery Shortfall” means the amount of the Purchase Quantity not Delivered by the Scheduled Delivery Date.

“Dispute” means any suit, action, proceedings, controversy or claim arising under, out of or in connection with the Agreement between the Parties (including a dispute regarding the existence, validity, interpretation or termination of the Agreement).

“Escrow Agent” means Floyd and Howard FZC or its successor from time to time.

“Encumbrance” includes any mortgage, charge (whether legal or equitable), lien, option, security interest, restrictive covenant, pledge, hypothecation, assignment, title retention, trust arrangement or other restriction or equity of any kind or other encumbrance securing or any right conferring a priority of payment in respect of any obligation of any person.

“Farm Manager” means the farm manager appointed by the Purchaser in the relevant A-frame Management Agreement.

“Force Majeure” means the occurrence of any event or circumstance beyond the control of Pegasus Agriculture.

“Nominated Farm” means a facility and/or farm for the storage and maintenance of A-frames as nominated by the Purchaser in the Purchase Form or, if the Purchaser does not make a nomination in the Purchase Form, the facility and/or the farm as chosen by Pegasus Agriculture.

“Ownership Certificate” means the certificate issued and sent electronically by Pegasus Agriculture to the Purchaser confirming the Purchaser’s ownership of the A-frames.

“Payment Due Date” means two (2) Banking Days from the date of the Purchase Note.

“Purchase Form” means the Pegasus Agriculture A-frame Purchase form to be completed and submitted by a prospective Purchaser to Pegasus Agriculture prior to the commencement of the business relationship (for the purchase of A-frames) between Pegasus Agriculture and the Purchaser.

“Purchase Note” means the form (which includes the relevant Customer Reference Number) which Pegasus Agriculture may send to the Purchaser confirming the acceptance by Pegasus Agriculture of the Purchaser’s offer to purchase A-frames pursuant to the relevant Purchase Form submitted by the Purchaser and confirming that Pegasus Agriculture will sell the Purchase Quantity to the Purchaser at the Purchase Price.

“Purchase Price” means the Net Total purchase price for the Purchase Quantity as specified in the Purchase Form.

“Purchase Quantity” means the quantity of A-frames agreed to be sold by Pegasus Agriculture and purchased by the Purchaser as specified in the Purchase Form.

“Purchaser” means the person who has completed (and is identified in) a Purchase Form and has been accepted by Pegasus Agriculture for the purchase of A-frames from Pegasus Agriculture from time to time.

“Scheduled Delivery Date” means the first Banking Day falling one hundred and eighty (180) days after the date as of which the Purchaser has satisfied all its payment obligations to Pegasus Agriculture under the Agreement in accordance with the provisions of the Agreement.

“Taxes” means any sales tax, value added tax, impost, levy or other tax of any nature whatsoever and howsoever described (including all penalties, interest or other charges incurred in connection with any delay in payment).

“Terms and Conditions” means these Pegasus Agriculture A-frame Purchase Terms and Conditions (as amended from time to time), which are incorporated by reference in the Purchase Form.

“Website” means Pegasus Agriculture’s website www.PegasusAgritech.com which has, inter alia, these Terms and Conditions posted thereon.

1.1 Interpretation and Construction

- 1.1.1. Any reference to any document (including the Agreement) is to that document as varied, amended, notated, ratified or replaced from time to time.
- 1.1.2. A **"Party"** shall mean the Purchaser or Pegasus Agriculture (as the case may be) and "Parties" is to be construed accordingly.
- 1.1.3. Any reference to a **"Party"** includes that Party's executors, administrators, successors and permitted assigns, including any person taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee.
- 1.1.4. Unless otherwise specified, references to an Article or paragraph shall be a reference to an Article or paragraph of these Terms and Conditions.
- 1.1.5. Headings are for ease of reference only.
- 1.1.6. The singular includes the plural and vice versa.
- 1.1.7. References to a **"Person"** shall be construed as a reference to any person, firm, company, corporation, government, state and agency of a state or any association or partnership (whether or not having separate legal personality) of two or more of the foregoing.

ARTICLE 2: PURCHASE, SALE AND OBLIGATIONS OF PEGASUS AGRICULTURE

- 2.1 Subject to fulfillment by the Purchaser of its obligations under the Agreement and subject to the terms and conditions of the Agreement, Pegasus Agriculture agrees to the following:
 - 2.1.1 Subject to the issuance of the Purchase Note to the Purchaser, to sell (and the Purchaser agrees to purchase) the Purchase Quantity at the Purchase Price as of the date of the Purchase Note;
 - 2.1.2 to issue the Purchaser an Ownership Certificate within five (5) Banking Days of receipt of the Purchase Price by Pegasus Agriculture and/or the Escrow Agent as applicable; and
 - 2.1.3 to procure Delivery of the Purchase Quantity in the Purchaser's Nominated Farm by no later than the Scheduled Delivery Date.

ARTICLE 3: OBLIGATIONS OF THE PURCHASER

3.1 Payment

3.1.1 The Purchaser shall promptly pay the Purchase Price for the Purchase Quantity by no later than the Payment Due Date.

3.1.2 Payment by the Purchaser shall be to the Escrow Agent or to an account in a bank nominated by Pegasus Agriculture or by such other mode of payment as may be notified by Pegasus Agriculture to the Purchaser in the relevant Purchase Note.

3.1.3 All payments to be made by the Purchaser to Pegasus Agriculture under the Agreement shall be made in full on or before the Payment Due Date for payment, free and clear of and without deduction for or on account of any Taxes, fees, charges or withholding of any nature whatsoever now or hereafter imposed by any competent taxing authority. If the Purchaser shall, at any time, be compelled by law to deduct or withhold any amount from any payment hereunder, the Purchaser shall concurrently pay to Pegasus Agriculture such additional amounts as will result in payment to Pegasus Agriculture of the full amount which would have been received by Pegasus Agriculture if such deduction or withholding had not been required to be made.

3.1.4 The Purchase Price is exclusive of any Taxes that may become payable or deemed payable thereon (excluding any Taxes on the income of Pegasus Agriculture) and if any Taxes become payable the amount of the Tax payable or deemed payable shall be for the account of the Purchaser and will be added to the Purchase Price and be payable by the Purchaser to Pegasus Agriculture.

3.1.5 Interest shall be payable to Pegasus Agriculture on any overdue amounts at the Default Rate on the relevant outstanding balance due by the Purchaser, such interest to be payable on a daily basis from the date the outstanding balance becomes due until the date of payment of such amount in full (including all accrued interest) and to be compounded monthly.

3.2 Representations and warranties by the Purchaser

The Purchaser makes the following representations and warranties on the date of the Agreement and on the date on which it accepts Delivery of the Purchase Quantity:

- 3.2.1 its obligations under the Agreement constitute legal, valid and binding obligations, enforceable in accordance with their respective terms subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar laws affecting creditors' rights generally and to equitable principles of general application;
- 3.2.2 it has entered into the Agreement after a full opportunity to review these Terms and Conditions and to obtain independent technical and legal advice and has a full understanding of these Terms and Conditions;
- 3.2.3 it has obtained all consents, approvals and licences required to enter into and perform its obligations under the Agreement;
- 3.2.4 all information provided by it pursuant to these Terms and Conditions is complete, accurate, true and not misleading in any material respect; and
- 3.2.5 it will immediately inform Pegasus Agriculture in writing of any material changes to the information it has provided to Pegasus Agriculture including, but not limited to, its contact details.

ARTICLE 4: FORCE MAJEURE

- 4.1 The performance by Pegasus Agriculture of its obligations under the Agreement, which are affected by the Force Majeure, will be suspended for the duration of the Force Majeure. During the continuation of the Force Majeure, Pegasus Agriculture shall use reasonable endeavours to overcome the Force Majeure. Upon the Force Majeure being overcome or it ceasing to subsist, Pegasus Agriculture will, as soon as reasonably practicable thereafter, resume full performance of Pegasus Agriculture's obligations under the Agreement (including, for the avoidance of doubt, any suspended obligations).
- 4.2 Where a Force Majeure continues for a period of ninety (90) Banking Days either Party may, by written notice to the other Party, terminate the Agreement and the Agreement shall terminate on the first Banking Day falling three (3) days from the date of the written notice.
- 4.3 If the Agreement is terminated in accordance with paragraph 4.2, the Parties' obligations under the Agreement will be wholly released and discharged provided that termination shall be without prejudice to any accrued rights (including rights under paragraph 4.5) or obligations of the Parties under the Agreement as at the date of termination.

4.4 Notwithstanding any other provision of the Agreement and provided that the Purchaser has fulfilled all its obligations under the Agreement, Pegasus Agriculture shall:

4.4.1 If there is Delivery Failure repay the Purchase Price in full within sixty (60) Banking days from the Scheduled Delivery Date; and the Ownership Certificate issued in accordance with paragraph 2.1.2 shall be cancelled rendering it null and void; and

4.4.2 If there is a Delivery Shortfall refund a proportion of the Contract Price reflecting the Delivery Shortfall within sixty (60) days from Scheduled Delivery Date; and the Ownership Certificate issued in accordance with paragraph 2.1.2 shall be cancelled and re-issued to reflect the Purchaser's A-frames Delivered.

4.5 Unless expressly provided under the Agreement, the Purchaser shall not be entitled to cancel the Agreement or to demand that the Purchase Price be refunded or repaid.

ARTICLE 5: GOVERNING LAW AND DISPUTE RESOLUTION

5.1 The Agreement and any non-contractual obligations arising out of or in connection with the Agreement shall be governed by and construed in accordance with English law.

5.2 Any Dispute arising in connection with the Agreement shall be referred to and finally resolved by arbitration under the Arbitration Rules of the Department of Economic Development, which Rules are deemed to be incorporated by reference into this paragraph 5.2. The number of arbitrators shall be one (1) and shall be chosen by the Dubai Courts. The seat of arbitration shall be the Department of Economic Development, Dubai, United Arab Emirates. The language to be used in the arbitration shall be English. The Parties irrevocably submit to the non-exclusive jurisdiction of the courts of the Department of Economic Development solely in order to support and assist the arbitration process pursuant to this paragraph 5.2 including if necessary the grant of interlocutory relief pending the outcome of that process. The decision of the arbitrator shall be conclusive, final and binding upon the Parties.

5.3 It is agreed by the Purchaser that paragraph 5.2 is for the benefit of Pegasus Agriculture and that accordingly Pegasus Agriculture may elect by notice in writing that a Dispute be submitted to the non-exclusive jurisdiction of the English courts for settlement. In order to give effect to such right of Pegasus Agriculture, each Party irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction.

- 5.4 A judgment or order in connection with the Agreement issued by any court referred to in paragraph 5.3 is conclusive and binding on the Parties and may be enforced against a Party in any competent court of any other jurisdiction(s).

ARTICLE 6: GENERAL

- 6.1 The failure to exercise or delay in exercising a right or remedy available to a Party pursuant to the Agreement or by law does not impair or constitute a waiver of the right or remedy or an impairment of or a waiver of other rights or remedies. No single or partial exercise of a right or remedy provided by the Agreement or by law prevents further exercise of the right or remedy or the exercise of another right or remedy. Each Party's rights and remedies contained in the Agreement are cumulative and not exclusive of rights or remedies provided by law.
- 6.2 The Agreement sets out the entire agreement and understanding between the Parties in respect of the subject matter of the Agreement. The Agreement supersedes all prior agreements, understanding or arrangements (whether written or oral) relating to the same. No Party has entered into the Agreement in reliance upon any statement, representation, warranty or undertaking (whether express or implied by law or contract) made by or on behalf of the other Party other than those expressly set out in the Agreement.
- 6.3 All payment obligations between the Parties hereunder (including a grant or an award) shall be payable and settled in the Base Currency.
- 6.4 Pegasus Agriculture reserves the right to revise these Terms and Conditions from time to time. Pegasus Agriculture will use its reasonable endeavours to notify the Purchaser of revisions made to these Terms and Conditions from time to time. Any revision shall not have retrospective effect and shall only apply to Dealings which may be effected from the date on which the revision takes effect.
- 6.5 In the event of any conflict between the provisions of the Purchase Form, and these Terms and Conditions, then, these Terms and Conditions shall prevail.
- 6.6 Pegasus Agriculture may receive or pay commissions, fees or other non-monetary benefits from or to third parties in the course of providing its services or products to the Purchaser. Pegasus Agriculture or a third party may benefit from a mark-up of the price of any A-frame transacted with or for the Purchaser.

- 6.7 The Purchaser acknowledges and agrees that A-frames, which may be purchased by the Purchaser, may not necessarily be the same A-frames Delivered to the Nominated Farm, although this shall not affect the number of A-frames purchased by the Purchaser.
- 6.8 The Purchaser shall be obliged to immediately provide Pegasus Agriculture with all information that Pegasus Agriculture may reasonably require from time to time in order to comply with the Agreement.
- 6.9 Whenever required by Pegasus Agriculture, the Purchaser shall and shall procure the grant of consents and permissions, the doing of all acts and the execution of all documents as may be necessary, and shall otherwise exercise all powers and rights available to the Purchaser in order to give effect to the Agreement and the transactions and matters contemplated in the Agreement.
- 6.10 Nothing in the Agreement shall be deemed to constitute a partnership or joint venture, nor constitute either Party to be the agent of the other.
- 6.11 The provisions of the Agreement are severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of any other part of the Agreement.

ARTICLE 7: TRANSFER AND ASSIGNMENT

- 7.1 The Purchaser may not transfer or assign its rights under the Agreement without the prior written consent of Pegasus Agriculture (such consent not to be unreasonably withheld).
- 7.2 If on the variable contract, Pegasus Agriculture may assign or transfer any of its rights and/or obligations under the Agreement by giving at least seven (7) days' notice to the Purchaser.
- 7.3 Paragraph 7.2 does not apply to the fixed return investment

ARTICLE 8: NOMINATED FARM REQUIREMENTS

- 8.1 The Parties acknowledge that all Dealings shall comply with the rules and regulations of the Farm Manager and/or the Nominated Farm as applicable (including the standard operating procedures, as may be amended from time to time, of the Farm Manager and/or the Nominated Farm).
- 8.2 The Purchaser acknowledges and agrees that Pegasus Agriculture will not be under any obligation to undertake any Dealings which do not comply with the rules and regulations of the Farm Manager

and/or the Nominated Farm as applicable (including the standard operating procedures, as may be amended from time to time, of the Farm Manager and/or the Nominated Farm).

- 8.3 The Parties acknowledge and agree that Pegasus Agriculture and/or the Purchaser shall have the right to change the Farm Manager and/or the Nominated Farm prior to the Delivery of the Purchaser's A-frames and satisfaction of Pegasus Agriculture's obligation to effect Delivery shall not be affected as a result of Pegasus Agriculture and/or the Purchaser changing the Farm Manager and/or the Nominated Farm prior to the Delivery of the Purchaser's A-frames.

ARTICLE 9: ANTI-MONEY LAUNDERING/COUNTER TERRORISM FINANCING

- 9.1 Prior to executing any transactions Pegasus Agriculture, its nominees and/or the Escrow Agent shall undertake appropriate anti-money laundering/counter terrorism financing checks, which may include verifying the identity of the Purchaser. If the Purchaser fails to provide Pegasus Agriculture with all relevant information Pegasus Agriculture reserves the right not to start and/or continue providing services to the Purchaser and/or to execute any transactions and/or to cease any transactions until such verification has been completed to the satisfaction of Pegasus Agriculture.

ARTICLE 10: JOINT AND SEVERAL LIABILITY OF THE PURCHASER

- 10.1 Where the Purchaser consists of two or more persons, each person shall be jointly and severally liable to Pegasus Agriculture under the Agreement such that all persons are separately responsible for complying with the Agreement.
- 10.2 Pegasus Agriculture assumes that instructions received from the Purchaser consisting of two or more persons will be given on behalf of and with the knowledge of each person. Any action undertaken by Pegasus Agriculture regarding such instructions shall be binding on each person where the Purchaser consists of two or more persons.

ARTICLE 11: COMMUNICATIONS

- 11.1 Communications sent from the Purchaser to Pegasus Agriculture pursuant to or in connection with the Agreement shall not be deemed to have been received by Pegasus Agriculture unless and until they have actually been received by Pegasus Agriculture and acknowledged by Pegasus Agriculture. Pegasus Agriculture may acknowledge instructions orally or electronically as appropriate.
- 11.2 Communications shall be delivered personally, or sent by email, or sent by airmail registered post, international courier service or fax to the address provided in the Purchase Form.

11.3 Communications sent from Pegasus Agriculture to the Purchaser pursuant to or in connection with the Agreement are deemed to be received by the Purchaser:

11.3.1 If sent by airmail registered post, eight (8) Banking Days after the date of posting;

11.3.2 If sent by international courier service or delivered personally, when delivered;

11.3.3 If sent by fax, at the time of transmission provided that the appropriate acknowledgement of proper transmission is obtained by the sender; or

11.3.4 If sent by email, on the date of dispatch at the email address as specified in the Purchase Form or Purchase Note.

11.4 Instructions may also be given by telephone if agreed by the Purchaser and Pegasus Agriculture. If Pegasus Agriculture has agreed to accept oral instructions communication is deemed to have been received immediately for the purposes of the Agreement when given to Pegasus Agriculture's employees, officers, sales consultants or agents in conversation (and it is agreed that voicemail or other delayed transmission shall not constitute a valid instruction unless and until such instruction is confirmed in accordance with this Article 11).

11.5 All communications shall be in English.

11.6 The Purchaser agrees to receive electronic communications from Pegasus Agriculture including email and SMS messages.

11.7 The Purchaser acknowledges that it is its responsibility to notify Pegasus Agriculture promptly of any changes to its contact details, including email and postal addresses and telephone and fax numbers. Pegasus Agriculture shall not be liable for any loss incurred where Pegasus Agriculture has not been informed of any such changes.

ARTICLE 12: RISK WARNINGS

12.1 Entering into the Agreement carries a number of risks which the Purchaser needs to be aware of and fully understand. By signing the Agreement the Purchaser confirms that the Purchaser has read and understood these risk warnings:

12.1.1 The market in A-frames can become illiquid and the Purchaser may have difficulty in selling A-frames at the price the Purchaser wishes to achieve and in some cases it may be difficult to sell. Pegasus Agriculture gives no warranty as to the future value of A-frames. In addition, Pegasus Agriculture gives no assurance that it will purchase A-frames from the Purchaser.

- 12.1.1.1 Paragraph 12.1.1 does not apply to the fixed return investment.
- 12.1.2 The “price” displayed by Pegasus Agriculture on the Website, the Purchase Form and/or the Purchase Note is the price indicated by Pegasus Agriculture and should not be regarded as a price generally available from third parties in connection with the sale or purchase of A-frames.
- 12.1.3 The purchase of A-frames could be regarded as risky and speculative in nature.
- 12.1.4 The Purchaser should not enter into the Agreement unless the Purchaser understands the nature of the transactions envisaged under the Agreement and the extent of the Purchaser’s exposure to risk. The Purchaser should be satisfied that the transactions are suitable for the Purchaser in light of the Purchaser’s financial circumstances and position. The Purchaser can consider seeking advice from an appropriately qualified adviser.
- 12.1.5 Any rules and regulations relating to A-Frames may be subject to change and such changes may have a detrimental impact on the price of A-Frames and/or the potential market of A-Frames.
- 12.1.6 Sale of A-frames is not currently regulated under the laws of the United Arab Emirates. In this regard, the Purchaser will not benefit from protections that may be available under the rules or regulations of a regulatory body or authority.
- 12.1.7 Any comment by any of Pegasus Agriculture’s employees, officers, sales consultants or agents about the potential or expected outcome of any proposed transaction is only an opinion, not a forecast or guarantee, and the actual outcome of any transaction may be completely different. Representations made by Pegasus Agriculture’s employees, officers, sales consultants, agents or sales literature do not form part of the Agreement.