Corrected Annex 4: Contract for the Sale of Electricity from the Production of Energetika Ljubljana

Contract No. _____

on the sale of electricity from the production of Energetika Ljubljana

concluded between:

Javno podjetje Energetika Ljubljana d.o.o.
Verovškova ulica 62,
1000 Ljubljana
Slovenija,
represented by the Director, Mr. Samo Lozej,
VAT ID: SI 23034033
(hereinafter: Energetika Ljubljana or the Seller),

and

BUYER _____,

Address _____,

City _____,

Country _____,

representd by _____,

VAT ID: _____,

(hereinafter: _____ or the Buyer, and together: the Parties)

Subject of the Contract

1. Article

The subject of this Contract is the sale and purchase of electricity from the production of Energetika Ljubljana (hereinafter: the Contract).

The Seller shall sell and the Buyer shall purchase and take over electricity in the quantities, at the price, and for the period defined in the Addendum to the Contract for the sale of electricity from the production of Energetika Ljubljana (hereinafter: the Addendum).

Quantity, Price, and Delivery Period

2. Article

The Parties agree that the price for the sale of electricity from the production of Energetika Ljubljana shall be determined at the auction in accordance with the Auction Rules for the Sale of Electricity from the Production of Energetika Ljubljana.

After the auction, the Parties shall sign the Addendum, which defines the quantity, the price of the delivered electricity, and the delivery period allocated to the Buyer at the auction.

Payment Terms

3. Article

Electricity traded under this Contract shall be settled on a monthly basis. By the fifth (5th) day of each month, the Seller shall issue an invoice for the quantity of electricity delivered or taken over under this Contract during the previous month (the accounting period), taking into account the number of hours in the month according to the monthly delivery schedule set out in the Addendum and at the price determined in the Addendum.

The Buyer must pay the invoice no later than the twentieth (20th) day of the month following the end of the accounting period, into the Seller's transaction account officially registered with AJPES and stated on the invoice. Each Party shall bear its own bank charges or other fees related to such payment. If the due date falls on a non-working day (Saturday, Sunday, public holiday in Slovenia, or a day on which the European payment and settlement system in EUR is not operating), the due date shall be postponed to the next working day.

In case of late payment, the Seller may charge the Buyer statutory default interest in accordance with the Act on the Prescribed Default Interest Rate, which on the date of preparation of this Contract amounts to 10.15%. The interest must be paid within thirty (30) days from the date of issue of the interest invoice.

Non-Delivery or Non-Takover of Electricity

4. Article

f the Seller fails to deliver all or part of the contractual quantity of electricity in accordance with the agreed monthly delivery schedule defined in the Addendum, and such failure is not justified by force majeure or by the Buyer's non-performance, the Seller shall pay compensation to the Buyer. The amount of such compensation shall be calculated as the product of:

- the undelivered electricity quantity, and

- the positive difference, if any, between the price at which the Buyer, acting as a diligent operator in accordance with electricity trading rules, purchases (or could have purchased) the undelivered electricity, and the contractual price.

The calculated amount of compensation for non-delivery shall be increased by all additional transmission costs and other justified and proven costs and expenses incurred by the Buyer due to the Seller's non-performance.

The Parties agree that if the Seller fails to deliver all or part of the contractual electricity quantity in accordance with the agreed monthly delivery schedule defined in the Addendum, and such failure is not justified by force majeure, the Seller may supply electricity from other sources. If the price of such supplied electricity is lower than or equal to the contractual price, the Seller shall be deemed to have fulfilled its contractual obligation.

5. Article

If the Buyer fails to take over all or part of the contractual quantity in accordance with the monthly delivery schedule defined in the Addendum, and such failure is not justified by force majeure, the Buyer shall pay compensation to the Seller. The amount shall be calculated as the product of:

- the non-taken electricity quantity, and
- the positive difference, if any, between the contractual price and the price at which the Seller, acting as a diligent operator, sells (or could have sold) the non-taken electricity on the market.

The calculated amount of compensation for non-performance of takeover shall be increased by all additional transmission costs and other justified and proven costs and expenses incurred by the Seller as a result of the Buyer's non-performance.

If the Buyer does not take over all or part of the contractual electricity quantity in accordance with the agreed monthly delivery schedule defined in the Addendum, and such failure is not justified by force majeure, the Seller may sell the electricity on the market. In such a case, the Buyer shall be deemed to have taken over the electricity so sold. Consequently, the Buyer shall not be liable for payment under the above provisions of this Article, unless the Seller sells the electricity at a price lower than the price agreed in this Contract. If the electricity is sold at a lower price than that agreed in the Addendum, the Buyer shall pay compensation as defined in the first paragraph of this Article.

The Parties shall issue an invoice for any undelivered or non-taken electricity for the previous month by the fifth (5th) day of the month. Such invoices must be settled within twenty (20) days from the date of issue. Each Party shall bear its own bank charges or other fees related to such payment. If the due date falls on a non-working day (Saturday, Sunday, public holiday in Slovenia, or a day on which the European payment and settlement system in EUR does not operate), the due date shall be postponed to the next working day.

Performance Bond

6. Article

The Buyer shall, no later than twenty (20) days from the date of conclusion of the Addendum, provide the Seller with an irrevocable, unconditional, and on first demand payable bank guarantee for timely payment in the amount of 10% of the value of the Addendum excluding VAT.

The provision of such financial security for timely payment is a condition for the validity of the individual Addendum.

The minimum validity period of the bank guarantee shall be at least 60 days after the end of the period for which the Buyer was selected.

The Seller shall have the right to draw on the financial security for timely payment up to its full value if the Buyer fails to fulfil its contractual obligations in the agreed quantity or within the agreed deadlines. A drawn guarantee must be immediately replaced by the Buyer with a new one. If the Buyer fails to do so, the Seller shall have the right to unilaterally terminate the Contract without any penalty.

Suspension of Supply

7. Article

If the Buyer delays payment under this Contract, the Seller shall be entitled, but not earlier than seven (7) calendar days after having given prior written notice to the Buyer, to suspend further delivery of electricity. The Seller shall only be obliged to resume delivery of electricity once the Buyer has fully settled its outstanding debt arising from electricity supply (including default interest and costs).

For the period of suspended deliveries caused by payment delays, the provisions of Article 5 of this Contract shall apply.

Mutual Termination

8. Article

The Parties may at any time agree on an early termination of this Contract by concluding a written annex to this Contract (termination by agreement).

9. Article

Notwithstanding the provisions of the previous Article, each Party shall have the right to unilaterally terminate this Contract by written notice sent by registered mail to the other Party in the event of the occurrence of the serious grounds listed below, which justify such termination (termination for cause). The Party terminating the Contract must state in the written notice the serious ground on which the termination is based and the date of termination or expiry of the Contract, which may not be earlier than the receipt of the termination notice.

A serious ground for termination within the meaning of the preceding paragraph shall be deemed to exist in the following cases:

- failure to fulfil a payment obligation arising under this Contract, also after the expiry of seven (7) calendar days from receipt of a written reminder to fulfil such obligation;
- failure to provide the appropriate Performance Bond in accordance with Article 6 of this Contract or to supplement it, also after the expiry of five (5) working days from receipt of the Seller's written request;
- repeated cases of non-delivery or non-takeover of electricity
-

Dispute Resolution

10. Article

The Parties shall attempt to resolve all disputes arising under this Contract by mutual agreement. The Parties shall keep each other informed in writing of any problems arising.

If the Parties are unable to resolve a dispute by mutual agreement, all disagreements relating to this Contract shall be settled by the competent court in Ljubljana.

Any dispute relating to this Contract shall not relieve the Parties of their obligation to perform their contractual duties.

For the regulation of mutual legal relations arising from this legal transaction and not defined in this Contract, the provisions of the Energy Act, the Obligations Code, and other applicable legislation shall apply.

Force Majeure

11. Article

Force majeure under this Contract shall mean any event which cannot be foreseen, prevented, remedied, or avoided, and which results in the impossibility of performing contractual obligations for a Party to this Contract.

The occurrence of force majeure shall relieve the Parties from the performance of their obligations under this Contract for the duration of the force majeure, as well as from the obligation to pay contractual penalties or damages due to non-performance of contractual obligations during such period.

A Party invoking force majeure must promptly and reliably notify the other Party of the occurrence and cessation of the force majeure event. Failing this, it shall be liable for all damages incurred as a result.

Taxes

12. Article

The Parties agree that the contractual price includes all costs of electricity delivery up to the delivery point which, under applicable law, are borne by the Buyer, but does not include value added tax (VAT). VAT shall be charged in accordance with the legislation in force in the Republic of Slovenia.

Confidentiality and Anti-Corruption Clause

13. Article

If any person, on behalf of or for the account of one Party, offers, promises, or provides any undue benefit to the Seller's representative or intermediary for the purpose of:

- obtaining a contract, or
- concluding a contract under more favourable conditions, or
- waiving due supervision of contractual performance, or
- any other act or omission causing damage to the Buyer or enabling the Seller's representative, the other Party, or its representative, agent, or intermediary to obtain an undue benefit

the Contract shall be null and void.

If such an act or attempt occurs, a Contract already concluded and valid shall be deemed null and void; if the Contract is not yet valid, it shall be deemed not to have been concluded.

REMIT Regulation

14. Article

The Parties undertake to act in accordance with the provisions of the REMIT Regulation concerning the registration and reporting of market participants.

The Buyer shall provide the Seller with the UTI code for REMIT reporting.

Notifications

15. Article

The Parties undertake to immediately notify each other of any changes that could affect the implementation of this Contract.

Contact persons for operational implementation on the Seller's side:
Name and Surname:
Title:
Phone:
Email:

Name and Surname:
Title:
Phone:
Email:

Contact persons for operational implementation on the Buyer's side:
Name and Surname:
Title:
Phone:
Email:

Name and Surname:
Title:
Phone:
Email:

Miscellaneous

16. Article

This Contract shall enter into force on the date it is signed by both Parties. The Contract shall remain valid until revoked.

The Buyer may withdraw from the contractual relationship only if all obligations under this Contract have been fulfilled. The termination of this Contract shall not exclude the fulfilment of financial obligations already incurred under this Contract.

Any amendments or supplements to this Contract shall be made in writing with the consent and signature of both Parties.

This Contract is executed in two (2) originals, each of which shall be deemed an original. Each

Party shall receive one signed copy.

....., date .....

On behalf of Buyer

Ljubljana, date .....

JAVNO PODJETJE
ENERGETIKA LJUBLJANA d.o.o

On behalf of Seller

CEO
Samo Lozej