**STATEMENT REGARDING THE CONCLUSION OF A COMPENSATION AGREEMENT**

[Balance Responsible Party], represented by Title, Name and Surname,

Registration number: Registration number

VAT ID: VAT ID

[Company entering the balance scheme], represented by Title, Name and Surname,

Registration number: Registration number

VAT ID: VAT ID

Company [Company entering the balance scheme] confirms, that it has concluded a Compensation agreement with [Balance Responsible Party]. On the basis of the Compensation Agreement [Company entering the balance scheme] will be included into its Balance Group as the Balance Subgroup Responsible Party.

Compensation Agreement shall enter into force on start date, but no earlier than on the day of the entry of the essential elements into the Record of Balance Scheme membership agreement and is valid expiry date.

The parties to the Compensation Agreement, confirm that the Compensation Agreement contains the following mandatory components in accordance with the provisions of the Rules on the operation of the electricity market (Official Gazette of the RS, No. 163/22; hereinafter: the Rules):

* date of entry into force of the compensation agreement, including the provision that determines that the agreement in question shall become effective no earlier than on the day of the entry of the essential elements into the Record of Balance Scheme membership agreement;
* the date of expiry of the compensation agreement or a provision of its indefinite-time validity, together with the provision that even in case of the withdrawal of the compensation agreement it cannot cease to have effect before the deadlines specified in Articles 43 and 45;
* the provisions on reasons for termination with a notice period which shall meet all the conditions concerning the enforcement day referred to in Articles 43 and 45 of the Rules;
* a clause stipulating that a Balance Scheme member wishes to include a hierarchically inferior Balance Scheme member into its own Balance Group or Subgroup as the responsible party of the hierarchically inferior Balance Subgroup;
* a clause stipulating that the balance of the Balance Subgroup of the hierarchically inferior Balance Scheme member is settled through the balance of the Balance Group or Subgroup of the hierarchically superior Balance Scheme member.

By signing the statement regarding the conclusion of a Compensation Agreement, the parties to the Agreement guarantee that the content of the Agreement complies with the Rules.

Company [Balance Responsible Party]

Date and signature of the responsible person \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Company [Company entering the balance scheme]

Date and signature of the responsible person \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_