

***General rules for public
auctions for the sale of
electricity produced by the
company Termoelektrarna
Šoštanj d.o.o.***

Borzen, operater trga z elektriko, d.o.o.

Ljubljana, 7. 8. 2025

Borzen, operater trga z elektriko, d.o.o., within which the Centre for RES/CHP support operates, in accordance with the third paragraph of Article 9 and the second paragraph of Article 36 of the Act on Transitional Financing of the Accelerated and Fair Exit from Coal (Official Gazette of the Republic of Slovenia, No. 109/2024 of 20.12.2024), publishes the general rules for public auctions for the sale of electricity, produced in the Termoelektrarna Šoštanj, d.o.o..

The public auction organiser, Borzen, d.o.o., is committed to complete impartiality at all stages of the auction processes. No employee or contractual associate of Borzen, d.o.o. who participates in the organization and execution of public auctions has a business or personal interest in any of the participants in public auctions.

In accordance with the Act on Transitional Financing of Accelerated and Fair Coal Exit, the time of public auctions, the types and quantities of auction products will be determined and communicated by Termoelektrarna Šoštanj d.o.o. Pursuant to Article 29 of the Act on Transitional Financing of the Accelerated and Fair Exit from Coal, Holding slovenske elektrarne d.o.o. provides support services for Termoelektrarna Šoštanj d.o.o. during the performance of the public service and is involved in activities prior to the public auction.

In Ljubljana, 7. 8. 2025

Mojca Kert
General Manager

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1. INTRODUCTION

Article 9 of the Act on Transitional Financing of an Accelerated and Fair Exit from Coal (Official Gazette of the Republic of Slovenia, No. 109/2024 of 20.12.2024, hereinafter referred to as the Act) stipulates that the public utility provider, which following the second paragraph of Article 3 is Termoelektrarna Šoštanj d.o.o., Cesta Lole Ribarja 18, 3325 Šoštanj, Slovenia, registration number 5040388000, VAT ID SI92189903 (hereinafter: TEŠ), by-products of heat production, such as electricity, and waste products such as electrostatic ash, gypsum, system water and slag are sold on the market.

The second paragraph of Article 9 of the Act stipulates that the electricity produced from the operation of production sources for the performance of the public utility shall be sold in the range of 70% to 90% of the projected production for the year in advance in the form of a monthly diagram in one or more transactions by the end of the current year at the latest. The third paragraph of Article 9 in conjunction with the second paragraph of Article 36 of the Act stipulates that the sale of this electricity is carried out by the support centre (hereinafter: the public auction organiser) referred to in Article 18 of the Act on the Promotion of the Use of Renewable Energy Sources (Official Gazette of the Republic of Slovenia, Nos. 121/21, 189/21, 121/22 – ZUOKPOE and 102/24) in the form of a public auction.

The General Rules for Public Auctions for the Sale of Electricity Produced by the Company Termoelektrarna Šoštanj d.o.o. determine the manner and conditions for conducting public auctions. The sale of electricity produced by TEŠ shall be carried out in the manner and under the conditions set out in these rules.

The sale of electricity produced by TEŠ will be carried out in the form of several public auctions, at which TEŠ will sell different quantities of electricity in accordance with its economic interest. Interested companies wishing to participate in public auctions must make a one-time registration. The latter then allows participation in public auctions under the conditions set out in these rules. TEŠ will announce public auctions no later than 8 working days before they take place. The announcement of the auction will publish all the essential elements of each public auction.

The public auctions will be conducted in cooperation with BSP Energetska Borza d.o.o., Dunajska cesta 156, 1000 Ljubljana, registration number 3327124000 (hereinafter referred to as BSP) on the BSP trading platform for long-term trading.

The following annexes form an integral part of these rules:

- Registration form for public auctions (Annex 1),
- Sample of bank guarantee for the seriousness of the bid ("bid bond" template) (Annex 2),
- Sample of Electricity Purchase Agreement ('the Contract') (Annex 3),
- Sample of bank guarantee for the good performance of contractual obligations ("performance bond" template) (Annex 4),
- Irrevocable authorisation (Annex 5),
- Sample of public auction announcement (Annex 6).

2. DEFINITIONS

The terms used in these rules shall mean:

- **»public auction organiser«** means the Center for RES/CHP support which, in accordance with the Act on the Promotion of the Use of Renewable Energy Sources (Official Gazette of the Republic of Slovenia, No. 121/21, 189/21, 121/22 – ZUOKPOE and 102/24), operates within Borzen, d.o.o.;
- **»buyer«** means the participant in the public auction to whom a certain quantity or number of lots of the offered product of the public auction is allocated after the conclusion of the public auction;
- **»public auction announcement«** means a notice of the subject, quantities, time of performance and other details of a specific public auction;
- **»Rules«** means these General Rules for Public Auctions for the sale of electricity produced by TEŠ for the period up to 30.4.2027. These rules are formulated in accordance with the principles of good practice and do not replace statutory provisions;
- **»reserve price«** means the minimum acceptable price for a seller, which is not disclosed to participants, and determines the threshold for accepting a bid;
- **»registered applicant «** means a registered person who timely submits financial security for the seriousness of the bid to participate in a public auction;
- **»Seller«** means Termoelektrarna Šoštanj d.o.o. (TEŠ);
- **»registered person«** means an applicant who has successfully completed registration for public auctions, as confirmed by the public auction organiser;
- **»participant«** means a registered applicant who participates in a public auction;
- **»applicant«** means a legal or natural person who submits an application for registration at public auctions.

3. SUBJECT OF PUBLIC AUCTIONS

The subject of public auctions is electricity produced by the seller following the planned production regime. The subject of each public auction will be one or more products, which will be presented in more detail in each Public Auction Announcement.

The products of public auctions are sold in the form of closed contracts. The buyer will report on concluded wholesale transactions, both for the seller and for the buyer, in accordance with the REMIT 2.0 Regulation.

4. REGISTRATION FOR PUBLIC AUCTIONS

Interested legal or natural persons submit a one-time application for registration for public auctions. The public auction organiser shall confirm the registration if the following conditions are met:

- membership in the balance scheme of the Slovenian Electricity Market Operator, which means that the applicant must be included in the balance scheme of the Electricity Market Operator in the Republic of Slovenia as the balance group responsible party or a balance subgroup responsible party,
- a completed and signed registration form (Annex 1),
- Power of attorney of the legal representative (if the form is not signed by the legal representative).

On behalf of the seller, the public auction organiser may request additional data or evidence from the applicant demonstrating the justification of the registration. The application and all other documentation related to the application must be in Slovenian or English. Documents that are not officially issued in Slovenian or English must be accompanied by official translations into

Slovenian or English (through a sworn translator or other certified translator recognised in the country where the translation is made).

By submitting the application for registration for public auctions, the applicant agrees to the rules and conditions, which also include all annexes to these Rules.

5. REGISTRATION PROCEDURE

Registration of a person

An interested legal or natural person may submit an application for registration at any time until the last public auction takes place, which will be organised in accordance with these rules. The completed and signed registration form (Annex 1) and power of attorney of the legal representative (if the form is not signed by the legal representative) shall be sent in writing by post to the address of the public auction organiser or by e-mail to avkcije@borzen.si, in the latter case, the form must be signed with a qualified electronic signature, in accordance with the Act on Electronic Commerce and Electronic Signature (Official Gazette of the Republic of Slovenia, No 98/04 – official consolidated text, 61/06 – ZEPT, 46/14, 121/21 – ZEISZ and 130/22 – UN-H) and Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 – eIDAS Regulation).

Upon receipt of the application, the public auction organiser checks the completeness and correctness of the registration. The public auction organiser shall forward the registration documentation, including all annexes, to the seller, who shall confirm that the registration meets the conditions set out in these Rules.

The public auction organiser must then, no later than within three (3) working days, confirm the registration to the email address provided in the form or request the applicant to supplement the documentation. Upon successful confirmation of registration, the applicant becomes a registered person.

Changed data

A registered person must immediately notify the public auction organiser and the seller of any change in relevant information that could affect the course of public auctions or the delivery of electricity from the seller, and changes in data provided by the registered person during the registration process. In particular, the registered person is obliged to ensure that the contact persons listed in the registration are reachable. In case of a change in the contact person, the registered person must immediately notify the public auction organiser in writing. Until such notification is received, communication with existing contact persons is considered valid. The registered person is also obliged to notify the public auction organiser and the seller in case of initiation of insolvency proceedings, compulsory termination, or other events that could affect the financial position of the registered person.

Exclusion of a registered person

The seller and the public auction organiser reserve the right to verify the veracity of the registration and exclude registered participants (i.e. revoke the status of the registered person):

- upon detection of inconsistencies, untrue or misleading data,
- if the registered person violates these Rules and other relevant legislation;
- if the participant loses the status of a member of the Slovenian balance scheme,
- if insolvency or compulsory termination proceedings are initiated against the participant,
- if the registered person ceases to exist, or

- due to other legally relevant reasons.

The public auction organiser shall immediately notify the registered person of the exclusion in writing by post or by email. The public auction organiser may exclude a registered person at any time until the conclusion of the last public auction in accordance with these Rules.

In case of a detected inconsistency, the registered person shall be invited beforehand to submit additional explanations (if appropriate in the specific case).

6. CONDITIONS FOR PARTICIPATION IN A SPECIFIC PUBLIC AUCTION

In order to participate in a specific public auction, two conditions must be met by the deadline specified in each announcement of the public auction, where the date and time of receipt is considered to be the date and time of receipt by the seller:

- confirmed status as a registered person, and
- submission of financial security for the seriousness of the bid.

The seller verifies the adequacy of the submitted financial securities for the seriousness of the bid and informs the public auction organiser thereof. The latter then confirms participation to registered persons who have successfully submitted financial security for the seriousness of the bid, no later than the deadline specified in the specific public auction announcement, or invites the registered person to supplement the security. The confirmation notice also contains information about the highest total value of bids that a participant can submit based on the submitted financial security for the seriousness of the bid.

7. PUBLIC AUCTIONS ANNOUNCEMENT

An individual public auction shall be announced at least 8 working days before its execution by publishing the document "Public Auction Announcement", which is an annex to these Rules (Annex 6). The announcement shall contain at least:

- date and schedule of execution,
- date of the test auction,
- deadline for submitting financial security for the seriousness of the bid,
- deadline by which registered applicants may ask questions related to the public auction and its execution,
- date by which the bank guarantee for the seriousness of the bid must be valid,
- deadline by which registered participants receive confirmation of participation,
- amount and maturity of the financial security for the good performance of contractual obligations.

For each auction product, the following will be published:

- product description (i.e. electricity sold),
- lot definition and quantity of the product that will be available at the auction,
- minimum bid quantity,
- price definition,
- special conditions, if any.

The public auction announcement will be published on the website of the public auction organiser (www.borzen.si).

8. FINANCIAL SECURITY FOR THE SERIOUSNESS OF THE BID

The registered person shall provide financial security for the seriousness of the bid in the form of a bank guarantee or a cash deposit of 5 % of the total bid value. The amount of financial security submitted for the seriousness of the bid shall determine the maximum total value of all valid bids submitted by each participant in each public auction. The total cumulative value of each participant's bids in a given public auction shall not exceed twenty times the value of the financial security submitted for the seriousness of the bid.

If a registered person chooses a bank guarantee as a form of financial security for the seriousness of the bid, they must submit an unconditional and irrevocable bank guarantee for the seriousness of the bid in the chosen amount, payable on first demand and issued by a bank headquartered in the Republic of Slovenia or a bank headquartered in the EU and a rating of at least BB+ (Standard & Poor's), or Ba1 (Moody's) or BB+ (Fitch), in the form prescribed by the seller and is an annex to the Rules (Annex 2), with the date of validity as defined in the Announcement of the specific public auction. The bank guarantee must be delivered within the prescribed time limit:

- by mail to the seller's headquarters, or
- by e-mail, if validly signed with a qualified digital signature, to the address neca.dermol@te-sostanj.si and mateja.mazej@te-sostanj.si or
- in SWIFT format to the seller's bank: BKS BANK AG, BANK BRANCH 1000 LJUBLJANA, SWIFT code: BFKKSI22XXX.

If the registered person chooses a cash deposit as a form of financial security for the seriousness of the bid, the registered person shall transfer a cash deposit in the chosen amount to the seller's account No. SI56 3500 1000 1650 464 at BKS Bank AG, Bank Branch Verovškova ulica 55 A, 1000 Ljubljana, Slovenia. The cash deposit is kept in the seller's transaction account. Upon submission of the cash deposit, the registered person shall sign an irrevocable authorisation (Annex 5), by which they authorise the seller to dispose of the cash deposit funds. The cash deposit does not bear interest. Financial securities provided or deposited by a registered person in accordance with these Rules are legally and factually the property of the registered person and are free from obligations for other purposes.

For unsuccessful participants, the submitted financial security for bid seriousness shall be returned within three (3) working days from the conclusion of the auction. For successful participants, the financial security for bid seriousness shall be returned on the next working day after the conclusion of the Agreement and the submission of appropriate financial securities for proper performance of contractual obligations, as defined by these Rules. If a successful participant does not conclude the Agreement and/or does not submit appropriate financial securities for proper performance of contractual obligations, as defined in these Rules and the Agreement, the seller is in this case entitled to retain the entire cash deposit as a contractual penalty or enforce the bank guarantee for bid seriousness.

9. TECHNICAL-INFORMATIONAL ASPECT

Public auctions are conducted through BSP's long-term trading platform. Access to the trading platform is via an internet browser. Representatives of registered persons who are listed on the registration application as contact persons for participation in the auction and do not yet have access to the BSP long-term trading platform will be provided with a link via e-mail through which they will register and log in to the system on the trading platform. BSP also conducts platform testing for participants before each public auction.

If a registered person wishes to change the contact person for participation in auctions, they must send a new registration form (Annex 1) signed by the legal representative.

10. SUBMISSION OF BIDS AND SELECTION CRITERIA

Bids are capped by the value of the financial security for the seriousness of the bid, as explained in more detail in Chapter 8 of these Rules. Participants may submit any number of bids for the product(s) of a specific public auction, provided that the value of the bids submitted must not exceed twenty times the value of the submitted financial security for the seriousness of the bid.

If the cumulative value of a single participant's bids exceeds twenty times the submitted securities for the seriousness of the bid, the last bid by which the permissible bid value was exceeded will be deemed invalid and will not be included in the order book, based on which the results of the specific public auction will be determined.

All valid bids are sorted in the order book. The order in the order book is always determined according to the "price/timestamp" criterion, i.e. in such a way that valid bids with a higher price, expressed in EUR/MWh, are given priority in allocation. If a participant re-enters the quantity or price of a specific bid (even if the entry is the same as the previous one), the timestamp of the last change is adopted.

The price of the product is determined according to the "pay-as-bid" principle, whereby each successful participant pays the price as specified in their valid, accepted bid.

The allocated number of lots of each bid is determined according to the principle of "Quantity splitting". If the last bid accepted quantitatively exceeds the quantity of the product still available at the auction, that bid will only be accepted for the quantity still available.

The seller reserves the right to determine a reserve price, i.e. the lowest bid for a lot of the product that can be successful at the auction. The reserve price is not publicly disclosed. Notwithstanding the above, the seller may, in accordance with its economic interest, decide to accept a valid bid or bids ranked according to the above criteria even if it does not meet or reach the reserve price, whereby it must accept all valid bids until all quantities available at the public auction are fulfilled.

11. CONDUCT OF PUBLIC AUCTIONS

The auction consists of sequential phases, which proceed in the following order:

- 1) PHASE 1 (bid collection): duration 30 minutes
- 2) PHASE 2 (results calculation): duration up to 20 minutes
- 3) PHASE 3 (final auction results): duration 10 minutes (2 hours in case of objections)

Bid collection phase (PHASE 1)

During the bid collection phase, participants can submit a bid by entering their bid on the BSP long-term trading platform as follows: The participant enters a bid for one or more lots and the bid price per lot, expressed in EUR/MWh, net of VAT and other duties, rounded to 2 decimal places. The minimum bid quantity or bid quantity of lots and the quantity of each product that will be available at the auction will be published in the Public Auction Announcement. Bids submitted outside the prescribed bid collection phase are invalid.

Results calculation phase (PHASE 2)

All valid received bids are sorted into the order book. The order in the order book is determined according to the criteria described in Chapter 10. The public auction organiser notifies participants by email of the unofficial auction results no later than twenty (20) minutes after the start of the results calculation phase. Auction participants review the auction results and may submit a written objection via email. The public auction organiser reserves the right, in case of technical difficulties, to extend the deadline for publishing unofficial results to a maximum of thirty (30) minutes, about which participants will be notified before the regular deadline for publishing unofficial results expires.

Objection to auction results

An objection may be submitted by a public auction participant to the public auction organiser by email to avkcije@borzen.si no later than ten (10) minutes after the publication of unofficial results / after the moment of sending the notification. The public auction organiser will discard all objections with a later reception timestamp. The timestamp as recorded on the public auction organiser's server is relevant.

An objection to public auction results is possible only if the incorrect results are due to an obvious error on the part of the public auction organiser or the trading platform. Inability to access the trading platform due to reasons on the participant's side is not a valid reason for an objection to public auction results.

The public auction organiser examines the justification of the objection to the auction results and, within a maximum of two (2) hours after receiving the objection, sends the decision to the public auction participant via email. In case of a justified objection, the public auction organiser may cancel the public auction and notify all participants by email.

Final results of the auction (PHASE 3)

After the deadline for objections or after a decision on all possible objections, the auction results are final. The public auction organiser sends confirmation of finality by email to successful participants.

12. CONCLUSION OF THE CONTRACT

Based on the final results, the seller sends the Contract (Annex 3) to the successful participants for signature. The time of concluding the Contract is the moment when the final results of the auction are published on the trading platform. The Contract shall be deemed to be concluded at the place where the Seller has its headquarters.

Successful participants or buyers in a public auction are obliged to submit the additional required supporting documents and return the signed copies of the Contract within seven (7) working days of receipt of the contract by post or e-mail, if the contract is validly signed with a qualified

digital signature, and at the same time to deliver financial security for the good performance of contractual obligations in the manner stipulated by these rules and the Contract.

13. FINANCIAL SECURITY FOR THE GOOD PERFORMANCE OF CONTRACTUAL OBLIGATIONS

A condition for the validity of the Contract is the timely provision of the required financial securities for the good performance of contractual obligations seven (7) working days after the signing of the Contract. The buyer must provide financial security for the good performance of contractual obligations, either in the form of a bank guarantee and/or a cash deposit, whereby the value of the financial security must be the same regardless of the chosen form of security.

The buyer has the option to choose between two payment methods: advance payment and payment after delivery. The amount and maturity of the securities will be determined in each public auction announcement and depend on the chosen payment method.

Amount of financial securities in case of advance payment: The seller determines the amount of securities as a percentage of the contract value and the maturity of the securities in the public auction announcement.

Amount of financial securities in case of payment after delivery: The seller determines the amount of securities as a percentage of the contract value and the maturity of the securities in the public auction announcement.

The buyer must submit an unconditional and irrevocable bank guarantee for the good performance of contractual obligations in the amount specified in the public auction announcement, which depends on the chosen payment method. The bank guarantee must be payable on first demand and issued by a bank headquartered in the Republic of Slovenia or a bank headquartered in the EU with a rating of at least BB+ (Standard & Poor's), or Ba1 (Moody's) or BB+ (Fitch), in the form and manner prescribed by the public auction organiser and annexed to these Rules (Annex 4), with the validity date as defined in the public auction announcement. The cash deposit, in the amount specified in the public auction announcement, submitted by the buyer, is held in the seller's transaction account. The buyer transfers the cash deposit to the seller's account no. SI56 3500 1000 1650 464 at BKS Bank AG, Bank Branch Verovškova ulica 55 A, 1000 Ljubljana, Slovenia.

Upon submitting the cash deposit, the buyer signs an irrevocable authorisation (Annex 5), by which they authorise the seller to dispose of the cash deposit funds. The cash deposit does not bear interest. After the expiration of the validity periods of the securities, the unencumbered cash deposit shall be returned to the buyer.

The seller has the right to enforce the bank guarantee or to be paid from the cash deposit if the buyer fails to fulfil their contractual obligations as defined in these Rules and the Contract. All costs associated with the issuance and enforcement of the bank guarantee or cash deposit are borne by the buyer. In case of enforcement of financial securities for the good performance of contractual obligations, the buyer must immediately or no later than within three (3) working days replace the enforced financial security with a new financial security.

Financial securities provided or deposited by the buyer in accordance with these Rules are legally and factually the property of the buyer and are free from obligations for other purposes.

14. AUCTION SUPERVISION

The public auction organiser, the seller, and BSP supervise the entire public auction execution process and ensure that the execution process proceeds in accordance with these Rules and other relevant legislation.

The public auction organiser and/or the seller have the right, during the execution of a specific public auction, to repeat or permanently suspend the auction if they deem it absolutely necessary for the proper execution of the auction.

In case of suspected violations of the provisions of these Rules or other relevant legislation, the public auction organiser and/or the seller may, within their supervisory function, issue a warning to an individual participant and, in case of a serious violation, exclude them from the public auction.

In case of serious violations of these Rules or other relevant regulations, the public auction organiser and/or the seller may revoke the participant's rights to access a specific public auction or all subsequent public auctions, revoke already received bids from that participant, or revoke an already accepted bid if that participant was successful in the auction.

The public auction organiser and/or the seller must inform participants of all changes or measures related to the public auction as soon as possible via email or other available means.

Communication with the public auction organiser, the seller, or BSP is only permitted in the manner and within the deadlines defined in the public auction announcement. Any attempt at communication outside the defined methods and deadlines shall be considered a serious violation of these Rules. Any action by a participant that intends or results in disrupting the auction process or attempting to influence its outcome shall be considered a serious violation of the public auction provisions. The seller may also invite an additional external supervisor.

15. EXCEPTIONAL CIRCUMSTANCES

Exceptional circumstances are those that prevent the normal execution of the public auction.

Serious disruptions in the operation of equipment or devices used by the public auction organiser or BSP are considered exceptional circumstances.

Exceptional circumstances may be a reason for changing, cancelling, or suspending the public auction. In the event of exceptional circumstances, the public auction organiser or the seller shall decide on the necessary measures and immediately inform all auction participants via available means.

The public auction organiser and the seller are not liable for any indirect or direct damage caused by a participant's inability to participate in the public auction due to exceptional circumstances or due to the non-execution of the public auction itself.

16. CANCELLATION OF A SPECIFIC PUBLIC AUCTION

If at least two (2) registered persons do not successfully apply for a specific public auction, the public auction organiser will cancel the public auction.

The seller also reserves the right to cancel a specific public auction before its execution if the conditions for the public auction are not met in accordance with the provisions of the law or if circumstances arise in the market that would be contrary to the economic interests of the seller.

Any cancellation of a specific public auction will be communicated to registered persons no later than 1 working day before the scheduled public auction. In case of cancellation, registered persons bear all costs incurred by them until the cancellation. The seller and the public auction organiser do not assume responsibility for any damage, costs, or loss that may arise for registered persons due to the cancellation of the auction, unless these occurred due to intentional violation or gross negligence.

17. PAYMENT OF THE COSTS OF THE PUBLIC AUCTION

The successful participant must, in accordance with the third paragraph of Article 9 of the Act on Transitional Financing of Accelerated and Just Coal Phase-Out (Official Gazette of the Republic of Slovenia, no. 109/2024), bear the costs of the public auction in which they were successful, in the amount of 0.02 EUR/MWh for each MWh allocated in accordance with the results of the specific public auction. The public auction organiser will issue an invoice to the buyer immediately after the conclusion of the public auction. The deadline for settling the obligation is five (5) working days after the execution of the auction.

18. LIMITATION OF LIABILITY OF THE PUBLIC AUCTION ORGANISER

The public auction organiser and the seller, including their leading employees, associates, contractors, or subcontractors, are not liable for any loss, costs, expenses, or damages caused by or in connection with the public auction or its execution, except for damages resulting from intentional violation, gross negligence, or fraud.

19. PUBLIC AUCTION DISCLOSURES

After the end of the auctions, the public auctioneer publishes a report on the website, which includes:

- total number of participants;
- number of successful participants,
- name of successful participants and the prices and quantities achieved,
- a summary of any technical problems and measures taken to resolve them;
- anonymized order book.

After the conclusion of the auction, the organiser may prepare a questionnaire for all participants, which includes an evaluation of the transparency of the rules, platform operation, and quality of auction execution. Feedback is analysed and used to improve rules and technical procedures for future auctions.

20. LANGUAGE

The Rules are composed in Slovenian and English languages. In case of discrepancies between the Slovenian and English versions of the Rules, the Slovenian version shall prevail. The Contract is composed in Slovenian language. For easier understanding of the content of the Contract, an unofficial translation into English is also attached. In case of discrepancies between the Slovenian and English versions of the Contract, the Contract in Slovenian language shall prevail and shall be signed in Slovenian language.

ANNEX 1 – REGISTRATION FORM FOR TEŠ PUBLIC AUCTIONS**REGISTRATION FOR PUBLIC AUCTIONS FOR THE SALE OF ELECTRICITY FROM TEŠ****ABOUT THE COMPANY:**

Company name:

Address:

Country:

Registration number:

VAT ID:

Legal representative:

BANK DETAILS:

Name of the commercial bank:

Commercial bank address:

Bank account number (IBAN):

SWIFT code:

CONTACT DETAILS FOR REGISTRATION & FOR PARTICIPATING IN THE AUCTIONS:

Contact person:

Telephone:

E-mail:

CONTACT DETAILS FOR FINANCIAL SETTLEMENT:

Contact person:

Telephone:

E-mail:

CONTACT DETAILS FOR THE OPERATIONAL IMPLEMENTATION OF THE CONTRACT:

Contact person:

Telephone:

E-mail:

CONTACT DETAILS FOR BILLING AND SETTLEMENT UNDER THE CONTRACT:

Contact person:

Telephone:

E-mail:

We declare,

- that we are fully acquainted with the General Rules for Public Auctions for the sale of electricity produced by the company Termoelektrarna Šoštanj d.o.o. (hereinafter: the Public Auction Rules), the conditions of registration and participation in public auctions and that the Public Auction Rules and their requirements bind us;
- that the person indicated as the contact person for the registration and for participating in the public auctions has the power to participate in the public auctions and to make binding bids;
- that in the event of a violation of the Public Auction Rules or other relevant regulations or legislation, we may lose our right to participate in public auctions;
- that in the event of the successful bids, we will conclude a Purchase Contract, which is an integral part of the Public Auction Rules;

- that, in the event of the success of the bids, we will pay the costs of the public auction on the basis of an invoice issued by the public auction organiser, within five (5) working days after the public auction has been conducted;
- that on the date of registration, the company is included in the balance scheme in the Republic of Slovenia as a balance group or subgroup responsible party;
- to settle all business and tax liabilities on an ongoing basis and to provide all guarantees and financial security in accordance with the Public Auction Rules;
- that we are not in criminal proceedings in connection with the performance of the activity.

MANDATORY ANNEX:

- a document proving the authority of the person who signs the application and later the Purchase Contract in the event of the participant's success (in case the signatory is not a legal representative).

In the process of formal examination of registration for public auctions, the public auction organiser may request additional documents from the applicant on behalf of the seller.

_____, date _____

Stamp, signature

ANNEX 2 – SAMPLE OF BANK GUARANTEE FOR THE SERIOUSNESS OF THE BID**BANK GUARANTEE FOR THE SERIOUSNESS OF THE BID TO PARTICIPATE IN THE PUBLIC AUCTION FOR THE SALE OF ELECTRICITY FROM TEŠ NO. ____/____**

(irrevocable, unconditional and on first request)

Header with information about the guarantor (bank)

FOR: Termoelektrarna Šoštanj d.o.o.

DATE:(insert the date of issue)

TYPE OF WARRANTY(guarantee for the seriousness of the bid)

WARRANTY NUMBER(Warranty number to be entered)

GUARANTOR(enter the name and address of the bank in the place of issue)

WARRANTY CLIENT(enter the name and address of the client of the guarantee)

BENEFICIARY: Termoelektrarna Šoštanj d.o.o., Cesta Lole Ribarja 18, 3325 ŠOŠTANJ, SLOVENIA

BASIC TRANSACTION: the obligation of the contracting authority to guarantee from its bid or bids submitted for Public Auction No. ____/____, carried out in accordance with the General Rules for Public Auctions for the Sale of Electricity Produced by the Company Termoelektrarna Šoštanj d.o.o. (hereinafter: the Rules). In accordance with the Rules, the Contracting Authority is obliged to provide the beneficiary with a bank guarantee for the seriousness of the bid in the amount of EUR (5% of the bid value).

AMOUNT AND CURRENCY(enter the maximum amount with number and word and currency)

DOCUMENTS TO BE ANNEXED TO THE REQUEST FOR PAYMENT IN ADDITION TO THE DECLARATION AND EXPRESSLY REQUESTED BELOW: none

FORM OF SUBMISSION: in paper form by registered mail or any form of express mail or in electronic form via the SWIFT system to the address (SWIFT address of the guarantor shall be provided)

PLACE OF SUBMISSION: (The guarantor shall enter the address of the branch where the paper documents are to be presented or the e-mail address for the presentation in electronic form, such as the guarantor's SWIFT address. If the place of presentation is not indicated in this box, the presentation shall take place at the place where the guarantee has been issued.)

EXPIRY DATE:(in accordance with the public auction announcement)

PARTY LIABLE TO PAY COSTS(enter the name of the client of the warranty)

As the guarantor, we irrevocably and unconditionally undertake to pay the beneficiary any amount up to the amount of the guarantee on first demand within 5 (five) days, after the beneficiary submits the relevant request for payment in the above form of submission, signed by the authorized signatory(s) and together with other documents, if listed above, and, in any event, together with a statement by the beneficiary, either incorporated in the text of the request for payment itself or on a separate signed document annexed to or referred to by the request for payment, stating the extent to which the principal of the guarantee has not fulfilled its obligations under the underlying transaction.

The guarantee may be exercised for the following reasons, which must be stated in the beneficiary's declaration or request for payment:

- the selected participant in the public auction has not signed the contract within the time limit specified in the Rules, or
- the selected participant in the public auction has not provided financial security for the good performance of contractual obligations in accordance with the Rules.

Any request for payment under this warranty must be received on or before the warranty term at the above place of submission.

Any disputes relating to this guarantee shall be resolved by the court with substantive jurisdiction in Ljubljana under Slovenian law.

This guarantee is subject to the Uniform Rules for Warranties on Call (EPGP) Revision 2010, issued by MTZ under No. 758.

Guarantor
(stamp and signature)

ANNEX 3 – SAMPLE OF ELECTRICITY PURCHASE AGREEMENT**CONTRACT TEMPLATE**

TERMoeLEKTRARNA ŠOŠTANJ d.o.o., Cesta Lole Ribarja 18, 3325 ŠOŠTANJ

VAT ID:

('the Seller')

and

VAT ID:

('the purchaser')

Hereinafter, each separately the "Contracting Party" and collectively the "Contracting Parties"
conclude the following

PURCHASE AGREEMENT

No.

SUBJECT MATTER OF THE CONTRACT

1. article

The subject matter of this Purchase Agreement (hereinafter referred to as the "Contract") is the sale, supply, purchase and takeover of electricity in the period from XX.XX.XXXX 00:00 to XX.XX.XXXX 24:00 hours (hereinafter referred to as the "Contract Period").

The contract is concluded on the basis of the results of the public auction No. ____/____, conducted in accordance with the General Rules for Public Auctions for the sale of electricity produced by the company Termoelektrarna Šoštanj d.o.o. (hereinafter referred to as the "Public Auction Rules")

The seller undertakes to supply electricity to the buyer during the contract period, and the buyer will take it over and make payment for it, all in the manner and under the conditions defined in the continuation of the contract.

QUANTITIES AND PRICES

2. article

The seller will supply and the buyer will take over the electricity in the electricity distribution system of the Republic of Slovenia in the period from XX.XX.XXXX hours 00:00 to XX.XX.XXXX hours 24:00 with the following characteristics:

[The table will be added according to the auction result]

The contract price excludes value added tax (VAT), excise duties, network use costs, contributions for the efficient use of electricity, obligations to ensure energy savings, contributions to provide support for the production of electricity in high-efficiency cogeneration and from renewable sources, and other charges in the country. The costs of items not included in the price shall be borne by the contracting parties in accordance with the applicable regulations.

INVOICING AND PAYMENT

3. article

Option 1 (advance payment)

No later than the 18th of the month, the seller will issue a pro forma invoice to the buyer for the supply of electricity in the following calendar month, based on the contractual quantities and the price specified in Article 2 of this contract. The buyer must pay the proforma invoice for electricity by transfer to the bank account specified by the seller on the issued invoice no later than 5 (five) working days before the month of delivery. The buyer shall bear his own bank charges or other charges in connection with the said payment. Payment is considered made when the funds are on the seller's bank account.

The Seller will issue a final invoice for the supplied electricity to the Buyer within 5 (five) working days in the calendar month following the month of delivery.

Option 2 (payment upon delivery)

In accordance with the provisions of this Contract, the Seller shall charge the Buyer for the contracted amount of electricity three times a month in the following accounting periods, namely:

- for the period from the 1st to the 10th day of the month,*
- for the period from the 11th to the 20th day of the month, and*
- for the period from the 21st to the last day of the month.*

The Seller shall issue and forward the electricity invoice to the Buyer no later than the next working day after the expiry of each billing period, on the basis of the contractual quantities and the price referred to in Article 2 of this Contract. The buyer must pay the electricity bill no later than 5 (five) working days after receipt by means of a transfer to the bank account indicated by the seller on the issued invoice. The buyer shall bear his own bank charges or other charges in connection with the said payment. Payment is considered made when the funds are on the seller's bank account.

In the event that the buyer objects to any of the amounts charged, he is obliged to settle the undisputed part of the invoice within the contractually agreed period. For the disputed part, the buyer must submit a reasoned written objection to the seller within two (2) working days of receipt of the invoice. If he fails to do so, the seller's claim is considered to be justified and undisputed. The Seller is obliged to respond to the received objection in writing within two (2) working days. If the objection is found to be justified, the buyer does not have to pay the disputed part of the invoice.

If the last day of the payment deadline coincides with a day on which work is not carried out by law, the last day of the payment deadline is considered to be the next working day. In the event of delay in payment of financial obligations arising from this Contract, the Seller will charge the Buyer statutory default interest. If, in addition to the principal, the customer owes interest and expenses, the payments received are allocated in such a way that the costs are paid first, then the interest and only then the principal, irrespective of the customer's indications in the transfer (e.g. reference to a specific account or other specifications).

4. article

The parties agree that set-off is the basic and thus customary way of settling mutual obligations. Therefore, the parties agree that they will settle their mutual obligations under this contract as well as under all other contracts, including contracts on assignment, assignment or sale of receivables, as a rule, by offsetting. A contracting party whose receivables exceed liabilities to the other party in a particular accounting period will prepare a proposal for set-off and send it to the other party for confirmation. In the event of an objection to any amount charged, the undisputed portion of the invoice shall be taken into account in the offset.

Notwithstanding the provisions of the preceding paragraph, the rules of unilateral set-off under the Code of Obligations shall apply between the Contracting Parties.

SECURITY FOR CONTRACTUAL OBLIGATIONS

5. article

The Buyer undertakes to provide the Seller with one of the following forms of financial security for the good performance of contractual obligations no later than seven (7) working days after signing the contract:

a) BANK GUARANTEE

- *a duly fulfilled, unconditional and irrevocable bank guarantee for the good performance of contractual obligations, redeemable on first call, issued by a bank with its registered office in the Republic of Slovenia or a bank with its registered office in the EU and with a rating of at least BB+ (Standard & Poor's), or Ba1 (Moody's) or BB+ (Fitch) in EUR in the amount of _____ (_____ in words), which complies with point 13 of the Public Auction Rules and with the date of validity of _____, and*
- *a duly fulfilled, unconditional and irrevocable bank guarantee for the good performance of contractual obligations, redeemable on first call, issued by a bank with its registered office in the Republic of Slovenia or a bank with its registered office in the EU and with a rating of at least BB+ (Standard & Poor's), or Ba1 (Moody's) or BB+ (Fitch) in EUR in the amount of _____ (_____ in words), which complies with point 13 of the Public Auction Rules and with the date of validity of _____, and*
- *a duly fulfilled, unconditional and irrevocable bank guarantee for the good performance of contractual obligations, redeemable on first demand, issued by a bank with its registered office in*

the Republic of Slovenia or a bank with a registered office in the EU and with a rating of at least BB+ (Standard & Poor's), or Ba1 (Moody's) or BB+ (Fitch) in EUR in the amount of _____ (_____ in words), which is in accordance with point 13 of the Public Auction Rules and with the date of validity of _____.

- *a duly fulfilled, unconditional and irrevocable bank guarantee for the good performance of contractual obligations, redeemable on first demand, issued by a bank with its registered office in the Republic of Slovenia or a bank with a registered office in the EU and with a rating of at least BB+ (Standard & Poor's), or Ba1 (Moody's) or BB+ (Fitch) in EUR in the amount of _____ (_____ in words), which is in accordance with point 13 of the Public Auction Rules and with the date of validity of _____.*

[to be completed according to the auction result and in accordance with the tender conditions]

or

b) CASH DEPOSIT

- *the buyer transfers to the seller's account No. SI56 3500 1000 1650 464 at BKS Bank AG, Bank Branch Verovškova ulica 55 A, 1000 Ljubljana, Slovenia, a cash deposit in the amount of EUR _____ (_____ in words), which is in accordance with point 13 of the Public Auction Rules, with a validity period of up to _____,*
- *the buyer transfers to the seller's account No. SI56 3500 1000 1650 464 at BKS Bank AG, Bank Branch Verovškova ulica 55 A, 1000 Ljubljana, Slovenia, a cash deposit in the amount of EUR _____ (_____ in words), which is in accordance with point 13 of the Public Auction Rules, with a validity period of up to _____,*
- *the buyer transfers to the seller's account No. SI56 3500 1000 1650 464 at BKS Bank AG, Bank Branch Verovškova ulica 55 A, 1000 Ljubljana, Slovenia, a cash deposit in the amount of EUR _____ (_____ in words), which is in accordance with point 13 of the Public Auction Rules, with a validity period of up to _____,*
- *the buyer transfers to the seller's account No. SI56 3500 1000 1650 464 at BKS Bank AG, Bank Branch Verovškova ulica 55 A, 1000 Ljubljana, Slovenia, a cash deposit in the amount of EUR _____ (_____ in words), which is in accordance with point 13 of the Public Auction Rules, with a validity period of up to _____,*

and deliver to the seller a signed irrevocable power of attorney set out in Annex 5 of the Public Auction Rules.

[to be completed according to the auction result and in accordance with the Public Auction Rules]

The submission of adequate financial security is a prerequisite for the validity of the contract.

The seller has the right to redeem the bank guarantee in the amount of its value or repay from the cash deposit if the buyer fails to fulfill his contractual obligations set out in the Public Auction Rules and the contract. In the event of realisation of insurance, the Buyer must replace the redeemed financial security with a new financial security within three (3) working days.

In the event that the buyer does not replace the financial security as provided for in this Article, the seller has the right to withdraw from the contract.

FAILURE TO SUPPLY OR TAKE OVER ELECTRICITY

6. article

If the seller fails to deliver all or part of the contract quantity, and the non-delivery is not the result of force majeure as defined in Article 7 of the contract, interruption of supplies as defined in Article 8 of the contract, or circumstances on the part of the buyer, the buyer has the right to charge the seller compensation for the undelivered amount of electricity in the amount calculated as the product of:

- any positive differences between the achieved price of the substitute purchase carried out or could be made by the customer with the diligence of a good manager and the contract price for the undelivered quantities of electricity; and
- amount of unsupplied electricity.

If the buyer does not take over all or part of the contracted quantity and the non-takeover is not due to force majeure. defined in Article 7 of this Contract, or circumstances on the part of the Seller, the Seller shall be entitled to charge the Buyer compensation for the uncollected amount of electricity in the amount calculated as the product of:

- any positive difference between the contract price and the substitute price achieved, which is carried out or could be carried out by the seller with the diligence of a good trader for the quantities not taken; and
- the amount of uncollected electricity.

The amount of the calculated compensation for damage shall be increased by any additional costs incurred for the transmission of electricity and other eligible and demonstrable costs and expenses incurred by the party loyal to the contract as a result of the other party's failure to fulfil its obligations.

By the 5th day of the calendar month, the party loyal to the contract shall issue an invoice for the total amount of potentially unsupplied/uncollected electricity in the previous month. The Contracting Party that has not fulfilled its obligation to supply/receive electricity shall be obliged to settle an invoice issued in accordance with the provisions of this Article within three (3) working days from the date of issuance of such invoice.

FORCE MAJEURE

7. article

Force majeure under this contract is considered to be circumstances – events due to which the contracting party is unable to fulfil its contractual obligations to supply or take over electricity in part or in full, and the occurrence of these circumstances could not have been foreseen, prevented, eliminated or avoided, and none of the contracting parties is responsible for the occurrence of such circumstances.

Subject to the fulfilment of the conditions laid down in the preceding paragraph, the following circumstances shall be considered as force majeure for the purposes of this Treaty:

- failure of communication or information systems of transmission and/or distribution system operators, as a result of which the contracting party is unable to fulfil its obligation to supply or take over electricity;
- the suspension of the supply or take-over of electricity or the failure of the transmission and/or distribution system operators to comply with the obligations of each counterparty;
- protective measures due to crisis situations in the electricity system, introduced in accordance with the provisions of the energy legislation in force at each time;

- other measures taken by the competent authorities at all stages which make it impossible for the contracting party to fulfil its obligation to supply or take over electricity.

The occurrence of force majeure releases the contracting party from fulfilling the obligations under this contract for the duration of the force majeure and also releases them from the obligation to pay compensation for non-performance of contractual obligations during the period of force majeure.

In the event of the occurrence as well as termination of force majeure, the Contracting Party invoking it shall immediately notify the counterparty in accordance with the provision of Article 9 of the Contract and at the same time inform the Contracting Party of the anticipated assessment of the extent and expected duration of the consequences of force majeure, as far as possible at the given moment, otherwise it shall lose the right to invoke force majeure.

A party invoking force majeure must take all reasonable steps to mitigate the damage caused by force majeure, failing which force majeure cannot be invoked in this part.

If the subsequent inability to perform arose after the time limit, the party invoking it must pay damages to the opposing party for the default.

INTERRUPTION OF SUPPLY

8. article

If the Buyer is in default with any payment under Article 3 or 6 of the Contract concluded between the Contracting Parties or fails to replace the security in accordance with Article 5 of the Contract, the Seller has, in addition to other rights under this Contract, the Seller has the right to call on the Buyer to remedy the breach within three (3) working days after receipt of the written notification of the breach, otherwise the Seller may immediately and without further notice suspend the further supply of electricity under this Contract, until it has received full payment of all amounts due (including default interest and costs) or the required security.

The seller is entitled to charge the buyer compensation for damage for such unsupplied quantities of electricity in accordance with the second paragraph of Article 6 of the contract.

DUTY OF INFORMATION

9. article

The Contracting Parties undertake to inform each other in a timely and reliable manner of any problems in the supply or takeover of electricity under this Contract and to resolve them in the spirit of good business practice.

Communications between the contracting parties will be valid if they are sent by e-mail or by registered mail.

Contact person for the seller:

- For the operational performance of the contract:

Name and surname: Sebastijan Selan

Phone: 00386 38 99 35 68

Email: sebastijan.selan@te-sostanj.si

- For invoicing and settlement:

For invoicing:

Name and surname: Mojca Kotnik

Phone: 00386 38 99 36 52

Email: mojca.kotnik@te-sostanj.si

For settlement:

Name and surname: Neca Dermol

Phone: 00386 38 99 35 77

Email: neca.dermol@te-sostanj.si

Contact person for the buyer:

- Operational implementation of the contract:

Name and surname:

Telephone:

Email:

- For invoicing and settlement:

Name and surname:

Telephone:

Email:

The notification is carried out in accordance with the contractual provisions, otherwise it has no legal effect.

BUSINESS SECRET

10. article

The Contracting Parties undertake to permanently maintain the conclusion of this Contract and all data, information and documents arising from the contractual documentation, as well as other data arising from the contractual relationship or related to the contractual relationship, as a business secret, except for information that is public information under the applicable law, which is published online, to which a company 100% owned by the state cannot refuse access, and the information that the party to the contract was required to provide to the competent court or other state authority at its request.

The contracting party is liable for damages for material and non-material damage due to the breach of trade secrets.

The Parties may also provide for other exceptions to this Article by written Contract.

ANTI-CORRUPTION CLAUSE

11. article

If, in the name of or on behalf of the contracting party, a representative, an intermediary or a signatory of the contracting party, someone promises, offers or gives any undue benefit in order to obtain a transaction, to conclude a transaction on more favourable terms, to waive due control over the

performance of contractual obligations or to perform other acts or omissions by which the contracting party causes damage or enables the obtaining of an undue advantage to the representative, to the intermediary or signatory of the Contracting Party, whether such acquisition is made possible by the Contracting Party, this Contract shall be null and void.

TRANSFER OF RIGHTS AND OBLIGATIONS

12. article

Neither party may assign the rights and obligations under this contract, in whole or in part, to a third party without the prior written consent of the opposing party and the prior transfer of existing security.

The Contracting Parties undertake to immediately notify each other of any changes in the status and legal status that would occur on the part of each Party in the period after the conclusion of this Contract and that could affect the performance of this Contract and ensure the transfer of rights and obligations arising from this Contract to new legal entities (legal successors). Except in the case of universal succession, the transfer of rights and obligations under this Treaty to successors in title shall be deemed to be ensured only after the successor in title confirms in writing the assumption of the rights and obligations under this Treaty and the other party to the contract has given written consent to such transfer.

VALIDITY AND TERMINATION OF THE CONTRACT

13. article

The contract enters into force on the day of signing by both parties to the contract and upon fulfilment of the condition set out in the first paragraph of Article 5 of the contract (submission of appropriate security by the buyer), and applies from XX.XX.XXXX 00:00 to XX.XX.XXXX 24:00 hours, or until the full fulfilment of all contractual obligations assumed on the basis of the contract. Provisions of the contract which, by their nature, exceed the period thus agreed shall apply until all obligations under this contract have been fulfilled.

Before the expiry of the contract period, this contract may be terminated only in the following cases:

- on the basis of an agreement of the parties on early termination of the contract in the form of a written annex to the contract (consensual termination);
- each Contracting Party (a party loyal to the Contract) may unilaterally withdraw from the Contract at any time without notice in the event of the occurrence of one of the valid reasons listed below (withdrawal for valid reasons).

A valid reason for withdrawal from the contract is the following:

- failure to comply with the obligation to pay arising under this Contract under Articles 3 and 6 of the Contract, which is not eliminated even after notification and a request for rectification of the breach within an additional period, which may not be shorter than 3 (three) days;
- failure to comply with the obligation to replace security with a new one, as provided for in Article 5 of the contract;
- failure to comply with the obligation to supply or take over electricity (excluding force majeure under Article 7 or interruption of supply under Article 8) for more than seven (7) consecutive days or for a total duration of seven (7) days within a sixty (60) day period;
- if the other party to the contract becomes insolvent and insolvency is defined by the law in this area or has arisen in a situation of imminent insolvency,

- if the other party has filed a proposal to open compulsory composition or bankruptcy or liquidation proceedings or preventive restructuring proceedings, or any of these proceedings is opened against the other party. Otherwise, the contracting party is in serious breach of the contract.

Modified market conditions shall not be considered as a valid reason for termination.

The party loyal to the contract shall give an early withdrawal from the contract for serious reasons to the opposing party by written notice sent by registered mail. In the written notice, he must state a valid reason for withdrawing from the contract and the date of withdrawal or expiry of the contract, which may not occur before the first day after receipt of the written notice of withdrawal from the contract.

The termination of the contract does not release the parties from the fulfilment of their obligations that arose until the termination of the contract and arise from this contract or for which it is determined or reasonable that they do not cease (trade secret) or that they arise from the termination of the contract or have a basis in the termination of the contract. Withdrawal from the contract does not mean that the contracting party has waived any rights (the right to compensation for damage due to failure to supply or take over electricity, the right to compensation, pre-existing claims, etc.).

A contracting party who withdraws from the contract for serious reasons will calculate the compensation for termination of the contract according to the principle for calculating compensation for the untaken/undelivered amount of electricity referred to in Article 6 of the contract. In calculating the compensation, the withdrawing party may estimate the loss due to the early termination of the contract, even if it does not subsequently conclude replacement transactions at its own discretion. In addition to the compensation, the contracting party on the part of whom the reason for the withdrawal from the contract is also obliged to pay compensation for any higher damage and all costs incurred by the contracting party withdrawing from the contract in this regard. The Contracting Party on whose part the reason for the withdrawal from the Contract is is obliged to pay the compensation to the Contracting Party withdrawing from the Contract within 15 (fifteen) days of the summons.

FINAL PROVISIONS

14. article

The buyer will implement reporting obligations for both counterparties in accordance with the provisions of Regulation (EU) No 1227/2011 on wholesale energy market integrity and transparency (REMIT), Regulation (EU) 2024/1106 of the European Parliament and of the Council of 11 April 2024 amending Regulations (EU) No 1227/2011 and (EU) 2019/942 as regards improving the protection of the Union against market manipulation in the wholesale energy market, under this Contract.

The Contracting Parties agree to resolve any disagreement, dispute, or claim related to this Contract by mutual agreement. Disputes that cannot be resolved in this manner shall be resolved before the competent court in Ljubljana.

15. article

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

If any of the contractual provisions is or becomes invalid, this does not affect the other contractual provisions. The invalid provision shall be replaced by a valid one, which must correspond as closely as possible to the purpose intended by the parties to the contract with the invalid provision.

The Contract is signed in two (2) copies, each of which is considered an original. Each Contracting Party shall receive one copy.

16. article

The provisions of Slovenian law shall apply to the regulation of mutual relations that are not defined in this Contract.

Šoštanj, _____

For TEŠ:
(name and surname)

FOR THE BUYER:
(name and surname)

ANNEX 4 – SAMPLE OF BANK GUARANTEE FOR THE GOOD PERFORMANCE OF CONTRACTUAL OBLIGATIONS

BANK GUARANTEE FOR THE GOOD PERFORMANCE OF CONTRACTUAL OBLIGATIONS

(irrevocable, unconditional and on first request)

Header with information about the guarantor (bank)

FOR: Termoelektrarna Šoštanj d.o.o., Cesta Lole Ribarja 18, 3325 ŠOŠTANJ, SLOVENIJA

DATE:(insert the date of issue)

TYPE OF WARRANTY(guarantee for the good performance of contractual obligations)

WARRANTY NUMBER(Warranty number to be entered)

GUARANTOR(enter the name and address of the bank in the place of issue)

WARRANTY CLIENT(enter the name and address of the client of the guarantee)

BENEFICIARY: Termoelektrarna Šoštanj d.o.o., Cesta Lole Ribarja 18, 3325 ŠOŠTANJ, SLOVENIA

BASIC TRANSACTION: the obligation of the client of the guarantee from the Purchase Agreement No., dated In accordance with the Purchase Agreement, the client of the guarantee is obliged to provide the beneficiary with a bank guarantee for the proper performance of contractual obligations in the amount of EUR.

AMOUNT AND CURRENCY (enter the maximum amount with number and word and currency)

DOCUMENTS TO BE ANNEXED TO THE REQUEST FOR PAYMENT IN ADDITION TO THE DECLARATION AND EXPRESSLY REQUESTED BELOW: none

FORM OF SUBMISSION: in paper form by registered mail or any form of express mail or in electronic form via the SWIFT system to the address..... (SWIFT address of the guarantor shall be provided)

PLACE OF SUBMISSION: (The guarantor shall enter the address of the branch where the paper documents are to be presented or the e-mail address for the presentation in electronic form, such as the guarantor's SWIFT address. If the place of presentation is not indicated in this box, the presentation shall take place at the place where the guarantee has been issued.)

EXPIRY DATE:(enter the due date of the guarantee in accordance with the Contract and the Rules)

PARTY LIABLE TO PAY COSTS:(enter the name of the client of the warranty)

As the guarantor, we irrevocably and unconditionally undertake to pay the beneficiary any amount up to the amount of the guarantee on first demand within 5 (five) days, after the beneficiary submits the relevant request for payment in the above form of submission, signed by the authorized signatory(s) and together with other documents, if listed above, and, in any event, together with a statement by the beneficiary, either incorporated in the text of the request for payment itself or on a separate signed document annexed to or referred to by the request for payment, stating the extent to which the principal of the guarantee has not fulfilled its obligations under the underlying transaction.

Any request for payment under this warranty must be received on or before the warranty term at the above place of submission.

Any disputes relating to this guarantee shall be resolved by the court with substantive jurisdiction in Ljubljana under Slovenian law.

This guarantee is subject to the Uniform Rules for Warranties on Call (EPGP) Revision 2010, issued by MTZ under No. 758.

Guarantor
(stamp and signature)

ANNEX 5 – IRREVOCABLE AUTHORISATION

On the basis of the General Rules for Public Auctions for the Sale of Electricity Produced by the Company Termoelektrarna Šoštanj d.o.o.

PUBLIC AUCTION NO. _____ / _____

_____ **(Company Name)**

_____ **(Business Address)**

Registration number: _____

Tax number or VAT ID: _____

VAT: _____ **(YES / NO)**

represented by: _____ **(Legal representative)**

('the auction participant')

issues

the company Termoelektrarna Šoštanj d.o.o.,
address, Cesta Lole Ribarja 18, 3325 ŠOŠTANJ, SLOVENIA

Registration number: 5040388000

VAT ID: SI92189903

represented by: mag. Branko Debeljak

IRREVOCABLE AUTHORISATION

for the use of deposited funds for the security for _____ *(the seriousness of the bid / the good performance of contractual obligations)* on the transaction account No. SI56 3500 1000 1650 464, opened with BKS Bank AG, Bank Branch Verovškova ulica 55 A, 1000 Ljubljana, Slovenia, in accordance with the General Rules for Public Auctions for the Sale of Electricity Produced by the Company Termoelektrarna Šoštanj d.o.o.

_____, **date** _____

(signature of the legal representative of the auction participant)

ANNEX 6 – PUBLIC AUCTION ANNOUNCEMENT

In accordance with the General Rules for Public Auctions for the Sale of Electricity Produced by the Company Termoelektrarna Šoštanj d.o.o., Borzen, d.o.o. announces:

ANNOUNCEMENT OF PUBLIC AUCTION NO. _____ / _____

Date: _____

Schedule:

Start of PHASE 1 (call for tenders): _____ (duration 30 min)

Start of PHASE 2 (calculation of results): _____ (duration up to 20 min)

Start of PHASE 3 (final auction results): _____ (duration 10 minutes, in case of objections, 2 hours)

Date of the test auction: _____

Deadline for auction-related questions: _____

Deadline for submission of financial security for the seriousness of the bid: _____

Validity of the guarantee for the seriousness of the bid: _____

Deadline by which registered participants receive confirmation of participation:

Subject of the auction**For each product:**

Product code: _____

Type/description of the product (i.e. electricity sold): _____

Delivery period: _____

Lot Definition: _____

Number of lots to be auctioned: _____

Minimum bid quantity: _____

Price definition: _____

Security for the good performance of contractual obligations (amount in % of the contract value and maturity): _____

Special conditions, if any.

Information

Telephone: +386 1 620 7657

Email: avkcije@borzen.si