

***General rules for public  
auctions for the purchase  
of emission allowances  
for the operation of  
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 Purchase of Emission Allowances for the Operation of Termoelektrarna Šoštanj d.o.o.

The public auction organiser, Borzen, d.o.o., is committed to complete impartiality at all stages of the auction process. 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

Director

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## 1. INTRODUCTION

Article 3 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 December 2024, hereinafter referred to as the Act) stipulates that the provision of heat for customers in the area of the Municipality of Velenje and the Municipality of Šoštanj is an economic public service provided by the company Termoelektrarna Šoštanj d.o.o. (hereinafter referred to as TEŠ), and in accordance with Article 27 of the Act, TEŠ purchases emission allowances on the market in accordance with the law. The public service is provided and performed in the manner laid down by law. For the performance of the public service utility, the contractor and the Republic of Slovenia shall conclude a contract which shall determine, inter alia, the compensation.

The third paragraph of Article 9 in conjunction with the second paragraph of Article 36 of the Act provides that the purchase of emission allowances shall be carried out in the form of a public auction organised by the Support Centre.

The General Rules for Public Auctions for the Purchase of Emission Allowances for the Operation of Termoelektrarna Šoštanj d.o.o. determine the manner and conditions for conducting public auctions. The purchase of emission allowances for the needs of the operation of the TEŠ shall be carried out in the manner and under the conditions set out in these rules. The purchase will be carried out in the form of several public auctions, at which TEŠ will purchase different quantities of emission allowances 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 the Purchase Agreement for emission allowances ('the Contract') (Annex 3),
- Sample of bank guarantee for the good performance of contractual obligations ("performance bond" template) (Annex 4),
- Irrevocable authorisation (Annex 5),
- Declaration – membership in organized markets (Annex 6),
- Bill of exchange statement (Annex 7).
- Sample of public auction announcement (Annex 8).

## 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"** is Termoelektrarna Šoštanj d.o.o. (TEŠ);
- **"public auction announcement"** means a notice of the subject, quantities, time of performance and other details of a specific public auction;
- **"Rules"** means these for the Purchase of Emission Allowances for the Operation of 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 maximum acceptable price for the buyer, 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 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;
- **"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 the purchase of emission allowances valid in the fourth period of the European Trading System (ETS) for the purposes of the operation of TEŠ. The seller of allowances shall report on concluded transactions for both the buyer and the seller in accordance with EMIR.

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 announcement of the public auction will define the approximate quantity of the product(s) to be purchased at the auction. The exact quantity of the product or lots is determined on the basis of the results of the auctions for the sale of electricity, which will usually be carried out before the auctions for the purchase of emission allowances. The quantities of emission allowance products in the auction will be determined in such a way that they are proportional to the amount of electricity sold in the previous auction.

The exact number of lots of the product or products will be communicated by the buyer to the registered persons before the auction takes place.

### 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:

- a completed and signed registration form (Annex 1),
- an extract from the business or court register, which is not older than 30 days,

- power of attorney of the legal representative (if the form is not signed by the legal representative),
- full and active membership of one of the following exchanges listed for products related to emission allowances: ICE Endex ([Membership list](#)) or EEX ([List of Trading Participants](#)), as evidenced by the attached declaration membership in organized markets (Annex 6).

On behalf of the buyer, the public auction organiser may request additional information 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 applying for registration in public auctions, the applicant agrees to the terms and conditions, which includes 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 application form (Annex 1) and the authorisation 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 the e-mail address [avkcije@borzen.si](mailto:avkcije@borzen.si), in the case of the latter, 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 buyer, 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**

The registered person must immediately inform the public auction organiser and the buyer in the event of any change in relevant information that could affect the course of public auctions or the sale or takeover of emission allowances, and changes in the data provided by the registered person in the registration process. In particular, the registered person is obliged to ensure that the contact persons indicated in the registration are reachable. In the event of a change in the contact person, the registered person must immediately inform the public auction organiser in writing. Until such notification is received, communication with existing contact persons shall be deemed valid. Likewise, the registered person is obliged to inform the public

auction organiser and the buyer in the event of the opening of insolvency proceedings, compulsory termination or other events that could affect the financial situation of the registered person.

### **Exclusion of a registered person**

The buyer 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):

- when non-compliance, false or misleading data are detected,
- the registered person is in breach of these rules and other relevant legislation;
- if the Participant no longer has a full and active membership in any of the required exchanges referred to in Chapter 4 of these Rules,
- if the registered person is subject to insolvency or compulsory winding-up proceedings, winding-up proceedings or preventive restructuring proceedings;
- the existence of a registered person ceases to exist, or
- for other legally important reasons.

The public auction organiser shall immediately notify the registered person of the exclusion in writing by post or e-mail. The public auction organiser may exclude the 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 PARTICULAR PUBLIC AUCTION**

In order to participate in an individual public auction, two conditions must be met by the deadline specified in each announcement of the public auction, whereby the date and time of receipt is considered to be the date and time of receipt from the public auction organiser or buyer:

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

The buyer shall verify the adequacy of the financial security submitted for the seriousness of the bid and shall inform the public auction organiser thereof. The latter shall then confirm the participation of the 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 the execution by publishing the document "Public Auction Announcement", which is an annex to these rules (Annex 8). 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 announced:

- product description (i.e. emission allowances),
- lot definition and the approximate quantity of the product to be purchased at the auction (the exact quantity will be communicated on the day of 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](http://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 with its registered office in the Republic of Slovenia or a bank with its registered office 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 buyer and is an annex to the Rules (Annex 2), with the validity date as defined in the Announcement of each public auction. The bank guarantee must be delivered within the prescribed time limit:

- by mail to the buyer's headquarters, or
- by e-mail, if validly signed with a qualified digital signature, to the address [neca.dermol@te-sostanj.si](mailto:neca.dermol@te-sostanj.si) and [mateja.mazej@te-sostanj.si](mailto:mateja.mazej@te-sostanj.si), or
- in SWIFT format to the buyer'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 the cash deposit in the selected amount to the buyer'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 on the transaction account of the buyer. Upon submission of the cash deposit, the registered person shall sign an irrevocable authorisation (Appendix 5) authorizing the buyer to dispose of the funds of the cash deposit. 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 buyer 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 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 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 lower price, expressed in EUR/EUA, 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 buyer reserves the right to determine a reserve price, i.e. the highest 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 buyer may, in accordance with its economic interest, decide to accept a valid bid or bids ranked according to the above criteria even if it exceeds 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 shall consist of successive phases which shall take place in the following sequence:

- 1) PHASE 0 (pre-trading): at least 30 minutes before the start of the auction
- 2) PHASE 1 (bid collection): duration 30 minutes
- 3) PHASE 2 (results calculation phase): duration up to 20 minutes
- 4) PHASE 3 (final auction results): duration 10 minutes (2 hours in case of objections)

### **Pre-Trading Phase (PHASE 0)**

At least 30 minutes before the start of Phase 1, i.e. the collection of bids, the public auction organiser shall inform the registered persons by e-mail of the quantity of lots of the product(s) to be purchased at the auction.

### **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/EUA, 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 e-mail 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](mailto: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 e-mail.

### **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 e-mail to successful participants.

## **12. CONCLUSION OF THE CONTRACT**

Based on the final results, the buyer 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 Buyer has its headquarters.

Successful participants or sellers 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**

The condition for the validity of the Contract is the timely provision of the required financial security for the good performance of contractual obligations seven (7) working days after the signing of the Contract. The seller must provide financial security for the good performance of contractual obligations, 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 amount or method of calculating the amount of security and the maturity of the security will be determined in each public auction announcement..

The seller must submit an unconditional and irrevocable bank guarantee for the good performance of contractual obligations in the amount specified in the announcement of the public auction. The bank guarantee must be payable on first demand and 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 the form and manner prescribed by the public auction organiser and is an annex 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 seller, is held in the seller's transaction account. The seller transfers the cash deposit to the buyer'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 seller signs an irrevocable authorisation (Annex 5), by which they authorise the buyer 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 seller.

The buyer has the right to enforce the bank guarantee or to be paid from the cash deposit if the seller 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 seller.

In case of enforcement of financial securities for the good performance of contractual obligations, the seller 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 seller in accordance with these Rules are legally and factually the property of the seller and are free from obligations for other purposes.

Upon conclusion of the Contract, the buyer shall provide financial security for the performance of the contractual obligations in the form of three (3) blank signed bills of exchange accompanied by a declaration and with a mandate to execute and pay the bills of exchange. These documents must be in line to Annex 7. The declaration shall bear the clause "without protest". Presentation of the required bills of exchange shall be a condition for the validity of the Contract.

In the event of the bill of exchange for the performance of contractual obligations being cashed, the buyer must immediately, or at the latest within three (3) working days, replace the cashed bill of exchange with a new blank bill of exchange.

## **14. AUCTION SUPERVISION**

The public auction organiser, the buyer, 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 buyer 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 buyer 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 buyer 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 buyer must inform participants of all changes or measures related to the public auction as soon as possible via e-mail or other available means.

Communication with the public auction organiser, the buyer, 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 buyer 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 buyer shall decide on the necessary measures and immediately inform all auction participants via available means.

The public auction organiser and the buyer 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 register for each public auction, the public auction organiser will cancel the public auction.

The buyer also reserves the right to cancel an individual public auction before it takes place if the conditions for holding a public auction are not met in accordance with the provisions of the law or if circumstances occur on the market that would be contrary to the economic interests of the buyer.

Any cancellation of an individual public auction will be notified to registered persons no later than 1 working day before the scheduled public auction. In the event of cancellation, the registered persons themselves bear all the costs incurred by them until the cancellation. The buyer and the public auction organiser shall not be liable for any damage, costs or loss incurred by registered persons as a result of the cancellation of the auction, unless these were caused by wilful misconduct 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/EUA for each EUA allocated in accordance with the results of the specific public auction. The public auction organiser will issue an invoice to the seller 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 OPERATOR**

The public auction organiser and the buyer, 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 auction organiser publishes a report on its website, which includes:

- total number of participants;
- the 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 PURCHASE OF EMISSION ALLOWANCES FOR 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 & 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 purchase of emission allowances for the operation of 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 application and participation in the public auction has the power to participate in 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 for emission allowances, which is an integral part of the Public Auction Rules;
- that the company is registered on one of the following exchanges where products related to emission allowances are listed: ICE Endex or EEX;
- that, in the event of the success of the bids, we will settle 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;
- 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:**

- an extract from the business or court register that is not older than 30 days;
- a document proving the authorisation of the person who signs the application and later the Purchase Contract for emission allowances in the event of the participant's success (in case the signatory is not a legal representative);
- Declaration of membership in organised markets (Annex 6).

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 buyer.

Signed at \_\_\_\_\_, on \_\_\_\_\_

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 PURCHASE OF EMISSION ALLOWANCES FOR 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 purchase of emission allowances for the operation of 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 guarantee)

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 performance bond 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 THE PURCHASE AGREEMENT FOR EMISSION ALLOWANCES**

### **CONTRACT TEMPLATE**

\_\_\_\_\_,

\_\_\_\_\_, \_\_\_\_\_,  
Registration number: \_\_\_\_\_, VAT ID: \_\_\_\_\_  
("the Seller")

and

TERMoeLEKTRARNA ŠOŠTANJ d.o.o.  
Cesta Lole Ribarja 18, 3325 Šoštanj,  
Registration number: 5040388000, VAT ID: SI92189903  
("the Buyer"),

each a "Contracting Party", both jointly "Contracting Parties",

conclude the following

### **PURCHASE AGREEMENT FOR EMISSION ALLOWANCES**

#### **SUBJECT MATTER OF THE CONTRACT**

##### **1. article**

The subject matter of this Purchase Agreement for Emission Allowances (hereinafter referred to as the "Contract") is the sale, purchase, transfer and takeover of emission allowances valid for the fourth period of the European Trading Scheme (hereinafter referred to as the "ETS"), from 2021 to 2030 inclusive, and the payment of the contractually agreed price.

The contract is concluded on the basis of the results of a public auction conducted in accordance with the general rules for public auctions for the purchase of emission allowances for the needs of the operation of Termoelektrarna Šoštanj (hereinafter referred to as the "Public Auction Rules")

**QUANTITIES, PRICES, REGISTER ACCOUNT NUMBER AND DEADLINES****2. article**

The seller will sell and transfer the emission allowances to the buyer's account, and the buyer will buy and take over the following emission allowances with the following characteristics:

*The table will be added according to the auction result*

The price does not include VAT and other duties and contributions in the country charged to the contracting parties in accordance with the applicable regulations.

**3. article**

The seller will sell and transfer the contractually determined quantities of emission allowances to the buyer's account in the Slovenian register of emission allowances no later than the 10th day of the month of transfer of the allowances. In the event that the transfer date is a non-working day, the transfer shall be made on the first following business day. The seller must ensure that the emission allowances sold by him to the buyer are free of all encumbrances and without restrictions on sale, otherwise he is liable for any damage that may arise as a result.

**DETERMINATION OF THE TAKEOVER****4. article**

For the purpose of determining the implementation of the transfer or takeover of the contractual quantities of emission allowances, the data recorded in the Slovenian part of the Union Registry, which is managed by the Environmental Agency of the Republic of Slovenia, are authoritative.

**INVOICING AND PAYMENT****5. article**

The seller will issue an invoice for allowances transferred to the buyer's account by the 10th of the month to the buyer on the 11th day of the month, or on the first following working day if the 11th of the month is a non-working day.

The Buyer shall settle the received invoice no later than 5 (five) working days after the invoice has been issued, provided that the Emission Allowances have been transferred to the Buyer's account in accordance with this Contract. Payment is considered made when the funds are in the seller's transaction account.

If the buyer is late with the payment of the purchase price under this contract, the seller will charge him default interest from the first day of delay until the day on which the seller received the payment, unless the buyer partially or fully refuses to pay the invoice for justified reasons. The Seller will charge the Buyer late payment interest in the amount of the monthly EURIBOR

in force on the account maturity date, increased by 3 percentage points (3%) per annum. In the event that the monthly EURIBOR is negative, the monthly EURIBOR shall be deemed to be zero (0.0) for the purpose of calculating interest for late payment under this Contract.

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).

The buyer is obliged to issue any complaint (reasoned objection) of the invoice in writing to the seller no later than 8 (eight) days after receipt of the invoice, and the undisputed part of the invoice is obliged to be paid within the contractual period. The Seller must respond to the complaint in writing within 8 (eight) days of receipt of the complaint.

#### 6. article

The parties agree that set-off is the basic and thus customary way of settling mutual obligations. Therefore, the parties agree that the mutual obligations due under this contract as well as under all other contracts, including contracts on assignment, assignment or sale of receivables, will, as a rule, be settled by set-off, so that the contracting party that is a net creditor in each accounting period will prepare a proposal for set-off and send it to the counterparty for confirmation. In the event of an invoice complaint, the undisputed part of the invoice is taken into account in the set-off.

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

### INSURANCE OF CONTRACTUAL OBLIGATIONS

#### 7. article

The seller is obliged to provide the buyer 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 demand, 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 \_\_\_\_\_ (with a word), which is in accordance with point 13 of the Public Auction Rules and with the validity period of \_\_\_\_\_, which is a condition for the validity of the contract;*
- *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 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 \_\_\_\_\_ (with a word), which is in accordance with point 13 of the Public Auction Rules and with the validity period of \_\_\_\_\_, which is a condition for the validity of the contract.

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

or

b. CASH DEPOSIT

- The Seller transfers to the buyer'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 \_\_\_\_\_ (\_\_\_\_\_z word), which is in accordance with point 13 of the Public Auction Rules, with a validity period of up to \_\_\_\_\_,
- The seller transfers to the buyer'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 \_\_\_\_\_ (\_\_\_\_\_z word), which is in accordance with point 13 of the Public Auction Rules, with a validity period of up to \_\_\_\_\_,

and to hand over to the buyer the signed irrevocable authorisation set out in Annex 5 of the Public Auction Rules.

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

When signing the contract, the buyer is obliged to provide the seller with the following insurance for the good performance of contractual obligations:

- three (3) signed blank bills of exchange with a bill of exchange statement, authorizing the execution and payment of the bill of exchange, in the form and content as specified in Annex 7 of the Public Auction Rules. The bill of exchange statement must be with a "no protest" clause.

The Buyer undertakes to replace each used bill of exchange within three (3) working days with a new blank bill of exchange.

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

In the event that the contracting party fails to replace the security as provided for in this Article, the other contracting party shall have the right to withdraw from the contract.

## **FAILURE TO COMPLETE THE TRANSFER AND TAKEOVER**

### **8. article**

If the seller fails to transfer all or part of the contractual quantity of emission allowances to the buyer's account in the register by the date of transfer, as specified in the table in Article 2 of



this contract (contract quantity and date of transfer), and the non-performance is not justified by force majeure circumstances as defined in Article 9 of the contract or reasons on the part of the buyer (e.g. failure to fulfil other essential obligations by the buyer), is obliged to pay compensation to the buyer for damage to the extent of the undelivered quantity of emission allowances, whereby the amount of compensation is calculated as the product of:

- the amount of allowances not transferred, and
- the difference, if positive, between the price at which, in accordance with good commercial practice, the buyer buys (or could buy) the untransferred emission allowances on the market and the contract price.

In the event that the difference between the prices referred to in the second indent of the previous paragraph is negative, the buyer is not entitled to compensation.

The amount of compensation shall be increased by all additional costs incurred for the purchase and receipt of emission allowances and other justified and demonstrable costs and expenses incurred by the buyer as a result of the seller's default.

If the buyer does not take over all or part of the contracted quantity of emission allowances by the date of transfer, as specified in the table in Article 2 of this contract (contract quantity and date of transfer), and the non-performance is not justified by force majeure circumstances as defined in Article 9 of the contract or reasons on the part of the seller (e.g. failure to comply with the transfer obligation), the buyer is obliged to pay compensation to the seller for damage to the extent of the uncollected quantity of emission allowances, where the amount of compensation is calculated as the product of:

- the amount of allowances not collected, and
- the difference, if it is positive, between the contract price and the price at which the seller can sell (or could sell) the uncollected emission allowances on the market in accordance with good commercial practice.

In the event that the difference between the prices referred to in the second indent of the previous paragraph is negative, the seller is not entitled to compensation.

The amount of compensation shall be increased by any additional costs incurred for the sale and transfer of emission allowances and other eligible and demonstrable costs and expenses incurred by the seller as a result of the buyer's default.

Compensation under this Article, together with the associated default interest and charges, shall be paid within 5 (five) working days of the issuance of the request for payment.

## **FORCE MAJEURE**

### **9. article**

Force majeure under this Contract is any event beyond the control of the parties which cannot be foreseen, prevented, eliminated or avoided and results in the inability of each party to this contract to perform its contractual obligations, and none of the parties to the contract is responsible for the occurrence of such circumstances, and in particular, but not exclusively,

the actions of the competent authorities, as well as the suspension of the centralised Union Registry for Emission Allowances or the Slovenian part of the register managed by the Environmental Agency of the Republic of Slovenia.

The occurrence of force majeure releases the contracting party from fulfilling its obligations for the duration of the force majeure event, as well as relieves it of the obligation to pay compensation for non-performance of contractual obligations during the period of force majeure.

A Contracting Party invoking force majeure shall be obliged to inform the other Contracting Party immediately and reliably of the occurrence of force majeure and its termination in accordance with Article 11 of this Contract, and at the same time to communicate to it 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.

If the impossibility of performance due to force majeure occurred after the deadline, the party claiming it will have to pay compensation to the opposing party for the default.

## **TRANSFER OF RIGHTS AND OBLIGATIONS**

### 10. 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 financial 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 execution of this Contract and ensure the transfer of rights and obligations under 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.

## **INFORMATION AND COMMUNICATION**

### 11. article

Unless expressly stipulated otherwise in the contract, all notifications, statements, invoices shall be sent/exchanged in writing and delivered to each other by electronic means (considered to have been received on the working day of delivery or on the first working day after the date of delivery, if delivered on a day other than a working day), to the contact addresses of the persons authorized for the administration of the contract, referred to in the following paragraph:

Contact person for the buyer:

- For the operational performance of the contract:

Name and surname: Sebastijan Selan

Phone: 00386 38 99 35 68

E-mail: [sebastijan.selan@te-sostanj.si](mailto:sebastijan.selan@te-sostanj.si)

- For invoicing:

Name and surname: Mojca Kotnik

Phone: 00386 38 99 35 77

E-mail: [mojca.kotnik@te-sostanj.si](mailto:mojca.kotnik@te-sostanj.si)

- For settlement:

Name and surname: Neca Dermol

Phone: 00386 38 99 35 77

E-mail: [neca.dermol@te-sostanj.si](mailto:neca.dermol@te-sostanj.si)

Contact person for the seller:

- Operational implementation of the contract:

Name and surname:

Telephone:

E-mail:

- For invoicing and settlement:

Name and surname:

Telephone:

E-mail:

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

## **BUSINESS SECRET**

### 12. article

The Contracting Parties undertake to keep only the conclusion of this Contract, all data and information arising from the contractual documentation and other data and information arising from the contractual relationship or related to the contractual relationship as a business secret, except in cases of disclosure of information in accordance with the applicable regulations.

The parties to the contract are liable for damages for material and non-material damage due to the breach of business secrets.

The Contracting Parties may, by written contract, provide for exceptions to the rules laid down in this Article.

**ANTI-CORRUPTION CLAUSE**

## 13. 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.

**TERMINATION OF THE CONTRACT**

## 14. article

Any contracting party (a party loyal to the contract) may unilaterally terminate the contract at any time and without notice by written notice in the event of one of the following valid reasons:

- i. if the other party has failed to perform any of its obligations under the contract, even after the expiry of three (3) working days from the written request of the beneficiary party to comply with that obligation;
- ii. failure to comply with the obligation to replace financial security with a new one, as specified in Article 7 of the contract;
- iii. if the other party to the contract becomes insolvent is defined as insolvency by law in this field, or if circumstances arise from which the party to the contract may reasonably believe that the other party to the contract will not or will not be able to perform its obligations under the contract;
- iv. if the other party to the contract has filed a proposal to open compulsory composition proceedings or bankruptcy or winding-up proceedings or, in the case of compulsory conciliation, bankruptcy or winding-up proceedings against the other party.

Termination of the contract for serious reasons shall be given by written notice sent by registered mail to the opposing contracting party.

The termination of the contract does not release the parties from the fulfilment of their obligations under this contract that arise until the termination of the 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. Termination of the contract does not mean that the contracting party has waived any rights (the right to compensation for damage due to non-fulfilment of contractual obligations, the right to compensation, pre-existing claims, etc.).

A Contracting Party terminating the Contract on the basis of the above-mentioned valid reasons shall be entitled to demand from the other Contracting Party compensation for the untransferred quantities of emission allowances or compensation for the uncollected quantities of emission allowances due to the termination of the contract in accordance with the provisions

of Article 8 of the Contract. In addition to compensation, the contracting party on whose part the reason for the termination of the contract is also obliged to pay compensation for any higher damage and all additional costs incurred for the purchase and collection of emission allowances and other justified and demonstrable costs and expenses incurred by the contracting party from this title. The party on whose part the reason for the termination of the contract is is obliged to pay compensation to the party terminating the contract within five (5) working days from the receipt of the summons and invoice.

## **FINAL PROVISIONS**

### **15. article**

The provisions of applicable law shall apply to the regulation of mutual obligations and rights not expressly agreed upon in this Contract.

### **16. article**

The Contract shall enter into force on the day of signature of the authorised representatives of the Contracting Parties and upon fulfilment of the condition referred to in the first paragraph of Article 7 of the Contract (submission of appropriate security by the Contracting Parties), and shall apply from XX.XX.XXXX hours to XX.XX.XXXX hours or until the full fulfilment of all contractual obligations assumed on the basis thereof. Provisions of the contract which, by their nature, exceed the period thus agreed shall apply until all obligations under this contract have been fulfilled.

### **17. article**

Any amendments to this Contract may only be made in writing, in the same manner as this Contract.

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

### **18. article**

The seller will implement reporting obligations for both counterparties in accordance with the provisions of the Derivatives Regulation (EU) No 648/2012 (EMIR) under this contract.

The Parties agree to settle any discontract, dispute or claim arising out of or relating to this Contract amicably. Disputes that cannot be resolved in this way are resolved before the court with substantive jurisdiction in Ljubljana.

### **19. article**

The contract shall be drawn up in two copies, of which each party to the contract shall receive one copy.

## 20. article

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

Šoštanj, on \_\_\_\_\_, on \_\_\_\_\_

**For TEŠ:**  
(name and surname)

**FOR THE SELLER:**  
(name and surname)

UNOFFICIAL TRANSLATION

## **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, SLOVENIA

**Date:**.....(insert the date of issue)

**WARRANTY TYPE:**.....(guarantee for 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 contracting authority to provide a guarantee from the Purchase Agreement for emission allowances 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 ..... (the SWIFT address of the guarantor shall be indicated)

**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 maturity 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 to the beneficiary on first demand any amount up to the amount of the guarantee within 5 (five) days, after the beneficiary submits the relevant request for payment in the above-mentioned form of submission, signed by the authorized signatory(s) and together with other documents, if listed above, and in any case together with the beneficiary's statement, which is either included 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, indicating the extent to which the principal of the guarantee has failed to fulfil 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 Purchase of Emission Allowances for the Operation of 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')

edition

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 \_\_\_\_\_ *(for the seriousness of the bid / for 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 purchase of emission allowances for the operation of Termoelektrarna Šoštanj d.o.o..

\_\_\_\_\_, date \_\_\_\_\_

\_\_\_\_\_  
(stamp and signature of the legal representative of the auction participant)

**ANNEX 6 – DECLARATION OF MEMBERSHIP IN ORGANISED MARKETS****DECLARATION OF MEMBERSHIP IN ORGANISED MARKETS**

Applicant:.....

Title:.....

Registration number: .....

VAT ID: .....

In accordance with the General Rules for Public Auctions for the Purchase of Emission Allowances for the Operation of Termoelektrarna Šoštanj d.o.o. (hereinafter: the Rules), we declare that we meet the conditions set out in Item 4 of the Rules and confirm that we have a full and active membership in the following organised markets/futures exchanges where products related to emission allowances are listed:

☐ ICE Endex (List of members: <https://www.ice.com/endex/membership> )

☐ EEX ([List of Trading Participants](#))

\_\_\_\_\_, date \_\_\_\_\_

\_\_\_\_\_

(stamp and signature of the legal representative of the auction participant)

**ANNEX 7 – BILL OF EXCHANGE STATMENT**

Termoelektrarna Šoštanj d.o.o.,  
Cesta Lole Ribarja 18, 3325 ŠOŠTANJ, SLOVENIA  
Registration number: 5040388000  
VAT ID: SI92189903  
represented by: mag. Branko Debeljak  
(bill of exchange issuer)

Date \_\_\_\_\_

**BILL OF EXCHANGE STATEMENT**

The creditor \_\_\_\_\_ (hereinafter referred to as the bill of exchange creditor) and Termoelektrarna Šoštanj d.o.o., Cesta Lole Ribarja 18, 3325 Šoštanj (hereinafter referred to as the bill of exchange debtor) have entered into a Contract for the Purchase of Emission Allowances No. \_\_\_\_ (hereinafter: the Contract). This Bill of Exchange Statement shall apply to the execution of bills of exchange issued for the purpose of securing all claims of the Bill of Exchange creditor against the Bill of Exchange debtor under the Contract and all its appendices, to the extent that the parties have yet to conclude them in connection with the Contract.

In accordance with the Contract, the Bill of Exchange Debtor shall hand over to the Bill of Exchange Creditor three (3) blank Bills of Exchange with the "no protest" clause, in order to secure all claims of the Bill of Exchange Creditor against the Bill of Exchange Debtor under the Contract.

Mag. Branko Debeljak as Director General of .....

The issuer of the bills of exchange expressly confirms and agrees that the signatory of the bills of exchange is authorized to sign the bills of exchange and that this authorization and the signed bills of exchange apply even in the event of a change in the legal representative of the issuer of the bills.

By signing this statement, the issuer irrevocably and unconditionally authorizes bill of exchange creditor to fill in the blank of bill of exchange up to the amount of outstanding obligations under the Contract with any additions, including any default interest and costs, and to fill in all other components of blank bill of exchange that are not fulfilled without prior notice, by entering any maturity date and the "no protest" clause.

The issuer of the bills of exchange waives all objections to blank bills of exchange so completed and undertakes to pay the bills in full when they fall due. The issuer of bills waives any objection

to an order for payment or an enforcement authorisation issued on the basis of completed bills of exchange.

The issuer of the bills of exchange authorizes the creditor to domicile the bills of exchange with any commercial bank that maintains our account at the time of redemption.

The undersigned representative of bill of exchange debtor, mag. Branko Debeljak, Managing Director, I hereby declare that I am authorized to dispose of the funds in accounts with commercial banks, and at the same time I irrevocably and unconditionally authorize the bill of exchange creditor to issue an order at any commercial bank or banks that maintain our accounts for the transfer bill of exchange amount to the account of the bill of exchange creditor, which will be enforced at the expense of bill of exchange debtor.

The undersigned representative of the debtor, mag. Branko Debeljak, Managing Director, I hereby declare that I give my consent to all commercial banks that maintain our accounts to execute a transaction in favour of bill of exchange creditor and against any of our accounts, regardless of the otherwise agreed terms and conditions on account management.

The issuer of the bills of exchange undertakes to replace this bill of exchange statement with a corresponding new statement within three (3) working days in the event of a change in the domicile or in the event of a change in the regulations or if it is established that the bills of exchange could not be redeemed on the basis of this bill of exchange statement or that their redemption could be impeded.

Attachment: 3 pcs of blank bills of exchange

Signature of the legal representative

Mag. Branko Debeljak

.....

**ANNEX 8 – PUBLIC AUCTION ANNOUNCEMENT**

In accordance with the General Rules for Public Auctions for the purchase of emission allowances for the operation of Termoelektrarna Šoštanj d.o.o., Borzen, d.o.o. announces:

**ANNOUNCEMENT OF PUBLIC AUCTION NO. \_\_\_\_\_ / \_\_\_\_\_**

**Date:** \_\_\_\_\_

**Schedule:**

Information on quantities: no later than \_\_\_\_\_ (at least 30 minutes before the auction starts)

Start of PHASE 1 (bid collection): \_\_\_\_\_ (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: \_\_\_\_\_

Product type/description (i.e. emission allowances): \_\_\_\_\_

Delivery period: \_\_\_\_\_

Lot Definition: \_\_\_\_\_

Approximate quantity or number of lots to be purchased at the auction: \_\_\_\_\_

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**

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