

CONTRACT FOR FIELD SERVICE OF ID AND FD FANS

(Contract No.: 73-18-VSS-INV)

agreed and made between

TERMOELEKTRARNA ŠOŠTANJ, d.o.o.,

Cesta Lole Ribarja 18, SI-3325 ŠOŠTANJ,

Represented by mag. Arman Koritnik, General Manager

Further on referred to as: **"Employer"**

ID No. for VAT: SI92189903.

and

TLT -Turbo GmbH,

Gleiwitzstrasse 7, 66482 Zweibrücken, GERMANY,

Represented by Rainer Redinger and Minggang Wan, Managing Director

Hereinafter referred to as **»Supplier«**.

VAT Reg. No.: DE813671492.

whereas

1. INTRODUCTORY PROVISIONS

The Parties herein initially establish, that for carrying out its core business operation the Employer needs a field service of ID and FD fans.

Based on annual demand for Goods and in accordance with c) point, paragraph 1, Article 46 of the Law on Public Procurement (ZJN-3), the Employer has sent to the Contractor inquiry for field service of ID and FD fans. The Contractor has submitted its Offer No. 27014/27.4.2018 dated 27.4.2018 (further on referred to as: Offer), which the Employer has reviewed and confirmed its eligibility. The respective Offer has been selected as successful and the present Contract shall be concluded on its basis after completed public procurement contract procedure.

The inquiry and the respective Contractor's Offer shall be a component part of the present Contract. All documents composing the Contract shall be considered as complete unit and shall be interpreted as such. In case of eventual discrepancies or misunderstandings as to the specific obligations, the following order shall apply for interpretation purpose, unless agreed otherwise:

1. Contract;
2. Offer;
3. Inquiry.

The General Conditions of both Parties shall be explicitly excluded. Ruling language for all contract related issues and documents shall be English.

2. SUBJECT OF CONTRACT

2.1

The Contract Parties herein agree, that the Contractor shall perform field service of ID and FD fans which are defined in details in the Offer No. 27014/27.4.2018 enclosed to the present Contract and forming its component part.

By signing the present Contract, the Contractor herein undertakes to perform services to the Employer, and the Employer herein undertakes to pay the agreed price.

3. QUALITY OF SERVICES

The Contractor herein undertakes that the quality of the performed services shall comply with data agreed in the Offer No. 27014/27.4.2018, as details in the Contractor's Offer, which constitute an

integral part of the Contract. The Contractor undertakes to use reasonable skill and care in performing the Services. If Contractor fails after receipt of written notification to commence corrective action to remedy a defect within an agreed period, or in the absence of an agreement within such time as is reasonable under all the circumstances, then Employer may upon further written notice to Contractor arrange for a competent services provider experienced in such services to correctly re-perform such defective services and Contractor shall pay to the Employer the reasonable costs of such service. The Contractor shall have no liability in respect of any defect or complaint notified to it after expiry of 12 (twelve) months from the performance of such service.

4. LIQUIDATED DAMAGES

The Parties herein agree, that as long as the Contractor does not comply with the agreed time schedule, specified under this contract, the Employer shall charge liquidated damages of 0,5% of the amount for unperformed services per week of delay up to a maximum of 15% of the amount for unperformed services. The hot commissioning services are not subject to delay LDs. The application of liquidated damages in accordance with this article 4 shall be the sole and exclusive remedies of Employer in full and final satisfaction of Contractor's liability for delay.

In case the Contractor is unable to perform the services within agreed upon time on account of the events of force majeure or action or omission of the Employer, the delivery term defined in the present Contract shall be proportionally extended.

5. CONTRACT PRICE

The Parties to the present Contract herein agree that the max. estimated value of the Contract shall be EUR 160.000,00 (VAT excluded). VAT shall be charged according to currently applicable legislation.

6. DEADLINE FOR EXECUTION AND TIME SCHEDULE

The Contractor shall undertake to fulfil the obligations agreed with this Contract in a timely manner, i.e. within the deadlines defined in Offer, which is integral part of this Contract, but not later than 24 June 2018 for services. The Parties shall agree that changes to the time schedule shall only be made with written consent of both Parties.

7. PAYMENT TERMS AND PAYMENT MODALITY

The basis for calculation shall be the specified report of performed services, signed by both Parties, enclosed to the invoice.

The Contractor is allowed to invoice each listed item of the quotation separately.

The Contractor herein undertakes to issue an invoice to the Employer within 5 (five) days at latest from the date of performed services to the Employer's registered office.

The Employer shall be obligated to settle the issued invoice for performed services, payable within 30 days after receipt of the invoice, without deduction.

Bank account: DE05 5427 0096 0202 8108 00, BIC: DEUTDESM542 at Deutsche Bank AG.

The default interest shall be charged in the amount of interest rate for 6-month EURIBOR valid on the invoice date. The Employer shall be obligated to pay the charged interest within 30 days from issuing the invoice.

8. COMPLAINTS

The Parties herein agree, if with the completion of the performed service, the problem will still not be solved, the Contractor shall perform the service again and it will be free of charge (as complaint to the performed service).

9. FORCE MAJEURE

The term Force Majeure shall mean any unexpected event /circumstances occurred after the present Agreement is made, which could not have been foreseen, prevented or avoided by any Party in spite of the due care exercised by the Party, and causing delays in fulfilment of contractual obligations or resulting in incapacity for fulfilment. The events of force majeure include: natural disasters or catastrophic events, like for example epidemics, nuclear disasters, fire, floods, storms or earthquakes; acts or omission of acting by civil or military authorities like changes in legislation, limited use or trading with foreign currencies, cancellation or termination of import or export permits, state of emergency, embargos, establishing quotas, or restrictions in use of material or labour force; war or mobilization, civil war or uprising, riots, sabotage or revolution, strike or lock-out. In case of occurrence of event of force majeure it shall be deemed, that during the period of force majeure the Party affected by such event shall not be deemed as being in breach or in delay with fulfilment of its obligations which are affected by the event of force majeure. The affected Party shall be free of any liability for damage caused to the other Party due to such event of force majeure.

The Party on the side of which the event of force majeure has occurred, must promptly inform the other Party of the occurrence or termination of the event of force majeure and should the other Party so request, must provide documented proof on occurrence or termination of the event of force majeure, its extent, duration and consequences. Failing to do so, the Party shall have no right to make reference to events of force majeure. The contractual deadlines shall be extended accordingly taking into account the duration of the event of force majeure, in form of written agreement made between the Parties. Should Force the force majeure and its consequences last longer than 180 days either Party may opt for termination of the Contract.

10. TERMINATION BY INSOLVENCY AND SUSPENSION

If a party is declared insolvent or gets bankrupt under any applicable law, has a receiving order made against him or goes into liquidation, the other party may by notice terminate the contract immediately. Either Party can terminate the Contract for material breach of the other Party not cured in a reasonable period.

11. OTHER OBLIGATIONS OF THE CONTRACTOR AND EMPLOYER

11.1

The Contractor herein undertakes to cooperate with the Employer in accordance with provisions defined in the present Contract, to perform services in time and in accordance with terms and conditions defined in this Contract.

The Employer herein undertakes to accept the performed services and to cooperate with the Contractor in accordance with the provisions defined in the present Contract.

11.2 Protection of business secrets

By signing the present Contract, both Parties herein exclusively undertakes to keep confidential any information or documents that might be disclosed during execution of the present Contractor, or which the Contractor may disclose or create at its own and are related to the Employer or its business operations or to natural or legal entities connected with the Employer. The Parties to the present Contractor herein agree, that for the purpose of the Contractor, the personal data exchanged during execution of the present Contractor shall also be treated and confidential information.

Both Parties must not disclose any confidential information/documents to any third party in any case, except in case the other Party explicitly and in writing agree with disclosing of specific information.

In case of breaching this confidentiality clause, the breaching Party must reimburse the damages caused by any such breach.

Notwithstanding the above, the Employer as liable entity to access to public information is bound to publish statutory data referring to the concluded legal transaction.

11.3

The Parties herein agree, that in case the Contractor shall receive a Employer's identification card for entry into the plant, the Contractor is upon departure obliged to return the card to the plant reception desk after completing the works/services at the plant. In case the Contractor's personnel should fail to

return the identification card, the card shall be charged to the Contractor in accordance with valid price list. In the case of subcontracting, the same applies as stated for the Contractor.

11.4

The Employer herein undertakes to inform the Contractor of the Environment Protection System ISO 14001/2004, evident from the Requirements for control system. During performance of services, the Contractor herein undertakes to take into account the Environment Protection System ISO 14001/2004, Occupational Health and Safety System OHSAS 18001 and Information Security Management System ISO 27001. Requirements related to control system shall be enclosed to the present Agreement forming its component part. Furthermore, during performance of services, the Contractor undertakes to respect regulations related to safety at work applicable at Employer's plant and shall sign with the Employer a separate agreement on safety at work.

11.5 Damage from pollution

Throughout the period of execution of this Contract, the Contractor shall be obliged to consistently observe all applicable regulations from the field of environmental protection. If the Employer suffers any damage, including the payment of a fine or a financial penalty, due to the violation of regulations from the field of environmental protection which would be the result of Contractor's action or omission, the Contractor shall commit to fully compensate the Employer for such damage. In such case, the Employer shall have an independent claim/receivable towards the Contractor based on such contractual provision. The Contractor shall be obliged to settle such a receivable based on the issued invoice within 8 days from issue of invoice.

11.6

The Parties to the present Contractor herein agree to immediately inform each other in writing in case of any change made to the relevant data: bank account data, ID number for VAT, registered office or change in core activities, changes in status or business operations, financial problems in regular operations or company winding up.

12. ANTI-CORRUPTION CLAUSE

The present Contract shall be null and void in case any person on behalf of or on account of the other Party of the present Contract should promise, offer or provide to the representative, agent or Employer's signatory any illegal benefit for awarding the contract, making the contract under more favorable terms, omitting due supervision over the performance of obligations defined in the present Contract or for performing any other act or omission, by which damage is caused to the Employer, or providing of illegal benefits is enabled to representative, agent or signatory of the present Contract by the Employer or by the other Party of the present Contract, or providing of any such benefits is enabled to the other Party of the present Contract.

13. SOCIAL CLAUSE

The present Agreement shall terminate in case the Employer is informed of the fact that the competent government authority or court with final decision finds violation of labor, environmental or social legislation by the Contractor.

The present Agreement shall terminate on the date the Employer is informed of the circumstances on the grounds of which the present Agreement is terminated.

14. RESPONSIBLE PERSONS FOR IMPLEMENTATION OF THE CONTRACT

In order to facilitate the implementation of the present Contract the Parties herein agree to both nominate responsible person.

Responsible person of the Employer shall be [REDACTED].

Responsible person of the Employer shall be authorized to provide the Contractor with instructions in accordance with the provisions defined in the present Contract.

Responsible person of the Contractor shall be [REDACTED]. Responsible person of the Contractor shall be authorized to provide execution of the Employer's instructions.

If the Parties to the present Contract should replace the nominated persons, as defined herein, they must both inform each other of any such replacement taking place.

15. FINAL PROVISIONS

Eventual modifications or amendments shall be made by the Parties to the present Contract in a form of an Annex to the present Contract.

The present Contract shall come into force as on the date of signing by both Parties.

Eventual misunderstandings shall be solved by the Parties in an amicable manner. Should this not be possible, the dispute shall be finally solved by the competent Ljubljana District Court.

Slovenian law is used for this contract.

The present Contract is composed in two (2) copies, one (1) copy for the Employer and one (1) for the Contractor.

This Contract including all attachments constitutes the entire agreement of this contract of both parties in relation to its subject matter and supersedes and cancels all previous agreements, commitments, promises, representations and undertakings (whether or not in writing) not contained or referenced herein in respect of the subject matter of this Contract.

Signed on: 14 May 2018

TLT – Turbo GmbH

Managing Director:

Rainer Redinger

Managing Director:

Minggang Wan



Signed on: 30-05-2018

TERMoelektrarna Šoštanj d.o.o

General Manager:

mag. Arman Koritnik



Attachment

Offer No. 27014/27.4.2018