



**NEK**

## **DRAFT CONTRACT No**

**For**



### ***Supply of Check Valves for Outage 2025***

concluded on \_\_\_\_\_ by and between:

**NUKLEARNA ELEKTRARNA KRŠKO d.o.o.**  
**Vrbina 12, 8270 Krško, Slovenia,**

**represented and duly authorized by**

**Mr. Gorazd Pfeifer, President of the Management Board and**  
**Mr. Saša Medaković, Member of the Management Board**

**(hereinafter referred to as "PURCHASER" or "NEK" or "NPP Krško")**

**on one part**

**and**

.....

**Represented and duly authorized by**

**Mr. ....**

**(hereinafter referred to as "SELLER" or "Contractor")**

**on the other part**

Whereas, SELLER represents that it is fully qualified to provide PURCHASER with:

### ***SUPPLY OF CHECK VALVES FOR OUTAGE 2025***

and shall do so in accordance with the terms and conditions herein specified, and

Whereas, the representatives of SELLER and PURCHASER possess proper and sufficient authority to agree, and

Now therefore, SELLER and PURCHASER have agreed as follows:

The following documents shall constitute the Contract:

- PART I: - General Terms and Conditions (this Document)
- PART II: - Technical Specification for Items RFQ No. 185604
  - Technical Specification Nuclear Safety Class Valves Krško Nuclear Power Plant SP-G508A-536633-00026 rev. 1
  - Specification Data Sheet C36-10
- PART III: Quotation No.

# PART I - GENERAL TERMS AND CONDITIONS

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## 0 DEFINITIONS AND ABBREVIATIONS

As used throughout the Contract, the following terms shall have the meaning set forth hereinafter:

**PURCHASER** shall mean NUKLEARNA ELEKTRARNA KRŠKO (NPP Krško), Vrblina 12, 8270 Krško, Slovenia, represented by  
Mr. Gorazd Pfeifer, President of the Management Board  
and  
Mr. Saša Medaković, Member of the Management Board

**SELLER or CONTRACTOR** shall mean

**PARTY** or **PARTIES** shall mean PURCHASER or/and SELLER as herein under referred to individually or collectively.

**CONTRACT** shall mean the agreement between PURCHASER and SELLER consisting of General Terms and Conditions of the Contract (*PART I*), Technical Specification for Items RFQ No. 185604, SP-G508A Rev. 1, Specification Data Sheet C36-10 (*PART II*) and Quotation No: (PART III).

The Contract documents are complementary, and what is called for by anyone of them shall be binding as if called for by all. Any conflicts in the Contract documents shall be reasonably resolved by PURCHASER after mutual discussion with SELLER. The validity dates of documents commence with the Effective Date of the Contract.

**SCOPE OF SERVICES AND DELIVERY or WORK** as defined in Technical Specification for Items RFQ No. 185604 and other contractual documents.

**TECHNICAL REPRESENTATIVES** shall mean the PURCHASER's and the SELLER's designated representatives through whom all technical, commercial, Quality Assurance and matters shall be channelled.

**COMMERCIAL REPRESENTATIVES** shall mean the PURCHASER's and the SELLER's designated representatives through whom commercial matters will be evaluated.

**NEK TECHNICAL SPECIFICATION** shall collectively refer to: 1. Technical Specification for Items RFQ No. 185604, 2. Technical Specification SP-G508A Rev. 1, and 3. Specification Data Sheet C36-10.

**SP-G508A Rev. 1** shall mean Technical Specification Nuclear Safety Class Valves

Krško Nuclear Power Plant SP-G508A-536633-00026 rev1.

**QUOTATION** shall mean SELLER's Quotation No.: .dated

**PLANT, NE Krško, NEK, NPP Krško** shall mean Nuclear Power Plant Krško.

**NUCLEAR SITE** shall mean territory of the Nuclear Power Plant, situated in Krško, Slovenia, all within the licensed nuclear site.

**APPROVED** shall mean the status of any document to be furnished by the SELLER to PURCHASER under Contract which is approved by PURCHASER with or without comments but which is not rejected by PURCHASER. The date for the resolution of PURCHASER's comments shall be mutually agreed upon prior to the approval. In no circumstances the approval can relieve SELLER from the responsibility for failures within SELLER's Scope of Services and Delivery.

**TOTAL CONTRACT PRICE** shall mean all-inclusive total price to be paid to the SELLER as per Article 7.1 of the Contract.

**DAP** shall mean Delivered at Place NPP Krško Site as per Incoterms 2020

**QA** shall mean Quality Assurance

**VAT** shall mean Value Added Tax

## 1 SELLER'S SCOPE OF SERVICE AND DELIVERY

SELLER's Scope of Service and Delivery entails the following:

Line	NEK Item Number	Description	UOM	Quantity	Safety Classification
1	430823	VALVE.CHECK,SC:SR,TYPE:SOFT SEAT,SIZE:1-1/2",BODY MAT'L:CARBON STEEL,ANSI RATING:#600,TECH. SPEC.:SP-G508A, REV.1,SPEC. SHT.:C36-10,ASME CODE CL.:3	EA	20,00	SR
Part Number: _____					

fully in accordance with NEK Technical Specification.

## 2 PURCHASER'S RESPONSIBILITIES

PURCHASER is responsible for the work and information as stated NEK Technical Specification and other contractual documents.

## 3 QUALITY ASSURANCE, TECHNICAL AND OTHER REQUIREMENTS

SELLER shall meet all quality assurance requirements, design, performance, material, fabrication and technical requirements as well as procedures, codes and standards as stated in NEK Technical Specification and other contractual documents.

## 4 DELIVERABLES TO BE PROVIDED TO PURCHASER

SELLER shall submit to PURCHASER all deliverables as stated in NEK Technical Specification other contractual documents.

## 5 SCHEDULE

The Check Valves shall be delivered to NEK Site by August 29th, 2025, at the latest.

## 6 DELIVERY TERMS AND CONDITIONS

All materials, spare parts as well as all other deliverables of SELLER's Scope of Services and Delivery as stated in Art. 1 above shall be delivered DAP NPP Krško Site as per Incoterms 2020. The Scope of Delivery items shall be packed and loaded in the manner that allows for easy offloading from the

plane or ship to the truck and finally from the truck to NPP Krško warehouse.

#### Delivery of shipping documents

As soon as possible, but not later than on three days before the day of delivery of goods, in order to ensure timely receipt and customs clearance, SELLER or its forwarding agent shall send to PURCHASER the following information and documents:

- estimated time of arrival of shipment at NEK site
- shipping invoice with description of goods, quantity, unit and total price per each item and total price
- packing list
- copy of AWB or RWB or B/L, etc. (relative to means of transportation)

The use of EUR-1 Form for optimizing of customs formalities shall be mandatory whenever feasible.

## 7 PRICE

- 7.1 The Total Fixed and Firm Total Contract Price DAP NPP Krško Site for the SELLER's Scope of Services and Delivery as per Art. 1 above under the terms and conditions of this Contract is:

**EUR** (excl. V.A.T.)

(in words: Euros)

7.2. The price structure is given below:

Scope of Services and Delivery	Price/item (EUR)	Subtotal
VALVE, CHECK, TYPE: SOFT SEAT,SIZE:1-1/2",BODY MAT'L: CARBON STEEL, ANSI RATING:#600,ASME III CLASS 3, SP.SH.C36-10,SC:SR; <b>20 pcs</b>		
Recommended spare parts		
Documentation		
Transportation cost per DAP NPP Krško		
<b>TOTAL:</b>		

## **8 PAYMENT TERMS AND SCHEDULE**

### **8.1. Payment terms**

All payments under this Contract will be made by means of a bank transfer, net due thirty (30) days upon receipt and NEK QC acceptance of the goods and required deliverables at NEK site. The invoice shall be approved or rejected within 15 days from the receipt. If the invoice is not rejected within 15 days from the receipt, it is considered to be approved.

### **8.2 Guarantees**

The Irrevocable Standby Letter of Credit or Warranty Bond/ Guarantee to the amount of 5% of the Total Contract Price per Article 7.2 shall be submitted to PURCHASER together with other deliverables in the form and content according to Attachment A, with a validity of 30 days after the end of warranty period as stated in Art. 12.2 below.

If SELLER does not fulfil its obligations under Art. 12 within reasonable mutually agreed period of time in no case exceeding the warranty period as stated in Art.12.3, PURCHASER is then entitled to call for the Warranty Bond/ Guarantee issued by SELLER's bank up to its total amount.

Above mentioned Guarantee shall be issued at SELLER's cost by a first-class bank and shall be returned by PURCHASER to SELLER on their date of expiry.

## **9 INSPECTIONS, TESTS**

All tests and inspections shall be performed in accordance with NEK Technical Specification.

## **10 LIQUIDATED DAMAGES FOR DELAY**

### **Liquidated damages for delay**

In case of delay in the delivery of SELLER's Scope of Services and Delivery in completion of the delivery as defined in Article 5 of the Contract, due to reasons solely attributable to SELLER, SELLER shall pay to PURCHASER liquidated damages as follows:



- 2% of the Total Contract Price per entire week (7 days) of delay in the delivery as stated in Article 5, starting after the first day of delay, but maximum up to 5% of the Total Contract Price (excl. VAT).

The sole liability of SELLER and the exclusive remedy of PURCHASER with respect to any such delay as set forth above shall be liquidated damages limited to 10% of the Total Contract Price as per Article 7.

## **11 SAFETY AND HEALTH AT WORK**

N/A

## **12 WARRANTY**

- 12.1 SELLER warrants that all the hardware furnished under this Contract shall be new and free from liens, encumbrances and defects in title and shall be free from defects in design, workmanship and material and that the Hardware delivered under this Contract shall achieve the performance and functional requirements as stipulated in NEK Technical Specification for Items RFQ No. 185604, SP-G508A Rev. 1 and other contractual documents. Approval of material, test results, suppliers and schedules by PURCHASER shall not in any way limit or diminish the SELLER's warranties hereunder.
- 12.2 The warranty mentioned in paragraph 12.1 above shall be for the period of two (2) years after PURCHASER's acceptance of the deliveries under this Contract. The Contract shall remain in effect until the expiration of the warranty period.
- 12.3 SELLER shall remedy at his own cost all faults and hardware and software deficiencies pursuant to Article 12.1 above, other than normal wear and tear or faults or deficiencies attributable to PURCHASER detected and reported in writing claim to SELLER by PURCHASER provided that such PURCHASER's claim has been received by SELLER within the warranty period. The reporting shall be made within thirty (30) days after the detection of the fault or deficiency. The remedy shall be made by (i) replacement or repair of the faulty or deficient unit (spare part or equipment) at SELLER's option approved by PURCHASER, such approval being not unreasonably withheld, and within shortest reasonable period of time to be determined between the Parties.

SELLER's obligations to remedy faults or deficiencies under the warranty shall be deemed to have been fulfilled when SELLER has either made the

remedy at the Site or delivered and installed the replacement unit to PURCHASER and PURCHASER has inspected and accepted it. A refusal shall be for justified reasons only. SELLER shall pay the transportation and insurance cost from Krško Site to the designated facility and back to DAP Krško Site.

A fresh warranty period shall commence for the repaired or replaced material/equipment. The duration of this new warranty must last for the remaining duration of the original warranty as stated in Art 12.3. above or extend for a minimum of 2 years after the completion of the remedy, whichever of these durations is longer. However, the SELLER will no longer have any warranty obligations after the sum of years calculated as the total of the original warranty period specified in Art. 12.3 plus the duration of the fresh warranty, following the start date of the warranty period as stated in Art. 12.3 above.

- 12.4 If SELLER does not fulfil his obligations under Article 12.3 above within a mutually agreed upon period of time, PURCHASER shall be entitled to correct the defective pieces of the Spare Parts at the expense of SELLER provided that such expense shall not exceed the price of the above defective pieces/services as reasonably evaluated by PURCHASER and SELLER on the basis of the current international market prices.
- 12.5 If it becomes necessary for SELLER to repair or provide replacement spare part(s) under these warranties, PURCHASER, without cost to SELLER, shall, to the extent necessary for SELLER to perform its warranty obligations, (i) provide reasonable access to the defective part(s) (ii) make available to SELLER, PURCHASER's facilities, equipment and tools available on Site, and (iii) provide reasonable access to the defective hardware and software..
- 12.6 SELLER is obliged to ensure the delivery of required replacement parts for the check valves as stated in the Art.1. for the period of qualified lifetime to ensure the system intended functioning and operation. SELLER shall be entitled to appropriate remuneration in accordance with SELLER's standard rates.

In case SELLER does not fulfil its above said obligation, SELLER shall reimburse NEK for all the costs of engineering services done in order to modify the Hardware due to SELLER's inability to provide required original spare parts and/or repair services.

Following the 15-year period after the expiration of the contractual Warranty Period, if the replacement parts are not available, the Purchaser and Seller

will discuss and agree an alternative solution involving the provision of adequate replacement parts at SELLER standard prices.

### **13 TAXES**

- 13.1 SELLER shall be responsible for the payment of all taxes, duties, tariffs, fees and other like charges of SELLER arising from or in connection with the subject matter of the Contract.
- 13.2 Regardless of article 13.1. the PURCHASER shall be responsible for the payment of customs duties (payable at Slovenian border) and relevant Slovenian VAT.

### **14 LICENSES, PERMITS, AND AUTHORIZATIONS**

N/A

### **15 INSURANCE AND INDEMNITY**

#### **15.1 PURCHASER's Insurance at PURCHASER's Cost**

PURCHASER represents that it is the responsible operator of the Plant. Therefore, in no event and under no circumstances shall SELLER, its subcontractor, suppliers, directors, agents and the personnel employed by any of them, (hereinafter collectively referred to as the "Indemnified Parties"), irrespective of their activities under this Contract be considered as being the nuclear operator of the Krško Nuclear Power Plant. For its own protection and the protection of the Indemnified Parties, the PURCHASER has in effect and shall maintain in force Material Damage Insurance Policy including machinery break down covering also nuclear and fire perils, and Third Party Liability Insurance Policy against liability and risks arising out of or resulting from a Nuclear Incident (as defined in the Convention on Third Party Liability in the Field of Nuclear Energy of 29th July 1960, as amended by the Additional Protocol of 28th January 1964 and by the Protocol of 16th November 1982 - the Paris Convention) provided in accordance with Slovenian Nuclear Liability Legislation and available within the Slovenian Insurance Market.

#### **15.2 SELLER's Insurance at SELLER's Cost**

N/A

## 16 LIABILITY

- 16.1 SELLER's Liability and Indemnity. SELLER shall be liable in respect of, and hereby agrees to indemnify and hold PURCHASER and its subcontractor and all of its or their officers, agents, servants and employees ("Indemnatee") harmless from any claim, loss, damage, liability or expense on account of damage to the property of PURCHASER and of damage to the property of, and injury (including death) to, any third party (such term including employees of PURCHASER's and SELLER's subcontractor and suppliers of any tier) to the extent that such claim, loss, damage, liability or expense arises out of or results from acts or omissions attributable to SELLER, its subcontractor and suppliers of any tier and their respective directors, officers, agents, servants or employees during their performance of the Work or from defects in design, workmanship and material of the Scope of Services and Delivery.
- 16.2 PURCHASER's Liability and Indemnity. PURCHASER shall be liable in respect of, and hereby agrees to indemnify and hold SELLER, its subcontractor and suppliers and all of its or their directors, officers, agents, servants and employees (hereinafter referred to as the "Indemnatee") harmless from any claim, loss, damage, liability or expense on account of damage to the property of and/or injury (including death) to the Indemnatee or any third party which arises out of or results from acts or omissions attributable to PURCHASER or its subcontractors, or any of its or their respective directors, officers, agents, servants or employees.
- 16.3 The Indemnified Parties as defined in Article 15.1 shall in no event be liable with respect to any loss of, damage to property and/or injury (including death), caused by or resulting from a Nuclear Incident and PURCHASER shall indemnify, hold harmless and waive any and all claims and rights of recourse against SELLER.
- 16.4 Definition. For purposes of this Contract, "Nuclear Incident" shall have the meaning assigned to it by the Paris Convention on Third Party Liability in the field of Nuclear Energy of 1960 as amended by the Protocol of 1964 and 1982, including any nuclear risks such as contamination as provided with Slovenian Nuclear Liability legislation and available within Slovenian Insurance Market.
- 16.5 A party to the Contract who employs a subcontractor to perform its obligations under the Contract shall be liable to the other party, as for its own actions, for the non-performance or improper performance of the party's obligations by the subcontractor.

- 16.6 Damages, to which parties to the Contract are entitled in accordance therewith, shall be paid against the indemnified party's invoice thirty (30) days net. If SELLER fails to pay damages in accordance with the Contract against said PURCHASER's invoice, the PURCHASER is entitled to demand the payment out of the guarantee valid at that time SELLER's Bank Good Performance Guarantee or Bank Guarantee for Good Performance during Warranty Period.
- 16.7 The total and cumulative liability of the SELLER, including any claim, warranty, cost and expenses of any kind arising out of or resulting from any cause whatsoever, whether based on contract, tort (including negligence), strict liability or otherwise shall in no event exceed 100% of the Total Contract Price. In no event and under no circumstances shall SELLER and PURCHASER be liable for indirect or consequential damages, unavailability of plant, plant outage, plant shutdowns or services interruptions, loss of use of equipment or replacement power, costs of capital, loss of profits or revenues or loss of use thereof, arising at any time, whether founded on contract, tort (including negligence), strict liability or otherwise.

The limitations under this Article shall not apply for damages which are caused willfully or by gross negligence on the part of SELLER, its subcontractors and all of their directors, officers, agents, servants and employees.

- 16.8 SELLER shall only be liable for damages occurring up to the end of the pertinent Warranty Period if such damages are reported to the SELLER immediately after occurrence or discovery of the damage.

## **17 PROPRIETARY INFORMATION**

### **17.1 PURCHASER's Information**

Information such as but not limited to all originals of engineering and related data, plans, maps, drawings, computer programs, and specification furnished in any form by PURCHASER in connection with the Scope of Services and Delivery under this Contract shall remain PURCHASER's property. SELLER agrees not to use or release to any third party such Information except for purposes of performance of SELLER's obligations under the Contract unless prior written consent of the contrary is given by the PURCHASER. With respect to such information being disclosed to a subcontractor of SELLER, SELLER shall cause the subcontractor to execute such undertakings as are necessary to give effect to this provision. SELLER shall give PURCHASER a receipt for property furnished by PURCHASER and shall be responsible for safekeeping and return to PURCHASER upon request, upon termination of the Contract, or upon termination of the services to which such property applies.

#### **17.2 SELLER 's Information**

Information such as but not limited to all originals of engineering and related data, plans, maps, drawings, computer programs, and specification furnished in any form by SELLER or its subcontractor in connection with the Scope of Services and Delivery under this Contract shall become the property of PURCHASER.

PURCHASER may use or release to any third party such information for purposes of verification of the design of the Scope of Services and Delivery, for commissioning, operation, testing, analyses, maintenance, and repairs and the installations at Site and the design and execution of any modification therein or extension thereof and may be disclosed to third parties only for such purposes or for obtaining licenses, permits and other official approvals or as required by law.

In case of disclosure to third parties, PURCHASER shall cause the party to which information is to be provided to execute such undertakings as are necessary to give effect to this provision, save in the case of disclosure to public authorities where PURCHASER shall limit as far as practicable the scope of information so furnished.

The ownership for SELLER's software shall remain with SELLER. SELLER grants the PURCHASER a non-exclusive, non-transferable, personal right to use the software and firmware supplied under the Contract for operation, maintenance and repairing the deliveries of the SELLER under this Contract.

- 17.3 The provision of this Article shall not apply to Information, notwithstanding any confidential designation thereof, which is known to the receiving Party without any restriction as to disclosure or use at the time it is furnished, which is or becomes generally available to the public without breach of any agreement, or which is received from a third party without limitation or restriction on said third party or to the receiving Party at the time of disclosure.

### **18 CLAIMS**

Any claim of a Party to the Contract shall be in writing, justified in detail and shall be immediately submitted by the Party through a letter or e-mail, to the authorized representative of the other Party and in no event later than thirty (30) days after discovery of basis for such claim. In case the basis of the claim is of such a nature that it requires longer claim submittal period, then this period will be adequately prolonged. The claiming Party will inform the other Party thereof in advance. No claim shall be valid under the Contract if submitted to the other party 30 days after the expiry of the respective warranty period. The Party against whom the claim has been made shall notify the

claiming Party of its acceptance or dismissal of the claim within thirty (30) days after the receipt of the claim. If no such notification is received by the claiming Party within the said time, the claim is deemed to have been accepted by the other Party.

All claims shall be resolved satisfactorily within mutually agreed time period

## **19 ARBITRATION**

- 19.1 Any differences or disputes arising from or in connection with this Contract shall be settled by an amicable effort on the part of both the Parties to the Contract. An attempt to arrive at a settlement shall be deemed to have failed as soon as one of the Parties to the Contract so notifies the other Party in writing.
- 19.2 If an attempt by the parties to arrive at a settlement has failed, any differences or disputes arising out of or in connection with the Contract shall be finally settled in accordance with the Arbitration Rules of the International Chamber of Commerce (Paris) by three arbitrators appointed in accordance with the said Rules. Any such arbitration shall take place in Zurich (Switzerland) and shall be conducted in the English language. The procedural law of this place shall apply where the Rules are silent.
- 19.3 Any arbitral award shall be rendered in writing and be final and binding upon the Parties. To enforce compliance with such arbitration decision, it may be entered in the appropriate court in either SELLER's country or Slovenia, assuming the country otherwise has jurisdiction over the Parties. The arbitral tribunals shall decide on the matter of costs of the arbitration.
- 19.4 All disputes shall be settled in accordance with the provisions of this Contract. Arbitration under this Article is the sole remedy for disputes arising out of the Contract, its performance or the enforcement thereof.
- 19.5 Performance under this Contract shall continue if reasonably possible during any disagreement or court proceeding, and no funds payable to either Party under the Contract shall be withheld on account of such disagreement or proceeding.

## **20 SUBSTANTIVE LAW**

All differences, disputes or claims shall be settled in accordance with the provisions of the Contract, otherwise in accordance with the substantive law in force in Switzerland, without reference to any Swiss conflict of laws and

connexity rules incompatible with such choice of law.

## **21 FORCE MAJEURE**

- 21.1 Neither Party to the Contract shall be considered to be in default in the performance of its obligations to the extent that the performance of any such obligation is hindered, prevented or delayed by a Force Majeure circumstance, occurred after entering into the obligations, and which could not be foreseen by the Party in entering into obligations.
- 21.2 A force majeure circumstance shall mean any circumstance existing which is beyond a Party's reasonable control and which is not a result of its fault or negligence, including but not limited to: acts of God, such as storm, flood, or earthquake; acts or omissions of civil or military authority;; war (declared or undeclared), acts or omissions of governmental authority, such as quarantine, embargo, priorities of trade, delay or failure to issue Construction Permit; civil disturbances, such as revolution, rebellion, riots, or insurrection; sabotage, transport accident, fuel or energy shortage, or any other circumstances beyond reasonable control of the Party, which may interfere with the commencement or progress of the Scope of Delivery. The deficiency of labour force and/or defects in material and/or strike of local character with SELLER's suppliers and subcontractors will not be deemed as Force Majeure.
- 21.3 Upon the discovery of the occurrence of any such Force Majeure circumstance, the Party affected by it shall within thirty (30) days of becoming known notify the other Party thereof, and of its estimated effect, by a registered letter, shall use diligent efforts to eliminate such circumstance and mitigate its effects, and shall keep the other Party fully informed of the progress of its efforts. In the notice of the Force Majeure circumstance, the Party shall indicate the cause of the Force Majeure circumstance, its beginning date and anticipated duration with the confirmation by a competent authority, such as Chamber of Commerce, of the validity of the notice. The affected Party shall also notify in the same way the other Party of the termination of the Force Majeure circumstance. However, this communication is dispensed with if the impact of the conditions of Force Majeure on compliance with the contractual obligations becomes obvious to the other Party in any other way. If the circumstances of Force Majeure also affect the postal routes, the thirty (30) days period for notification shall be deemed to apply only after termination of the obstacles in postal transmission.
- 21.4 The time for the performance of the obligation of the affected Party shall be



extended by a time equal to the duration of the Force Majeure circumstance. Any exceptions to the above shall be mutually agreed upon by the Parties.

21.5 If either Party is prevented from performance of the Contract for a continuous period in excess of three weeks because of Force Majeure either Party may suspend the Scope of Delivery. If furthermore a Force Majeure impediment exceeds one (1) month individually or three (3) months in aggregate due to Force Majeure the Contract may be terminated if both the Parties agree in writing with such decision provided that neither Party is entitled to any profit on the account of the other Party. The termination shall take effect at the date mutually agreed by the Parties. In case the Scope of Delivery is suspended or terminated, the SELLER shall be paid for the Scope of Delivery performed up to the date of suspension or termination.

21.6 Under Force Majeure circumstances, each Party bears its own costs.

## **22 SUSPENSION OF WORK AND TERMINATION**

22.1 Suspension of Work and Termination of Contract by PURCHASER for Default

PURCHASER shall have the right to suspend the Work or any portion of the Work or to terminate the Contract for material default which shall include the following:

- a) Significant discontinuances and disturbances of SELLER in the progress of the Work which seriously delays the Project Time Schedules SELLER's insolvency or bankruptcy, or other financial inability to carry on the Work.
- b) Failure on the part of SELLER to observe any material requirements of the Contract (not limited to schedule, quality and technology of work), having a direct consequence on the performance of the Contract.
- c) Collusion for the purpose of illegally procuring a contract or perpetrating fraud on PURCHASER in the construction of the Work under this Contract.

PURCHASER shall give SELLER written notice of any default which may be a basis for suspension or termination hereunder, and shall provide SELLER the opportunity to cure or institute acceptable action to cure such default in a period not to exceed thirty (30) days from receipt of such notice. Such suspension or termination notice, if issued, will be by a written order to SELLER whereupon SELLER shall immediately comply therewith.

When the Work is suspended for any of the causes itemized above; or for any other cause or causes constituting a material default of SELLER, SELLER

shall discontinue the Work or such part thereof as PURCHASER shall designate. SELLER shall store all the Work in such way that it does not impede or obstruct activities on Site or get damaged or deteriorate. SELLER shall proceed with Work promptly when notified by Purchaser to resume operations. SELLER shall not be entitled to receive payments for additional costs and expenses as consequence of suspension.

In case of termination PURCHASER shall have the power to complete the Work herein described or such part thereof as it may deem necessary at the expense of the SELLER. Such expense shall be deducted by the PURCHASER from any payments due to the SELLER. If there are no payments due, the SELLER shall reimburse the PURCHASER such amounts. SELLER shall store all the Work in such way that it does not impede or obstruct activities on Site or get damaged or deteriorate and PURCHASER shall have the right to take possession of or use the whole or any portion of the Work completed or then in progress and SELLER shall transfer the title of such Work to PURCHASER. SELLER shall be entitled to such part of the Contract price as reasonably allocable to the Scope of Services and Delivery already executed and shall not be entitled to any claim for damages or for loss of anticipated profits.

SELLER shall not suspend Work without written direction by PURCHASER order of a court, or governmental agency and will not be entitled to additional compensation by virtue of such order. Neither will it be liable to PURCHASER in the event the Work is suspended by such order.

## 22.2 Suspension of Work and Termination of Contract for Convenience by PURCHASER

The performance of the Work under this Contract may be suspended or terminated by PURCHASER at any time, for its convenience. Any such suspension or termination shall be by submittal to SELLER of a written Notice of Termination, which shall be effective upon receipt.

PURCHASER shall have the authority to suspend the Work wholly or in part for such period or periods as it may deem necessary. For the suspension under this clause SELLER shall be entitled to receive payment for the part of the Works performed up to the date of suspension including all additional costs and expenses demonstrably accruing to SELLER and its subcontractors as consequence of the suspension and shall be entitled to an equitable adjustment of schedule. Should such suspension exceed a maximum period of 12 months, SELLER and PURCHASER shall mutually agree how to proceed. If the agreement is not reached SELLER shall be entitled to terminate the Contract within next six months

and be entitled to the reimbursement as stated in article 22.2., 3rd paragraph. During suspension SELLER shall store all materials in such manner that they will not obstruct or impede activities at the Site unnecessarily nor become damaged in any way, and it shall take every precaution to prevent damage or deterioration of the Work performed. SELLER shall proceed with the Work promptly when notified by PURCHASER to resume operations.

In case of termination, SELLER shall be entitled to 1) such part of the Contract price as reasonably allocable to the Scope of Services and Delivery already executed and to 2) to reimbursement of all direct and documented expenses demonstrably incurred, including demobilization costs, in the termination of this Contract and SELLER's supplies and subcontracting arrangements.

After receipt of a Notice of Termination, and except as otherwise directed by PURCHASER, SELLER shall:

- a. Stop Work under the Contract on the date specified in the Notice of Termination.
- b. Place no further orders or subcontracts for materials, services or facilities.
- c. Terminate all orders and subcontracts.
- d. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of PURCHASER to the extent it may require, which approval or ratification shall be final for all purposes of this clause.
- e. Transfer title to PURCHASER and deliver in the manner, at the times, and to the extent, if any, directed by PURCHASER:

- 1) The fabricated parts, work in process, completed work, supplies, and other material produced as a part of, or acquired in connection with the performance of the Work terminated by the Notice of Termination; and

- 2) The completed, or partially completed plans, drawings, information, software and other property (except for SELLER proprietary software) which, if the Contract had been completed, would have been required to be furnished to PURCHASER.

- f. Use its reasonable efforts to sell, in the manner, at the times, to the extent, any property of the types referred to in e above; provided, however, that SELLER:

- 1) Shall not be required to extend credit to any PURCHASER

and

- 2) May acquire any such property under the conditions prescribed and at a price or prices approved by PURCHASER;

And provided further, that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made by PURCHASER to SELLER under this Contract or shall otherwise be credited to the price or cost of the Work covered by this Contract.

- g. Take such action as may be necessary, or as PURCHASER may direct, for the protection and preservation of the property related to the Contract which is in the possession of SELLER and in which PURCHASER has or may acquire an interest.

At any time after thirty (30) days after the termination date specified in the Notice of Termination, SELLER may submit to PURCHASER a list, certified as to quantity and quality; of any or all items of termination inventory not previously disposed of, exclusive of items the disposition of which has been directed or authorized by PURCHASER, and may request PURCHASER to remove such items or enter into a storage agreement covering them. Not later than fifteen (15) days thereafter, PURCHASER will accept title to such items and remove them or enter into a storage agreement covering the same; provided, that the list submitted shall be subject to verification by PURCHASER upon removal of the items or, if the items are stored, within forty-five (45) days from the date of submission of the list, and any necessary adjustments to correct the list as submitted, shall be made prior to final settlement.

After receipt of a Notice of Termination, SELLER shall submit to PURCHASER his termination claim. Such claim shall be submitted promptly but in no event later than five (5) months from the effective date of termination, unless one or more extensions in writing are granted by PURCHASER upon request of SELLER made in writing with such five (5) months period or authorized extension thereof. Upon failure of SELLER to submit his termination claim within the time allowed, PURCHASER may determine, on the basis of information available to it, the amount, if any, due to SELLER by reason of the termination and shall thereupon pay to SELLER the amount so determined, which shall be the sole amount to which SELLER shall be entitled as a result of such termination.

Nothing contained in this section shall limit or alter the rights which PURCHASER may have for termination of this Contract under the article hereof entitled Suspension of the Work and Termination of Contract by

PURCHASER for Default or any other right which PURCHASER may have for default or breach of Contract by SELLER.

In case of material breach of the Contract by PURCHASER including but not limited to PURCHASER's failure to make payment or PURCHASER's insolvency and if PURCHASER fails to make good such material breach within reasonable time after having been informed by SELLER in writing of such material breach, SELLER may suspend and terminate the Contract. In case of termination, SELLER shall be entitled to receive all payments set forth in article 22.2., 3rd paragraph.

## **23 CHANGES**

In case that certain services and supplies are not included in the original Contract, but due to unpredicted circumstances unknown at the time of Contract signature have become necessary for the completion of the Project and without difficulties cannot be performed separately from the Contract, according to the Slovenian Public Procurement Act (Article 95) the SELLER can be invited for negotiation.

The SELLER shall, at the PURCHASER's request, make changes in design or equipment, material or services, not included in the original Contract, but due to unpredicted circumstances unknown at the time of the conclusion of the Contract, if changes in design, equipment, material or services become necessary for the completion of the Project and cannot be performed separately from the Contract without significant difficulties. In such a case the PURCHASER shall invite the SELLER to negotiations by means of a formal letter, while the negotiations shall be subject to the rules provided in this Article.

Any changes to this Contract shall not have any effect until the SELLER and the PURCHASER have agreed on the price to be paid to the SELLER, the delivery or the performance schedule, Quality Assurance conditions and other affected terms and conditions, so as to reflect any changes in (i) SELLER's efforts which may be required, 2) the scope of work, 3) the time of the performance and the impact on the schedule, 4) the warranties, and 5) the costs to complete.

Upon receipt of the formal letter with the invitation for negotiations, which must include a description of the object of the change and the reasons for such a change, the SELLER shall prepare and submit to the PURCHASER a proposal for a Change Order in written form, which shall:

- a) describe the scope of the proposed change,
- b) quote in term of man-hours, rates, prices or otherwise as appropriate, the estimated increase or decrease in the total price that would result from the implementation out of the requested change,

- c) specify those terms and conditions which are affected by the change, including time for performance and warranties, and
- d) if appropriate, indicate the date on which the SELLER would proceed with the change.

If changes are to be required by any Governmental Agency or Authority, including the United States Nuclear Regulatory Commission, such a requirement will constitute an obligation for the PURCHASER to initiate the new public procurement procedure as required.

The PURCHASER and the SELLER agree that negotiations for change of this Contract shall be considered an independent procedure in which the SELLER may submit reservations with a technically viable justification or other conditions, insofar as they apply only to the object of the change.

In the event negotiations regarding changes requested by the PURCHASER do not lead to a Change Order but do have an impact on the schedule, the project schedule will be extended appropriately.

The SELLER may propose changes to the PURCHASER, but may not implement them without the prior written consent of the PURCHASER.

Any changes to this Contract shall be made in writing. The Parties agree that changes in any other form shall be considered void.

## **24 ANTI-CORRUPTION CLAUSE**

The Contracting Parties shall undertake not to give, promise or receive any present or payment in cash or in any other valuable object to or from each other either directly or indirectly or through any official, officer or any other individual employed in the government or any authority (division, department, agency) or through any political party or any candidate of any political party with the intention of bribing so that any official, officer or any other employee, party or candidate would be tempted to abuse his/her position or to exert influence on any law or any decision made by government or any other competent government department with the purpose to obtain or retain a deal or to direct a deal to a commission agent or to any of his assistants, representatives, distributors, subsidiary companies or any other associated companies. In case the act stated in the this paragraph has been committed or attempted to be committed, the Contract that had been concluded or had come into force already shall become null and void. In case the Contract is not valid yet, it shall be deemed not to be concluded.

## **25 SOCIAL CLAUSE**

During their involvement in this Contract, the Parties shall fulfil all applicable obligations in the field of environmental, social and labour laws, as they are set out in the European Union legislation, national legislation, collective agreements or the rules of international environmental, social and labour regulations and if they do not fulfil the above stated obligations, the Contract will be terminated.

Applicable international social and environmental conventions are listed in Attachment X of EU Directive 2014/24/EU and Attachment XIV of EU Directive 2014/25/EU.

## **26 OTHER PROVISIONS**

N/A

## **27 ASSIGNMENT**

No Party shall assign this Contract in whole or in part without the prior written consent of the other Party, which consent shall not be unreasonably withheld.

## **28 ENTIRE AGREEMENT**

The Contract shall constitute the entire and definitive agreement between Parties thereto with respect to the terms and conditions which shall govern. The Contract will supersede all prior written or oral communications between the Parties concerning the subject matter of the Contract which communication upon signature of the Contract by both Parties shall become null and void.

No waiver, alteration or modification of the Contract shall be binding to the Parties unless made in writing and signed by duly authorized representative of the Parties.

## **29 LANGUAGE**

SELLER and PURCHASER agree that the official version of the Contract, the Appendices and the Technical and Quality Requirements shall be in English.

All notices, communications or approvals contemplated hereunder shall be in English.

All Technical Documentation, specifications, drawings, reports specified in the Technical and Quality Requirements and all other documents referred to by this Contract and any of its constituting part are required to be in English.

### **30 EFFECTIVE DATE OF CONTRACT**

The effective date of the Contract shall be the date of the Contract signature by the Parties as provided on the first page of the Contract.



### **31 NOTICES**

Any notice pursuant to this Contract shall be deemed to have been duly made when sent to the following address:

**PURCHASER:**

Nuklearna Elektrarna Krško  
Vrbina 12  
8270 Krško  
Slovenia

Attention:

For technical issues:

Mr. Matjaž Pleteršek  
Phone: 00386/7/4802-642  
e-mail: Matjaz.pletersek@nek.si

For commercial issues:

Mr. Miroslav Bešlija  
Phone: 00386/7/4802-309  
e-mail: miroslav.beslija@nek.si

**SELLER:**

Attention:

For technical and commercial issues:

## 32 ATTACHMENTS

The following Attachments are constituent integral parts of this Document Part I General Terms and Conditions, as listed below, and are attached hereto.

**ATTACHMENT A:** Warranty Bond/ Guarantee or Irrevocable Letter of Credit  
Issued by SELLER's Bank

**ATTACHMENT B:** Technical Specification for Items RFQ No. 185604

In witness thereof the Parties have signed this Contract in two (2) identical originals of which each Party hereto retains one (1).

For SELLER

For PURCHASER:

**Nuklearna Elektrarna Krško d.o.o.**

Gorazd Pfeifer  
President of the Management Board

Saša Medaković  
Member of the Management Board

## ATTACHMENT A

Date

Name and address of the Beneficiary

**TYPE OF GUARANTEE:** Warranty Bond/ Guarantee

**GUARANTEE NO.:** ..... (draft)

**THE GUARANTOR:** .....

**THE APPLICANT:** .....

**THE BENEFICIARY:** .....

**THE UNDERLYING RELATIONSHIP:** The Applicant's obligation during warranty period in respect of the Agreement No. .... dated ..... concluded between Beneficiary and the Applicant for ..... at a total price of EUR ..... According to the Conditions of the above Agreement a Warranty Guarantee in the amount of ..... % of the total contractual price, i.e. EUR ....., is required.

**GUARANTEE AMOUNT AND CURRENCY:** EUR .....  
(in words: Euro ...../100)

**ANY DOCUMENT REQUIRED IN SUPPORT OF THE DEMAND FOR PAYMENT, APART FROM THE SUPPORTING STATEMENT THAT IS EXPLICITLY REQUIRED IN THE TEXT BELOW:** none

**FORM OF PRESENTATION:** Paper presentation only by registered mail or any courier service. The demand must be presented through the intermediary of your bank confirming that your signature(s) on your demand for payment appear to conform to specimen(s) held in your bank's records.

**PLACE FOR PRESENTATION:** .....

**EXPIRY:** .....

As Guarantor, we hereby irrevocably undertake to pay the Beneficiary any amount up to the Guarantee Amount upon presentation of the Beneficiary's complying demand, in the form of presentation indicated above, supported by such other documents as may be listed above and in any event by the Beneficiary's statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, indicating in what respect the Applicant is in breach of its obligations under the

Underlying Relationship.

Beneficiary's statement must state, that the Applicant after the receipt of request to make good a deficiency in the warranty period under the Underlying Relationship, hasn't fulfilled his contractual warranty obligations under the Underlying relationship.

Any demand under this Guarantee must be received by us on or before Expiry at the Place for presentation indicated above.

This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication no. 758.

Or

**IRREVOCABLE LETTER OF CREDIT ISSUED BY SELLER'S BANK  
(SPECIMEN FORM FOR CONTRACT PERFORMANCE GUARANTEE)**

With the same obligations as stated in the above bank guarantee.