

Contract No.: ELP BG 00099

Date: December 31, 2017

01. **SELLER** Elpetra Energy EAD
Sekvoya str. No. 1A, Sofia 1616
Bulgaria

 COMPANY ID 201347194
 VAT ID BG 201347194
 REPRESENTED BY Mr Igor Kristov
 Executive Director
02. **BUYER** Elpetra Energy Ltd.
Georgiou Karyou, 6B, Strovolos 2014
Nicosia, Cyprus

 COMPANY ID 291629
 VAT ID CY 10291629I
 REPRESENTED BY Mr Sofoclis Papavarnavas, Managing Director
03. **SCOPE OF THE CONTRACT** The Seller shall, in accordance with the provisions of this Contract, deliver electricity to the Buyer to the Delivery Point as specified in this Contract.

The electricity covered by this Contract is supplied by the Seller in conformity with the voltage and frequency tolerances and other technical standards as prescribed by the applicable provisions of ENTSO-E, the responsible transmission system operators and local authorities (especially provisions relating to schedule announcements, invoices and data exchange).
04. **PRODUCT** Electrical energy, sourced from Opcom Day Ahead Market
05. **POWER CAPACITY** As per Buyer's diagram
06. **PROFILE** As per Buyer's diagram
07. **DELIVERY PERIOD** January 1, 2018 – December 31, 2018
08. **VOLUME** As per Buyer's diagram
09. **DELIVERY POINT** DAP Romanian – Bulgarian border
10. **CBTC** Provider by the Buyer.
11. **PRICE** Formula based:

Opcom DAM + 0,50 EUR per MWh
12. **PAYMENT** The latest on the 20th day of the month following the month of delivery, unless agreed otherwise.

The Buyer shall pay by wire transfer in freely available funds, the amount set forth on Seller's invoices to the payment address or bank account provided by the Seller. Such payment shall be made, unless otherwise agreed, in EURO without deduction or withholding and the Buyer shall pay its own bank charges.

On the last day of the month of delivery the Seller shall issue and send his final invoice and report/s with calculations for the deliveries from the first to the last day of this month.

Payment of the final invoice, if any, shall be effected within five working days from the date of issue.

Payment is considered fulfilled once it is credited to the account of the Seller.

Overdue payments shall accrue interest from, and including, the Due Date to, but excluding, the date of payment at the interest corresponding to the one month EURIBOR for 11:00 a.m. on the due date, plus 10% per annum.

13. TRANSMISSION

The transmission and delivery charges arising from the fulfillment of this Contract shall be paid by the Seller up to the Delivery Point and by the Buyer at and from the Delivery Point. Transmission and delivery charges embrace all payments and costs which are enforced by the network system operator for the use of the network areas of the transmission and distribution networks, the necessary interposed transforming operations, the system services and all other measures in connection with transmission.

14. TRANSFER OF RISK AND TITLE

The delivery of electricity shall be effected by making available the Quantity at the Capacity at the Delivery Point according to this Contract. The delivery and receipt of the Quantity, and the transfer from the Seller to the Buyer of all rights to title free and clear of any adverse claims thereto, shall take place at the Delivery Point.

15. TAXES

All agreed prices and fees exclude duties, taxes, charges and all other levies of any nature whatsoever. The Seller shall up to the Delivery Point and the Buyer shall at and from the Delivery Point onward pay the taxes that apply to the electricity sold/purchased under this Contract.

16. REPRESENTATION AND WARRANTIES

Each Party warrants for the duration of this Contract that it is authorized to conduct the transactions governed by this Contract, that it has obtained the necessary approvals and licenses and that it has undertaken to meet all required regulatory conditions and has filed all required registrations. Each Party shall take all action necessary to procure that any necessary authorizations, approvals or licenses for the performance of its obligations under this Contract are in full force and effect during the duration of this Contract.

Upon a reasonable request by one Party, the other Party shall provide copies of directives, provisions of primary and secondary legislation relevant to the effective operation of this Contract, in the official language of such documents and, as far as available, in English. Both Parties shall in a corresponding manner disclose to the other Party upon request any resolutions by its governing bodies and authorities relevant to the effectiveness of this Contract.

17. NON-PERFORMANCE

To the extent that Seller fails to deliver the contracted quantities of electricity in whole or in part (except due to Force Majeure or owing to circumstances for which the Buyer is responsible), Seller shall pay to Buyer as compensation for damages an amount for such quantities of undelivered electricity equal to the product of:

- (a) the amount, if positive, by which the price, if any, at which the Buyer acting in a commercially reasonable manner is or would be able to purchase or otherwise acquire in the market the quantity of undelivered electricity exceeds the price in this contract; and
- (b) the quantity of undelivered electricity.

Such amount shall be increased by any incremental transmission costs and other reasonable and verifiable costs and expenses incurred by the Buyer as a result of the Seller's failure.

To the extent that Buyer fails to accept the contracted quantities of electricity in whole or in part (except due to Force Majeure or owing to circumstances for which the Seller is responsible), Buyer shall pay to Seller as compensation for damages an amount for such quantities of non-accepted electricity equal to the product of:

- (a) the amount, if positive, by which the price in this contract exceeds the price at which the Seller is or would be able to sell the quantity of non-accepted electricity in the market acting in a commercially reasonable

manner; and

- (b) the quantity of the non-accepted electricity.

Such amount shall be increased by any incremental transmission costs and other reasonable and verifiable costs and expenses incurred by the Seller as a result of the Buyer's failure.

Amounts that are due according to this Article shall be invoiced and paid according to Article 10 above.

18. FORCE MAJEURE

Means an occurrence beyond the reasonable control of the Party claiming Force Majeure (the "Claiming Party") which it could not reasonably have avoided or overcome and which makes it impossible for the Claiming Party to perform its delivery or acceptance obligations, including, but without limitation, due to one or more of the following:

- (a) the failure of communications or computer systems of the relevant Network Operator(s) which prevents the Claiming Party from performing its obligations of delivery or acceptance; or
- (b) the relevant Network Operator's suspension of delivery or acceptance or its disregard of the Claiming Party's obligations with regard to Scheduling under this Contract.

The Claiming Party shall as soon as practical after learning of the Force Majeure notify the other Party of the commencement of the Force Majeure and, to the extent then available, provide to it a non-binding estimate of the extent and expected duration of its inability to perform. The Claiming Party shall use all commercially reasonable efforts to mitigate the effects of the Force Majeure and shall, during the continuation of the Force Majeure, provide the other Party with reasonable updates, when and if available, of the extent and expected duration of its inability to perform. The Claiming Party that thus fulfilled its obligations of notification and mitigation of impact of Force Majeure shall be deemed not to have been in breach or default, and it shall be released (and not merely suspended) from the obligations of delivery or acceptance for the period of time and to the extent that such Force Majeure prevents its performance. No obligation to pay damages pursuant to Article 13 above will accrue to the Claiming Party with respect to the quantities not delivered or received. In the event, and to the extent, the Seller's delivery obligations are released by Force Majeure, the Buyer's corresponding acceptance and payment obligations shall also be released. In the event and to the extent the Buyer's acceptance obligations are released by Force Majeure, Seller's corresponding delivery obligations shall also be released.

19. TERMINATION

Notwithstanding anything herein to the contrary, in the event (each a "Default") either Party (the "Defaulting Party")

- (i) makes a general assignment or other similar arrangement for the benefit of the creditors,
- (ii) becomes insolvent, however evidenced, or is unable to pay its debts as they fall due,
- (iii) files a petition or otherwise commences a proceeding under any insolvency or similar law or has any such petition filed or commenced against it (if such third party petition is not withdrawn, dismissed, denied or restrained within five business days),
- (iv) has a liquidator, receiver, trustee or similar official appointed with respect to it or any substantial portion of its property or assets,
- (v) fails to pay or perform when due, any obligation to the other Party and does not remedy this failure within three business days,
- (vi) fails to provide adequate assurance of its ability to perform all of its outstanding obligations to the Non-Defaulting Party under this Contract within a period not

exceeding 48 hours of a demand therefore when the Non-Defaulting Party has reasonable grounds for insecurity; then:

- (A) Upon the occurrence of an event described in any of the clauses (i) through (iv) above, all transactions under this Contract then outstanding between the Parties shall automatically terminate;
- (B) Upon the occurrence of an event described in any of clauses (v) through (vi) above, the Non-Defaulting Party shall have the right to terminate all transactions under this Contract then outstanding between the Parties with termination effective immediately upon the receipt of termination notice sent by fax.

In the event transactions under this Contract are terminated pursuant to (A) or (B), above, the Non-Defaulting Party shall calculate, in a commercially reasonable manner, a Settlement Amount (as defined below) for such transactions as of the time of its termination or as soon thereafter as is reasonably practicable and shall net

- (i) such Settlement Amount that is due to the Defaulting Party, plus any margin then held by the Non-Defaulting Party, plus any or all other amounts due to the Defaulting Party by the Non-Defaulting Party against
- (ii) such settlement amount that is due to the Non-Defaulting Party, plus any margin then held by the Defaulting Party, plus any or all other amounts due to the Non-Defaulting Party by the Defaulting Party, plus all of the Non-Defaulting Party's reasonable costs and expenses (including, without limitation, reasonable attorney's fees) associated with the enforcement of its rights hereunder so that all such amounts be netted to a single liquidated amount payable by one Party to the other.

A Party with a payment obligation shall pay such amount to the other Party within two days of its receipt of notice of such amount; provided, this remedy of termination shall not be available when the event of Default is a failure to deliver or receive electric energy that is due under the this Contract and

- (i) a replacement electrical energy is (or was) available to the Non-Defaulting Party at the time of such Default and
- (ii) the Defaulting Party pays all sums due from it under Article 13 hereof ("Settlement Amount" shall mean, the Gains less the aggregate of the Losses and Costs which the Non-Defaulting Party incurs as a result of the termination of this Contract.

For the purpose of this provision:

- (a) "Costs" means brokerage fees, commissions and other third party costs and expenses reasonably incurred by the Non-Defaulting Party either in terminating any arrangement pursuant to which it has hedged its obligation or entering into new arrangements which replace this terminated Contract and all reasonable legal fees, costs and expenses incurred by the Non-Defaulting Party in connection with its termination of this Contract;
- (b) "Gains" means an amount equal to the present value of the economic benefit to the Non-Defaulting Party, if any (exclusive of Costs), resulting from the termination of this Contract, determined in a commercially reasonable manner; and
- (c) "Losses" means an amount equal to the present value of the economic loss to the Non-Defaulting Party, if any (exclusive of Costs), resulting from its termination of this Contract, determined in a commercially reasonable manner. In calculating the Settlement Amount, the Non-Defaulting Party may, but is not obliged, to calculate its Gains and Losses at its discretion - without entering into any replacement transactions.

- 20. SUSPENSION OF DELIVERY** Should a Party (the "Defaulting Party") default on any payment that is due under this Contract, the Non-Defaulting Party shall be entitled, no earlier than three (3) Banking Days after sending a written notice to the Defaulting Party, to immediately cease further deliveries of electric energy and be suspended from its underlying delivery obligations under the Contract until such time as the Non-Defaulting Party has received either the required Letter of Credit /Bank Guarantee or full payment (including all applicable default interest and expenses) of all outstanding amounts owed under this Contract to the Non-Defaulting party.
- 21. ASSIGNMENT** Each Party shall be entitled to assign its rights and obligations under this Contract only with the prior written consent of the other Party.
- 22. DISPUTE RESOLUTION** Any dispute, controversy or claim arising out of or in relation to this Contract, including the validity, invalidity, breach or termination thereof, shall be settled by arbitration in accordance with the Bulgarian Rules of International Arbitration of the Bulgarian Chambers of Commerce in force on the date when the Notice of Arbitration is submitted in accordance with these Rules. The number of arbitrators shall be three. The place of arbitration shall be the Sofia, Bulgaria. The language of the proceedings, documentation and award shall be English.
- 23. APPLICABLE LAW** This Contract shall be governed and construed in accordance with Bulgarian law.
- 24. CONFIDENTIALITY** The Parties shall treat the content of this Contract as well as any information obtained from the other Party in the context of this Contract as confidential, unless any Party is committed to provide information under applicable laws and regulations.
- 25. SELLER'S OPERATIONAL MATTERS**
- BUYER'S OPERATIONAL MATTERS**

The Parties hereto have caused this Contract to be executed by their respective, duly authorized representatives.

Seller

Elpetra Energy EAD



Елпетра Енерджи АД
Търговия с петролни
продукти и електрическа
енергия

Ул. Сехем № 1А, Бояна, София 1616, България
ЕИК: 201347194

Mr Igor Kristov
Executive Director

Buyer

Elpetra Energy Ltd



Elpetra Energy Ltd
Petroleum products and
electric power

Georgiou Karyou, 23, Dasouli, 2016, Nicosia, Cyprus
Registration No. 291629

Mr Sofoclis Papavarnavas
Managing Director