

**INVITATION TO PARTICIPATE IN THE PROCEDURE FOR THE SALE OF
ELECTRICITY BY FURNIZUESI I TREGUT TË LIRË JSC FOR THE PERIOD 07-11
JUNE 2021 .**

Dear sirs,

Pursuant to Law No. 43/2015 "On electricity sector" amended, Decision of the Council of Ministers no. 244, dated 30.03.2016 "On the conditions for establishing the public service obligation, which shall be applied to the licensees in the electricity sector, who exercises the activity of production, transmission, distribution and supply of electricity" amended, Decision of the Board of the Energy Regulatory Entity no. 24, dated 10.02.2020 "On the procedure of sale of surplus electricity in the market not regulated by Furnizuesi i Tregut të Lirë JSC. "

1. The company "Furnizuesi i Tregut të Lirë" JSC invites your company to participate in the procedure of sale of electricity for the period 07-11 June 2021.
2. You are invited to submit your bids for the purchase of electricity by "Furnizuesi i Tregut të Lirë" JSC. as follows:

-Period: 07-11 June 2021

- Lot: 1

-Delivery time 00:00 - 07:00

-Delivery time (in hours) 7 hours

-Power: 90 MW

- Quantity: 3,150 MWh

-Price per unit: _____ EUR / MWh

- Amount: _____ EUR (excluding VAT)

- Delivery Point: Inside the Albanian transmission network. In cases when electricity is required at the Albanian border, capacities must be provided by the buyer

3. Electricity is required under the above profile for sale of electricity: Continuous delivery for the period 07-11/06/2021, 00:00-07:00 (7 hours).
- 4." Furnizuesi i Tregut të Lirë " JSC requires all interested companies that shall participate in this procedure, to submit their bids for the entire or part of the capacity offered for the sale of electricity, for the entire required period.

5. "FTL" SH.A. intends to sign a contract with the best bidders for each LOT. The best bidder shall be considered the bidder who shall offer the highest price per unit in accordance with the terms of the invitation.
6. "Furnizuesi i Tregut të Lirë" JSC requires all companies to be represented by only one independent entity, which must have a unique name, unique representatives and all the criteria of an independent company.
7. The parties have no right to transfer, entirely or partly, their obligations under the contract.
8. "FTL" JSC at its sole discretion, reserves the right to reject or accept entirely or partly any bid / all bids submitted by the companies or to cancel the sale procedure (entirely or partly)
9. The Buyer, in relation with the delivery of electricity under this contract, shall make the prepayment of the full value of the electricity bill issued by the Seller within one working day from its delivery. Failure to meet the condition for prepayment by companies entitles the company "FTL" JSC to disqualify the bid from this procedure.
10. "Furnizuesi i Tregut të Lirë" JSC requires all companies that shall participate in this procedure to offer only one price for each lot.
11. Other criteria for participation in the procedure of sale of electricity by "FTL", based on the Decision of the Board of the Energy Regulatory Entity no. 24, dated 10.02.2020 "On procedure for the sale of surplus electricity in the market not regulated by the Furnizuesi i Tregut të Lirë JSC", are the submission of legal and financial documentation set forth in Article 5 "General rules of organization of commercial activity by the Albanian Electric Power Corporation "approved by the General Meeting of Shareholders published on the official website www.oshee.al.
12. All bids shall be sent only by email to the address njoftim.shitjeenergjie@ftl.al and without negotiation phase.
13. Attached you shall find the contract for the sale of electricity that shall be concluded with the winning bidder. Upon submission of the bid, the bidder is considered to have accepted the terms of this contract.
14. **The deadline for receiving your offer is: 04.06.2021 until 14:00 (local time of Albania), at the email address: njoftim.shitjeenergjie@ftl.al.**
15. **The bids offered shall be valid until: 04.06.2021, 16:00, local time of Albania**
16. This invitation for the procedure of sale of electricity by "Furnizuesi i Tregut të Lirë" JSC for the period 07-11.06. 2021 " shall be published on the official website www.oshee.al

Best Regards,

Erina REXHEPI
Administrator



"FURNIZUESI I TREGUT TË LIRË" J.S.C

No. ___ Prot., on ___ / ___ / 2021

No. ___ Prot., on ___ / ___ / 2021

SALES AGREEMENT OF ELECTRICITY

Today, on ___ / ___ / 2021, this sales agreement of electricity is signed between the parties:

The company "Furnizuesi i Tregut të Lirë" JSC, a joint stock company, registered on 30.03.2018 in the Commercial Register held at the National Business Center with NUIS L81530029T, with headquarters at Boulevard "Gjergj Fishta", Building no. 88, E.1, Floor IV, Administrative Unit no. 7, 1023, Tirana, Albania, represented by the Administrator Mrs. Erina REXHEPI, in the capacity of **"Seller or FTL"**

AND

The company "_____" _____, Company _____, registered _____ in the Commercial Register kept at _____ with NUIS _____, with registered office _____, _____, represented by _____, in the capacity of **"Buyer"**

LEGAL BASIS:

- Civil Code of the Republic of Albania, approved by law no. 7850, dated 29.07.1994, amended;
- Law no. 9901, dated 14.04.2008 "*On traders and companies*", amended;
- Law no. 43/2015 "*On electricity sector*", amended;
- Law no. 9887, dated 10.03.2008 "*On protection of personal data*", amended;
- Decision of the Council of Ministers no. 244, dated 30.3.2016 "*Conditions for establishing the public service obligation, which shall be applied to licensees in the electricity sector, who exercise the activity of generation, transmission, distribution and supply of electricity*", amended,
- Decision of the Energy Regulatory Entity No.139, dated 15.08.2016 "*On Provisional Rules of the Electricity Market*", amended,
- Decision of ERE Bord No. 24, Dated 10.02.2020 "*On the procedure of sale of surplus electricity in the market not regulated by the "Furnizuesi i Tregut të Lirë" (FTL) JSC.*"

The parties agree to sign this agreement under the following terms and conditions:

Article 1

Definitions

For the purposes of this agreement, the following words and terms shall have the meanings set forth herein. According to the context of the agreement, the definitions may be used in the singular, plural, masculine or feminine:

1.1 **Definitions** - the terms used in the agreement shall have the meaning defined in law no. 43/2015, "On electricity sector", as amended, the decision of ERE Board no. 139, dated 15.08.2016 "Provisional rules of the Albanian electricity market", as amended and other bylaws.

1.2 **Schedule**- shall mean the actions required by a party to perform the relevant delivery or acceptance obligations, which may include nomination, scheduling, notification, request and confirmation with the other Party, agreement quantity, agreement capacity, delivery point, delivery schedule, total supply period and any other relevant agreement terms in accordance with all applicable market rules approved by the ERE, FTL and other common industrial practices and procedures.

1.3 **Time references** - Time references shall be Central European Time (CET).

1.4 **Market rules** - are detailed rules, which determine how the market operates and is managed, registration of participants, balancing responsibility of electricity market participants, and other issues related to the functioning of the market.

1.5 **Delivery point** - shall mean the control area of the transmission system (AL-GR; AL-RS; AL-KS; AL-MN and within the Albanian transmission network).

1.6 **Force Majeure** – shall mean a natural or social act or event, such as earthquakes, lightning, cyclones, floods, volcanic eruptions, fires or wars, armed conflicts, uprisings, terrorist or military actions, which prevent the licensee from fulfilling its obligations. under the license, as well as other acts or events that are beyond reasonable control and that have not occurred through the fault of the licensee and the licensee has not been able to avoid such an act or event through the exercise of will, effort, skills and his reasonable care.

Article 2

Object of the agreement

The parties agree to sell and deliver, as well as to accept and receive electricity during the delivery period from ____ - ____, continuous delivery, from __: __ to __: __ CET, as follows:

Period: ____ - ____, as follows:

Lot: ____;

Delivery interval __: __ - __: __;

Delivery time (hours) __ hours

Capacity: MW [cross-border capacities]

Quantity: MWh

Price per unit: EUR / MWh

Value: EUR (excluding VAT)

Article 3

Agreement Value

The total value of the agreement is EUR (excluding VAT).

Article 4

The rights and obligations of the seller

4.1 The seller must program, deliver, create the conditions for delivery and provide electricity in the quantity, program and time period in accordance with the terms of this agreement and specified in the winner notice given for the procedure of sale of electricity.

4.2 The seller shall provide the amount of electricity in accordance with the nomination rules set out in the Provisional Rules of the Energy Market and the Provisional Rules for the Balancing Mechanization of Electricity.

4.3 The Seller has the right to, without subject to the penalties set forth in Article 8.1 of this agreement, unilaterally and without seeking the consent of the Buyer, to change the schedule of delivery with a maximum tolerance of $\pm 20\%$ of the hourly capacity specified in Article 2 of this agreement, provided that the flexibility of $\pm 20\%$ is exercised in proportion to all buyers of "FTL" JSC.

4.4 The Seller shall be paid by the Buyer for the quantity of electricity delivered according to the price specified in the Agreement

Article 5

The rights and obligations of the Buyer

5.1 The Buyer shall accept the schedules submitted by the Seller, according to the quantity and delivery profile specified in this agreement, pursuant to this agreement and in accordance with the nomination rules set out in the Provisional Energy Market Rules and the Provisional Rules for Balancing Mechanization of Electricity.

5.2 The Buyer shall prepay the entire amount of electricity for which it has been declared the winner within 1 (one) working day from the submission of the invoice by the Seller.

Article 6

Delivery, transmission and risk

6.1 Delivery is considered fulfilled when the contracted quantity in the appropriate capacity at the Delivery Point becomes available, according to this agreement. Delivery and acceptance of the contracted quantity, as well as the transfer from the Seller to the Buyer of all rights released from each claim, shall be performed at the Delivery Point. Any delivery of electricity under this agreement must be performed in the form of a scheduled transaction.

6.2 Electricity shall be delivered with current, frequency and voltage applicable at the respective delivery point specified in this agreement / Annex, in accordance with applicable rules and codes.

Article 7

Non performance due to Force Majeure

7.1 Unless otherwise specified, for the purposes of this Agreement, "Force Majeure" shall mean an event beyond the reasonable control of the Party claiming Force Majeure "Claimant Party", but not limited to:

- a) Defect in the communication or in the computer systems of the respective TSO that prevents the Claimant Party from performing the delivery or acceptance obligations; or
- b) Suspension by the respective TSO of delivery, acceptance or negligence by it in fulfilling the obligations of the Claimant Party regarding Scheduling under the Agreement.

7.2 If a Party is impeded entirely or partly by force majeure, the performance of its delivery and acceptance obligations under this agreement / its Annexes, shall be deemed that no breach or non-payment has occurred by the Claimant Party and it shall be relieved of these obligations for that period of time to the extent that this Force majeure impedes its performance. No obligation to pay damages under Article 9 shall be incurred by the Claimant in respect of the amount not paid or not received.

7.3 The Claimant Party shall, as soon as possible after becoming aware of the Force Majeure, notify the other Party of the commencement of the Force Majeure and, as far as possible, provide it with an estimate of the expected extension and duration of its inability to perform. The Claimant Party shall use all commercially reasonable efforts to mitigate the effects of the Force Majeure and, as the Force Majeure continues, provide the other Party with reasonable updates, when and if available, on the expected extension and duration of the performance incapacity.

7.4 In cases and to the extent that the Seller is released from the obligation of delivery due to Force Majeure, the Buyer shall also be released from the corresponding acceptance and payment obligations. In cases and to the extent that the Buyer is released from acceptance obligations due to Force Majeure, the Seller shall also be released from the corresponding delivery obligations.

Article 8

Damages for Late Delivery / Acceptance (Non-Performance)

8.1 Case of non-performance by the Seller

The Seller who has the obligation to deliver electricity and does not deliver entirely or partly the amount of electricity determined under the terms of this agreement and this incapacity is not justified by a Force Majeure event or by the Buyer's non-performance, the Seller shall pay to the Buyer as compensation for damages, an amount equal to:

the amount of undelivered electricity multiplied by a value equal to the difference between, the average price of the Hungarian Stock Exchange (HUPX) for the period in which the delivery of energy at a specific hour, as published on the website of this exchange (www.hupx.hu) and the price specified in this agreement, in case this difference is positive.

8.2 Case of non-performance by the Buyer

When the Buyer fails to accept entirely or partly the amount of energy under the terms of this Agreement and this inability is not justified by a Force majeure event or by the Seller's non-performance, the Buyer shall pay the Seller compensation for damages, an amount equal to:

a) In case the Seller sells this energy in the unregulated market, the Buyer shall pay to the Seller as compensation for damages, an amount equal to the amount of unaccepted electricity multiplied by a value equal to the difference between, the price of, specified in this agreement and the price of the replacement agreement, in case this difference is positive.

b) In the event that the Seller does not sell this energy in the unregulated market, the Buyer shall pay to the Seller as compensation for damages, the amount of unaccepted electricity multiplied by a value equal to the difference between, the price specified in this agreement and the average price of the Hungarian Stock Exchange (HUPX) x (multiplication) a coefficient equal to 0.05 for the period in which the delivery of energy at a specific hour was performed, as published on the website of this exchange (www.hupx.hu), in case this difference is positive.

8.3 Amounts as compensation for damages under this section, in case they are not netted with the prepaid value from the Buyer shall be paid within 30 days of receipt of the invoice.

Article 9

Invoicing and Payment

9.1 The invoice for the entire value of the agreement will be issued by the Seller before the delivery of energy begins, and the invoice shall include VAT in cases where applicable.

9.2 Buyer, in relation to the delivery of electricity according to this agreement, shall make the prepayment of the energy invoice issued by the Seller within one working day of its delivery.

9.3 The Buyer must make the full payment of the prepayment invoice, and not a partial payment thereof. If the Buyer fails to make the payment within the deadline specified in this agreement, or partially executes the payment of the invoice, the Seller has the right not to start the delivery of energy or to stop immediately the further delivery, until the Buyer makes the full payment of the invoice. prepayment.

Article 10

VAT and taxes

10.1 All amounts referred to in this agreement exclude any applicable value added tax ("VAT"). If VAT is payable on any such amount, the Buyer shall pay to the Seller an amount equal to VAT at the applicable rate.

An equal amount with the payable VAT by one Party will be required to be paid only when the other Party provides a valid VAT invoice in respect of that amount.

10.2 The Seller shall pay or secure the payment of all taxes for the amount of the agreement or in connection therewith arising before the transfer of risk and title to the point of delivery. The Buyer shall pay or provide all taxes in or out of the agreement amount that arise during or after the transfer of risk and title to the point of delivery (excluding direct or indirect tax related to the sale of the agreement amount and is legal liability of the Seller). In the event that Seller is required by law to pay any appropriate fees on the Buyer's account, Buyer shall indemnify or reimburse the Seller immediately for this fee. In the event that the Buyer is required by law to pay any appropriate tax on the Seller's account, the Buyer may require the Seller to deduct the amount of this tax from the amounts

due to the Seller under the agreement, otherwise the Seller will indemnify or refund immediately Buyer regarding these undiscounted taxes. If any new tax becomes enforceable or an existing tax increases in connection with the agreement and the Buyer is able to pass it on through a third party, the Buyer shall be liable for this new or increased tax.

10.3 All payments under the agreement shall be made without any deduction on behalf of any tax except when such deduction is required by law. If a Party is required to withhold or deduct tax from a payment to be made, that Party (the "Paying Party") shall promptly notify the other Party (the "Receiving Party") of the request and shall pay appropriate all amounts withheld or deducted from it. If an invoice or other proof of payment can be issued to the authorities, the Paying Party shall deliver this proof (or a certified copy) to the receiving Party.

Article 11

Non-fulfillment of contracted obligations, liquidation of damages and termination of the agreement

Non-fulfillment of agreement obligations shall be considered to have occurred if:

11.1 Buyer:

- a) Fails to accept entirely or partly the amount of electricity under all terms of this agreement and this incapacity is not justified by a Force Majeure event or by the other Party failing to perform;
 - b) Fails to fully prepay the amount of energy according to all terms of this agreement;
 - c) in case of temporary or permanent revocation, termination or expiration of the term of license (when applicable) for electricity trading in accordance with legislation in the electricity sector;
- or
- d) goes bankrupt or becomes insolvent.

11.2 The Seller does not fully deliver the amount of energy specified in accordance with all the terms of this agreement and this incapacity is not exempted by a Force Majeure event, by non-performance of the other Party or by the exercise of the seller's right, as defined in section 4.3 of this agreement.

11.3 The Claimant Party shall without delay send a notice of non-performance of the obligation to the Party that caused it.

11.4 In case of non-fulfillment of the agreemental obligation according to point 11.1 / a) / b) and 11.2, the claimant party has the right to request compensation for the damage according to Article 8 of the agreement.

11.5 In case of non-fulfillment of the agreemental obligation according to point 11.1 / b) The Seller has the right not to start the delivery of energy or to immediately stop the further delivery, until the Buyer makes the full payment of the prepayment invoice. In this case, the Buyer shall pay the Seller the damage specified in Article 8 of this agreement.

11.6 In case of non-fulfillment of the agreemental obligation according to points 11.1 / b) / c) / d), the claiming party has the right to request the termination of the agreement and has the right to request compensation for the damage in accordance with the provisions of the Civil Code.

11.7 The parties may use the compensation procedure for mutual obligations arising from this agreement.

Article 12

Confidentiality

12.1 The parties agree to treat and consider as confidential, not disseminating, make public or allowing the dissemination to third parties of all information, communications and exchanged or received documents pursuant to this Agreement ("Confidential Information") relating to:

- a) the provisions and existence of this Agreement;
- b) the negotiations of this Agreement;
- c) information on the commercial activity of the Parties;
- d) acts, communications and other documents, which are expressly classified as confidential by the Parties.

12.2 Except as provided above, the Parties may disclose confidential information only to the extent that:

- a) is required by law or bylaws, provided that the Party has taken all the necessary measures to prevent its spread;
- b) are disseminated and disclosed to associates, the Network Operator, legal and financial consultants, banks or other financial institutions, appraisal agencies or designated beneficiaries, provided that the person receiving the Confidential Information is required to process the Information Confidential as reserved in favor of the Party under the same terms in this agreement.
- c) the confidential information is disseminated and made public without the fault of the Parties or third parties without violating this Agreement; is either in the system or legally included in the public domain.

12.3 The provisions of this Article shall be enforced by the Parties even in the event of termination of the Agreement, for any reason.

Article 13

Representation of the parties

13.1 The parties undertake to cooperate in order to guarantee the fulfillment of the agreement.

13.2 Any communication between the parties shall be made by e-mail and / or in writing, to the addresses specified below.

13.3 The parties are obliged to immediately notify each other of any change in each of these data, within a period of 10 (ten) calendar days from the date of the change.

13.4 All notices, sent under or in connection with this Agreement, must be sent in writing to the following address and by email:

For the Seller:

Agreement Administrator: _____

Position: _____

Address: _____

Tel: _____

e-mail: _____

Contact Person: _____

Position: _____

Address: _____

Tel: _____

e-mail: _____

Contact Person: _____

Position: _____

Address: _____

Tel: _____

e-mail: _____

For the Buyer:

Agreement Administrator: _____

Position: _____

Address: _____

Tel: _____

e-mail: _____

Contact Person: _____

Position: _____

Address: _____

Tel: _____

e-mail: _____

Contact Person: _____

Position: _____

Address: _____
Tel: _____
e-mail: _____

Article 14

Legislation in force and dispute resolution

14.1 This agreement is drafted in accordance with the legislation of the Republic of Albania and shall be implemented and interpreted in accordance with it.

14.2 The parties shall endeavor to settle amicably any dispute which may arise in connection with the agreement or its interpretation. In the event that an amicable settlement is not reached, any dispute arising out of or in connection with this agreement shall be settled by the Tirana District Court.

Article 15

Miscellaneous

15.1 Any amendment or addition to this agreement shall be made in writing only and shall be signed by both Parties.

15.2 If, at any time, any provision of this agreement is or becomes unlawful, invalid or unenforceable, in any respect, under the law of any relevant jurisdiction, the legality, validity and enforceability of the remaining provisions of this agreement shall not be affected or damaged in any way. The Parties shall undertake the replacement of any illegal, invalid or unenforceable provision with a lawful, valid and enforceable provision which is as close as possible to the invalid provision in relation to its economic purpose, subject to approval under point 2.

15.3 The Parties do not expect any third party to have rights or be able to enforce the agreement and the Parties exclude, as far as permitted by applicable law, any rights of such third parties that may be implied.

Article 16

Entry into force and the term of implementation of the agreement

16.1 This agreement shall enter into force on the day of its signing by both parties.

16.2 Any changes or amendments to the agreement shall be made in writing otherwise it is invalid.

16.3 This agreement is drafted in 4 (four) copies of equal legal value in Albanian and English, 2 (two) copies for the Seller and 2 (two) copies for the Buyer. If there is a discrepancy between the agreement drafted in Albanian and English, then the version of the agreement drafted in Albanian will prevail.

PARTIES:

SELLER

BUYER

The Company “Furnizuesi i Tregut të Lirë” JSC

The Company ” _____ ”

Erina REXHEPI
Administrator

Administrator