



**Request for proposals No: DPLP-611246**

**"SUPPLY OF LIGNITE AT NCV OF 2100 KCAL/ KG TO MELITI'S POWER PLANT"**

**Document 1: Invitation for Tenders**

**1. Tender Overview**

Public Power Corporation S.A. (in the following: "PPC" or "Buyer") launches an international Invitation for Tenders for the supply of 440.000 tn of lignite at NCV of 2.100 kcal/kg.

The product shall be delivered on DDP basis (Delivered Duty Paid), at the facilities of the Meliti's Power Plant by Supplier's means and at the SUPPLIER's responsibility and costs.

The Tender is launched and handled by the Production Operations' Procurement Department of PPC, (22 Chalkokondyli street, 10432 Athens Greece).

For any issues related to the Tender please contact:

- Mr. Styl. Chalios, Tel.: +30-210-5292314
- Ms Katerina Manousaka Tel.: +30-210-5293082

The tender shall take place through the electronic platform CompareOne of CosmoOne, available at [www.marketsite.gr](http://www.marketsite.gr).

For gaining access to the electronic platform of CosmoOne all companies interested in participating are kindly requested to contact:

- The CosmoOne Helpdesk, Tel.: +30-210-2723810.

The electronic procedure shall be carried out in three separate stages:

- Stage 1 - Documentation and Requirements questionnaire. Data and documents are to be submitted within the context of both Stages 1a and 1b (along with the Participation Guarantee).
- Stage 2 - Initial financial Offer.
- Stage 3 - Best and Final financial offer.

Detailed description of each of the above stages is included in the "Bidding Terns and Procedures" (Document 2) of this Tender.

The electronic platform of Cosmo-One shall be open for the submission of Documentation pertaining to Stage 1a of the tender on Thursday, 22.09.2022, from 09:00 p.m. Athens local time (GMT+2) to 15:00 Athens local time (GMT+2).

The opening periods for Stages 2 and 3 shall be announced by PPC to all qualifying Bidders through cosmoOne platform.

## 2. Eligibility for Participation

The present Inquiry is addressed to all companies, joint ventures and consortia meeting the following requirements:

- 2.1. They must have under their possession and/or exploitation lignite mines with currently exploitable deposits.
- 2.2. They must have all necessary mining and exploitation licenses for the above mines as provided for by the law in force in the country of installation.
- 2.3. Have obtained the environmental permits as provided for by the law in force in the country of installation.
- 2.4. Have experience, as suppliers, in the lignite and coal market. In their proposal the participants shall include data (including customers' data such as company name, address, phone numbers, name of person responsible, quantities and quality of lignite sold, etc.) of the contracts they have successfully executed during the last five years.
- 2.5. Submit official analysis evidencing that the offered lignite meets the requirements of the Technical Specifications of the present Inquiry.

## 3. ARTICLE 3. Scope of Supply.

### 3.1 Quantity.

The quantity to be supplied shall be 440.000 Metric Tons of lignite at Net Calorific Value (NCV) 2.100 Kcal/Kg.

PPC reserves the right to increase the hereinabove quantity by 80.000 Metric Tons, according to Meliti's Power Plant needs. Bidders may submit offers for the supply of either the total quantity sought or part of it.

### 3.2 Specifications of lignite.

The lignite offered must meet at least the following requirements:

|   |                    |                                |
|---|--------------------|--------------------------------|
| Low calorific value (as received basis)     | minimum<br>maximum | 2.000 Kcal/kg<br>2.400 Kcal/kg |
| Total moisture content                      |                    | 10-50 % w/w                    |
| Ash content (dry basis)                     | maximum            | 35 % w/w                       |
| Volatile matter content (as received basis) | minimum            | 21 % w/w                       |
| Total Sulphur content (as received basis)   | maximum            | 2,0 % w/w                      |
| Hardgrove Index (HGI)                       | minimum            | 27                             |
| Ash Initial Deformation Point               | minimum            | 1.080°C                        |
| Particle Size                               | maximum            | 100                            |

The material must be free of excessive moisture (e.g. water pouring out of the trucks), pieces of wood, roots or any material or substance foreign to lignite, which might result in damage to PPC's installations.

### **3.3 Duration of the Contract.**

The contract to be signed shall be valid until the completion of delivery of the entire contractual quantity.

Commencement of delivery of lignite shall take place at the latest one month following the written notification of the successful bidder(s).

### **3.4 Delivery Terms**

The lignite shall be delivered on DDP (Delivery Duty Paid) basis at MELITIS's Power Plant.

### **3.5 Delivery rate:**

As elaborated in Article 5 of document No 3 "Delivery schedule/rates".

## **4. Evaluation of Tenders and Award Procedure.**

Tenders shall be evaluated on basis of the "lowest comparison price", as it is de-fined in § 1.3.3 of Document No 2 "Evaluation of the financial offers".

## **5. Parts of the inquiry**

The present inquiry consists of the below parts:

- Document 1: Invitation for Tenders
- Document 2: Bidding Terms and Procedures with its Specimens A, B, C, D, E
- Document 3: Draft Contract with its Specimen F

**"SUPPLY OF 440.000 METRIC TONS OF LIGNITE AT NCV OF 2.100 kcal/kg TO  
MELITI'S POWER PLANT"**

**Document 2: Bidding Terms and Procedures**

**1. Electronic Tender Procedure**

**1.1. General provisions**

- The Tender shall be carried out through the electronic platform compareOne of CosmoOne.
- The whole electronic platform setup of the tender, data fields to be filled in, instructions /remarks / comments given on the various tender screens etc. constitutes integral part of the present inquiry.
- All questions included in the electronic platform are to be answered, all data fields to be filled in, as applicable, and all required documents are to be submitted in accordance with the instructions /remarks / comments given on the various tender screens.
- All documents required within the context of the present tender shall be submitted in electronic "portable document format" through the electronic platform of CosmoOne, with the exception of the Participation Letter of Guarantee (Bid Bond), which shall be uploaded in portable document format through the electronic platform of Cosmo-One along with the Initial Financial Offer (Stage 2) while the original must be delivered to PPC (22 Chalkokondyli street, 10432 Athens, Greece) at the latest three working days after closure of the electronic platform for Stage 2.
- In case of documents that are required to be duly signed by the participant's authorized official(s), those will be scanned, digitally signed and uploaded in "portable document format" to the electronic platform.
- Instructions on gaining access to CosmoOne electronic platform may be found in paragraph 1 of the "Invitation for Tenders" (Document 1).
- All offers shall be prepared in accordance with the terms and instructions of the present inquiry and shall be clearly phrased so as to permit evaluation of the offers with no need for further explanations from the Bidders.
- PPC reserves the right to ask for further data and/or explanations from the Participants, should such a request be deemed necessary at any stage in the course of the offers evaluation process.
- Offers may be submitted in English or the Greek language. Any documents / certificates pertaining to the Supplier's status and/or validation may be submitted either in English or the Greek language; documents / certificates issued in any other language must be accompanied by a certified translation into the Greek or to English Language.
- Please note that all data submitted within the context of each Stage of the present Tender through the electronic platform compareOne are not

accessible to anybody, including CosmoOne electronic platform operators, while the platform is still open. Upon closure of the platform after completion of each stage, the data shall be retrieved from the platform by PPC.

## 1.2. Stage 1

Documents and Data required within the context of Stage 1 pertain to the:

- Participant's legal status.
- Participant's financial status.
- Participant's past experience / eligibility for participation in accordance to paragraph 2 of the "Invitation for Tenders" (Document 1).
- Acceptance by the Participants of the Bidding and Contractual Terms of the present Invitation for Tenders and validity of Tenders.
- Participant's technical offer.

Submission and evaluation of data within the context of Stage 1 shall be made as follows:

### 1.2.1. Stage 1a

The electronic platform of Cosmo-One shall be open for the submission of Documentation pertaining to Stage 1a of the tender on Thursday, 22.09.2022, from 09:00 p.m. Athens local time (GMT+2) to 15:00 Athens local time (GMT+2).

The following documents shall be available to Participants through the electronic platform compareOne:

- The full text of the Invitation for Tenders in non-editable, portable document format.
- Specimen A (declaration of unreserved acceptance of all Terms and Conditions set forth by PPC for the present Invitation for Tenders), in editable format.
- Specimen B (declaration of acceptance of the validity of the bids statement) in editable format.
- Specimen C (Participation Letter of Guarantee) in editable format.

The following documents and data are to be submitted in Greek or in English language:

- A scanned copy of Participant's Participation Letter of Guarantee (Bid Bond).
- Official documentation regarding the Participant's legal status (e.g. Articles of Association, Country of Establishment, Authorized Representatives etc.).
- Official documentation proving:
  - ✓ the approval of participation in the present invitation for Tenders and
  - ✓ the authority of the company official(s) signing the documents submitted in the context of the present Invitation.

- Declaration, prepared according to specimen A attached hereto, declaring unreserved acceptance of all Terms and Conditions set forth by PPC for the present Invitation for Tenders, duly digitally signed by the above authorized company official(s).
- Declaration, prepared according to specimen B attached hereto, declaring the acceptance of the validity of the Tenders for a period of ninety (90) calendar days starting on the day following the tender closing date, duly digitally signed. Tenders setting a shorter period of validity shall be considered unacceptable and thus shall be unquestionably rejected.
- Any official financial documentation for the last three years, proving the Participant's capability to fulfil the obligations arising from his proposal must be submitted (such as his annual financial statements i.e. Balance Sheet, Profit and Loss Account and any other data that might be deemed as useful in proving that). The above information may also be submitted in the form of a URL where said information may be found, including – if necessary – an authorization code for PPC to gain access to said information.
- Documentation regarding the Participant's business experience in the lignite/coal market and an organization chart showing the Company's structure.
- The technical offer for the supply of lignite, that shall include the following:
  - ✓ Origin of lignite data:
    - Declaration of origin of the lignite offered.
    - Detailed description of the main technical characteristics of the lignite offered shall be included, including at least the technical characteristics in Article 3.2 of the Document "Call for Tenders" (Document 1).
    - Official data concerning mine(s) of origin, mining capacity as well as typical quality characteristics of lignite for each mine of origin. Quality data for each and every quality parameter shall be specified as a range (min – max values).
    - Full chemical analysis of the lignite offered, preferably by a certified laboratory, (according to the present Technical Specifications), by mine of origin.
    - Official data (including customers' data – company name, address, phone numbers, name of person responsible) concerning the quantities and qualities of lignite or coal sold through previous contracts, at least for the last five years.
  - ✓ Full description of the Bidder's proposed arrangements for the transportation of the material to the MELITIS's Power Plant facilities, including any arrangements for using port facilities (if applicable), provisional storage, reloading to trucks etc.
  - ✓ A declaration for the delivery rates, which shall be in full compliance with the provisions of paragraph 5.2 of the Draft Contract (Document 3).
  - ✓ A declaration for the quantity (Q) of lignite offered, in metric tons (MT). Bidders may submit offers either for the supply of the total quantity of 440.000 MT of lignite or part of it.

- Any additional information, as deemed necessary by the Participants, may be included in their offers, in the space provided by the electronic platform, or as additional, portable-document-formatted files uploaded to the platform.

Upon closure of the platform, all data and documents submitted will be accessible by PPC.

All data and documents submitted within the context of Stage 1a shall be checked by PPC as regards their conformity in every respect with the terms and requirements of the present Invitation. Based on the results of the aforementioned procedure a list of any documents and/or data and/or clarifications required within the context of Stage 1b, if any, shall be sent by PPC to each Participant through the platform.

### 1.2.2. Stage 1b

Consequently, the electronic platform compareOne shall be opened for a short period in order for the Participants to submit the documents and/or data and/or clarifications required, as above.

All Participants shall be timely notified by PPC through the platform about the exact opening and closing times of the electronic platform for Stage 1b of the Tender.

Following closure of the platform upon completion of Stage 1b, any documents and/or data and/or clarifications submitted shall be accessible by PPC. The full set of documents and/or data and/or clarifications, submitted by each Participant within the context of Stages 1a and 1b of the Tender shall be evaluated by PPC against the provisions of the present Inquiry as regards their conformity in every respect with the terms and requirements thereof.

Following such evaluation the following information shall be disclosed by PPC to all participants through the platform:

- A list of all qualifying Participants; those will be eligible to participate in Stage 2 of the electronic Tender.
- The disqualifying Participants; those will not be eligible to participate in Stage 2 of the electronic Tender.

### 1.2.3. Participation Letter of Guarantee

Participation Letter of Guarantee, issued by a Bank or other credit/financial institution acceptable to the Bank of Greece<sup>1</sup>, drawn according to specimen B attached, for the amount of one hundred thousand Euros (€ 100.000).

The Participation Letter of Guarantee must be scanned and uploaded to the electronic platform of Cosmo-One in portable document format; the original Participation Letter of Guarantee must be delivered to PPC (at 22 Chalkokondyli Street, 104 32 Athens, Greece, attn. Mrs. Katerina Manousaka/DPLP), within three working days after closure of the electronic platform upon completion of Stage 1.

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<sup>1</sup> Please visit: <http://www.bankofgreece.gr/Pages/en/Supervision/SupervisedInstitutions/default.aspx>



In the case that the original Participation Letter of Guarantee is not delivered to PPC within the above deadline, the offer submitted shall disqualify.

If no reason arises for the said Participation Letter of Guarantee to be forfeited in PPC's favor according to the terms of the present invitation, it shall be returned to its issuer according to the following:

- In case the contract is not awarded to the Bidder, upon the decision of PPC's BoD approving the results of the Tender or upon the expiration of the validity period of his Offer, whichever is earliest.
- In case the contract is awarded to the Bidder, the Participation Letter of Guarantee shall be released only after the Good Performance Letter of Guarantee has been delivered to PPC and the relevant Contract has been signed.

### 1.3. Stage 2

#### 1.3.1. Overview:

Documents and Data required within the context of Stage 2 pertain to the Financial Offer, in pdf format, duly filled in and digitally signed.

The electronic platform compareOne shall be opened for a short period for Stage 2. The platform will be accessible only to Participants eligible to participate in Stage 2 of the electronic Tender.

All eligible Participants shall be timely notified by PPC through the platform about the exact opening and closing times of the electronic platform for Stage 2 of the Tender.

The following documents shall be available to Participants through the electronic platform of Cosmo-One:

- Specimen D (Initial Financial Offer) in editable format.

Upon closure of the electronic platform PPC will retrieve from the Server all data and documents submitted within the context of Stage 2.

All the offers submitted shall be disclosed by PPC to all Participants through the platform.

#### 1.3.2. Prices to be quoted:

The Financial Offer according to Specimen C, in "portable document format", shall be submitted by the Participants, with the following data filled in:

- The quantity of lignite offered, in metric tons (MT), according to the Bidder's technical offer (paragraph 1.2.1 of the present Document).
- The price offered for the destination's Power Plant, exclusively in EUROS/MT.
- The reference Net Calorific Value (NCV) in Kcal/Kg on "as received" basis, of the lignite offered, to which the price offered refers to (in the following denoted as "H<sub>0</sub>").



- The maximum sulfur content, percent by weight on "as received" basis, of the lignite offered, to which the price offered refers to (in the following denoted as "S<sub>0</sub>").

The above price shall be net for PPC and shall include, as applicable, all charges and expenses related to the supply and/or clearance through customs and transportation, tolls, unloading and arranging of the material within the storage yards at the Power Plants stated hereinabove as well as all kinds of duties, taxes and levies in Greece and/or abroad, other than VAT imposed by the Greek State, which shall be paid by PPC according to the law and regulations in effect at the time of delivery of the lignite.

Indexing of the offered price on the exchange rate between EURO and any other currency is not acceptable; any offers quoting such indexing shall be rejected.

### 1.3.3. Evaluation of the financial offers

Compliance of the initial financial offers with the provisions set in the preceding paragraphs shall be checked; discrepant offers shall disqualify.

For the economic evaluation of the Tenders a "comparison price", in EURO per Metric Ton (€/MT) of lignite at a Net Calorific Value of 2.100 Kcal/Kg, shall be computed as follows:

$$P_c = \frac{2.100}{H_0} (P + 1,0 \frac{\text{€}}{\text{MT}} \times S_0)$$

where:

P<sub>c</sub> : Comparison price (EUROS/MT).

P : The price offered by the bidder for delivery to MELITI'S Power Plant facilities in Euros/Metric Ton of lignite at the reference Net Calorific Value "H<sub>0</sub>" and maximum sulfur content "S<sub>0</sub>" stated by the bidder in his offer.

H<sub>0</sub> : The reference Net Calorific Value (NCV) in Kcal/Kg (basis: as received- AR) as stated in the bidders offer.

S<sub>0</sub> : The maximum sulfur content "S<sub>0</sub>" (%w/w, basis as received-AR) as stated in the bidders offer.

The award shall be based on the lowest "comparison price", in EURO per Metric Ton (€/MT) of lignite at a Net Calorific Value of 2.100 Kcal/Kg.

### 1.3.4. Qualifying Participants for Stage 3 (Best and final financial offers)

Participants shall be eligible to participate in Stage 3 provided that the comparison price calculated on the basis of the prices quoted in their initial financial offer is one of the three lowest ones or is no more than 10,00% higher than the lowest one.

PPC may decide at this stage to increase the acceptable Participants in Stage 3 to include more than the three lowest offers, to improve competition.

Prior to launching Stage 3 all companies participating in Stage 2 will get from the electronic platform:

- The list of the comparison prices calculated for all offers.
- The list of all Participants eligible to participate in Stage 3.

#### 1.4. Stage 3

The following documents shall be available to Participants through the electronic platform of Cosmo-One:

- Specimen E (Best and Final Financial Offer Declaration) in editable format.

##### 1.4.1. Data to be submitted

Within the context of Stage 3, Participants shall be able to submit the Financial Offer filled in with their "best and final" offer only for the price P, in accordance with the provisions in paragraph 1.3.2.

No changes, as compared to the Participants' Initial Financial Offers, shall be acceptable regarding the Net Calorific Value  $H_0$  or the maximum sulfur content " $S_0$ ".

No prices higher than those submitted in the Initial Financial Offers shall be accepted during Stage 3; in case no best and final offer is submitted by any Participant or any prices offered are higher than the corresponding prices in the Participant's Initial Financial Offer, the prices offered by said Participant in his Initial Financial Offer shall remain valid and binding.

##### 1.4.2. Evaluation of "best and final" offers

The offer with the lowest comparison price  $P_c$ , in accordance with the provisions in paragraph 1.3.2. shall be determined using the "best and final" prices (P) offered.

## 2. Contract Award

Award of the Contract resulting from the Tender is subject to approval by PPC's Board of Directors.

The award of the contract is officially notified by PPC to the Supplier by a letter inviting him to:

- Deliver the Good Performance Letter of Guarantee, according to the provisions of the Contract (paragraph **Σφάλμα! Το αρχείο προέλευσης της αναφοράς δεν βρέθηκε.** of the Draft Contract - "Document 3" of the present Invitation).
- Submit to PPC any additional document(s) required by the Greek Legislation in order for the Bidder to be eligible to enter into a contract with PPC.
- Sign the contract.

Should the Participant refuse to comply with the above requirements, PPC is entitled to proceed with forfeiture of the Participation Letter of Guarantee and claim all direct damages suffered as a result of said refusal of the Participant.

The Contract shall be drawn according to the "Draft Contract" (Document 3) included in the present Invitation for Tenders.

### 3. Other Provisions

#### 3.1. PPC's reservations and rights.

- By participating in the present Invitation for Tenders a Participant unreservedly declares that he is fully aware of the terms as well as of all the data and parts of the Inquiry.
- PPC shall in no case be responsible or liable to indemnify Participants for any expense or cost Participants may have sustained for the preparation and submission of their Tender, particularly in case their Tender is not accepted or the Procedure is cancelled or postponed or transferred at any stage and time and for any reason or cause thereof. Consequently, those who participate in the present Invitation for Tenders and submit offers, independently of whether they have been finally accepted or not, do not acquire any right at all against PPC from this Inquiry and their participation to the Invitation for Tenders.
- Any offer, submitted according to the terms of the present Inquiry, is considered as a proposal to PPC and not as an acceptance of PPC's proposal.
- No Bidder is entitled to invoke any omissions in the submission of their offer or in signing of any document in order to be exempted from or diminish his liabilities.
- The terms and restrictions concerning the submission of offers are to PPC's benefit, which has the right to waive them, without such an action however providing any right to the Bidders or any other third parties.

#### 3.2. Procedure cancellation

PPC reserves the right to cancel the Procedure initiated by the present Invitation for Tenders according to the following:

- In case of breach of the rules of the Procedure, if the result of the Procedure is influenced by such a breach.
- In case the result of the Procedure is considered justifiably not satisfactory for PPC.
- In case competition was inadequate, or if there is serious evidence that there has been an agreement between the Bidders to avoid real competition.
- In case there have been major changes in the needs of PPC.



Request for proposals No: DPLP-611246

"SUPPLY OF LIGNITE AT NCV OF 2100 kcal/ kg TO MELITI'S POWER PLANT"

Specimen A

DECLARATION OF ACCEPTANCE  
OF THE BIDDING AND CONTRACTING TERMS

The herein below signed ... *[insert name, Title]...*, lawfully representing the Firm ... *[insert Bidding Firm's official name]...*, bidding against Public Power Corporation's Inquiry No 611246 declare that I took cognizance of all Bidding and Contracting Terms enunciated in the respective Inquiry, I studied and accept same irrevocably and unreservedly in the name of said firm.

Authorized Signature(s) ..... ..

Name(s) and Title(s) ..... ..

Date .....

Request for proposals No: DPLP-611246

"SUPPLY OF LIGNITE AT NCV OF 2100 kcal/ kg TO MELITI'S POWER PLANT"

Specimen B

**DECLARATION OF ACCEPTANCE  
OF THE VALIDITY OF THE BIDS STATEMENT**

The herein below signed ... *[insert name, Title]...* , lawfully representing the Firm ... *[insert Bidding Firm's official name] ...*, bidding against Public Power Corporation's Inquiry No 611246 declare that I accept irrevocably and unreservedly that the Bid No..... of this Firm to the above Inquiry is valid for .....(..\*) calendar days, according to the provisions in Article 2 of the Document "Bidding Terms and Procedures".

Authorized Signature(s) ..... ..

Name(s) and Title(s) ..... ..

Date .....

"SUPPLY OF CLEAN PETROLEUM PRODUCTS TO PPC – YEAR 2022"

Specimen C

PARTICIPATION LETTER OF GUARANTEE

TO:  
PUBLIC POWER CORPORATION/DPLP  
22 Chalkokondyli Street, Athens 104 32 GREECE

DATE .....

We wish to inform you that we irrevocably and unreservedly guarantee in favour of your Bidder (1) ..... having its seat or domiciled in (2) ..... waiving expressly and unreservedly the exception of claiming the benefit of option and our right objections of all kinds, including the principal obligor's non-individual objections and particularly any other objection as from articles 852-856, 862-864 and 866-869 of the Greek Civil Code, and renouncing of all our rights deriving from the above articles ,we are severally responsible towards you and as principal obligors, with up to the sum of ..... (3) ..... for the participation of the said supplier in the Bid under Inquiry No (4)..... to be held on (5) ..... for ..... according to the terms and specifications of your Inquiry and its supplements, a copy of which was delivered to us, its reception being confirmed by the present.

The above guarantee refers only to the obligations deriving from the participation in the aforementioned Bid up to the signing of the relative contract by Bidder in case of an award to him, and the delivery by him to you of a Letter of Good Performance Guarantee in accordance with your instructions, but in no event whatsoever does it refer to the obligations deriving from the performance of such a contract.

In the event as a consequence of the above guarantee and according to your free and uncommitted judgment you will decide and inform us that the said Bidder is in default with regard to any obligation assumed by him in connection with his participation in the above Bid, we are hereby assuming the obligation to pay forthwith to you, without any objection whatsoever, the guaranteed sum, either in total or in part, according to your instructions and upon demand, without any authorisation, action or consent of the Bidder hereinabove mentioned being required for such payment, nor any opposition, exception, objection or recourse to arbitration and/or Courts to be eventually by above Bidder demanding non-forfeiture or sequestration of this Letter of Guarantee being considered.

We further declare that our present guarantee shall remain in full force and effect, until any and all obligations assumed by the Bidder by virtue of his participation in the above bid will have been fulfilled and this letter of guarantee

will be returned to us together with a declaration from you releasing us from the present guarantee.

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**NOTE:** On blank spaces to be inserted:

- (1) The business trade name of the Bidder.
- (2) The address of Bidder's seat is to be inserted here.
- (3) The amount of Participation Bond is to be inserted here.
- (4) Number of Inquiry to be inserted.
- (5) Closing date for the submission of the Bids is to be inserted here.



Request for proposals No: DPLP-611246

"SUPPLY OF LIGNITE AT NCV OF 2100 kcal/ kg TO MELITI'S POWER PLANT"

Specimen D

INITIAL FINANCIAL OFFER

1. Lignite Origin(s): .....
2. Quantity offered (MT): .....
3. Price offered (€/MT): .....
4. Reference Net Calorific Value for the price offered  
("H<sub>0</sub>", Kcal/Kg AR): .....
5. Maximum Sulfur Content ("S<sub>0</sub>", percent AR): .....

Authorized Signature(s) ..... ..

Name(s) and Title(s) ..... ..

Date .....

Request for proposals No: DPLP-611246

"SUPPLY OF LIGNITE AT NCV OF 2100 kcal/ kg TO MELITI'S POWER PLANT"

Specimen E

BEST & FINAL FINANCIAL OFFER

Price offered (€/MT): .....

Authorized Signature(s) .....

Name(s) and Title(s) .....

Date .....

## Request for proposals No: DPLP-611246

## "SUPPLY OF LIGNITE AT NCV OF 2100 kcal/ kg TO MELITI'S POWER PLANT"

*Document 3: Draft Contract No: 611246X*

In Athens today, ... *[date]* ... , between the contracting parties herein, on one hand Public Power Corporation S.A., (hereinafter called "Buyer" or "Corporation" or "PPC"), having its registered office in Athens, 30 Chalkokondyli Street, legally represented by Mr... *[Name and Title]* ..., and on the other hand ... *[Supplier's official name]* ..., (hereinafter called "Seller" or "Supplier") having its registered office in ... *[Address]* ..., legally represented herein by Mr/Ms... *[Name and Title]* ..., the following have been agreed upon and accepted without reservations:

**1. Scope of Supply****1.1 Product - Origin**

The Seller shall supply the Buyer with lignite originating from ..... [Origin(s) declared by Seller] .....

**1.2 Contractual Quantity**

The contractual quantity shall be 440.000 Metric Tons of lignite, at NCV equal to 2.100 kcal/kg. PPC reserves the right to increase the hereinabove quantity by 80.000 Metric Tons according to Meliti's Power Plant needs.

**2. Specifications of lignite****2.1 Basic Quality Characteristics**

|   |         |               |
|---|---------|---------------|
| Low calorific value (as received basis)     | minimum | 2.000 Kcal/kg |
|   | maximum | 2.400 Kcal/kg |
| Total moisture content                      |         | 10-50 % w/w   |
| Ash content (dry basis)                     | maximum | 35 % w/w      |
| Volatile matter content (as received basis) | minimum | 21 % w/w      |
| Total Sulphur content (as received basis)   | maximum | 2,0 % w/w     |
| Hardgrove Index (HGI)                       | minimum | 27            |
| Ash Initial Deformation Point               | minimum | 1.080°C       |
| Particle Size                               | maximum | 100           |

2.2 The material must be free of excessive moisture (eg. water pouring out of the trucks), pieces of wood, roots or any material or substance foreign to lignite, which might result in damage to MELITI's installations.

### 3. Price Computation:

#### 3.1 Basic price

Provided that all quality characteristics of the lignite, as they are determined according to the provisions in paragraph 8.2 of the present Contract are within the limits set forth in paragraph 2.1 of same, the base price of lignite in Euros per Metric Ton (€/MT) of as-received lignite, for the quantities delivered during each certification period, as it is defined in paragraph 8.3.3 herein below, shall be calculated using the following formula:

$$P_f = \left[ \frac{H}{H_0} \times [P - 1.25 \text{ €/MT} \times (S - S_0)] \right]$$

where:

Pf: Final lignite price in € / Metric Ton of delivered lignite

P: *[As per the supplier's offer]* in Euros per Metric Ton

H: Low Calorific Value of the material in kcal/kg on "as received" basis, as resulted from the analysis of the official, average lignite sample of each period of certification.

H<sub>0</sub>: *[As per the supplier's offer]* the reference Net Calorific Value (NCV) in Kcal/Kg on "as received" basis, of the lignite offered, to which the price "P" refers to.

S: sulfur content (%w/w) of natural lignite on "as received" basis, as determined from the analysis of the official, average lignite sample of each period of certification.

S<sub>0</sub>: *[As per the supplier's offer]* the maximum sulfur content, percent by weight on "as received" basis, of the lignite offered, to which the price "P" refers to.

In case  $S < S_0$  the term  $S - S_0$  shall be considered equal to zero.

#### 3.2 Penalties for deviations from the contractual quality characteristics.

##### 3.2.1 In case the Net Calorific Value on "as received" basis is less than 2000 Kcal/Kg:

- For the part of deviation between -1 and -100 Kcal/Kg, less than the contractual minimum of 2.000 Kcal/Kg, a penalty equal to 0,10 €/MT of lignite per 100 Kcal/Kg of deviation shall apply to the base price.
- For the part of deviation between -101 and -200 Kcal/Kg less than the contractual minimum of 2.000 Kcal/Kg, a penalty equal to 1,00 €/MT of lignite per 100 Kcal/Kg of deviation shall apply to the base price.

- For the part of deviation beyond -200 Kcal/Kg less than the contractual minimum of 2.000 Kcal/Kg, a penalty equal to 10,00 €/MT of lignite per 100 Kcal/Kg of deviation shall apply to the base price.

3.2.2 In case the Net Calorific Value on "as received" basis is more than 2.400 Kcal/Kg:

- For the part of deviation between +1 and +100 Kcal/Kg, more than the contractual maximum of 2.400 Kcal/Kg, a penalty equal to 0,10 €/MT of lignite per 100 Kcal/Kg of deviation shall apply to the base price.
- For the part of deviation between +101 and +200 Kcal/Kg, more than the contractual maximum of 2.400 Kcal/Kg, a penalty equal to 1,00 €/MT of lignite per 100 Kcal/Kg of deviation shall apply to the base price.
- For the part of deviation beyond +200 Kcal/Kg more than the contractual maximum of 2.400 Kcal/Kg, a penalty equal to 10,00 €/MT of lignite per 100 Kcal/Kg of deviation shall apply to the base price.

3.2.3 In case the Ash content on "dry " basis is more than 35,0 % w/w:

- For the part of deviation between +0,01 and +2,00 % more than the contractual maximum of 35,0% w/w, a penalty equal to 2,00 €/MT of lignite for every percentage point of deviation shall apply to the base price.
- For the part of deviation between +2,01 and +4,00 % more than the contractual maximum of 35,0% w/w, a penalty equal to 5,00 €/MT of lignite for every percentage point of deviation shall apply to the base price.
- For the part of deviation beyond +4,00 % more than the contractual maximum of 35,0% w/w, a penalty equal to 10,00 €/MT of lignite for every percentage point of deviation shall apply to the base price.

3.2.4 In case the Volatile Matter content on "as received" basis is less than 21% w/w:

- For the part of deviation beyond 21% w/w, a penalty equal to 10,00 €/MT of lignite for every percentage point of deviation shall apply to the base price.

3.2.5 In case the Sulfur content on "as received" basis is more than 2,0% w/w:

- For the part of deviation between +0,01 and +0,50 % more than the contractual maximum of 2,0% w/w, a penalty equal to 4,00 €/MT of lignite for every percentage point of deviation shall apply to the base price.
- For the part of deviation beyond +0,50 % more than the contractual maximum of 2,0% w/w, a penalty equal to 10,00 €/MT of lignite for every percentage point of deviation shall apply to the base price.

3.2.6 In case the total moisture content is more than 50% w/w:

- For the part of deviation beyond the limit of 50%, a penalty equal to 10,00 €/MT of lignite for every percentage point of deviation shall apply to the base price.

### 3.2.7 In case the Hargrove Index is less than 27:

- For the part of deviation between -1 and -2 points less than the contractual minimum of 27, a penalty equal to 0,50 €/MT of lignite for every point of deviation shall apply to the base price.
- For the part of deviation beyond -2 points less than the contractual minimum of 27, a penalty equal to 10,00 €/MT of lignite for every point of deviation shall apply to the base price.

### 3.2.8 In case the Ash Initial Deformation Point is less than 1.080 °C:

- For the part of deviation between -1 and -30 °C less than the contractual minimum of 1.080°C, a penalty equal to 0,10 €/MT of lignite for every Celsius degree of deviation shall apply to the base price.
- For the part of deviation of beyond -31 °C less than the contractual minimum of 1.080°C, a penalty equal to 2,00 €/MT of lignite for every Celsius degree of deviation shall apply to the base price.

### 3.2.9 In case of particles passing the 100mm sieve.

- A penalty equal to 0,50 €/MT will be implemented for every percentage point of weight of material larger than 100 mm.

3.2.10 The sum of the implemented penalties concerning deviations of lignite quality characteristics, as they shall be calculated according to the provisions hereinabove, shall in no case exceed 100% of the base price of delivered lignite calculated according to the computation defined in paragraph 3.1.

3.2.11 The result of the herein above computation of Pf in €/Metric ton of lignite delivered shall be rounded off to five decimal digits.

## 3.3 Late Delivery Penalties

Provided that the SUPPLIER, does not meet the delivery rate requirements, and the time limits set forth in paragraphs 5.2 herein below, a penalty equal to 5% of the value of the quantities of lignite that should have been delivered but were actually not delivered, shall apply.

## 3.4 Price Adjustment

3.4.1 Contractual prices are subject to adjustment.

3.4.2 Q3 2022 is defined as the time of commencement of the price adjustment.

3.4.3 Price adjustment will be based on the time of lignite delivery, with the exception of the cases of paragraph 3.4.4 below. Should the above time not coincide with the time of the deliveries' certification, the performed deliveries shall be allocated to the corresponding months using allocation tables prepared by the Supervising Department based on times of delivery.

- 3.4.4 Should the time of lignite delivery be after contractual deadlines, the adjustment shall be performed based on the contractual deadlines as these are set in Article 5 or as extended by the Buyer, as long as the responsibility for not meeting the above deadlines does not reside with the Supplier.
- 3.4.5 The adjustment to be effected to unit prices shall be performed every three months according to the formula:

$$P_v = P_0 \times \left[ 0.10 + 0.90 \times \left[ \left( \frac{C^{Piv}}{C^{Pio}} \right) \times 0.75 + \left( \frac{P^{Piv}}{P^{Pio}} \right) \times 0.25 \right] \right]$$

Where:

v: The adjustment period under examination

Pv: The adjusted price for contractual unit price Po for the period v

Po: The corresponding contractual unit price during for the 3-month period of the price adjustment's commencement.

CPiv: The average monthly Consumer Price Index for the period v.

CPio: The average monthly Consumer Price Index for the 3-month period of the price adjustment's commencement.

PPiv: The average monthly fuel Price Index I (diesel) for the period v.

PPio: The average monthly fuel Price Index I (diesel) for the 3-month period of the price adjustment's commencement.

The values of CPI and PPI are taken from the corresponding tables issued and published by the Hellenic Statistical Authority.

In the event that during the time of submission of adjustment certifications, all indices required for the calculation of the final adjustment coefficient have not been published, the prices shall be adjusted temporarily according to the latest known final adjustment coefficient.

Subsequently, when all required indices have been published, the final adjustment coefficient shall be calculated.

#### 4. Duration of contract

4.1 The contract to be signed shall be valid until the completion of delivery of the entire contractual quantity, as it is specified in paragraph 1.2 hereinabove.

4.2 The effective date of the contract shall be the date shown in the first page of the Contract, considered as the date of signing of the contract by the parties, or the first date of the lignite delivery to MELITIS's Power Plant, following the supplier's official notification by PPC of the award of the contract, whichever occurs first.



## 5. Delivery schedule / rates

5.1 Commencement of delivery of lignite to the aforementioned Power Plant shall take place at the latest one month following the written notification of the bidder by PPC concerning the award of the supply to the bidder.

5.2 Lignite delivery shall be continuous, according to the following:

5.2.1 The minimum  $R_1$ , for the period July – August 2023, monthly average rate of delivery at a Net Calorific Value of 2.100 Kcal/Kg on "as received" basis, shall be :

$$R_1 = \frac{Q * 2.100}{440.000 * H_0} * 20.000$$

5.2.2 The maximum  $R_2$ , for the period November 2022 – June 2023 monthly guaranteed by the Supplier average rate of delivery at a Net Calorific Value of 2.100 Kcal/Kg on "as received" basis, shall be:

$$R_2 = \frac{Q * 2.100}{440.000 * H_0} * 50.000$$

5.3 In all cases, the Supplier shall be promptly notified about the delivery point, quantities and rates by the Power Plant management according to PPC's needs and shall be made available to the Supplier at least 3 days prior to the estimated delivery date.

5.4 Changes of the lignite delivery schedule resulting in delivery rate beyond the limit specified in paragraph 5.2 hereinabove is only possible in cases of emergency for PPC. In this case the Supplier shall undertake every possible effort to comply with PPC's needs.

5.5 The Supplier guarantees the capability of continuous delivery of lignite at the required average delivery rate determined according to the provisions of the present paragraph.

## 6. Lignite Delivery

6.1 Lignite shall be delivered to MELITIS's Power Plant at Meliti in Florina, GREECE.

6.2 The Seller assumes full and exclusive responsibility for the delivery of the material within the limits of the abovementioned areas, including arrangement of the delivered material within the storage yard, if necessary.

6.3 The material shall be delivered at the installations of MELITIS's Power Plant according to the provisions of paragraphs 6.1 & 6.2, herein above:

- On working days, from 07:00 to 21:00 hours.
- At weekends, from 07:00 a.m. to 15:00 p.m.

- 6.4 Delivery beyond the above delivery hours on working days or delivery on public holidays is subject to the consent of the management of the destination Power Plant, the SUPPLIER having no right to claim any additional compensation/charges for that reason.
- 6.5 The SUPPLIER, having control of the dispatch of lignite with trucks at the loading point, shall notify on a daily basis the Power Plant's personnel for the delivery schedule of at least the next day. To ensure smooth and continuous unloading of trucks, the SUPPLIER shall make every possible effort to smoothly distribute the number of trucks arriving at Power Plant over the daily delivery hours.
- 6.6 In order to ensure smooth flow of trucks to the Power Plant the Seller assumes full responsibility to arrange the unloaded material within the storage yard by means of appropriate machines (e.g. dozers, loaders etc.) to be provided by the Seller at the Seller's own expenses.

## **7. Lignite transportation**

- 7.1 Transportation within the limits of the Greek territory shall be carried out according to the relevant legislation in effect at the time of execution of the Contract. Seller is obliged to possess/present at PPC's demand all documentation / licenses / certificates required by the legislation in effect concerning either the vehicles and / or the drivers. Should any of the above not be available and/or not presented to PPC's authorized personnel, PPC reserves the right to refuse access of the Seller's vehicles into MELITIS's installations.
- 7.2 All means of lignite transportation (trucks) must be in full compliance with all legal requirements concerning the transportation of lignite.
- 7.3 The Seller assumes full responsibility of conformity of transportation means to the corresponding European and Greek legislation in effect.

## **8. Quantity / Quality determination**

- 8.1 Quantity determination shall be carried out according to the following:

- 8.1.1 The quantities of lignite delivered shall be determined by means of the scales of Meliti's Power Plant. The whole procedure shall be carried out by the personnel of the Power Plant and shall be witnessed by representative(s) of the Seller, the latter being solely responsible to appoint his authorized representative(s) for that purpose.
- 8.1.2 Each and every truck, upon arrival at the Power Plant, shall be individually weighed at the scale to determine its gross weight. After unloading of the material inside the storage yard the truck will be again weighed to determine its tare. The quantity delivered from each and every truck will be calculated on the basis of its gross weight and tare. Copies of all weighing bills shall be given to the SUPPLIER's representatives.

- 8.1.3 PPC declares that the scales used for the determination of the quantities of lignite delivered into all Power Plants are calibrated. The Seller is entitled to check the calibration of said scales at his own expenses, at any time. In the event that correction(s) of the calibration of the scales is deemed necessary, said correction(s) shall have no retroactive effect and shall be applicable only to quantity determinations thereafter.
- 8.1.4 Certification of delivered quantities shall be made by the Power Plant's personnel, every fortnight, i.e. for the periods from the 1st up to the 15th and from the 16th to the last calendar day of each month. At the beginning as well as the expiration of the contract there will be, if necessary, shorter certification periods, beginning or ending, however, respectively, on the above dates.
- 8.1.5 Within four (4) working days, at the latest, from the last delivery date of each certification period, the Power Plant shall send to the SUPPLIER the list of the quantities delivered during the certification period in question. For each and every consignment, the number of the corresponding weighing bills, identification of the truck or wagon used and all data concerning quantity (gross weight, tare and net quantity of lignite delivered) shall be shown on said list.
- 8.2 The Parties shall agree on an Independent Surveyor who will be appointed by the Buyer to perform the quality determination of the lignite delivered. The cost of the surveyor's services shall be equally shared between the Seller and the Buyer.
- 8.3 Quality determination of the lignite delivered over each certification period, as the latter is defined in paragraph 8.1.4 hereinabove, shall be carried out by the aforementioned Independent Surveyor according to the following:
- 8.3.1 In case the material is determined by an initial visual inspection, either on-board of the truck or during unloading, to contain excessive moisture (e.g. water pouring out of the trucks /wagons), pieces of wood, roots or any other material that could result in damage to LIGNITIKI MELITIS's installations, unloading shall be interrupted and the Seller is obliged to take said faulty material away by his own means and at his own expenses.
- 8.3.2 Sampling: During unloading of each and every truck at LIGNITIKI MELITIS's installations, sampling shall be carried out by an Independent Surveyor, certified for the Inspection of lignite delivery, and witnessed by both LIGNITIKI MELITIS's and Seller's representatives, the latter being solely responsible for appointing his authorized representative for that purpose.
- 8.3.3 Sampling shall be carried out according to international ISO, ASTM or other equivalent Standards.
- 8.3.4 Sample preparation and distribution: The Independent Surveyor shall prepare one sample for every consignment of 3.000 MT (sub-lot) of delivered lignite, the above preparation being witnessed by LIGNITIKI MELITIS's and the Seller's representatives. It is noted that the last consignment within a certain 15-day certification period, may be less than 3.000 MT.

Each of the above samples shall be divided in four parts, each of which shall be individually sealed by the Independent Surveyor. The four samples shall be distributed as follows:

- Both PPC and the Seller shall receive one sealed sample each.
- Two sealed samples shall remain at the possession of the Independent Surveyor. One of these will be used for the performance of laboratory tests, whereas the other one shall remain sealed at the Independent Office as an "Umpire" sample, to be used in case of Arbitration.

The Independent Surveyor shall officially notify both PPC and the Seller of the seal-numbers of all four samples.

It is pointed out that in case that PPC's or/and the Seller's authorized representatives do not witness the above procedures for the preparation, dividing, sealing and distribution of the composite sample, the Independent Surveyor proceeds with the above procedures in the absence of PPC's or/and the Seller's representatives, and both parties expressly and unconditionally accept said procedures as they have been carried out by the Independent Surveyor.

**8.3.5 Analysis – Applicable Standards:** The Independent Surveyor shall dispatch one of the two sealed samples that are in his possession to a laboratory chosen by the Independent Surveyor amongst a list of mutually accepted Laboratories, prepared by PPC and the Seller in cooperation with the Independent Surveyor. Analyses for all basic quality characteristics in paragraph 2.1 shall be carried out according to internationally acceptable standards. Indicative standards are listed below:

|            |   |
|------------|---|
| ASTM D5865 | Standard Test Method for Gross Calorific Value of Coal and Coke   |
| ISO 1928   | Solid mineral fuels -- Determination of gross calorific value by the bomb calorimetric method, and calculation of net calorific value |
| ASTM D3173 | Standard Test Method for Moisture in the Analysis Sample of Coal and Coke   |
| ASTM D3302 | Standard Test Method for Total Moisture in Coal   |
| ISO 589    | Hard coal -- Determination of total moisture  |
| ASTM D3174 | Standard Test Method for Ash in the Analysis Sample of Coal and Coke from Coal  |
| ASTM D3175 | Standard Test Method for Volatile Matter in the Analysis Sample of Coal and Coke  |
| ISO 562    | Hard coal and coke -- Determination of volatile matter  |
| ASTM D5142 | Standard Test Methods for Proximate Analysis of the Analysis Sample of Coal and Coke by Instrumental Procedures                       |
| ISO 17246  | Coal -- Proximate analysis  |
| ASTM D3176 | Standard Practice for Ultimate Analysis of COAL and Coke  |

|              |   |
|--------------|---|
| ISO 17247    | Coal -- Ultimate analysis   |
| ASTM D3177   | Standard Test Methods for Total Sulfur in the Analysis Sample of Coal and Coke  |
| ASTM D4239   | Standard Test Methods for sulfur in the Analysis Sample of Coal and Coke Using High Temperature Tube Furnace Combustion Methods |
| ASTM D409    | Standard Test Method for GRINDABILITY of COAL by the Hardgrove-Machine Method   |
| ISO 5074     | Hard coal -- Determination of Hardgrove grindability index  |
| ASTM D1857   | Standard Test Method for FUSIBILITY of COAL and Coke Ash  |
| ISO/FDIS 540 | Hard coal and coke -- Determination of ash fusibility   |
| ISO 1953     | Hard coal -- Size analysis by sieving   |

The results of the analysis will be officially communicated by the Independent Surveyor to both PPC and the Seller.

8.3.6 Within ten (10) working days from the last date of delivery of each and every 15-day delivery period ("certification period"), the Independent Surveyor shall send to both Seller and Buyer, by courier upon receipt, the results of the analyses of each and every sub-lot sample of said certification period, as well as the weighted average of all quality characteristics set forth in paragraph 2.1. Said weighted average shall be used for invoicing purposes for said certification period.

8.4 Upon commencement of the implementation of the contract, the Parties, in collaboration with the Independent Surveyor, shall agree upon a list of mutually accepted, certified laboratories from which the Surveyor shall choose the laboratory, in which the analyses of lignite shall be carried out. Change of the selected laboratory is possible only after the submission of a relevant request by any of the Parties and only if arbitration has preceded. Selection of the new laboratory shall be effectuated from the list of certified laboratories agreed upon between the contracting Parties as above. The Independent Surveyor as well as and laboratory's costs shall be borne equally by PPC and the Supplier.

8.5 Arbitration: Each and every Party reserve the right to request arbitration concerning any of the analyses included in the quality determination of delivered lignite.

8.5.1 The Party requesting arbitration must do so in writing by a letter sent by certified mail to both the Independent Surveyor and its Counterparty in this contract, within the exclusive deadline of fifteen (15) working days following the receipt by said Party of the results of the analyses, for which arbitration is requested.

8.5.2 The contracting Parties shall agree on the mutually accepted laboratory, in which the analyses for arbitration shall be carried out, and PPC shall notify the Independent Surveyor accordingly. The Independent Surveyor shall send the sealed umpire sample kept exclusively for this purpose, to the mutually accepted laboratory and shall notify the parties about the exact date and time to perform the arbitration analyses, so that the parties may witness.

8.5.3 Arbitration analysis shall be final and binding for both Parties. The arbitration charges shall be borne by the Party that is not favored by the results of the arbitration, i.e. the Party which, following and according to the results of the arbitration, is obliged to pay/return -as applicable- an amount of money to the other party.

## **9. Environmental requirements.**

The Seller's personnel to enter/work in PPC's installations, is required to comply with the following rules:

- Conform to applicable environmental legislation.
- Conform to the instructions of the Power Plant's personnel concerning environmental issues and issues of hygiene and safety at work.
- Possess and maintain in force all licenses / certificates required by the applicable legislation throughout the period of execution of the contract; those must be presented during controls either by LIGNITIKI MELITIS's Power Plant authorized personnel or by the Authorities.
- Only experienced and properly trained personnel should be employed for the transportation and loading/unloading of lignite.
- Avoid wasting of natural resources (eg. energy, water).
- Maintain cleanliness of the working place and prevent of soil pollution.
- Collect any wastes resulting from loading/unloading works and dispose them properly in suitable containers.
- Manage dangerous wastes, for which the Seller is responsible according to the contract, in accordance with legislation in effect. Any disposal of such wastes in the ground or the sewerage system of the Power Plant is strictly prohibited.
- Immediately notify the Power Plant's authorized personnel in the event of any environmental problem. The Power Plant's authorized personnel will immediately notify the person in charge of environmental management of the Plant.
- Environmental restoration of the area, in case of environmental accident caused by the Seller, is to be done by the Seller at the Seller's sole responsibility, by the Seller's own personnel and at the Seller's expenses.

The Power Plant's personnel reserve the right to stop any work done by the Seller and/or his personnel, in case of not complying with any of the above rules.



## **10. Terms of Payment**

The PPC's department responsible for the implementation and monitoring of this contract is the Administrative & Financial Section of Meliti's Power Plant.

10.1 Invoicing shall be made for each and every certification period, following the completion of the quantity and quality determination procedures, and shall be based on the results of the analyses carried out in the context of the quality determination.

10.2 Payment of invoices shall be made within thirty (30) calendar days from the date of submission, at Meliti's Power Plant/ Administrative & Financial Section, of the following:

- The original Seller's Invoice(s).
- Certificate of Analysis of the delivered Quantities (issued by the Independent Inspector).
- Any additional documents required by the Law.

10.3 Any request for arbitration by any of the parties, concerning the results of the analyses does not suspend the procedures of invoicing and payment of the invoices issued on the basis of the results of the initial quality determination.

10.4 In case of arbitration by any of the parties and according to the results thereof, the SUPPLIER shall issue the appropriate documents (Invoice or Credit note) within 5 working days of the official notification of the Parties by the Independent Office about the results of the arbitration.

10.5 Payment shall be made exclusively in Euros (€).

10.6 No advance payment shall be made by PPC.

## **11. Warranties**

The Seller explicitly and unreservedly warrants:

- The availability of adequate quantities of lignite, having the quality characteristics set forth herein, to be delivered at the guaranteed rate set forth herein.
- Full compliance of the quality characteristics of the material offered for delivery with the requirements set forth herein.
- That the Supplier has made all necessary arrangements concerning the availability of machinery and vehicles, either owned by him or to be contracted from a third party, that are necessary to deliver the lignite at the guaranteed rate set forth herein.
- That the Supplier has full knowledge of the conditions of transport and unloading of material at the facilities of the Power Plant of Meliti as well as knowledge of the available PPC's equipment to be used for the quantity determination of lignite according to the provisions set forth herein.



## **12. Good Performance Bond**

- 12.1 Upon signing this Contract the Seller delivered to the Buyer the ... *[registration No/Date]* ... Good Performance Letter of Guarantee issued by the ... *[Name of Issuing Bank]* ... for the amount of ... *[Amount of Good Performance Bond]* ... Euros.
- 12.2 The Seller's delay in delivering the said Letter of Guarantee entitles the Buyer to terminate the Contract immediately, while the Seller will be responsible towards him for all damages possibly occurring and shall refund to the Buyer all, without exceptions, of the amounts paid to him in advance, together with the applicable overdue interest. If required and in order to secure said re- fund, the Buyer may, according to his judgment, proceed to forfeiture of the Participation Letter of Guarantee and/or the Advance Payment Letter of Guarantee that are already in his possession.
- 12.3 The amount of the Letter of Guarantee shall be reduced by up to the half in case fifty per cent (50%) at least of the contract quantity has been delivered provided that there are no Buyer's claims due to other causes (e.g. penalty clauses, etc.).
- 12.4 If no contrary special term is included in this Contract, and no reason exists for its forfeiture, the above Good Performance Letter of Guarantee shall be re- turned to the Bank of issuance, upon the Seller's request following the full and complete fulfillment of all, without any exception, of the Seller's contractual obligation under the present Contract and provided that final settlement and clearance of all accounts associated with this contract is completed.

## **13. Liabilities**

Neither party shall be liable for indirect or consequential damages.

## **14. Violation of the Contract – Termination**

- 14.1 In all cases of breach of any term of the present Contract, due to any cause other than Purchaser's fault, force majeure or delay in the delivery of the materials, the Purchaser reserves the right to terminate the Contract and the Seller is obliged to indemnify the Purchaser for all direct damages sustained by the latter due to the above breach, providing that the Purchaser proves sustaining such direct damages and total charge does not exceed fifty percent (50%) of the total value of the Contract.
- 14.2 The said indemnification is independent from and additional to the penalty clause imposed for delayed delivery of material.
- 14.3 In those cases the Purchaser also reserves the right to claim the fulfillment of the Seller's contractual obligations or to terminate the Contract by his written notification towards him, with no obligation to indemnify the Seller and without observing any closing date.

- 14.4 The termination of this Contract by the Purchaser shall also entail the forfeiture of the Good Performance Guarantee, but the Seller shall be obliged to restore all direct damages sustained by the Purchaser regardless of whether the said guarantee is forfeited or not.
- 14.5 The Purchaser reserves the right to terminate the present Contract at any time regardless of Seller's fault. In case of such termination, the Purchaser shall refund to the Seller the costs actually incurred by the latter at performing the Contract and up to the date of termination, reduced by the price of the material already received and paid for the Purchaser with reservation of the provisions of subparagraph 14.9 herein below, as well as the reasonable price, that the Seller might have collected from selling the material not yet delivered. The Purchaser shall also defray to the Seller as an indemnification, a sum equal to five per cent (5%) of the value of the material not delivered until the date of termination.
- 14.6 The aforesaid conclude all the Purchaser's obligations in connection with the termination of the Contract by the latter without cause.
- 14.7 With reservation of all the Purchaser's rights, according to paragraph 14.9. herein below, and regardless if the Contract is terminated with or without cause the Purchaser shall defray to the Seller any due contract price for the material delivered until the date of termination of the Contract, and the Seller shall refund to the Purchaser the advance payment given to him, upon reduction by the part of the advance payment given to him, upon reduction by the part of the advance payment corresponding to the contract price of the material delivered before the termination.
- 14.8 With reservation of subparagraph 14.9 herein below, the delivery of material loaded before termination shall not be affected by the said termination.
- 14.9 Far from the consequences mentioned above, non-delivery by the Seller to the Purchaser of the entire and/or part of the material, entitles the Purchaser to re- turn to the Seller at the expenses of the latter, the parts of the material already delivered to the Purchaser, if the said parts alone are incomplete and useless. In that case the Seller shall be obliged to refund to the Purchaser any price possibly defrayed by same for the said parts, as well as any other expenses possibly incurred by the Purchaser in consequence of the delivery of the said parts.
- 14.10 Notwithstanding the above and independent to the imposed penalties provided elsewhere herein, LIGNITIKI MELITIS S.A. reserves the right to terminate the Contract at the expense of the SUPPLIER with all the negative consequences for the SUPPLIER provided therein, in the following cases:
- Any results of the analyses concerning four (4) certification periods, successive or not, deviate from the contractual limits for the basic quality characteristics set forth in the contract.
  - The SUPPLIER fails to meet the contractual requirements regarding the delivery rates, set forth in the contract for two months, successive or not.
  - The reserves of lignite in the storage yard of the Power Plant are reduced to zero at the SUPPLIER'S responsibility for a time period of more than one week.
  - Any damage occurs to the equipment of the destination Power Plant, caused by

any deviations of the quality characteristics of the lignite delivered from the contractual limits.

#### **15. Force Majeure**

15.1 All events uncontrollable by the Seller and inevitable, in spite of any efforts he might make, are considered as cases of Force Majeure. Events of force majeure related to the Seller's sub-suppliers; do not constitute force majeure for the Seller as well.

15.2 The Seller is obliged to notify immediately and not later than ten (10) days occurring by a document of his to the Purchaser, any event of force majeure that could possibly affect this Contract, otherwise he shall have no right to appeal to it.

#### **16. Law and dispute resolution**

16.1 The governing law of this agreement is the Greek Law; the Greek Law shall be used for interpreting the agreement and for resolving all claims or disputes arising out of or in connection with the agreement (whether based in contract, in tort or on any other legal doctrine).

16.2 In case of disagreement between Purchaser and Seller, effort shall be made for the settlement of the differences by representatives of the contracting parties.

16.3 Any such claim or dispute not settled by negotiation in connection with this contract shall be finally settled exclusively in Athens Courts and according to Greek Law.

#### **17. Confidentiality**

Both parties hereby undertake the obligation to treat as strictly secret and confidential, any information made available to them by the other party or which they will have access to by virtue of their capacity and/or association with the company.

#### **18. Other terms**

Inco terms 2020 as amended are applicable.

### **THE CONTRACTING PARTIES**

**FOR THE SELLER**

**FOR PPC S.A.**

## SPECIMEN F

### GOOD PERFORMANCE LETTER OF GUARANTEE

Reference:  
Contract no:

To : (the buyer's bank)  
Beneficiary :

We beg to inform you that, waiving expressly and unreservedly the exception of claiming the benefit of option as well as our rights deriving from articles 852-856, 862- 864 and 866-869 of the Greek Civil Code, we hereby expressly, irrevocably and unreservedly guaranteed as principal obligors in favour of your Supplier (1) ..... having its seat in (2) ..... up to the sum of (3) ..... for the exact, faithful fulfillment of every and all obligations assumed by your said Supplier pursuant to the Contract (or Purchaser Order) No (4)..... which provides for (5) ..... entered into with you, the contents of which are known to us.

In the event, as a consequence of the above guarantee, you will decide, that the said Supplier is in default with regard to any obligation of any kind or nature under- taken by him by virtue of the above CONTRACT (or Purchaser Order), we are hereby assuming the obligation to pay forthwith to you without any objection the guaranteed sum, either in total or in part, according to your instructions and immediately upon your demand, without any authorization, action or consent of the Supplier hereinabove mentioned being required for such payment nor any opposition, exception objection or recourse to arbitration or the Courts thereof to be eventually instituted by the above Supplier shall be taken into consideration.

We further declare that our present guarantee, shall remain in full force and effect until any and all obligations assumed by the Supplier by virtue of the above Contract (or Purchaser Order) and its supplements, not increasing the initial contract price, are fulfilled but however, not later than (6)..... when this letter of Guarantee is returned to as together with a written declaration from you releasing us from the present guarantee. Furthermore we declare that we shall extend the validity of this guarantee, at your request, made in writing prior to the expire date of this guarantee.

**NOTE:** In blank spaces to be inserted:

- (1) The business trade name of the Supplier.
- (2) The address of Supplier's seat.
- (3) The maximum guarantee amount.
- (4) Number (identification) of the Contract (or Purchaser Order), as referred to on the first page of such Contract (or Purchaser Order)
- (5) Full description of the material to be supplied.
- (6) The date (day, month, year) six months after the date of the last contractual delivery, unless otherwise stated in the Contract (or Purchaser Order).