

Islamic Republic of Iran

MINISTRY OF ENERGY

CONTRACT BASIS FOR BOO PROJECT

... MW COMBINED CYCLE POWER PLANT

-- Between --

Thermal Power Plants Holding Company (“TPPH”)

- and -

***[NAME OF PROJECT COMPANY]* (“Company”)**

Contract No. :

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CONTRACT AGREEMENT

This Contract Agreement is concluded on 2016, between **Thermal Power Plants Holding Company**, represented by Mr. (Managing Director) and (Member of the Board of Directors) (hereinafter referred to as “**TPPH**”) which shall include its successors and permitted assigns, and, registered under No. in,, represented by (Managing Director) and (Member of the Board of Directors) who, under the Articles of Association, have the power and authority to sign this Contract Agreement (hereinafter referred to as the “**Company**”) which shall include its successors and permitted assigns.

WHEREAS:

- A. The Company intends to develop, design, construct, finance, insure, own, operate, and maintain (in Build, Own & Operate basis) a combined cycle power plant with a capacity equal to at site conditions as specified in Table 2 and to connect it to the Grid, to generate and sell electricity.
- B. The Company intends to sell the Capacity and TPPH’s Share from Delivered Energy to TPPH in accordance with the Contract.
- C. The Company intends to offer (i) the Company’s Share of capacity, if any, and (ii) the Company’s Share from Delivered Energy (if any), to the Market or Suppliers or to its Consumer(s) through the Grid, in accordance with the Contract and the Law, and to cooperate with TPPH in satisfying the energy demand in the Islamic Republic of Iran.
- D. TPPH intends to purchase the Capacity and TPPH’s Share from Delivered Energy from the Company in accordance with the Contract.
- E. Consistent with TPPH’s responsibility to supply Fuel for state power plants, TPPH intends to supply the Fuel required by the Power Plant during the Commercial Operation Period in accordance with the Contract.
- F. TPPH and the Company intend to specify their rights and obligations in this regard in the Contract.

NOW THEREFORE, the Parties agree as follows:

The capitalised words and expressions in the Contract shall have the meaning set out in Article 1 of the General Conditions.

Article 1. SUBJECT OF CONTRACT:

The subject of the Contract is:

- 1.1 the purchase by TPPH of the Capacity and TPPH's Share from Delivered Energy during the Purchase Period;
- 1.2 the sale by the Company of the Company's Share of capacity, if any, and also the Company's Share from the Delivered Energy (if any) to the Market, Suppliers, or to its Consumer(s) through the Grid, in accordance with the Contract and Law, during the Commercial Operation Period; and
- 1.3 the supply by TPPH of the Fuel required by the Power Plant for the production of Energy related to the total capacity of the Power Plant until the end of the Commercial Operation Period.

Article 2. DURATION OF CONTRACT:

The term of this Contract shall start on the date on which the Contract is signed by the Parties (the "Signing Date") and shall expire at the end of Commercial Operation Period (the "Duration of Contract").

Article 3. AMOUNTS PAYABLE BY THE PARTIES:

The amounts payable by the Parties under the Contract include:

- 3.1 the Capacity Price and Generation Price to be paid by TPPH to the Company in the Purchase Period for the Capacity and TPPH's Share from Delivered Energy, respectively; and
- 3.2 the Fuel price to be paid by the Company to TPPH for the Fuel consumed in producing the Company's Share from Delivered Energy.

Article 4. EFFECTIVENESS OF THE CONTRACT:

- 4.1 The Contract becomes fully effective on the Closing Date. The Closing Date (the "Closing Date") is the date when TPPH and the Company jointly certify that all the conditions specified in Table 15 have been satisfied or waived by TPPH (for conditions specified in Section 1 of Table 15) or the Company (for conditions specified in Section 2 of Table 15) and each Party shall use its best endeavours to ensure that the Closing Date occurs on or before the Scheduled Closing Date. The Scheduled Closing Date is six (6) months after Signing Date.
- 4.2 The Company shall only be entitled to commence construction of the Power Plant if the Closing Date has occurred, irrespective of whether Scheduled Construction Commencement Date has occurred. If the Closing Date has not occurred by the

Scheduled Closing Date due to a failure by (i) the Company to satisfy the conditions set out in Section 1 of Table 15, or (ii) TPPH to satisfy the conditions set out in Section 2 of Table 15, then, at the request of either Party, the Scheduled Closing Date shall be extended by maximum six (6) months (the "Extended Scheduled Closing Date"), provided that, in the case of the Company's failure to satisfy the conditions set out in Section 1 of Table 15, the Company shall demonstrate that it has been, and is actively pursuing the satisfaction of such conditions.

4.3 If the Closing Date is not achieved by the Scheduled Closing Date or the Extended Scheduled Closing Date, as applicable, then either Party has the right to terminate this Contract by giving notice to the other Party, in which case the following provisions shall apply:

4.3.1 if such termination occurs due to reasons attributable to the Company, then TPPH shall have the right to draw upon the full amount of (and encash) the Progress Guarantee Letter;

4.3.2 if such termination occurs due to reasons attributable to TPPH, then TPPH shall (i) return the Progress Guarantee Letter (without drawing on it), and (ii) reimburse to the Company all documented and substantiated direct costs and expenses incurred by the Company in connection with the Project after the Signing Date and prior to the date of such termination up to an amount not exceeding the value of the Progress Guarantee Letter; and

4.3.3 except as otherwise specified in this Article 4.3, neither Party shall have the right to claim any damages, costs, expenses, or any other amounts from the other Party under the Contract or otherwise prior to the Closing Date.

4.4 The Company shall submit to TPPH the Progress Guarantee Letter in a form specified in Table 10 within one Month from the Signing Date. If, within one Month from Signing Date, the Company does not submit the Progress Guarantee Letter to TPPH, the Contract shall become null and void at the expiry of such one Month's period, in which case neither Party shall have the right to claim any damages, costs, expenses, or any other amounts from the other Party under the Contract or otherwise.

Article 5. CONTRACT DOCUMENTS:

5.1 This Contract (referred to as the Contract) comprises the following documents:

5.1.1 Contract Agreement;

5.1.2 General Conditions;

5.1.3 Specific Conditions; and

5.1.4 The following Tables:

Table 1 [Design Conditions and Technical Limitations]

Table 2	[Functional Values]
Table 3	[Fuel Specification]
Table 4	[Key Deadlines Table]
Table 5	[Testing and Testing Procedures]
Table 6	[Documents to be Delivered]
Table 7	[Calculating the Capacity Price and Generation Price]
Table 8	[Fixed Compensation]
Table 9	[Shareholders and Eligibility Documents]
Table 10	[Form of Progress Guarantee Letter and Form of Performance Guarantee Letter]
Table 11	[Form of Novation Agreement], if any
Table 12	[Gas Supply Facilities, Construction Site and Transmission Facilities]
Table 13	Not Used
Table 14	[Form of Payment Guarantee]
Table 15	[Conditions Precedent to Closing Date]
Table 16	[Permits]
Table 17	[Consequences of Termination]
Table 18	[Agreed Insurances]
Table 19	[Technical Specifications]
Table 20	[Financial Model]

5.2 If there is any contradiction or inconsistency between the documents forming the Contract, the priority of the documents shall be as follows:

- 5.2.1 Contract Agreement;
- 5.2.2 Specific Conditions;
- 5.2.3 Table 1 to Table 20; and
- 5.2.4 General Conditions

5.3 Amendment(s) to the Contract shall be effective only if it is in writing and signed by authorized representatives of both Parties.

Article 6. OFFICIAL ADDRESSES AND NOTICES:

6.1 Except as expressly provided otherwise in the Contract, all notices and correspondence to be issued pursuant to the Contract or exchanged between the Parties shall be in writing and addressed to the individuals specified below and delivered in person in return for written receipt or via registered mail or fax upon sending their confirmation to below addresses.

TPPH:

Attn: Mr.
Address: No. 28, Shahid Shahamati Alley, Vali-Asr Ave., Tehran, Iran.
Tel: +98 21 88908985
Fax: +90 21 88890571

The Company:

Attn:
Address:
.....
.....
Tel:
Fax:

- 6.2 The delivery date of notices and correspondence (including Monthly Bills) shall be deemed to be (i) if delivered in person or by registered mail, the date on which the recipient issues or signs the receipt, and (ii) if delivered by fax, the fax receipt date. If any notice is delivered outside of business hours (after 16:00 hours) or on non-Business Days it shall be deemed delivered on the first Business Day after the date of delivery.
- 6.3 Either Party can change the address or the addressees announced for sending notices and correspondence by sending a notice to the other Party 15 Days prior to the change.

Article 7. NOVATION

As a condition precedent to the Closing Date, for transferring of all Company's rights and obligations thereunder to a single purpose company to be established to perform the Contract (in this Article referred to as the Replacing Company), the eligibility of which shall be approved by TPPH, a novation agreement shall be signed between TPPH,, and the Replacing Company in the form specified in Table 11 [*Form of Novation Agreement*].

Article 8. ECONOMIC COUNCIL RESOLUTION

The Company shall comply with the requirements of the Economic Council Resolution no., dated

Article 9. SIGNED COPIES OF THE CONTRACT:

This Contract is prepared in two original equally valid counterparts in English on the date specified in the introduction to the Contract Agreement. The Contract is binding upon the Parties according to its terms and conditions.

IN WITNESS WHEREOF, the Parties have caused this Contract to be executed by their respective duly authorized officers as of the date first written above.

**For and on behalf of Thermal Power
Plants Holding Co.**

For and on behalf of

GENERAL CONDITIONS OF CONTRACT

ARTICLE 1. DEFINITIONS AND INTERPRETATIONS:

1.1 Definitions:

In the Contract, which includes the documents mentioned in Article 5 of the Contract Agreement, the following words and expressions shall have the meanings stated. Words indicating persons or parties include corporations and other legal entities, except where the context requires otherwise.

“Acceptance Tests”: These are tests which are done by the Company prior to Commercial Operation Date of each Unit and the Power Plant in accordance with part B of Table 5 that shall be used inter alia to demonstrate the guaranteed performances.

“Actual Available Capacity”: It is, in respect of any Hour, the net average capacity during such Hour for a Unit or the Power Plant at Design Conditions, as applicable (expressed in kW), which is available at the Measurement Points/Delivery Points after deducting of the Power Plant’s local consumptions and reduction in transformers.

“Actual Capacity”: It is, in respect of any hour, the Capacity, except if the Declared Capacity is less than the Capacity, in which case, subject to paragraphs (a) and (b), it shall be equal to the Declared Capacity:

- (a) if the Declared Capacity is less than the Capacity and the Actual Available Capacity is less than the Declared Capacity, in which case it shall be equal to the Actual Available Capacity; or
- (b) if Capacity is less than the Guaranteed Net Capacity and the Declared Capacity is higher than the Capacity and the Actual Available Capacity is less than the Capacity, in which case it shall be equal to the Actual Available Capacity,

provided that, in all cases, for any Hour in which the capacity which is dispatched by the Company in accordance with the Dispatching Center’s Order is less than the Declared Capacity, the Actual Available Capacity shall be deemed to be equal to the Declared Capacity, unless there is an Unsuccessful Capacity Event in which case the Actual Available Capacity shall be equal to the capacity determined when establishing that an Unsuccessful Capacity Event has occurred.

“Adjustment”: shall mean an adjustment to the amounts payable by TPPH to the Company or the Company to TPPH pursuant to the Contract to put the Company in the same financial position as it would have been in if the event which gave rise to the Adjustment had not occurred, as determined by reference to the Financial Model [Table 20]

“Ancillary Services”: They are other services which may be required in addition to Energy generation for reliable supply of electric power on the Grid such as production storage, frequency control and

reactive power production, whose supply and execution and relevant payments are determined based on the Bylaw and the either of the Power Purchase Contracts.

“Available Capacity Price”: It is:

- (a) for each Hour in which there has not been an Unsuccessful Capacity Event, the product of the Available Capacity Rate and the aggregate of (i) that part of the Capacity for such Hour which has been purchased back by the Company in accordance with the Specific Conditions, and (ii) the Company’s Share of the Reliable Net Capacity; or
- (b) for each Hour in which there has been an Unsuccessful Capacity Event, the product of the Available Capacity Rate and the aggregate of (i) that part of the Capacity for such Hour which has been purchased back by the Company in accordance with the Contract, and (ii) the Company’s Share of the Reliable Net Capacity, adjusted to reflect the effects of the Unsuccessful Capacity Event.

“Available Capacity Rate”: It is an amount to be paid by the Market to the Company for 1 kW of Actual Available Capacity per Hour.

“Average Variable Cost (AVC)”: It is as inserted in Table 7.

“Back-up Fuel”: It is a liquid fuel which the Parties have agreed to use as back-up fuel in the circumstances described in the Contract.

“Back-up Fuel Delivery Point”: The truck's flange where the hose on the fuel unloading station connects to the truck's manifold.

“Back-up Fuel Measurement System”: It is the system used for measuring the quantity of the Back-up Fuel delivered to the Power Plant, including the Back-up Fuel measurement devices.

“Business Day”: They are days of the week on which banks are generally open for business in Iran which excludes Thursday, Friday and official holidays.

“Bylaw”: It is the bylaw for determining the conditions and method for the purchase and sale of power in the state power network which was announced through letter No. 32251/20/10, dated August 16, 2005 of Ministry of Energy for execution from October 23, 2005, and any addenda and attachments thereto.

“Capacity”: It is, for any Hour in any Contractual Year, that part of the Guaranteed Net Capacity sold to TPPH for Hours in that Contractual Year, as specified in Table 2 from which the Power Plant’s auxiliaries and services consumption and generator step-up transformers losses (in Kw) has already been excluded.

“**Capacity Price**”: It is the amount paid by TPPH in a Month during the Purchase Period, calculated in accordance with Table 7.

“**Capacity Rate**”: It is the Hourly rate per kW paid by TPPH to the Company, determined in accordance with Table 7 and used in the calculation of the Capacity Price.

“**Capacity Test**”: It is the test for determining the Reliable Net Capacity of a Unit or the Power Plant, as applicable, as described in Table 5.

“**Change in Laws**”: Any change in the Law made by a Competent Authority after the Signing Date which affects the performance of the Contract.

“**Closing Date**”: It has the meaning given in Article 4.1 of the Contract Agreement.

“**Commercial Operation**”: It is the Operation of a Unit or the Power Plant after Commercial Operation Date of that Unit or the Power Plant.

“**Commercial Operation Date**”: It is the date which is determined in the certificate issued jointly by the Company and TPPH for the Power Plant, or a Unit (if applicable), by virtue of which certificate the Parties certify that the Power Plant or Unit is Commercially Operated according to the conditions of the Contract. If the Commercial Operation Date is certified in respect of a Unit then such date shall also be the Commercial Operation Date of the Power Plant.

“**Commercial Operation Period**”: It is the period commencing on the Commercial Operation Date and expiring on the date determined in accordance with the Article 1.1 of Specific Conditions.

“**Company**”: It is the legal entity named as such in the Contract Agreement, including its legal and permissible successors and assignees.

“**Company Default**”: It has the meaning given in Article 33.1.

“**Company Power Purchase Contract**”: It is the power purchase contract (the sample text of which is approved by the Ministry of Energy) to be concluded between the Company and IGMC (or any successors and assignees of IGMC).

“**Company's Share**”: It is, as applicable:

(i) in respect of Delivered Energy, the Delivered Energy from a Unit or the Power Plant (as applicable) less TPPH's Share of Delivered Energy; and

(ii) in respect of capacity, the lower of the Actual Available Capacity and the Declared Capacity, less the Capacity; Zero, if the outcome turn out to be negative.

“**Comparative Annual Bill**”: It is as inserted in Article 6.9.

“**Competent Authority**”: It is the government of the Islamic Republic of Iran and any subdivision or organ thereof, including any judiciary, organization, ministry, department, institution, company, authority or commission including national, regional or urban ones which enjoy legal authorities for making decision or taking action on behalf of, or within, the Islamic Republic of Iran.

“**Competent Operator**”: It is an operator looking to fulfil its contractual obligations honestly and in a timely manner who uses the degree of skill, precision and deep far-sightedness in the fulfilment of its obligations which is expected from an international operator with similar obligations who is skilled, qualified, experienced and bound to observe the respective Law in an ordinary manner.

“**Connection Point**”: It is a point in the Grid which is the intersection of the scopes of operation and maintenance responsibility of the Company and Iran Grid Management Company, the details of which are set out in Article 1.1 the Specific Conditions.

“**Construction Period**”: It is the period between Construction Commencement Date and Commercial Operation Date of the Power Plant during which the Company constructs the Power Plant.

“**Construction Site**”: It is the place where the Power Plant is constructed as identified in Table 12.

“**Consumer**”: A Person who purchases part or all of the electric power required by him/her from Supplier or directly from the Market.

“**Contract**”: It is this contract (including the documents referred to in Article 5 of the Contract Agreement) which is concluded between TPPH and the Company.

“**Contractual Year**”: It is a Year during the Purchase Period. The first Contractual Year starts at the Commercial Operation Date and ends on the last Day of the same Year. The last Contractual Year ends at the expiration of the Purchase Period.

“**Cost Decrease**”: Any decrease in the Project’s costs which leads directly to a decrease in the Overall Cost of the Company or increase in the revenue of the Company resulting from a Change in Laws

“**Cost Increase**”: Any (a) net increase in the Company’s costs which leads directly to an increase in the Overall Cost of the Project, or (b) net loss of revenue, which, in either case, is caused directly as a result of (i) a Political Force Majeure Event or a Natural Force Majeure Event which may not be commonly covered by insurance, (ii) Change in Laws which may not be covered unless by extra financing of the Company’s shareholders or the Financing Parties.

“**Day**”: It is a time period starting at 00:00 according to the official time of the Islamic Republic of Iran and ending at 24:00 on the same day.

“**Declared Capacity**”: It is, in respect of any Hour, the net capacity (expressed in kW) of a Unit or Power Plant (as applicable), at actual conditions, declared by the Company (i) directly to the Dispatching Centre and the Market Manager, or (ii) indirectly through TPPH in accordance with the

Contract; to be available for dispatch by the Dispatching Center at the Measurement Points/Delivery Points, which shall not exceed the Guaranteed Net Capacity.

“Default”: It is either a Company Default or TPPH Default.

“Degradation Coefficient”: It is the factor applied to capacity and heat rate figures to reflect the diminished turbine performance as a result of usage, as specified in Table 2.

“Delay Compensation”: It is the amount payable by the Company to TPPH in accordance with the Article 5.2 of General Conditions and Article 5.2 of Specific Conditions and Table 8.

“Delivered Energy”: It is the net Energy for selling to the Market which is measured and delivered by the Company from a Unit or the Power Plant at the Measurement Points/Delivery Points at the request of the Dispatching Center.

“Delivered Fuel Rate”: It is same as the Power Plant Fuel Rate. The Delivered Fuel Rate for Back-up Fuel shall be the aggregate of the applicable Power Plant Fuel Rate and the agreed overhead cost specified in the Article 1.1 Specific Conditions.

“Design Conditions”: It is as specified in Table 1.

“Dispatching Center”: It is the National Steering and Monitoring Center (within the Iran Grid Management Company) of the Grid.

“Dispatching Center’s Orders”: They are the orders issued by the Dispatching Center, which conform to the Technical Limitations of each Unit or Power Plant (as applicable) and which do not require capacity to be made available in excess of the Declared Capacity of the Unit(s) or the Power Plant.

“Duration of Contract”: It is the period which starts on the Signing Date and ends at the end of Commercial Operation Period.

“Emergency Capacity Decrease Status”: It is the decrease in the production of power by the Power Plant or a Unit to a level lower than the Declared Capacity during the Commercial Operation Period which is not the result of any of the following:

- (a) Dispatching Center’s Orders;
- (b) Scheduled Outage;
- (c) Force Majeure Events covered by TPPH;
- (d) Limitation in delivery of Fuel by TPPH; or
- (e) Abnormal Grid conditions, and capacity constraints in, or unavailability of, Transmission Facilities due to reasons not attributable to the Company.

“Emergency Status”: It is the incurred conditions affecting the Grid when the Dispatching Center is obliged at its own discretion to ask the Company to start-up the Unit(s) or Power Plant (as applicable) as soon as possible or increase or decrease its load or stop it so that no damage is inflicted on the Grid, the Power Plant (or relevant Unit(s)), its staff or anybody else and also conditions which distort Gas supply when the Dispatching Center requests for immediate change of Fuel from Gas to Back-up Fuel so that the Power Plant (or relevant Unit(s)) can continue its work in a sound manner and continuous Energy supply by the Grid isn't distorted.

“Energy”: It is electrical energy, measured at Measurement Points/Delivery Points in kWh.

“Energy Measurement System”: It comprises measurement devices, current and voltage transformers feeding the measurement devices and secondary circuits which enable measurement of Actual Available Capacity, Delivered Energy and received Energy and consists of the main and back-up Energy Measurement Systems. The specification for these systems must comply with the specifications in the attachment to the Grid Connection Agreement.

“Energy Price Paid by Company”: It is the product of (i) the per kWh rate proposed by the Company and accepted by TPPH, and (ii) that part of TPPH's Share from Delivered Energy which is purchased back by the Company.

“EPC Contractor”: It is the Person to which the Company has contracted the engineering, design, manufacture, supply, procurement, transportation, erection, construction, testing, commissioning and warranty of the Power Plant, as approved by TPPH (such approval not to be unreasonably delayed or withheld).

“Expert”: It is the individual appointed pursuant to Article 32.2.

“Extended Scheduled Closing Date”: It has the meaning given in Article 4.2 of the Contract Agreement.

“Financing Agreements”: They are agreements concluded between the Company and Financing Parties in connection with the financing of the Overall Cost to be provided by the Financing Parties including any security and guarantee agreements (if any).

“Financing Parties”: They are entities which provide financing or refinancing to the Company for the Project except for shareholders of the Company who shall not be deemed to be Financing Parties.

“FIPPA”: It is the Foreign Investment Promotion and Protection Act, approved in 2002.

“First Unit”: It is the first Unit of the Power Plant which has achieved its Commercial Operation Date.

“Fixed Compensation”: it is the amount(s) payable by the Company to TPPH for its delay to reach the Commercial Operation Date, failure to achieve the Guaranteed Net Capacity, for Additional Heat Rate,

shortfall in Guaranteed Annual Availability Factor, Unsuccessful Capacity Event or failure to comply with Dispatching Center's Orders, as the case may be, in accordance with Table 8.

“Force Majeure Events”: They are as specified in Article 31.1.

“Forced Outage”: It is any interruption in the production of power by a Unit or Power Plant during the Commercial Operation Period which is not caused by the following factors:

- (a) Dispatching Center's Orders;
- (b) Scheduled Outage;
- (c) Force Majeure Events;
- (d) Non-delivery of Fuel due to reasons not attributable to the Company; or
- (e) Abnormal Grid conditions, and capacity constraints in, or unavailability of, the Grid due to reasons not attributable to the Company.

“Fuel”: It is Gas or Back-up Fuel, as specified in Table 3, which is to be provided to the Company by TPPH for the generation of Energy in the Power Plant or relevant Unit(s).

“Fuel Delivery Point”: It is the Gas Delivery Point or Back-up Fuel Delivery Point.

“Fuel Measurement System”: It is primary Gas Measurement System or Back-up Fuel Measurement System according to circumstances.

“Fuel Specifications”: They are as set out in Table 3.

“Gas”: It is natural gas to be used as the primary fuel for the Power Plant.

“Gas Delivery Point”: It is the Gas pressure reducing station outlet, the location of which is set out in Table 12.

“Gas Measurement System”: It is the system used for measuring the quantity of the Gas delivered to the Power Plant, including the Gas measurement devices.

“Gas Supply Facilities”: They are the Gas pressure reducing station, back-up Gas Measurement System and other required installations which will be constructed between the Gas pressure reducing station and Power Plant (if the Gas pressure reducing station is constructed outside the Power Plant boundary) and any other facilities, used by TPPH to supply Gas for the Power Plant at the Gas Delivery Point.

“General Conditions”: It is this general conditions as also described in Article 5 of the Contract Agreement.

“Generation Price”: It is the amount paid by TPPH in a Month during the Purchase Period in respect of TPPH’s Share from Delivered Energy, calculated in accordance with Table 7.

“Generation Rate”: It is the per kWh price paid for TPPH’s Share from Delivered Energy, determined in accordance with Table 7 and used in the calculation of the Generation Price.

“Grid”: It is the state electric power network (including the Transmission Facilities, which is located on the Market Manager’s side after the Connection Point.

“Grid Connection Agreement”: It is an agreement (the sample text of which is approved by the Ministry of Energy) to be entered into between the Company and the Regional Electricity Company setting out the financial and technical conditions for connection of the Power Plant to the Grid, and pursuant to which the Company is permitted to connect the Power Plant to the Grid.

“Guaranteed Annual Availability Factor”: It is the stated accessibility amount inserted in Section 5 of Table 2 for accessibility during any Contractual Year.

“Guaranteed Net Capacity”: It is the net generating capacity, at site conditions, that the Unit or Power Plant shall achieve (i) on the applicable Commercial Operation Date, as set out in Section 1 of Table 2, and (ii) in a Contractual Year, as set out in Section 2 of Table 2, as guaranteed by the Company.

“Guaranteed Net Heat Rate”: It is the net heat rate of a Unit or the Power Plant (as applicable), expressed in kJ/kWh, which is guaranteed by the Company under Design Conditions and for different years as inserted in Table 2.

“Hour”: It is a 60-minute period beginning on an hour mark.

“Instruction”: It is instruction No. 114078, dated March 18, 2013 of Economy Council in Article V of Article 133 of 5th 5-year Plan Act and its amendment No. 39455, dated July 05, 2014.

“Iran Grid Management Company”: It is the Iran Electric Power Network Management Company.

“Iran Power Market Regulations”: They are the set of instructions approved by the Ministry of Energy pursuant to the Iran Power Organization Act, Ministry of Energy Establishment Act and the Bylaw as announced by the Iran Grid Management Company.

“Key Deadlines Table”: It is Table 4, as may be amended in accordance with the Contract.

“Law”: It is the approvals of the legislative body, the Cabinet, Minister of Energy, the Market Regulatory Board and any legislation, rules, regulations, policies, bylaws, or their interpretation which are issued, promulgated and executed by a Competent Authority.

“Letter of Credit”: It is the Letter of Credit referred to in Article 6.8.

“**Market**”: It is the mechanism for the sale and purchase of electricity through the Grid using a competitive mechanism, among the Suppliers and buyers as managed and controlled by the Market Manager.

“**Market Manager**”: It is the Iran Grid Management Company, which shall be responsible for the centralised sale and purchase of power, coordination of information exchanged with the Power Plant Owner, Supplier(s), buyer(s) and Consumer(s) as well as relevant financial transactions through the market deputyship of the Iran Grid Management Company.

“**Market Procedures**”: They are the regulations and procedures prepared and approved by the Market Regulatory Board for determining the way of entering into transactions and adjusting relations and performance of participants in the Market.

“**Market Regulatory Board**”: It is responsible pursuant to the Bylaw for steering and supervision of the power market.

“**Measurement Points/Delivery Points**”: They are the locations of the Energy Measurement Systems (including the metering transformers and active meters).

“**Month**”: It is the solar month according to the calendar of the Islamic Republic of Iran.

“**Monthly Bill**”: It is a bill issued by the Company to TPPH on a Monthly basis for the Capacity Price and Generation Price in accordance with Article 6.

“**Natural Force Majeure Event**”: It has the meaning given in Article 31.5.2.

“**Operation**”: It is the correct and optimal utilization and use of the Unit and/or Power Plant for production of Energy.

“**Operation and Maintenance License**”: It is a permit issued by Ministry of Energy to competent legal entities for the operation and maintenance of power plants based on relevant regulations.

“**Operation License (for Power Generation)**”: It is the certificate and permit issued by the Ministry of Energy to the Company after completion of construction of the Power Plant and commencement of Operation of the First Unit. General specifications of the Power Plant will be specified and certified in this Operation License.

“**Operator**”: It is the Company or another legal entity contracted by the Company which holds the Operation and Maintenance License and is responsible for Power Plant Operation.

“**Outage**”: An interruption in production of a Unit or Power Plant due to any reason including Forced Outage and Scheduled Outage.

“**Overall Cost**”: It is as inserted in Article 9.

“**Parties**”: They are TPPH and the Company.

“**Party**”: It is TPPH or the Company as the context requires.

“**Payment Delay Damages**”: It is the damages to be paid by one Party to the other in the circumstances specified in the Contract and which shall be calculated using the following formula: amount outstanding multiplied by minimum interest rate expressed as a percentage (approved and published by the Monetary and Credit Council as of the date of calculation) plus 2% per year divided by 365, multiplied by the number of Days the payment has been in delay.

“**Performance Guarantee Letter**”: It is as inserted in the Article 1.1 Specific Conditions.

“**Permits**”: They are permits acquired by the Company within the Duration of Contract according to terms from the Competent Authority for constructing the Power Plant and Transmission Facilities, connection to the Grid, operation of the Power Plant and participating in the Market, copies of which shall be delivered to TPPH. Permits include the following:

- (a) Construction License;
- (b) Grid Connection Permit;
- (c) Operation and Maintenance License; and
- (d) Operation License (for Power Generation).

“**Person**”: It is any natural individual or legal entity.

“**Political Force Majeure Event**”: It has the meaning given in Article 31.5.1.

“**Power Plant**”: It is the Construction Site, its substation and also all the installations, machineries and other standing property, located on the Construction Site which are used for generating and dispatching Energy and execution of the subject of the Contract as described in the Technical Specifications.

“**Power Plant Fuel Rate**”: It is the fuel rate determined by legal authorities for the consumable fuel of power plants which selling their produced power through the Grid for domestic consumption.

“**Power Plant Owner**”: The legal entity who holds all the obligations, responsibilities, rights and authorities of the power plant owner regarding the Grid, the production of Energy and rendering Ancillary Services upon acquiring a permit from the Ministry of Energy based on a specific contract (official power of attorney or legal decrees) in which it is named as the Power Plant Owner.

“**Progress Guarantee Letter**”: It is as inserted in the Article 1.1 Specific Conditions.

“**Project**”: All activities required for the successful performance of the Contract, including financing, engineering, logistics, manufacturing in factory, transportation to the Construction Site, release from

customs, construction, receipt of Permits, commissioning, start-up, test, insuring, ownership, generating and sale of electricity and Operation and maintenance of the Power Plant and Transmission Facilities, in accordance with the Contract.

“Prudent Utility Practices”: They are the up-to-date generally recognized methods and techniques which the experienced international operators in the global power plant industry utilize in engineering, execution, Operation and maintenance of power plants and similar subordinate installations and which also conform to the respective instructions and guidelines recommended by the manufacturers of the equipment in the power plant in terms of Operation and maintenance.

“Purchase Period”: It is the period beginning on the commencement of the Commercial Operation Period during which TPPH purchases the Capacity and TPPH’s Share of Delivered Energy as set out in the Article 1.1 Specific Conditions.

“Regional Electricity Company”: It is Iranian regional electricity utility in the region in which the Power Plant is built.

“Reliable Net Capacity”: It is, for a Unit or the Power Plant, equal to:

- (a) the Guaranteed Net Capacity, till prior to the Commercial Operation Date;
- (b) the capacity as determined by the Capacity Test, during the first Year after the Commercial Operation Date, with the application of Degradation Coefficient;
- (c) at any time after the first anniversary of the Commercial Operation Date for such Unit or the Power Plant:

the average of the Declared Capacity for each Hour during the previous one Year period, adjusted by applying the hourly coefficients and degradation factor for the prior six (6) Months as specified in Table 2. Further, for hours in which an Unsuccessful Capacity Event occurred, the Declared Capacity shall be replaced by the Actual Available Capacity.

“Remedy Period”: It is the period described in Article 33.3.1.

“Scheduled Closing Date”: It is the date specified in Article 4.1 of the Contract Agreement.

“Scheduled Commercial Operation Date”: It is, for any Unit or Power Plant, the date specified in the Key Deadlines Table as being the date by when the Commercial Operation Date for such Unit or Power Plant must occur.

“Scheduled Construction Commencement Date”: It is the scheduled date by when the construction of the Power Plant shall commence, as specified in the Key Deadlines Table.

“Scheduled Outage”: An interruption in the production of a Unit or Power Plant by Company which is scheduled and permitted by Dispatching Center in accordance with the Contract and is necessary

based on the instructions of equipment manufacturers for periodic visits, tests, scheduled inspection, preventive maintenance, corrective maintenance, repairs, replacements or improvements according to the O&M and LTSA contracts entered into by Company.

“Specific Conditions”: It is the specific conditions to this Contract as described in Article 5 of the Contract Agreement.

“Supplier”: It is the Individual (which may include the Company) that holds the rights and interests arising out of the partial or whole operation of one or several power plant units for delivering the electricity to its Consumer through the Grid.

“Technical Documents”: They include the technical documents related to the Power Plant and Transmission Facilities, including the information related to design and plans, installation and start-up instructions, tests plan, tests report, detailed timetables, executive minutes, as-built plans, instructions and records of operation and maintenance, single-line diagrams, overall Power Plant and Transmission Facilities layout, measurement systems, technical information according to Technical Specifications, statistics of events related to the Power Plant switchyard/substation and SCADA system design and signals list.

“Technical Limitations”: They are as described in Table 1.

“Technical Specifications”: It is the description of technical conditions based on which the Power Plant must be designed, constructed and Operated. Details of these conditions are inserted in Table 19.

“TPPH”: It is the Thermal Power Plants Holding Company, who is a signing party of this Contract and includes its legal and permissible successors and assignees.

“TPPH Default”: It has the meaning given in Article 33.2.

“TPPH Power Purchase Contract”: It is the power purchase contract (the sample text of which is approved by the Ministry of Energy) to be concluded between TPPH and IGMC (or any successor or assignee of IGMC).

“TPPH’s Share”: It is that part of the Delivered Energy which is assigned to TPPH under the Contract, as specified in Table 2.

“Transmission Facilities”: They are the installations (forming part of the Grid) to be constructed subject to Grid Connection Agreement and Article 1.1 of the Specific Conditions for transmission of Delivered Energy from the Power Plant to the Grid and vice versa.

“Unit”: Unit means a generator turbine and subordinate and auxiliary equipment including a gas turbine or steam turbine.

“Unsuccessful Capacity Event”: It is when a Unit or the Power Plant is unable to make available the Declared Capacity. If the Unit or the Power Plant fails to make available capacity equal to the

Dispatching Center's Order or the Declared Capacity, an Unsuccessful Capacity Event shall be deemed to have occurred. If the Company demonstrates to the Dispatching Center that the cause of such failure of the Unit or the Power Plant was an incident at the loading time, which could not reasonably have been avoided by the Company, then it shall not be considered an Unsuccessful Capacity Event.

“Water”: The water required for consumption in the Power Plant which, will be purchased or supplied and, if necessary, purified by the Company.

“Year”: It is the Iranian solar calendar year which is 12 Months and starts at 00:00 on any date and ends at 00:00 on the same in next year (this period is 365 days in ordinary years and 366 days in leap years).

1.2 Interpretations:

1.2.1 Any reference to an Article or Table shall be a reference to an Article or a Table in the Contract, unless otherwise specified.

1.2.2 In the Contract, except where the context requires otherwise:

- a. MW means megawatt;
- b. MWh means megawatt hour;
- c. kW means kilowatt;
- d. kWh means kilowatt hour;
- e. kVA means kilovolt ampere;
- f. MVAR means megavolt ampere reactive;
- g. MVARh means megavolt ampere reactive hour;
- h. kJ means kilojoules;
- i. kJ/kWh means kilojoules heat for production of 1 kilowatt hour;
- j. Words indicating one gender include all genders;
- k. Words indicating the singular also include the plural and words indicating the plural also include the singular;
- l. Provisions including the word “agree”, “agreed” or “agreement” require the agreement to be recorded in writing;

m. “written” or “in writing” means hand-written, type-written, printed or electronically made, and resulting in a permanent record;

1.2.3 Headings shall not be taken into consideration in the interpretation of the Contract.

1.2.4 Reference to either Party includes such Party’s legal successors and assigns.

1.2.5 All periods of times and dates shall be based on, and computed according to the official Iranian calendar.

1.2.6 The word “including” is to be construed as being at all times followed by the words “without limitation”, except where the context requires otherwise.

ARTICLE 2. PERMITS:

2.1 The Company shall, at its own expense, obtain the necessary Permits for the construction and Operation of the Power Plant.

2.2 TPPH shall, if requested by the Company, take necessary actions (e.g. issuing letters, dispatching representatives, and holding meetings) to support and assist the Company in the obtaining of Permits.

2.3 The Company shall, at its own cost, ensure that the Permits are complied with at all times and that they are maintained in effect and renewed when required. Any fines, penalties or other damages incurred by the Company or TPPH as a result of the Company not complying with or not extending the Permits shall be borne by the Company.

ARTICLE 3. REPRESENTATIONS AND WARRANTIES:

3.1 The Company represents and warrants to TPPH that:

3.1.1 The Company is a legal entity which was established and registered according to {the laws of the Islamic Republic of Iran} or {the laws of its place of incorporation} and it has the necessary license to act as a legal entity, and has all the required legal authorities and power to sign the Contract and perform its obligations.

3.1.2 The Contract is a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms.

3.1.3 There is no pending action or proceeding or, to the best of the Company’s knowledge, threatened action or proceeding against the Company before any court, competent authority or arbitration tribunal that could materially or adversely affect the financial

condition or operation of the Company or the ability of the Company to perform its obligations hereunder.

3.1.4 The execution, delivery and performance by the Company of this Contract has been duly authorized by all necessary internal permits and corporate action on the part of the Company, and the Company does not and will not require any consent or approval of the Company's Board of Directors, shareholders or partners other than those which have been obtained and execution, delivery and performance by the Company of this Contract does not violate or result in a breach of, or constitute a default under any provisions of the Company's articles and memorandum of association or bylaws or other organic documents, or any contract, or agreement to which it is a party or by which it or its properties may be bound, or any law, rule, regulation, order, writ, judgment, injunction, decree, determination, or award presently in effect applicable to the Company.

3.1.5 The Company shall finalize and conclude the Grid Connection Agreement in accordance with the requirements of the Construction License and provide a copy to TPPH prior to the Scheduled Construction Commencement Date.

3.2 TPPH represents and warrants to the Company that:

3.2.1 TPPH has all the required legal authorities to sign the Contract and perform its obligations.

3.2.2 The Contract is a legal, valid and binding obligation of TPPH, enforceable against TPPH in accordance with its terms.

3.2.3 The execution, delivery and performance by TPPH of this Contract has been duly authorized by all necessary internal permits and corporate action on the part of TPPH, and TPPH does not and will not require any consent or approval other than those which have been obtained and execution, delivery and performance by TPPH of this Contract does not violate or result in a breach of, or constitute a default under any provisions of any contract, or agreement to which it is a party or by which it or its properties may be bound, or any law, rule, regulation, order, writ, judgment, injunction, decree, determination, or award presently in effect applicable to TPPH.

ARTICLE 4. PRINCIPLES OF DESIGN AND CONSTRUCTION:

The Company shall design and construct the Power Plant and the Transmission Facilities in accordance with this Contract (including the Technical Specifications), Grid Connection Agreement, agreed standards, the Bylaw and Permits, and the following principles:

4.1 the Company undertakes to design, construct and complete the Power Plant and the Transmission Facilities by:

- 4.1.1 only using new equipment of the necessary quality for use in the Power Plant and Transmission Facilities and which are fit for their intended purposes;
 - 4.1.2 using only types of equipment which are proven and which are not prototypes and have at least three (3) Years record or eight thousand (8000) hours of operational history;
 - 4.1.3 conforming in all respects to prudent engineering methods and Prudent Utility Practice; and
 - 4.1.4 designing, constructing and completing the Power Plant and the Transmission Facilities in accordance with the Contract in all respects. The Company shall make no deviations from the requirements of the Contract without the prior approval of TPPH;
- 4.2 the Company shall design, construct, operate and maintain the Power Plant in such a manner that its life span is at least equal to the Commercial Operation Period;
 - 4.3 the Company is deemed to have taken into account all the relevant environmental, geographic, topographic, geologic and seismic information and has conducted all the necessary research and studies. A copy of such studies conducted by the Company shall be submitted to TPPH for information prior to the Scheduled Construction Commencement Date.
 - 4.4 the Company shall install and start-up the protective relays and other necessary equipment of the Power Plant and the Transmission Facilities which relate to and affect the Grid in accordance with the Grid Connection Agreement;
 - 4.5 the Company shall not make any change at the Power Plant which might affect the Gas Supply Facilities and Back-up Fuel supply systems without TPPH's prior approval. TPPH shall notify the Company prior to making any change to the Gas Supply Facilities and Back-up Fuel supply systems which might affect the Power Plant;
 - 4.6 during commissioning and testing of the Power Plant and the Transmission Facilities, the Company shall prepare reports summarizing its activities, tests and the schedule of events/incidents. These reports shall be submitted to TPPH along with report of its monthly activities as required pursuant to Article 12 of the General Conditions;
 - 4.7 the Company shall install all necessary equipment to enable communication with the Dispatching Centre and shall coordinate with the relevant authorities in the Ministry of Energy in relation to the design, execution and operation activities for integrating the Power Plant and the Transmission Facilities with the Gas Supply Facilities, Grid and Dispatching Center.
 - 4.8 the Company shall make Technical Documents and design documents for the Power Plant and the Transmission Facilities available to TPPH at the times specified in Table 6 to prove that the

Power Plant and the Transmission Facilities are in conformity with the Contract and Grid Connection Agreement; and

- 4.9 the Company has the right to continue to perform its obligations relating to the design of the Power Plant based on its interpretation of the Contract at its own risk while any dispute is being referred to Dispute Settlement under Article 32 of the General Conditions.

ARTICLE 5. EXECUTION WORKS OF THE POWER PLANT:

- 5.1 The Company shall design, procure and supply the equipment, perform civil works, install, test and commission the Power Plant and the Transmission Facilities. The Company shall commence the construction works on or before the Scheduled Construction Commencement Date and execute such works in accordance with the dates specified in Key Deadlines Table.
- 5.2 The Company shall complete construction, installation, testing, commissioning and start-up of the Power Plant by the applicable Scheduled Commercial Operation Date. The Company shall pay to TPPH the Delay Compensation in accordance with the Article 5.2 of Specific Conditions and Table 8, if the Commercial Operation Date for any of the Units or the Power Plant or the Transmission Facilities does not occur by the Scheduled Commercial Operation Dates for that Unit or Power Plant due to reasons attributable to the Company.
- 5.3 TPPH shall, at its own expense, construct, test, commission, operate and maintain the Gas Supply Facilities for the Power Plant by the dates specified in the Key Deadlines Table.
- 5.4 The Key Deadlines Table will be adjusted by agreement of the Parties if the achievement of the Commercial Operation of any Unit or the Power Plant is delayed due to (i) TPPH's delay in completing the Gas Supply Facilities, (ii) a delay in issuance of the Grid Connection Permit, (iii) TPPH's delay in issuance of Commercial Operation Date certificate for the Units or the Power Plant, or (iv) delay in issuance of Operation and Maintenance License and Operation License (for Power Generation), in each case if any of such delay is not attributable to the act or omission on the part of the Company.
- 5.5 If, in respect of any Unit or the Power Plant, the Company has satisfied all the requirements for achieving the Commercial Operation Date for such Unit or Power Plant but the Company cannot achieve the Commercial Operation Date due to a delay in (i) Fuel supply, or (ii) the issuance of the Grid Connection Permit, Operation and Maintenance License and Operation License (for Power Generation) or the Commercial Operation Date certificate (and provided such delays are not attributable to the act or omission on the part of the Company) then the following shall apply:
- 5.5.1 TPPH shall (subject to Article 5.5.3) pay to the Company for each Hour of the relevant delay the Capacity Price based on Capacity (instead of the Actual Capacity), and (ii) the Available Capacity Price that would have been received by the Company under the Company Power Purchase Contract but for the relevant delay, for each Unit or Units whose Commercial Operation Date would have occurred if the causes of the delay

described in Article 5.5 had not occurred. This payment will commence on the date on which the affected Unit (or Units) would have achieved its Commercial Operation Date if the causes of the delay described in Article 5.5 had not occurred and shall continue during the period of the delay.

5.5.2 If the Company has a contract for delivering the Company's Share of Delivered Energy to its own Consumers, the Company shall be obliged to supply the Energy required by those Consumers through the Market by entering into guaranteed power supply contract with Iran Grid Management Company. In such a case, TPPH will pay to the Company the amounts paid to the Market Manager for supplying the Energy required by Consumers who are party to such contract with the Company after deducting the Average Variable Cost (AVC) and such payment will continue for the duration of relevant delay.

5.5.3 The Company shall return to TPPH within 15 Days any extra amounts paid under Articles 5.5.1 and 5.5.2, together with the Payment Delay Damages (from (and including) the day after the date on which payment was made to the Company until the day such amounts are repaid) if after the relevant delay ceases (i) it is found that the relevant Unit or Units have not been ready for Commercial Operation, or (ii) as a result of Capacity Tests of such Unit or Units, it is found that the Reliable Net Capacity is less than the Guaranteed Net Capacity stipulated in Section 1 of Table 2 for such Unit after taking into account the Degradation Coefficient.

5.6 TPPH may appoint its own technical representative to be present at all times at the Power Plant to witness the performance of the tests and the start-up and commissioning of all equipment and related works in the Power Plant and the Transmission Facilities. The Company shall provide such technical representative with sufficient access to the Construction Site and Power Plant and necessary on-site office facilities and safety equipment as is necessary for it to exercise its rights under this Article 5.6 during the Construction Period and Purchase Period. Presence of TPPH's representative at start-up and tests shall not relieve the Company of its responsibilities

5.7 On the Commercial Operation Date of the Power Plant, the Company shall transfer ownership of the Transmission Facilities to the Regional Electricity Company in accordance with the Grid Connection Agreement. Following the transfer of the Transmission Facilities and the ISBL Substation, the Parties agree that:

5.7.1 The Transmission Facilities form part of the Grid;

5.7.2 the Company shall not have care, custody and control and shall not bear the risk of loss and the liabilities related the ownership, operation and maintenance of the Transmission Facilities, unless resulting from any act or omission on the part of the Company; and

5.7.3 Company shall have no further obligations in respect of operating and maintaining the Transmission Facilities.

ARTICLE 6. PAYMENT:

6.1 Statement of price for Capacity and Energy Price Paid by the Company:

6.1.1 Statement of TPPH's Share purchased by the Company

For any part of the (i) Capacity, and (ii) TPPH's Share of Delivered Energy (sold by the Company to TPPH in a given Month prior to the expiry of the Purchase Period in accordance with the Article 1.1 Specific Conditions), which the Company purchases back (in the same Month) from TPPH, the Company shall, within 5 Business Days of the beginning of the next Month and based on available information, issue and submit to TPPH a statement for (A) the price which the Parties agreed shall be paid by the Company for that part of the Capacity which has been purchased back by the Company in accordance with Article 1.1 of the Specific Conditions, and (B) the Energy Price Paid by Company, in such previous Month. The amounts specified in such statements shall be paid by the Company in accordance with Article 6.5.

6.2 Monthly Bills for Capacity Price and Generation Price:

6.2.1 The Company shall, simultaneously with the statement specified in Article 6.1.1, issue and submit to TPPH a Monthly Bill (to be paid by TPPH in accordance with Article 6.6) for (i) the Capacity Price for that part of the Capacity, and (ii) the Generation Price for TPPH's Share of Delivered Energy (in each case sold by the Company to TPPH during the Purchase Period in accordance with the Article 1.1 of Specific Conditions) which was, in each case, purchased back by the Company from TPPH in the previous Month in accordance with the Article 1.1 of Specific Conditions.

6.2.2 The Company shall, within 5 Business Days of the beginning of each Month, based on available information, issue and submit to TPPH a separate Monthly Bill (to be paid by TPPH in accordance with Article 6.6) for (i) the Capacity Price for that part of the Capacity, and (ii) Generation Price for TPPH's Share of Delivered Energy, in each case sold by the Company to TPPH during the Purchase Period in the previous Month (but excluding amounts invoiced in accordance with Article 6.2.1).

6.3 If TPPH objects to any statement issued pursuant to Article 6.1.1 or any Monthly Bill issued pursuant to Articles 6.2.1 or 6.2.2, it must notify the Company of its objection to such statement or Monthly Bill within 20 Business Days of their issuance. The Parties shall endeavour to resolve the dispute regarding any statement or Monthly Bill not later than 30 Days from the date on which it is notified by TPPH.

6.4 The Company shall, within the period specified in the Company Power Purchase Contract and TPPH Power Purchase Contract, notify the Iran Grid Management Company (with a copy to TPPH) of any objection it and/or TPPH has with respect to any statement issued by the Iran Grid Management Company. The decision of the dispute settlement authority as specified in the

Company Power Purchase Contract and TPPH Power Purchase Contract is deemed final and enforceable and binding on the Parties.

6.5 Payment of Bills by the Company:

6.5.1 The Company shall pay to TPPH the amounts specified in each statement issued pursuant to Article 6.1.1 within 30 Days after issuance of such statement. Where the Company fails to issue such statement within the period specified in Article 6.1.1, TPPH shall have the right to issue such statement, based on available information and the Company shall pay to TPPH the amounts specified in such statement issued by TPPH within 30 Days after it issuance.

6.5.2 The Company is obliged to pay to TPPH the Fuel cost for the Company's Share of Delivered Energy based on the bill issued every month by TPPH in accordance with this Article 6.5.2. Within 10 Days of (i) TPPH providing the confirmation contemplated under Article 18.6, or (ii) where no confirmation was made by TPPH under Article 18.6, the calculation made by TPPH under Article 6.12, TPPH shall issue a bill to the Company showing the amount due from the Company to TPPH with respect to the cost of Fuel for the Company's Share of the Delivered Energy for the preceding Month, based on the following:

- (a) where Company's Share of the Delivered Energy is sold by the Company to its Consumers within the Islamic Republic of Iran, the Delivered Fuel Rate, and
- (b) where the Company's Share of the Delivered Energy is sold by the Company to persons outside of the Islamic Republic of Iran, the consumable Fuel rate agreed in advance by the Parties.

With respect to Article 6.5.2(a), where the Company intends to deliver Energy to Consumers outside of the Grid, the Parties shall (prior to the delivery of any Energy to such Consumers) agree on the method of calculating the Energy delivered to such Consumers and Fuel consumed for generating such Energy (such Consumer's connection being deemed as zero kilometer transit). The Company shall pay all bills issued by TPPH pursuant to this Article 6.5.2 within 30 Days of the date of receipt by the Company.

6.6 Payment of Bills by TPPH

6.6.1 TPPH shall, in accordance with Article 6.8, pay to the Company the amounts specified in each Monthly Bill issued pursuant to Article 6.2.1 within 30 Days after receipt of such Monthly Bill by TPPH.

6.6.2 TPPH shall, in accordance with Article 6.8, pay to the Company the amount specified in each Monthly Bill issued pursuant to Article 6.2.2 within 30 Days after receipt of such Monthly Bill by TPPH.

- 6.6.3 If there is any inconsistency between (i) the statements and Monthly Bills issued by the Company pursuant to Articles 6.1.1, 6.2.1 and 6.2.2 and (ii) the statements issued by the Iran Grid Management Company, the Company shall issue and submit to TPPH an amendment statement or Monthly Bill (as applicable) for the relevant Month within 5 Business Days from the date when such inconsistency is resolved by agreement or final determination under the applicable Company Power Purchase Contract and TPPH Power Purchase Contract (subject to Article 6.4). If, as a result of such amendment statement or Monthly Bill (as applicable) (A) the Company owes any amount to TPPH, or (B) TPPH owes any amount to the Company, then such amount owing shall be deducted from or added to (as applicable) the Company's next Monthly Bill.
- 6.7 The Parties shall not raise any dispute under Article 32 in relation to any matters dealt with under Article 6.6.3 and the Parties shall (in respect of such matters) be finally bound by the agreement or determination (as applicable) reached or made under the Company Power Purchase Contract and TPPH Power Purchase Contract.
- 6.8 The amounts due from TPPH pursuant to Monthly Bills shall be paid to the Company by way of drawdowns by the Company against the Letter of Credit after applying the deductions mentioned in Article 6.11.
- 6.8.1 TPPH shall open up the at-sight and irrevocable and revolving Rial denominated Letter of Credit (the "Letter of Credit") in a form complying with provisions of the Contract and acceptable to the Company in favor of the Company, by no later than one (1) Month prior to the Commercial Operation Date of the Power Plant. This Letter of Credit will be issued by an Iranian bank proposed by TPPH and acceptable to the Company. At any time, the Letter of Credit shall, at a minimum (a) be valid for the lesser of (i) three (3) Months and (ii) the number of Months remaining in the Purchase Period plus one (1) Month, and (b) have a value equal to the aggregate of the amount estimated for the Generation Price and the Capacity Price (assuming the Unit or Power Plant (A) is available at the applicable Guaranteed Net Capacity, and (B) provides Delivered Energy on the basis of being fully dispatched) for the lesser of (i) three (3) Months and (ii) the number of Months remaining in the Purchase Period plus one (1) Month.
- 6.8.2 The Company shall drawdown on the Letter of Credit in order to settle any Monthly Bills in accordance with the Article 6.8.2 of Specific Conditions.
- 6.8.3 TPPH shall, from time to time, increase the total value of the Letter of Credit as may be required to ensure that the undrawn value of the Letter of Credit is never less than the amount stipulated in Article 6.8.1.

- 6.8.4 TPPH shall make all the payments due under the Contract by the applicable deadlines therefor in cash if TPPH fails to open or maintain the Letter of Credit in accordance with Article 6.8.1.
- 6.9 The Company shall prepare and submit to TPPH a reconciliation statement (the “Comparative Annual Bill”) for each Contractual Year within 10 Days after the end of such Contractual Year, covering (i) all amounts paid and received by the Company pursuant to the Contract (together with supporting information and measurements therefor), and (ii) the resultant amount payable by TPPH to the Company or to TPPH by the Company (as applicable). Whenever based on the Comparative Annual Bill, the Company owes any amount to TPPH or vice-versa, the part of the Company’s debt or credit (as finally agreed or determined pursuant to the Contract) will be added to or subtracted from the next Monthly Bill. And if the amount owing from the Company exceeds the amount of abovementioned bill, the difference will be subtracted from the next Monthly Bills. TPPH can arrange for payment of the amount owing from the Company in 6 monthly instalments, upon the Company’s request, subject to the accrual of Payment Delay Damages (from (and including) the day after the date on which payment was due until the day such payment is made). Any dispute shall be settled upon the request of either Party in accordance with Article 32. The Parties shall agree on the form of Monthly Bill and Comparative Annual Bill and their attachments no later than 3 Months before the Scheduled Commercial Operation Date of the First Unit.
- 6.10 If an amount payable by one of the Parties under the Contract is not paid to the other Party on or before the due date for such payment as determined in the Contract, the delaying Party shall pay Payment Delay Damages to the other Party (from (and including) the day after the date on which payment was due until the day such payment is made).
- 6.11 All amounts paid by TPPH under the Contract will be free from any deductions subject to TPPH’s right to set-off such amounts against the following:
- 6.11.1 Payment Delay Damages due to TPPH;
 - 6.11.2 Any amounts payable to TPPH;
 - 6.11.3 Other amounts which TPPH is entitled to deduct in accordance with the Contract.
- 6.12 If the Company fails to calculate the consumed Fuel to be allocated to the Company and TPPH (based on the Company’s Share of Delivered Energy and the TPPH’s Share of Delivered Energy) and provide such calculation to TPPH in accordance with Article 18.5, TPPH may calculate such Fuel consumption based on the information available to it.
- 6.13 TPPH will make no payment for reactive Energy production within the limits of power coefficients inserted in Table 1.

ARTICLE 7. COSTS:

All costs necessary for construction and completion of the Power Plant and the Transmission Facilities in accordance with the Contract, including initial studies, design, acquisition of lands for place of construction, procurement and supply of equipment, installation, commissioning and start-up, connection to the Grid, and also costs for Energy production, participation in the market, delivering Delivered Energy to Measurement Points/Delivery Points and other costs necessary for Operation, repair and maintenance up to the Measurement Points/Delivery Points shall be borne by the Company.

ARTICLE 8. TAXES:

All taxes, statutory charges, customs duties, governmental impositions and subordinate charges, as well as other financial requirements related to the Company's income under the Contract levied against the Company by any authority of any jurisdiction shall be paid by the Company in a timely manner.

ARTICLE 9. OVERALL COST AND FINANCING:

- 9.1 The Overall Cost means all costs incurred by the Company in executing the Project in the Islamic Republic of Iran or abroad including costs of financing, design, acquisition of land for the Power Plant and Transmission Facilities, procurement and transportation of equipment to the Construction Site, construction, installation, test, start-up, commissioning, Operation, maintenance and management of the Power Plant and the Transmission Facilities and all charges, premium, tax, customs duties and other costs imposed on the Company in accordance with the Contract.
- 9.2 Providing all financing, including necessary equity and debt, for payment of the Overall Cost will be the exclusive responsibility of the Company and there will be no change in the Capacity Rate and Generation Rate.
- 9.3 The Financing Agreements must be concluded in a manner which does not contradict the contents of the Contract and do not violate any of TPPH's rights and interests under the Contract.
- 9.4 The Company must make sure that none of the shareholders specified in Table 9 transfers part or all of its shares prior to Commercial Operation Date of the Power Plant, except in the following cases:
- 9.4.1 Any mandatory transfer according to the Law or pursuant to a judgment of a court or competent arbitration authority;
 - 9.4.2 Any share transfer as a result of the enforcement of security under the Financing Agreements;
 - 9.4.3 Any share transfer made with TPPH's prior written approval.

ARTICLE 10. EXTRA FINANCING:

10.1 The Company shall provide a detailed report to TPPH of any Cost Increase. The Company shall finance these costs using the following sources:

10.1.1 Proceeds of insurance

10.1.2 Any extra financing procured by the Company from sources to be determined by the Company.

10.2 The Company shall submit to TPPH a report describing the details of the Cost Increase pursuant to Article 10.1.2 together with supporting documents to allow TPPH to investigate and assess such Cost Increase. Notwithstanding any provisions in contrary, TPPH shall have no responsibility for the Cost Increase if a coverage of insurance for the event has been possible, or the Cost Increase have been/will be covered through adjustment/escalation or the Cost Increase has occurred due to reasons described under Article 10.4.

10.3 TPPH shall investigate and confirm the compensation for the Cost Increase to the Company and, within 30 Days from the date of receipt of the report and supporting documents under Article 10.2, TPPH shall:

10.3.1 to the extent that the Company is able to finance the Cost Increase from sources to be determined by the Company on commercially reasonable terms at an interest rate which is no higher than that specified in the Financial Model, Adjust the Capacity Rate and/or Generation Rate in accordance with the Specific Conditions;

10.3.2 to the extent that the Company is not able to fully finance the Cost Increase from sources to be determined by the Company (having used its reasonable endeavours) on commercially reasonable terms at an interest rate which is no higher than that specified in the Company's Financial Model and it is not possible to amend the Capacity Rate and/or the Generation Rate, pay the Company by way of a lump-sum amount; and/or

10.3.3 to the extent that the Cost Increase is of a recurring nature, pay the Company (upon receipt of invoice) such Cost Increase as and when the same is incurred by the Company (including by way of set off),

to ensure in each case that the Company is in the same financial position as it would have been in had no Cost Increase occurred. The amount payable under the Articles 10.3.2 and 10.3.3 may be paid to the Company in 6 monthly instalments together with Payment Delay Damages (from (and including) the day after the date on which payment was due until the day such payment is made) or as otherwise set out in the Specific Conditions.

- 10.4 The Company will be solely responsible for any extra financing necessary to meet any Cost Increase resulting from the Company's negligence or failure and it will not be able to claim compensation or coverage of such Cost Increase from TPPH.

ARTICLE 11. PLANS AND LIMITATIONS:

The Company shall, in accordance with the Company Power Purchase Contract and TPPH Power Purchase Contract, notify the Market Manager and the Dispatching Centre (with a copy to TPPH) of the Operation, repairs and maintenance plan for the Power Plant.

ARTICLE 12. RECORDS AND REPORTS:

Each Party shall keep full and exact records of the Project and other information required for correct execution of the Contract by such Party. In addition to other records and information as specified in this Article or other Articles, the Company shall keep precise and updated records of the Operation of the Power Plant and provide monthly reports relating to the Operation of the Power Plant in a manner acceptable by TPPH which shall contain details of the following:

- 12.1 TPPH's Share from Delivered Energy and bus bar voltage in the time intervals requested by the Dispatching Center;
- 12.2 Average dispatched capacity per Hour from TPPH's Share in kW;
- 12.3 Fuel consumption per Hour in relation to TPPH's Share of Delivered Energy and the entire Power Plant;
- 12.4 Changes in Operation status, accidents and events, Scheduled Outage, Forced Outage and Emergency Capacity Decrease Status;
- 12.5 Dispatching Center's Orders;
- 12.6 The number of Outages and starts based on Dispatching Center's Orders and Operator's performance; and
- 12.7 Other subjects mutually agreed by the Parties

The above information must be recorded throughout the Commercial Operation Period except that the information described in Articles 12.1 and 12.2 which must be recorded during Purchase Period. During the period that records shall be maintained by the Parties either Party will be entitled to examine the other Party's records related to the Contract or related to Operation and dispatch in ordinary business hours by sending a notice to the other party 7 Days in advance.

ARTICLE 13. REPRESENTATIVES:

- 13.1 TPPH shall introduce to the Company its representative or representatives and the scope of their authorities within 15 Days after the date of signing the Contract. Notices, instructions, approvals and documents served on the Company by TPPH's representative within the scope of their authorities are deemed as notices, instructions, approvals and documents from TPPH.
- 13.2 The Company shall introduce to TPPH its representative or representatives and the scope of their authorities within 15 Days after the date of signing the Contract. Notices, instructions, approvals and documents served on the TPPH by the Company's representative within the scope of their authorities are deemed as notices, instructions, approvals and documents from the Company.
- 13.3 TPPH and the Company shall agree the scope of authorities to be held by the representatives of either Party for the Duration of Contract within 10 Days after the date of signing the Contract.
- 13.4 Either Party may replace its representative by a new Person at any time by sending a notice to the other Party 30 days in advance.

ARTICLE 14. ASSIGNMENT AND SUB-CONTRACTING:

- 14.1 The Company shall not assign or transfer all or part of its rights, interests or obligations under the Contract to another Person without TPPH's consent and agreement in writing, which shall not be unreasonably withheld or delayed. Nevertheless, the Company can do the following by giving notice to TPPH, but without the need for TPPH's consent, for financing or refinancing the Project:
 - 14.1.1 It can assign all or part of the Company's rights and interests in (but not its obligations under) the Contract to the Financing Parties, provided that such assignment does not adversely affect TPPH's rights under the Contract; and
 - 14.1.2 It can grant any other form of security over the assets of the Company in the Project and its rights under the Contract to the Financing Parties without violating TPPH's rights under the Contract.
- 14.2 TPPH shall not assign or transfer all or part of its rights, interests or obligations under the Contract to another Person (which shall not include its subsidiaries) without Company's agreement in writing, unless it is legally obliged to do so. However, the Company can terminate the Contract pursuant to Article 33.2 and 33.3 if TPPH is legally obliged to assign or transfer all or part of its rights, interests or obligations under the Contract to another Person, unless:
 - 14.2.1 The transferee fully undertakes in writing to fulfil TPPH's obligations in accordance with the Contract; and
 - 14.2.2 The transferee's payment obligations remain guaranteed based on the Contract.

- 14.3 The Company may subcontract the performance of any of its obligations under the Contract. The Company shall ensure that the EPC Contractor and the Operator are reputable and have, or have access to, sufficient experience and expertise to perform their obligations to the standards required under the Contract. The Company shall not be relieved of any of its obligations under the Contract as a result of any subcontracting of, or failure to subcontract, such obligations. For the avoidance of any doubt, it is understood that any act or omission of any of the Company's contractors including their employees, subcontractors, and agents, shall be considered as an act or omission of the Company.

ARTICLE 15. POWER REQUIRED BY THE COMPANY:

The Company shall be responsible for obtaining the Energy that it requires for its own consumption for the Duration of Contract at its own cost and any such Energy that it obtains, other than from internal generation, shall be paid for by the Company based on the production and consumption tariff (industrial and mining).

ARTICLE 16. WATER SUPPLY:

- 16.1 The Company shall purchase Water from relevant organizations and companies or shall drill wells and pump the Water to the Construction Site and shall purify and treat it, if necessary, for consumption and usage in the Power Plant. The Company shall be responsible for the design, procurement of materials and equipment, construction and operation and maintenance of all facilities and equipment inside and outside of the Construction Site, if any, necessary to bring the Water to the Construction Site.
- 16.2 TPPH shall, if requested by the Company, take all necessary actions (including the issuance of letters, dispatch of representatives, holding meetings) to support and assist in the acquisition of Permits by the Company necessary for procurement of the quantity of Water required to operate and maintain the Power Plant in accordance with the Contract.
- 16.3 The Company shall be responsible for sewage discharge in accordance with the regulations of Iran Environmental Protection Organization.
- 16.4 The Company shall bear any costs related to the issuance, maintenance or renewal of the Permits referred to in this Article 16.

ARTICLE 17. FUEL SUPPLY:

- 17.1 TPPH shall supply the quantity of Gas and Back-up Fuel required under the Contract from one Month prior to first firing of the first Unit as specified in the Key Deadlines Table (provided that the firefighting and water supply systems for the Unit are completed) until the earlier of (i) the end of Commercial Operation Period and (ii) the date on which the Contract is terminated. Providing the Company with Gas must never be interrupted except when repairing and maintaining the Gas Supply Facilities and in an Emergency Status at which times the Company

will continue to operate the Power Plant in accordance with the Dispatching Center's Orders by using Back-up Fuel. Unless the Parties agree otherwise, the Company will not use Back-up Fuel after the successful start-up of the Units except (i) if the supply of Gas is interrupted due to the repair or maintenance of the Gas Supply Facilities or an Emergency Status, (ii) when performing Acceptance Tests, or (iii) the Dispatching Center gives an order to use Back-up Fuel in conditions other than an Emergency Status. The Company shall, at its own expense, replace the entire quantity of Back-up Fuel consumed if Back-up Fuel is used other than in the circumstances described in this Article 17.1.

17.2 At least six (6) months prior to the expected commencement of testing and commissioning of the first Unit and, after that, prior to February 20 and August 23 of each year, the Company shall, in consultation with TPPH, prepare a schedule for Fuel delivery and estimated required Gas and Back-up Fuel for the next six (6) Month period. TPPH and the Company will cooperate with each other to amend the Fuel delivery schedule from time to time to ensure that there is always sufficient Gas and Back-up Fuel for the Power Plant.

17.3 The quality of the delivery Fuel by TPPH should be in agreement with the scope and conditions agreed upon according to the following Article 17.3.1 and Fuel specifications mentioned in Table 3:

17.3.1 the Company is authorized to control the Gas quality and in the event that the quality of Gas is not in agreement with the Fuel specifications and is destructive for consumption in the Power Plant, to report it urgently to the Dispatching Center and following that to TPPH. According to the instructions of the Dispatching Center, the Company should continue operating the Unit or Power Plant with the Gas or the Back-up Fuel or stop operating the Unit(s) or Power Plant, unless the Fuel is harmful for the Power Plant. In any case, the responsibility of damages imposed on the Power Plants Units resulting from lack of supervision over the Gas quality will be undertaken by the Company.

17.3.2 if use of the Gas causes a Forced Outage in the Unit(s) or the Power Plant that achieved their Commercial Operation Date, TPPH shall pay to the Company for each Hour of the relevant Forced Outage the Capacity Price (Hour) based on the lower of the Capacity and TPPH's share of the Reliable Net Capacity (instead of the Actual Capacity), and (ii) the Available Capacity Price that would have been received by the Company from Iran Grid Management Company under the Company Power Purchase Contract but for the relevant Forced Outage, based on the Reliable Net Capacity of such Unit(s) or the Power Plant. If it is determined that the supplied Gas meets the Fuel Specification, the Company shall repay the payments received in respect of the Capacity Price and the Available Capacity Price under this Article together with Payment Delay Damages to TPPH within fifteen (15) Days.

17.3.3 if in such period, the Company has a Contract for delivery of the Company's Share of Delivered Energy to its own Consumers, the Company shall supply the Energy required

by such Consumers through the Market by concluding a guaranteed power supply contract with the Iran Grid Management Company and TPPH shall pay to the Company the amounts paid to Iran Grid Management Company for supplying the Energy required by Consumers who are party to a contract with the Company after deducting Average Variable Cost (AVC) and such payment will continue during this period;

17.3.4 the procedure for determining the limits and conditions and changes in the quality of Gas and Back-up Fuel or the Forced Outage of Units or the Power Plant will be agreed between the Company and TPPH, by the Closing Date, based on the turbine manufacturer's instructions and Fuel Specifications. The procedure for determining how the Company will be compensated for damage sustained due to continuous Operation of the Unit(s) or the Power Plant using harmful Gas, as per the Dispatching Center's Orders, will be agreed between TPPH and the Company prior to Commercial Operation Date;

17.3.5 TPPH and the Company shall appoint personnel to test the quality and measure quantity of Back-up Fuel prior to its delivery by TPPH and its receipt by the Company at the Back-up Fuel Delivery Point. The Company can reject Back-up Fuel if the results of tests performed by the Company under the supervision and in presence of TPPH's representative show that a Back-up Fuel cargo delivered by TPPH does not conform to the relevant Fuel Specifications. TPPH shall be responsible for the safe disposal of such Back-up Fuel at its own cost. TPPH is not entitled to object to the result of any test performed in the absence of its representative if TPPH's representative does not attend the relevant scheduled test for the Back-up Fuel in question. The Company shall indemnify and hold TPPH harmless in respect of any direct costs suffered by TPPH as a result of the Company's failure to perform or delay in performing any Back-up Fuel tests due to a malfunction in the Company's equipment, or the absence of the Company's personnel. The Parties personnel shall jointly prepare a report (which shall include the minutes of meeting between the Parties, as settled by the Parties), specifying the quality and quantity of the Back-up Fuel delivered by TPPH to the Company. A copy of this report must be delivered to TPPH and the Company immediately after delivery of Back-up Fuel to the Construction Site.

17.4 The Back-up Fuel delivered by TPPH at the Back-up Fuel Delivery Point must be stored and kept by the Company in the Back-up Fuel storage tanks, which shall be constructed and installed by the Company in the Power Plant, with a storage capacity as set out in the Article 17.4 of Specific Conditions.

17.5 The Company shall store and discharge all Back-up Fuel in accordance with the standards set out in the Contract. TPPH's obligation to supply Fuel is subject to the Company's compliance with the above mentioned discharge and storage safety principles. As between TPPH and the Company, TPPH shall be responsible for and shall bear the risk of damage to or loss of Fuel, for whatever reason, prior to delivery at the relevant Fuel Delivery Point. The Company shall be

responsible for and shall bear the risk of damage to or loss of Fuel, for whatever reason, from delivery at the relevant Fuel Delivery Point.

- 17.6 Notwithstanding Article 17.5, all rights of ownership and title to all Back-up Fuel delivered by TPPH, until burnt in the process of generating Energy, shall remain with TPPH.
- 17.7 The Company must not use Back-up Fuel except for starting up and producing electricity and in other circumstances described in Article 17.1.
- 17.8 Storage and handling of the Back-up Fuel stock provided by TPPH shall rest with the Company after delivery at Back-up Fuel Delivery Point and the Company must always ensure safe storage and availability of sufficient amount of Back-up Fuel according to the terms and conditions of the Contract.
- 17.9 As provided in this Article 17, TPPH shall not be responsible under any circumstances for any damage inflicted on the Power Plant due to nonconformity of Back-up Fuel or Gas with the Fuel Specifications. The Company is responsible for installing the necessary protective devices in the Fuel supply system in order to protect the Power Plant against the use of Fuel which does not conform with the Fuel Specifications.

ARTICLE 18. FUEL MEASUREMENT SYSTEM:

- 18.1 The primary Gas Measurement System and Gas test devices must be installed and maintained by the Company at its own expense and repaired and replaced if necessary at the Company's expense.
- 18.2 Gas Measurement System
- 18.2.1 The primary Gas Measurement System must be designed according to the current standards of the National Iranian Gas Company and installed and operated by the Company. The secondary Gas Measurement System to be installed at TPPH's expense by the National Iranian Gas Company for measurement of the Gas delivered to the Power Plant will serve as a back-up Gas Measurement System and its maintenance and reading will be carried out by the National Iranian Gas Company according to its own standards.
- 18.2.2 If it is found that the primary Gas Measurement System seal is broken or is unable to record the measurements or if an inspection or test of the primary Gas Measurement System shows it to be reading inaccurately, then the quantity of Gas delivered in such period will be determined based on the reading of the secondary Gas Measurement System. If the Company can prove that the secondary Gas Measurement System is reading inaccurately, then the quantity of Gas consumed for above period will be calculated based on a method agreed by the Parties

- 18.3 Back-up Fuel Measurement System: Back-up Fuel Measurement System consists of primary Back-up Fuel Measurement System and secondary Back-up Fuel Measurement System. The measurement of Back-up Fuel by way of the primary Back-up Fuel Measurement System will be the responsibility of the Company and shall be carried out by subtracting the simultaneous readings of the counters installed in the travel path of pipes of each Unit and the totalizing system available in the data acquisition system. Measurement by way of the secondary Back-up Fuel Measurement System shall be carried out by using Back-up Fuel tank volume calculations in the same interval. Periodic calibration of the Fuel Measurement System and also of Gas and Back-up Fuel test devices (gas chromatography or its equivalent) must take place according to current ISO standards or other agreed standards at no more than 6-Month intervals.
- 18.4 The primary Gas Measurement System and the Back-up Fuel Measurement System must be fully sealed and protected against external effects and factors. Only TPPH can break the seal and reseal the primary Gas Measurement System and the Back-up Fuel Measurement System, in the presence of the authorized representative of the Company, during inspection, repair and maintenance, test, adjustment and calibration of such measurement systems. The sealing method shall be agreed by the Parties.
- 18.5 The primary Fuel Measurement System readings must be carried out in the presence of TPPH's and the Company's representatives. Reading methods must be determined by prior agreement of the Parties. Reading and recording the amount displayed in (primary and/or secondary) Fuel Measurement Systems must take place regularly every Month in order to calculate and determine the amount of Gas or Back-up Fuel consumed and delivered during such Month. The Company shall calculate the Fuel consumed by the Power Plant in the generation of the Company's Share of Delivered Energy and TPPH's Share of Delivered Energy and, within 5 Business Days from the date of the reading, submit it to TPPH for confirmation and to enable TPPH to issue the Fuel bill. The Company and TPPH shall agree on the method of calculation of Fuel consumed in the Power Plant in the generation of the Company's share of Delivered Energy and TPPH's share of Delivered Energy by no later than 30 Days after the first firing of the First Unit.
- 18.6 TPPH shall, as soon as possible but not later than 10 days from receipt of Company's calculation, confirm the Company's calculation regarding consumed Fuel under Article 18.5 and issue a Fuel bill to the Company. The Company shall pay the amount specified in such bill to TPPH within 30 Days of receipt of such bill. If the Company does not pay such bill within such period it shall also compensate TPPH for the damage incurred as a result of such delay by paying the Payment Delay Damages.
- 18.7 The calibration and testing of the primary Gas Measurement System, Back-up Fuel Measurement System, Gas and Back-up Fuel test devices must be performed by the Company in the presence of representatives of the Parties, in accordance with the recommendations of the relevant manufacturer, by no later than one Month prior to the date scheduled for first firing of the First Unit for the first time.

- 18.8 If it is found that any of the components of primary Fuel Measurement System is out of the respective standard precision limit or does not work correctly, the Company shall repair or replace the relevant component or part at its own expense and the primary Fuel Measurement System must be recalibrated and retested in the presence of representative of the Parties after installation in its location. Either Party can ask for calibration of any of the available components of Fuel Measurement System in addition to the agreed periodic calibrations to be carried out under the Contract. TPPH shall pay the costs of calibration if such calibration takes place at TPPH's request and no fault is found in the relevant Fuel Measurement System during the calibration.
- 18.9 The measuring devices, regulators and other equipment of the primary Gas Measurement System and Back-up Fuel Measurement System must be operated, changed and modified only with the prior written agreement of the Parties.
- 18.10 The Company shall, at its own expense, install, maintain, repair and/or replace a test device (gas chromatograph or its equivalent) for the online monitoring of the quality of Gas and calculating the low heat value of the Gas. The Company shall record the readings of such test devices.
- 18.11 The Company shall install and operate a Fuel test device for testing the quality of the Back-up Fuel delivered to the Power Plant at the Power Plant laboratory location.

ARTICLE 19. ENERGY MEASUREMENT:

The Company is obliged to procure, install and maintain the primary and secondary Energy Measurement System in accordance with the Grid Connection Agreement at the Measurement Points/Delivery Points and make necessary repairs and replacements if necessary. The interconnection of the Energy Measurement System with the Grid shall be undertaken by the Company in accordance with the procedure agreed between the Company and Iran Grid Management Company. The Energy Measurement System must be able to measure Delivered Energy and received Energy under any circumstances and record Delivered Energy at all times and in an appropriate manner.

ARTICLE 20. READING THE ENERGY MEASUREMENT SYSTEM:

- 20.1 The Energy Measurement System must be capable of sending hourly information in a manner to enable the Dispatching Center to receive hourly information related to Delivered Energy production at the end of every day.
- 20.2 The TPPH's Share from Delivered Energy shall be calculated, and included in the Company's bills, based on the monthly reading of the Energy Measurement System by representatives of the Parties carried out on the first Business Day (during working hours) of each Month.

ARTICLE 21. TEST AND START-UP:

- 21.1 The Parties shall agree on the plan that the Company must follow with regard to the testing of the Units and the Power Plant according to Table 5.
- 21.2 The Company shall give TPPH at least 45 Days prior notice of the commencement of any test at the Construction Site and at least 60 Days prior notice of the commencement of any factory test. TPPH's representatives shall be entitled to be present at (i) the Power Plant to supervise and witness the Acceptance Tests in accordance with the Contract and (ii) the factory to witness or inspect the relevant tests. The Company shall provide TPPH's representatives with access for above attendance and shall not hinder TPPH's representatives.
- 21.3 After the successful completion of the Acceptance Tests of any Unit and the presentation of the preliminary results evidencing such successful completion of such tests in accordance with Table 5, TPPH and the Company shall jointly issue a certificate confirming the Commercial Operation Date of that Unit. The Commercial Operation Date of any Unit is the day after the last Day of the successful performance of Acceptance Tests and trial run of the Unit in accordance with the Table 5. Evidence of the test results will be provided by the Company to TPPH in accordance with common practice of main equipment manufacturers.
- 21.4 TPPH has no obligation to purchase Capacity and Delivered Energy prior to the Commercial Operation Date.
- 21.5 If, in the Company's opinion, a Unit or the Power Plant was ready for Commercial Operation but TPPH refrained from signing the Commercial Operation Date certificate, the dispute will be settled in accordance with Article 32. If the Company's opinion is found to be correct, TPPH shall for each Hour of delay pay to the Company the Capacity Price based on the Capacity from the Day after the successful completion of Acceptance Tests. TPPH shall also pay Payment Delay Damages if the duration of the delay in issuing the Commercial Operation Date certificate is greater than one Month.

ARTICLE 22. NOTICES BEING IN WRITING:

TPPH's orders, consents, approvals, agreements, confirmations and instructions (excluding the Dispatching Center's Orders) shall be issued in writing and communicated. The Dispatching Center's Orders shall be issued based on the Dispatching Center's applicable procedures, including by telephone or recorded voice message. The Company's communications with TPPH under the Contract shall be in writing.

ARTICLE 23. LAWS AND REGULATIONS:

The Company acknowledges that it is fully aware of the laws applicable to the Contract and the design, construction, operation or maintenance of the Power Plant, including in relation to tax, legal charges, Labor Law, the Social Security Act, and technical safekeeping and is obliged to comply with the Law. Neither Party shall be responsible for any failure by the other Party to comply with the Law.

ARTICLE 24. CHANGE IN LAWS:

- 24.1 If either Party believes that a Change in Laws has occurred, it shall, within 30 Days of becoming aware of such Change in Laws, give notice (together with supporting documents) to the other Party specifying (i) the consequences of such Change in Laws including any stop in construction, or Operation or reduction in the rate of production of the Power Plant, or any Cost Increase or Cost Decrease, and net amount of such Cost Increase or Cost Decrease and (ii) its proposed proportional cost Adjustment, and its proposed method for remedying any such adverse impact on construction, Operation or rate of production of the Power Plant.
- 24.2 The Parties shall meet within 7 Days after receipt of any notice issued under Article 24.1 to discuss and agree the following with respect to the subject of the notice:
- 24.2.1 If such Change in Laws occurs between the Signing Date and the end of the Construction Period and delays the Commercial Operation Date of any Unit, Table 4 [the Key Deadlines Table] will be adjusted by the Parties to reflect the effects of such Change in Laws on the construction schedule and Article 10 shall apply to associated Cost Increase, if any.
- 24.2.2 If the Change in Laws affects the Company's ability to deliver the Capacity and TPPH's Share from Delivered Energy to the Market during the Purchase Period, TPPH shall continue to pay the Company the amount in respect of the Capacity applicable immediately prior to the Change in Laws and no other cost will be paid in this regard, unless the Company, with the agreement of TPPH and in order to overcome the legal obstacles to and continue with Operation, is obliged to pay for additional costs in which case Article 10 shall apply.
- 24.2.3 If, during the Purchase Period, the Change in Laws has occurred which directly results in a Cost Increase for the Company, Article 10 shall apply in such a manner to put the Company in the same financial position that would have been in had no Change in Laws occurred.
- 24.2.4 If, during the Purchase Period, a Change in Laws has occurred which results in a Cost Decrease for the Company, then the Company must discuss and agree with TPPH the amount of such Cost Decrease and, within 30 Days from the date of receiving TPPH's notice, pay to TPPH such amount as is necessary to ensure that the Company is in the same financial position as it would have been in had no Change in Laws occurred. If TPPH agrees, the amount payable under this Article may be paid to TPPH in 6 monthly instalments together with Payment Delay Damages (from (and including) the day after the date on which payment was due until the day such payment is made).

24.2.5 If the Parties cannot agree on the amount of a Cost Increase or Cost Decrease within 21 Days after receiving any notice issued in accordance with Article 24.2, the mentioned dispute will be settled in accordance with Article 32.

24.3 Neither Party will be entitled to make a claim regarding Cost Increase or Cost Decrease in accordance with this Article until the earlier of the date on which (i) the aggregate amount of such claim exceeds the amount specified in the Article 24.3 of Specific Conditions, or (ii) the minimum claim period in the Article 24.3 of Specific Conditions expires. The Parties will be able to make a claim for all amounts once the specified thresholds are exceeded. This Article shall apply to each subsequent claim made during the Duration of Contract.

24.4 If a Change in Laws prevents the Company in the performance of its obligations in accordance with FIPPA or makes the performance of part or all of Company's obligations under the Contract illegal, then the Company's non-performance of such obligations shall be deemed to have been excused and the Company shall be entitled to claim its right under FIPPA.

ARTICLE 25. GOVERNING LAW AND DISPUTE SETTLEMENT AUTHORITY:

25.1 The law according to which the Contract shall be governed, interpreted and construed is the laws of the Islamic Republic of Iran.

25.2 Any dispute relating to the Contract, its execution, interpretation, validity, breach, or termination shall be resolved in accordance with Article 32.

25.3 The Parties agree that FIPPA shall be applicable to the foreign investors in connection with the Project in accordance with the terms of FIPPA.

ARTICLE 26. INSURANCE:

26.1 The Company shall take out all such insurance policies as are necessary for the Power Plant and the Transmission Facilities and shall ensure that such insurance policies are valid and effective for the Duration of Contract.

26.2 The Company shall, in addition, at its own expense, take out insurance in respect of the Back-up Fuel stored in the Power Plant in favor of TPPH, on such terms and conditions as agreed by TPPH. The Company shall ensure that such insurance policy is valid and effective for the Duration of Contract.

26.3 The Company shall send to TPPH a copy of the insurance policies referred to in Articles 26.1 and 26.2, the certificates related to those insurance policies and the information related to their enforcement and expiration dates for information within 7-Days after their receipt.

26.4 The premiums related to the insurance policies to be taken out by the Company are included in the Overall Cost and shall be borne by the Company. The Company shall be liable, in all cases, for the consequences of any invalidity in insurance policies or their insufficiency.

ARTICLE 27. OPERATION:

The Company shall operate the Power Plant for the Duration of Contract according to the Contract.

ARTICLE 28. INSPECTION, REPAIR AND MAINTENANCE:

28.1 During the Commercial Operation Period, the Company shall also act as a Competent Operator to ensure that the Units and the Power Plant are (i) inspected, repaired and maintained under its responsibility, having due regard to the Technical Specifications and the normal wear and tear and (ii) operated in a proper manner until the expiry of the Duration of the Contract.

28.2 TPPH can inspect the Power Plant at any time, by giving 3 Days advance notice, to assess the Company's compliance with its obligations under the Contract. TPPH's inspectors shall not interfere in the Operation of the Power Plant.

ARTICLE 29. DAMAGE COMPENSATION AND REWARD:

29.1 The Company is responsible for the payment to Iran Grid Management Company of any damages resulting from an Unsuccessful Capacity Event or other reasons attributable to any act or omission of the Company and TPPH will have no responsibility in this regard.

ARTICLE 30. INDEMNITY:

30.1 TPPH shall indemnify and hold harmless the Company for any loss, related costs (including legal costs) or claims arising out of (i) damage caused to the assets of the Company or the Company's officers, managers, agents, staff, contractors and subcontractors, or any other third party, and (ii) any personal injuries and damages caused to any such Persons, in each case where such loss, costs or claims relate to any wilful or negligent act or omission by TPPH in relation to the Contract. This indemnification shall not apply to any loss, claims damage, death or injury (or any claims related to them) or costs related to them to the extent caused by a wilful or negligent act or omission by the Company or its officers, managers, agents, staff, contractors and subcontractors or the Company's failure to mitigate such loss or damage.

30.2 Despite the contents of Article 30.1, TPPH shall not be required to indemnify the Company if any such loss, costs, claim, or damage are foreseen to be covered by other remedies or under any insurance cover including if the Company has failed to take the required insurance with sufficient coverage.

30.3 The Company shall indemnify and hold harmless TPPH for any loss, related costs (including legal costs) or claims arising out of (i) damage caused to the assets of TPPH or TPPH's officers,

managers, agents, staff, contractors and subcontractors, or any other third party, and (ii) any personal injuries and damages caused to any such Persons, in each case where such loss, costs or claims relate to any wilful or negligent act or omission by the Company in relation to the Contract. This indemnification shall not apply to any loss, claims damage, death or injury (or any claims related to them) or costs related to them to the extent caused by a wilful or negligent act or omission by TPPH or its officers, managers, agents, staff, contractors and subcontractors or TPPH's failure to mitigate such loss or damage.

- 30.4 If any loss, death, injury or damage occurs due to the joint or simultaneous wilful or negligent act or omission by the Parties or their agents, then the Parties will each be responsible for indemnifying the other proportionate to its contribution to the loss, death, injury or damage.
- 30.5 The Company shall indemnify and hold harmless TPPH and its officers, managers, agents, staff, contractors and subcontractors against (i) any claim, judicial judgments, liability, loss, cost, expenses (including legal costs) caused by the failure of the Company to comply with the Laws and the local and international regulations relating to the environment in relation to the Construction Site or the ownership and Operation of the Power Plant by the Company, including in relation to the discharge, distribution, accumulation, treatment, production, disposal or escape of pollutants or other toxic or dangerous materials produced by the Power Plant and soil, air, surface and underground water pollution and effluent at the Construction Site or its surroundings, and (ii) any costs, expenses and liabilities incurred by TPPH in decreasing pollution and emissions, avoiding, forestalling or removing pollution and emissions or supervising the same.
- 30.6 Despite the contents of Article 30.3, the Company shall not be required to indemnify TPPH in respect of any loss, claim, or damage to the extent they are covered by other remedies specified in the Contract or under any insurance cover.
- 30.7 Each Party shall promptly notify the other Party on becoming aware of the occurrence of an event or circumstance which will give rise to a claim under this Article 30 and shall, as soon as reasonably practicable, notify the other Party of any claims it has under this Article 30 together with all supporting documents. The Party notified of the claim shall respond within 30 Days of such notice, failing which the claim will be deemed to have been accepted and shall constitute a debt owing by such notified Party pursuant to the Contract.
- 30.8 Unless and to the extent expressly set forth in the Contract, neither Party shall have any liability to the other Party (i) for indirect or consequential loss or damage howsoever arising, or (ii) for loss of profit or loss of revenue.
- 30.9 Neither Party shall have any liability to the other Party in relation to any loss, damages or fines incurred by the other Party as a result of such other Party failing to comply with the applicable laws.

- 30.10 No review or confirmation by TPPH of any agreement, document, deed, plan, technical specifications or design recommended by the Company will relieve the Company from any liability or responsibility for any negligence or failure by the Company when preparing such agreement, document, deed, plan, technical specifications or design, or any negligence or failure in the performance of its obligations under the Contract nor excuse or relieve the Company from its obligation to comply with the Law. TPPH will not be responsible towards the Company or any other individual as a result of any review or confirmation of agreements, deeds, documents, plans, specifications or designs.
- 30.11 If a claim is brought against a Party who shall be indemnified by the other Party under this Article 30, then the first Party shall immediately notify the other Party of such claim. The indemnifying Party can accept the responsibility for the indemnity in writing and notify the indemnified Party of its reasonable instructions regarding how to defend the claim. The indemnified Party shall follow the instructions of the indemnifying Party as soon as it receives notice from the indemnifying Party. The indemnified Party may take all reasonable measures to defend the claim for so long as it has not received any notice from the indemnifying Party under this Article 30.11.
- 30.12 Article 30 will survive termination of the Contract until full settlement of all claims between the Parties.

ARTICLE 31. FORCE MAJEURE EVENTS:

- 31.1 Force Majeure Event means any exceptional event or circumstance which has not been foreseeable and is beyond reasonable control of the affected Party, provided that:
- 31.1.1 Despite using its reasonable efforts, the affected Party is unable to prevent or avoid or overcome such event or circumstance;
 - 31.1.2 This event or circumstance has a fundamental adverse effect on the affected Party's ability to (i) meet its obligations under the Contract and (ii) mitigate its consequences;
 - 31.1.3 This event or circumstance is not the direct or indirect result of the affected Party's failure or negligence in performing any of its obligations under the Contract; and
 - 31.1.4 The affected Party has given the notice to the other Party in accordance with Article 31.2.
- 31.2 If a Party wants to base a Force Majeure Event as an excuse for its delay or non-performance of any of its obligations, in whole or in part, under the Contract, it shall notify the other Party of such Force Majeure Event and the date of its occurrence and its nature, range and the estimated duration of its continuation and the measures which shall be taken under this Article 31. Such notice along with the required details shall be sent no later than 10 Days from the occurrence of the Force Majeure Event.

- 31.3 The Parties are obliged to use their reasonable efforts to reduce any delay caused by Force Majeure Event and to minimize and mitigate its effects, including by utilizing alternate sources of services, equipment, materials and construction equipment. The Parties shall resume performance of the Contract to a normal condition after the cessation of the Force Majeure Event. During the period when a Force Majeure Event exists, the Parties shall continue to perform their obligations under the Contract not affected by such Force Majeure Event to the maximum possible extent. Non-performance of any of the Parties' obligations under the Contract due to occurrence of a Force Majeure Event is excused if the above conditions are satisfied.
- 31.4 Within 7 Days after the cessation of the Force Majeure Event, the affected Party shall submit to the other Party final details (and supporting documents) of the nature of the Force Majeure Event and its effect on the performance of its obligations under the Contract.
- 31.5 Force Majeure Event includes Political Force Majeure Event and Natural Force Majeure Event.
- 31.5.1 "Political Force Majeure Event" means an event resulting from occurrence of any of the following events or circumstances if it meets the conditions and criterion in Article 31.1:
- (a) War, whether declared or not, occupation, armed clash or an act of foreign enemy, revolution, riot, uprising, social chaos, vandalism, military usurpation of power, or terrorism, in the Islamic Republic of Iran; any siege of, sanction, boycott or blockade against the Islamic Republic of Iran;
 - (b) Pollution by radioactive materials;
 - (c) National, regional or guild strike and strikes of a political nature outside the Power Plant and inside the Islamic Republic of Iran; or
 - (d) Any act by a Competent Authority which is beyond the jurisdiction of the said Competent Authority and is considered an administrative mistake or any omission by the Competent Authority in discharging of the said Competent Authority's duties which is considered an administrative mistake, except where such failure by the Competent Authority is justified.
- 31.5.2 "Natural Force Majeure Event" means a Force Majeure Event which is not a Political Force Majeure Event and includes the following:
- (a) Events such as lightning, explosion and fire, earthquake, flood, thunder, broken ship, marine hurricane, tropical cyclone, hurricane or other natural disasters; and
 - (b) Outbreak of epidemics or occurrence of famine.

- 31.6 If a Force Majeure Event occurs during the Construction Period and affects the Company, the Parties shall meet and consult with each other regarding the consequences of such Force Majeure Event as soon as possible and the following shall apply:
- 31.6.1 If the Force Majeure Event is a Political Force Majeure Event, the Parties will amend and adjust the Key Deadlines Table considering the effects of the Force Majeure Event and Article 10 regarding Costs Increase (if any) will apply; and
- 31.6.2 If the Force Majeure Event is a Natural Force Majeure Event, the Parties will amend and adjust the Key Deadlines Table considering the effects of the Force Majeure Event, and no compensation will be paid by TPPH for any damage caused by the Force Majeure Event except in relation to damage which may not be commonly covered by insurance in which case Article 10 regarding Costs Increase (if any) will apply.
- 31.7 If, during the Purchase Period, a Force Majeure Event that affects the Fuel supply or the Grid occurs and prevents Operation by the Company of a Unit or Units or the Power Plant, or if, prior to Commercial Operation Date, a Force Majeure Event that affects the Fuel supply or the Grid occurs and prevents the Company to start-up any Unit or Units or the Power Plant which have been ready for start-up, then the following shall apply:
- 31.7.1 If the relevant Force Majeure Event affects Fuel supply:
- (a) During the Purchase Period, TPPH shall pay to the Company, in respect of the relevant Unit or Units or the Power Plant, for each Hour from the date of occurrence of such Force Majeure Event (i) the Capacity Price based on the lower of the Capacity and TPPH's share of the Reliable Net Capacity of that Unit or Units or the Power Plant (instead of the Actual Capacity), and (ii) the Available Capacity Price that would have been received by the Company under the Company Power Purchase Contract but for the occurrence of the Force Majeure Event, based on the Reliable Net Capacity of that Unit or Units or the Power Plant.
 - (b) Prior to Commercial Operation Date, TPPH shall pay to the Company, in respect of the Power Plant if it has been ready for start-up, for each Hour from the date of occurrence of such Force Majeure Event (i) the Capacity Price based on the Capacity of the Power Plant (instead of the Actual Capacity) that would have applied had the applicable Commercial Operation Date occurred, and (ii) the Available Capacity Price that would have been received by the Company under the Company Power Purchase Contract, but for the occurrence of the Force Majeure Event. Payment under this Article will not be applicable prior to the Scheduled Commercial Operation Date. Payment by TPPH to the Company

under this Article shall cause the Purchase Period to commence from the date when the Force Majeure Event has occurred.

- (c) The Company shall calculate and return to TPPH within 15 Days any extra amounts paid under Article 31.7.1(b) together with the Payment Delay Damages (from (and including) the day after the date on which payment was made to the Company until the day such amounts are repaid) if after the Force Majeure Event affecting Fuel supply ceases (i) it is found that the relevant Unit or Units or the Power Plant (as the case may be) have not been and/or are not ready for start-up or not able to continue tests, or (ii) as a result of a Capacity Test of such Unit or Units or the Power Plant, it is found that their Reliable Net Capacity is less than their Guaranteed Net Capacity stipulated in Table 2 taking into account the Degradation Coefficient.
- (d) If the Company has a contract for delivering the Company's Share from Delivered Energy to its own Consumer(s) located inside of Iran, the Company shall be obliged to supply the Energy required by those Consumer(s) through the Market by entering into a guaranteed power supply contract with Iran Grid Management Company. In such a case, TPPH will pay to the Company the amounts paid to the Market Manager for supplying the Energy required by such Consumer(s) after deducting the Average Variable Cost (AVC) and such payment will continue as long as the Energy is supplied to the such Consumer(s) through the Market during the Force Majeure Event period.

31.7.2 If the relevant Force Majeure Event affects the Grid:

- (a) During the Purchase Period, TPPH shall pay to the Company in respect of the relevant Unit or Units or the Power Plant for each Hour, from the date of occurrence of such Force Majeure Event, the Capacity Price based on the lower of the Capacity and the Declared Capacity of that Unit or Units (instead of the Actual Capacity).
- (b) Prior to Commercial Operation Date (i) TPPH shall pay to the Company, in respect of the Power Plant if it has been ready for start-up, for each Hour from the date of occurrence of such Force Majeure Event the Capacity Price based on the Capacity for the Power Plant on the Commercial Operation Date of the Power Plant from the Scheduled Commercial Operation Date of the Power Plant, and (ii) the Company shall pay to TPPH the Available Capacity Price that it would have received under the Company Power Purchase Contract, but for the occurrence of the Force Majeure Event. Payment under this Article will not be applicable prior to the Scheduled Commercial Operation Date. Payment by

TPPH to the Company under this Article shall cause the Purchase Period to commence from the date when the Force Majeure Event has occurred.

- (c) The Company shall calculate and return to TPPH within 15 Days any extra amounts paid under Article 31.7.2(b) together with the Payment Delay Damages (from (and including) the day after the date on which payment was made to the Company until the day such amounts are repaid) if after the Force Majeure Event affecting the Grid ceases (i) it is found that the relevant Unit or Units or the Power Plant (as the case may be) have not been and/or are not ready for start-up or not able to continue tests, or (ii) as a result of Acceptance Tests of such Unit or Units or the Power Plant, it is found that TPPH's Share as paid for has not been or is not achievable.
- (d) If the Company has a contract for delivering Company's Share from Delivered Energy to its own Consumer(s), then TPPH will have no responsibility for (i) delivering Company's Share from Delivered Energy to Consumers who are party to a contract with the Company and (ii) any payment or compensation to the Company.

31.8 If, prior to expiry of the Purchase Period, a Force Majeure Event occurs such that prevents the Company from performance of its obligations under the Contract, the following shall apply:

31.8.1 If the Force Majeure Event is a Natural Force Majeure Event:

- (a) TPPH will, in accordance with the Contract and for the period during which the Company is affected by the Natural Force Majeure Event, pay to the Company, in respect of the Unit or Units which are not affected by the Natural Force Majeure Event, the Capacity Price and Generation Price related to such Unit or Units.
- (b) If the Natural Force Majeure Event occurs prior to the Commercial Operation Date, the Parties shall discuss and agree adjustments only to the Scheduled Commercial Operation Date specified in the Key Deadlines Table to reflect the impact of the Natural Force Majeure Event on the completion of the Units or the Power Plant.
- (c) The Company shall, at all times, seek compensation from its insurances for the damage caused by a Natural Force Majeure Event and TPPH will have no obligations, except as otherwise expressly specified under this Article 31.8.1, to compensate the Company pursuant to any Natural Force Majeure Event.

31.8.2 If, prior to expiry of the Purchase Period, the Force Majeure Event is a Political Force Majeure Event:

- (a) In respect of the affected Unit or Units or the Power Plant, TPPH shall pay to the Company the Capacity Price from the date of occurrence of such Force Majeure Event based on the lower of the Capacity and TPPH's Share of Reliable Net Capacity of that Unit or Units or the Power Plant, and the Company shall pay the Available Capacity Price (to the extent it relates to that part of the Capacity which has been purchased back by the Company in accordance with the Contract) to TPPH after its receipt from the Market Manager in accordance with Article 6.
- (b) Prior to Commercial Operation Date, (i) TPPH shall pay to the Company, in respect of the Power Plant, for each Hour during which it is affected by the Political Force Majeure Event the Capacity Price based on the Capacity on the Commercial Operation Date from the Scheduled Commercial Operation Date of the Power Plant, and (ii) the Company shall pay to TPPH the Available Capacity Price that it receives or would have received under the Company Power Purchase Contract, but for the occurrence of the Political Force Majeure Event. Payment by TPPH to the Company under this Article shall cause the Purchase Period to commence from the date when the Force Majeure Event has occurred.
- (c) The Company shall calculate and return to TPPH within 15 Days any extra amounts paid under Article 31.8.2(b) together with the Payment Delay Damages (from (and including) the day after the date on which payment was made to the Company until the day such amounts are repaid) if after the Political Force Majeure Event ceases (i) it is found that the relevant Unit or Units or Power Plant have not been and/or are not ready for start-up or not able to continue tests, or (ii) as a result of Capacity Tests of such Unit or Units or the Power Plant, it is found that the Reliable Net Capacity has been or is less than the Guaranteed Net Capacity stipulated in Table 2 after taking into account the Degradation Coefficient.

31.9 Despite of occurrence of a Force Majeure Event, the following events or circumstances may not excuse non-performance of the obligation of the Parties:

31.9.1 Delay in payments;

31.9.2 Delay in the performance of the Company's obligations due to the Company's failure or negligence for reasons including failure or negligence in the employment of subcontractors and qualified vendors or in the employment of an insufficient number of staff or workers;

- 31.9.3 Delay in the performance of the Company's obligations due to a mechanical or electrical breakdown or fault or uselessness or breakdown of equipment, machineries or facilities owned or operated by the Company as a consequence of mal or faulty operation or maintenance of such equipment, machineries or installations;
- 31.9.4 Default by any Party in fulfilment of any of its obligations under the Contract prior to occurrence of the Force Majeure Event; or
- 31.9.5 Delay arising as a result of reasonably foreseeable, adverse climatic conditions or geological conditions or other conditions.
- 31.10 The Party affected by a Force Majeure Event shall make its efforts to mitigate the impacts of such event. In any case, the responsibility of the Party affected by the Force Majeure Event on meeting its obligations that have not been affected by the Force Majeure Event shall remain in force.
- 31.11 Notwithstanding anything in the Contrary in the Contract, if a Force Majeure Event occurs outside the Islamic Republic of Iran, then the Company (i) shall not be entitled to any Cost Increase or any other compensation, (ii) may be entitled to necessary extension of the Duration of the Contract considering the effects of the Force Majeure Event if it occurs after the Commercial Operation Date of the Power Plant, and (iii) shall be entitled to adjustment of the Scheduled Commercial Operation Date considering the effects of the Force Majeure Event, if it occurs prior to the Commercial Operation Date of the Power Plant..

ARTICLE 32. DISPUTE SETTLEMENT:

- 32.1 If any dispute arises between the Parties under the Contract concerning its performance, interpretation, breach, termination or validity, the Parties will use their best efforts to resolve such dispute through negotiations amicably for a period of 30 Days after receipt of one Party's notice to the other Party raising such dispute. If the Parties are unable to resolve the dispute in accordance with foregoing provisions within such period, then (A) either Party may refer the dispute to the Expert by giving notice to the other Party, or (B) the Parties may refer the dispute directly to arbitration for settlement in accordance with Article 32.3 if the Parties agree to refer the dispute to arbitration directly.
- 32.2 The following shall apply if one of the Parties notifies the other Party that it is referring a dispute to the Expert:
- 32.2.1 The Parties shall agree on the appointment of a Person as the expert (the "Expert") within 15 Days of such notification who shall make final and binding decision in relation to the matter in dispute. If the dispute is partially or wholly:

- (a) related to a predominantly technical engineering issue, the Parties will try in good faith to appoint as the Expert an independent and qualified engineering company acceptable to the Parties;
- (b) related to a predominantly financial issue, the Parties will try in good faith to appoint as the Expert a financial consultant or an investment bank acceptable to the Parties; or
- (c) related to any other issue, the Parties will try in good faith to appoint as the Expert an experienced and qualified (having reference to the subject of the dispute) Expert acceptable to the Parties.

If the Parties cannot agree on the appointment of an Expert within the 15-Day period, the Parties will request the Iranian Committee of International Chamber of Commerce or the Official Expert Association for the appointment of the Expert.

32.2.2 The Expert appointed under this Article 32.2 shall act as an independent Expert and not an arbitrator and shall make a decision regarding the dispute between the Parties. The Expert may request, and the Parties shall provide without delay, such information as the Expert may require to enable it to make a decision regarding the dispute. The Expert shall notify the Parties in writing of his/her decision within 60 Days (or such other period as the Parties may agree) after his/her appointment.

32.2.3 The Expert's decision will be binding upon the Parties, unless one of the Parties notifies the other Party within 15 Days after receiving the Expert's decision of its dissatisfaction with such Expert's decision and its intention to refer the dispute to arbitration pursuant to Article 32.3 in which case the Expert's decision will remain binding upon the Parties until the arbitration award modifies or repeal it.

32.2.4 The costs of the Expert will be paid by the Party against whom the Expert's decision is issued. If the Expert's decision is reversed by subsequent arbitration then the other Party shall reimburse to the first Party the costs incurred by the first Party in respect of the Expert.

32.3 If:

32.3.1 a dispute is to be referred to arbitration in accordance with Article 32.1;

32.3.2 the Expert is not appointed within the 15 Days period referred to in Article 32.2;

32.3.3 the Expert does not notify his/her decision to the Parties within the period specified in Article 32.2.2;

32.3.4 one of the Parties notifies the other Party of its dissatisfaction of the Expert's decision and its intention to refer the dispute to arbitration pursuant to Article 32.2.3; or

32.3.5 one of the Parties does not give effect and execute the Expert's decision,

then the dispute shall be resolved by arbitration in accordance with the Rules of the Arbitration of the International Chamber of Commerce, Paris, France. Such arbitration shall be conducted by three (3) selected arbitrators. Each Party shall select one arbitrator and the third arbitrator shall be appointed by the two Party-appointed arbitrators who shall be the chairman of the arbitration tribunal. The venue and seat of arbitration shall be Paris, France. The arbitration costs shall be paid preliminarily by the applying Party and finally according to the decision of the arbitration tribunal. Language for arbitration shall be English.

32.4 The decision of arbitration is final and binding upon the Parties.

32.5 During the continuance of any dispute:

32.5.1 the Company shall continue to fulfil its obligations under the Contract to produce and deliver TPPH's Share of Delivered Energy and to make payments and TPPH shall continue to make payment for the due amounts under Article 6; and

32.5.2 the Parties retain the right to terminate the Contract due to other reasons specified in the Contract.

ARTICLE 33. TERMINATION OF THE CONTRACT:

The Contract may be terminated, before its expiration, as specified under this Article 33.

33.1 Company Default

Each of the following events shall constitute a "Company Default":

33.1.1 not delivering Energy and Ancillary Services in accordance with the Contract;

33.1.2 if amounts due to TPPH are not paid by the Company for more than 30 Days after the date due for such payment, then TPPH may take action to collect the whole or part of such amounts from the amounts owed to the Company from the Market by submitting a claim to the Iran Grid Management Company and presenting supporting documents evidencing the Company's failure to pay in accordance with the Contract. It shall be a Company Default if (i) TPPH is unable to recover part or all of the amounts owed to it by the Company from the Iran Grid Management Company, and (ii) the amount not so recovered by TPPH and related Payment Delay Damages, exceed 100% of the Power Plant's Fuel price for one month while operating on full load based on an average domestic Gas sales price.

33.1.3 assignment, transfer or subcontracting by the Company in breach of Articles 14.1 and 14.3;

33.1.4 occurrence of any of the following events:

- (a) the passing of a resolution for the bankruptcy, insolvency, winding up, liquidation of, or other similar measure related to the Company;
- (b) the appointment of a liquidator, trustee, provisional manager or similar person in a proceeding referred to in Article 33.1.4(a), which appointment has not been set aside or stayed within sixty (60) Days after such appointment; or
- (c) the issuance of a final order by a competent court in relation to the dissolution of the Company or confirming its bankruptcy; and

33.1.5 breach by the Company of any of its material obligations under the Contract (other than those obligations referred to in Articles 33.1.1 to 33.1.4) which is not remedied within ninety (90) Days after receipt by the Company of a notice from TPPH stating the occurrence of the breach, describing the breach in reasonable details and requesting the Company to remedy such breach.

33.2 **TPPH Default**

Except where the relevant event occurs as a consequence of a Force Majeure Event or a Company failure or breach of this Contract, each of the following events shall constitute a “TPPH Default”:

33.2.1 if amounts due to the Company are not paid by TPPH for more than 30 Days after the date due for such payment (as determined under Article 6), then the Company may take action to collect the whole or part of such amounts by deducting them from the amount received from any amounts payable by the Company to TPPH under the Contract. If the amounts received from Iran Grid Management Company exceed the amount owed to the Company, the Company shall pay the difference to TPPH in accordance with Article 6. It shall be a TPPH Default if (i) it is unable to recover part or all of the amounts owed to it by TPPH from the aforementioned amounts received from the Iran Grid Management Company, and (ii) the amount not so recovered by the Company, and related Payment Delay Damages, exceeds the equivalent of the Operation cost of the Power Plant for 3 Months (mentioned in the Article 33.2.1 of Specific Conditions);

33.2.2 assignment or transfer by TPPH of its obligations under this Contract in breach of Article 14.2;

33.2.3 breach by TPPH of any of its material obligations under the Contract (other than those obligations referred to in Articles 33.2.1 or 33.2.2) which is not remedied within sixty

(60) Days after receipt by TPPH of a notice from the Company stating the occurrence of a breach, describing the breach in reasonable details and requesting TPPH to remedy such breach, provided that if, notwithstanding the exercise of reasonable efforts by TPPH, such breach cannot be cured within sixty (60) Days after notice from the Company, TPPH shall be afforded a further period of sixty (60) Days within which to cure such breach, provided always that TPPH shall, throughout such further sixty (60) Day period, exercise reasonable continuous efforts to cure the breach.

33.3 Termination due to a Company Default or TPPH Default

33.3.1 Subject to Article 33.3.2, upon the occurrence of a Company Default or a TPPH Default, the Party that is not the defaulting Party (the “Non-Defaulting Party”) may give notice to the other Party (the “Defaulting Party”) specifying in reasonable detail the relevant event of Default giving rise to such notice and the date upon which the Non-Defaulting Party proposes to terminate the Contract, which date shall not be less than sixty (60) Days after the date of such notice (the “Remedy Period”) unless the Parties agree otherwise.

33.3.2 Upon the occurrence of any of the Events of Default under Articles 33.1.1, 33.1.3, 33.1.4, or 33.2.2 the Non-Defaulting Party may terminate the Contract immediately by issuing a notice of termination to the Defaulting Party.

33.3.3 During the Remedy Period, the Parties shall consult as to what steps shall be taken, and the Defaulting Party shall use its reasonable efforts, to mitigate the consequences of, and cure, the relevant event of Default.

33.3.4 If, upon the expiration of the Remedy Period, the relevant event of Default has not been cured, unless the Parties have otherwise agreed, the Non-Defaulting Party may issue a notice of termination to the Defaulting Party whereupon the Contract shall terminate on the date specified therein.

33.4 Termination due to a Force Majeure Event

33.4.1 TPPH shall be entitled to terminate the Contract in accordance with Article 33.4.3 if:

- (a) a Force Majeure Event causes the total loss of the Power Plant and (i) the Company states that it will not rebuild the Power Plant or the Company states that it will rebuild the Power Plant but fails to commence such rebuilding within ninety (90) Days of such announcement, or (ii) there is a suspension in the required reconstruction activity exceeding twelve (12) Months during the period of such reconstruction (having regard to the construction schedule agreed upon by the Parties for such reconstruction), in either case for which relief is not otherwise granted under the Contract;

- (b) a Natural Force Majeure Event occurs in the Commercial Operation Period and such Natural Force Majeure Event prevents the performance of the TPPH's or Company's material obligations on a continuous basis for more than one hundred and eighty (180) Days; or
- (c) subject to Article 33.4.4, a Political Force Majeure Event occurs during the Commercial Operation Period and such Political Force Majeure Event prevents the performance of TPPH's or the Company's material obligations on a continuous basis for more than one hundred and eighty (180) Days; or

33.4.2 The Company shall be entitled to terminate the Contract in accordance with Article 33.4.3, if:

- (a) a Natural Force Majeure Event occurs during the Commercial Operation Period and such Natural Force Majeure Event prevents the performance of TPPH's material obligations on a continuous basis for more than one hundred and eighty (180) Days; or
- (b) subject to Article 33.4.4, a Political Force Majeure Event occurs during the Commercial Operation Period and such Political Force Majeure Event prevents the performance of TPPH's material obligations on a continuous basis for more than one hundred and eighty (180) Days; or
- (c) subject to Article 33.4.4, a Force Majeure Event causes the total loss of the Power Plant and the Company notifies TPPH that it will not rebuild the Power Plant.

33.4.3 If Articles 33.4.1 or 33.4.2 apply, then the Parties may agree to extend the applicable one hundred and eighty (180) Day period or, subject to Article 33.4.4, the relevant Party may, at its discretion, give notice to the other Party specifying a date (not earlier than sixty (60) Days after delivery of such notice) on which that Party issuing such notice shall terminate the Contract. The Contract shall terminate on the expiration of such notice period, unless (1) the Parties agree otherwise, or (2) the Force Majeure Event led to issuance of such notice are removed or remedied or ceased to have effect.

33.4.4 The Company shall not be entitled to terminate the Contract under Article 33.4.3 during the Commercial Operation Period if TPPH continues to pay in accordance with the Contract during any Force Majeure Event, provided that if such Force Majeure Event continues to prevent the performance of TPPH's obligations under the Contract on a continuous basis for over three hundred and sixty five (365) Days, then the Company shall be entitled to terminate the Contract at the expiry of such period or any agreed extension thereof on notice to TPPH.

33.5 Consequences of termination

In case the Contract is terminated at any time after the Closing Date due to reasons of TPPH Default, Political Force Majeure Event or a Company Default, provisions of Table 17 shall apply.

ARTICLE 34. SECURITY AND SAFETY:

- 34.1 During the performance of construction works and thereafter, the Company shall take all necessary precautionary measures expected from a competent company in the business to prevent the occurrence of any personal injury or property damage to the public, individuals and legal entities as a result of the Company's activities. The Company shall be responsible for any such injury and property damage under the Law.
- 34.2 The Company shall, without any delay, take all necessary measures expected from a competent company in the business to mitigate the effects of any accident which occurs and which endangers public safety.

ARTICLE 35. MISCELLANEOUS INSTANCES:

- 35.1 The Parties shall perform their obligations under the Contract in good faith.
- 35.2 Except as otherwise provided in this Contract, each Party will pay the costs and expenses related to itself in the areas of negotiations, preparation, signing and enforcement of the Contract.
- 35.3 Waiver of any right by a Party regarding a failure or default of the other Party under this Contract will not serve as waiver of its rights regarding other failures or defaults of the other Party whether similar to or different from that failure or default. The failure or delay of either Party to enforce at any time any of the provisions of the Contract, or to require at any time performance by the other Party of any provision of the Contract, shall neither be construed to be a waiver of such provisions nor affect the validity of the Contract or any part of the Contract or the right of such Party thereafter to enforce each and every such provision. All waivers of rights by a Party must be in writing.
- 35.4 If it is found that an Article or part thereof, in the Contract, are in contradiction with the Law or not valid or enforceable this will have no effect on the validity and enforceability of remainder of the Contract.
- 35.5 This Contract is drawn up and signed in English. All notices, correspondence, declarations or other deeds and documents stipulated in the Contract will be in English. Disputes will be proceeded with in dispute settlement authorities according to Article 32 in the English language and any documents related to it will be either in English or accompanied by an English translation.
- 35.6 Except as expressly provided otherwise in the Contract, the duties, obligations and responsibilities of the Company and TPPH be performed by the Parties as individuals and this Contract shall not be interpreted or construed to create an association, joint venture, partnership

or agency between the Parties or to impose any partnership obligation or liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

- 35.7 The Parties shall keep information confidential in accordance with the requirements of the Article 35.7 of Specific Conditions.
- 35.8 This Contract replaces all previous agreements, provisions or confirmations of the Parties regarding the subject of Contract and forms the entire agreement between the Parties in relation to the subject matter of the Contract.
- 35.9 Notwithstanding anything to the contrary, no dispute between the Company and Financing Parties or between the Company and the EPC Contractor or Operator will have any effect on the rights and obligations of the Parties.
- 35.10 The headings of the Articles of the Contract are indicative only and are not to be used for interpreting the Contract.
- 35.11 Except as expressly otherwise provided herein, the Contract is for the interests of the Parties and not the interests of other individuals.
- 35.12 This Contract is a commercial and private contract and each Party agrees that it is not entitled to claim immunity in their favor for their assets or incomes against filing a lawsuit, issuance of writ of execution, writ of seizure or any other judicial measure related to the Contract in any jurisdiction.
- 35.13 The Company represents and warrants that it is not subject to the prohibition set forth in the non-intervention act dated 22/10/1337 and any of its subsequent amendments.

SPECIFIC CONDITIONS OF CONTRACT

General Conditions Reference	Description
<p>1.1 (Additional Definitions for the Specific Conditions)</p>	<p>In addition to the defined terms in Article 1 of the General Conditions, the following terms in the Contract shall have the following meanings unless stated otherwise:</p> <p>“COD Declaration”: It has the meaning given in Article 21.6 of these Specific Conditions.</p> <p>“Environmental Impact Assessment”: It is an environmental impact study carried out in compliance with the requirements of the Iranian Environmental Protection Organisation.</p> <p>“EPC Contract”: It is the contract which shall be entered into by the Company with the EPC Contractor, in accordance with Article 14 of the General Conditions, for the engineering, procurement and construction of the Power Plant.</p> <p>“Financial Model”: It is the financial model prepared by the Company for the Project which is agreed by the Parties, attached as Table 20, as may be amended from time to time with the consent of TPPH.</p> <p>“O&M Contract”: It is the contract which shall be entered into by the Company with the Operator, in accordance with Article 14 of the General Conditions, for the provision of operation and maintenance services at the Power Plant.</p> <p>“Payment Guarantee”: It is the guarantee issued by the Ministry of Economic Affairs and Finance in favour of the Company in relation to TPPH’s payment obligations under the Contract.</p> <p>“Unit’s Acceptance Tests Completion Date”: It is, in respect of any Unit for which the Company elects to perform separate Acceptance Tests, the date on which such Unit has successfully completed and passed the Acceptance Tests and is able to deliver power onto the Grid in a safe and reliable manner as specified in the certificate to be jointly issued by the Company and TPPH.</p> <p>“Rial(s)” denotes lawful currency of the Islamic Republic of Iran.</p> <p>“EUR” and “Euro” denotes lawful currency of the European Union.</p>
<p>1.1 (Commercial Operation Period)</p>	<p>The “Commercial Operation Period” shall expire on the date falling 20 years after the Commercial Operation Date of the Power Plant, unless terminated earlier in accordance with the Contract.</p>
<p>1.1 (Connection Point and Transmission Facilities)</p>	<p>a) The construction of the Transmission Facilities shall be in accordance with letter No. 95-14283-20-100, dated May 8, 2016, of Ministry of Energy, unless otherwise agreed by the Parties.</p> <p>b) Either of the following (i) or (ii) shall apply based on the agreement of the Parties:</p>

- (i) Transmission Facilities in the case of radial connection of the Power Plant to the Grid:
- In this case, the connection of the Power Plant to the Grid is established through the Transmission Facilities including immediate post of the Power Plant, connecting lines of the substation with the first existing substation in the Grid and the related feeders in the Grid substation.
- The Company is responsible for the design, construction (including supply and transportation of equipment, insurance, civil works and installation), testing and commissioning of the immediate substation and connection lines. After commissioning, the operation and maintenance of the Power Plant immediate substation shall be undertaken by the Company. The Company shall transfer the ownership, operation, and maintenance of the connection lines and also the related feeders in the Grid substation to the Regional Electricity Company. In this situation, the Measurement Points/Delivery Points will be the exit feeders of the Power Plant immediate substation.
- The Company shall provide the necessary lands for the construction of the immediate substation of the Power Plant and connection lines at its own cost. In the connection of the connecting lines to the Grid substation, the design, supply and transportation of equipment, insurance, land acquisition, civil works, installation, testing and commissioning of the equipment of exclusive feeders in the Grid substation shall be done by the Regional Electricity Company and their costs shall be borne by the Company.
- (ii) Transmission Facilities in the case of network connection of the Power Plant to the Grid:
- In this case, the Power Plant is connected to the Grid through Transmission Facilities including the Power Plant immediate substation and the connection lines of this substation with the existing lines of the Grid (input and output lines of the Grid to the Power Plant substation). The Company shall be responsible for the design, supply and transport of equipment, insurance, land acquisition, civil works, installation, test and commissioning of the immediate post of the Power Plant and its connection lines at its own cost. After commissioning, the ownership, operation and maintenance of these Transmission Facilities will be wholly transferred to the related Regional Electricity Company. In this case, the Measurement Points/Delivery Points of the Energy will be the bushing of the high voltage transformers in the Power Plant.
- c) Such transfer of ownership to the Regional Electricity Company shall be free of charge. All remaining guarantees and warranties, all technical documents, operation and maintenance manuals and other related documents shall be delivered to the Regional Electricity Company at the time of the transfer of ownership.

- d) Parts of the Transmission Facilities which are located after the Connection Point in the side of the Grid whose ownership and operation have been transferred to the related Regional Electricity Company will be considered a part of the Grid after such transfer.
- e) In any case, TPPH will have no responsibility for construction, operation and maintenance of the Transmission Facilities.

1.1 (Delivered Fuel Rate) The overhead costs with respect to Back-up Fuel for the first Year of Signing Date of the Contract is [...] (which shall be equal to transportation costs). These overhead costs shall be subject to adjustment each Year according to Consumer Price Index (CPI) at the time of the payment.

1.1 (Generation Rate) The “Generation Rate” during the Purchase Period is 25% of the electricity purchase rate for the Power Plant as determined by Economic Counsel Resolution No. [...], dated [...]

1.1 (Capacity Rate) The “Capacity Rate” during the Purchase Period is 75% of the electricity purchase rate for the Power Plant as determined by Economic Counsel Resolution No. [...], dated [...]

1.1 (Key Deadlines Table) the “Key Deadlines Table” is Table 4 which reflects to the extent applicable, Scheduled Construction Commencement Date, Scheduled Date of completion of Transmission Facilities, Scheduled Date of Gas Supply Facilities completion, Scheduled Testing Completion Dates, Longstop Date and/or Scheduled Commercial Operation Date and other key milestones of the Project.

1.1 (Land Lease Agreement/Land Purchase Contract) “Land Lease Agreement/Land Purchase Contract”: It is any agreement/contract to be entered into by the Company with a Competent Authority or private entity in respect of the Construction Site.

1.1 (Performance Guarantee Letter) The Performance Guarantee Letter shall be an irrevocable and unconditional bank guarantee for [value to be agreed] per MW issued in favour of TPPH by an Iranian bank or at the counter of a bank licensed to do business in the Islamic Republic of Iran. The Performance Guarantee Letter shall be denominated in Euro. The Company shall deliver the Performance Guarantee Letter to TPPH on or before the Scheduled Closing Date (or, if applicable, the Extended Scheduled Closing Date).

- a) The Performance Guarantee Letter shall be valid from the date on which it is delivered to TPPH until the Commercial Operation Date for the Power Plant (and the Company shall ensure that the provisions of the Performance Guarantee Letter allow TPPH to have its term extended by giving notice to the issuing bank).
- b) If the Performance Guarantee Letter is subject, pursuant to its terms, to a fixed expiry date which occurs before the date on which the Performance Guarantee Letter is to be returned to the Company under this Contract, then the Company shall, not less than fourteen (14) days prior to such expiry date, provide to TPPH a duly executed extended or replacement Performance Guarantee Letter which

shall be acceptable to TPPH. Such replacement Performance Guarantee Letter shall be on identical terms. If the Company fails to provide a replacement Performance Guarantee Letter by the time specified in this paragraph (c), TPPH may draw upon and claim full amount of the Performance Guarantee Letter and withhold such amount as security for the performance of the Company's obligations under this Contract until an acceptable replacement Performance Guarantee Letter is provided (whereupon the available amounts of such security shall be returned to the Company).

- c) TPPH shall have the right at any time to draw upon and claim full amount of the Performance Guarantee Letter or use the security if: (i) the Contract is terminated for reasons attributable to the Company, (ii) the delay compensation or any other payable amounts are not paid by the Company to TPPH within the period specified in the Contract, (iii) the Company fails to perform any of its material obligations under the Contract, or (iv) other circumstances arise which entitle TPPH to draw upon the Performance Guarantee Letter under the Contract.

1.1 (Progress Guarantee Letter)

- a) With reference to the definition of "Progress Guarantee Letter" under Article 1 of the General Conditions, The Progress Guarantee Letter shall be an irrevocable and unconditional bank guarantee for [value to be agreed] per MW issued in favour of TPPH by an Iranian bank or at the counter of a bank licensed to do business in the Islamic Republic of Iran. The Progress Guarantee Letter shall be denominated in Euro. The Company shall deliver the Progress Guarantee Letter to TPPH within fifteen (15) Days after the date on which this Contract is signed.
- b) The Progress Guarantee Letter shall be valid from the date of its delivery until the later of (i) the Scheduled Closing Date or any extension thereof and (ii) the delivery by the Company to TPPH of the Performance Guarantee Letter (and the Company shall ensure that the provisions of the Progress Guarantee Letter allow TPPH to have its term extended by giving notice to the issuing bank).
- c) If the Progress Guarantee Letter is subject, pursuant to its terms, to a fixed expiry date which occurs before the date on which the Progress Guarantee Letter is to be returned to the Company under this Contract, then the Company shall, not less than fourteen (14) days prior to such expiry date, provide to TPPH a duly executed extended or replacement Progress Guarantee Letter which shall be acceptable to TPPH. Such replacement Progress Guarantee Letter shall be on identical terms. If the Company fails to provide a replacement Progress Guarantee Letter by the time specified in this paragraph (c), TPPH may draw upon and claim full amount of the Progress Guarantee Letter and withhold such amount as security for the performance of the Company's obligations under this

Contract until an acceptable replacement Progress Guarantee Letter is provided (whereupon the available amounts of such security shall be returned to the Company).

- d) TPPH shall have the right at any time to draw upon and claim full amount of the Progress Guarantee Letter or use the security if: (i) the Contract is terminated for reasons attributable to the Company, (ii) the Company fails to perform any of its material obligations under the Contract, or (iii) other circumstances arise which entitle TPPH to draw upon the Progress Guarantee Letter under the Contract.

1.1 (Purchase Period)

The “Purchase Period” shall expire on the date falling 5 consecutive Years after the beginning of the Commercial Operation Period unless terminated earlier in accordance with the Contract. TPPH agrees that, at any time during the Purchase Period, the Company may give TPPH no less than 30 Days’ notice of its intention to terminate the Purchase Period with respect to some or all of the Capacity and the TPPH Share of Delivered Energy, in which case, on the expiry of such notice period, the Capacity and TPPH’s Share of Delivered Energy shall be irrevocably reduced to the specified level and the Company’s Share of Delivered Energy and the Company’s Share of the Reliable Net Capacity shall be irrevocably and correspondingly increased to offer to the Market or Supplier and/or desired Consumer(s) through the Grid in accordance with the Market regulations, provided that such agreement does not impose any restrictions on TPPH’s rights under the Contract. The duration of the Purchase Period shall not be affected for any remaining Capacity and TPPH Share of Delivered Energy. TPPH’s payment obligations shall be reduced respectively to take account of remaining Capacity and remaining TPPH’s Share of Delivered Energy.

1.1 (TPPH’s Share)

If, at any time, the Delivered Energy exceeds the Delivered Energy that could be generated based on the Guaranteed Net Capacity, then TPPH’s Share of Delivered Energy may increase by written consent of TPPH subject to agreement of the Parties on its rate.

1.1 (Purchase Back)

Add the following provisions to the Contract:

The Company may, during the Purchase Period, purchase back, with TPPH’s consent, any or all of (i) the Capacity, and (ii) TPPH’s Share of Delivered Energy, at capacity and energy rates to be agreed between the Parties for sale to the Market or its own Consumer(s) in accordance with the Contract and the Law.

5.2 (Delay Compensation)

The Company’s obligation to pay Delay Compensation under Article 5.2 of the General Conditions is subject to the following:

- a) The Delay Compensation shall become payable if the Commercial Operation Date does not occur within 90 Days after the Scheduled Commercial Operation Date. If Delay Compensation becomes payable under this Article, then the Delay

Compensation shall be paid by the Company to TPPH in accordance with Table 8.

- b) If the Company does not pay the Delay Compensation to TPPH within 30 Days of achieving the relevant Commercial Operation Date, then TPPH may draw upon the Performance Guarantee Letter in respect of the outstanding amount of Delay Compensation.

5.7 Office and Accommodation

Add the following to Article 5.6 of the General Conditions:

TPPH's representative(s) shall at all times have access to all parts of Construction Site. During the Construction Period and thereafter, the Company shall provide office space and facilities and accommodation (with the same standards applicable to the Company's senior managers) at the Construction Site for two of TPPH's representatives.

5.9 (Access and possession rights)

Add a new Article 5.9:

The Company shall, at its own cost and expense, provide to TPPH such rights of access and possession to the plot of land (measuring 10,000m²) identified in the map attached in Table [12] [*Gas Supply Facilities, Construction Site, Transmission Facilities*] for construction, operation and maintenance of the necessary Gas Supply Facilities by or on behalf of TPPH.

6.5 (Fuel Cost)

During the Purchase Period, Fuel supplied for the generation of TPPH's Share of Delivered Energy at the Guaranteed Net Heat Rate shall be provided by TPPH free of charge.

**6.8.2 (Payments under the Letter of Credit)
10 (Cost Increase)**

The Company may make a claim for the amounts due under Article 6.8.2 of the General Conditions to the issuing bank and such issuing bank shall, in accordance with the Letter of Credit, make payment of the amount set out in such payment claim in Rials to Company's local bank account designated by the Company.

The Company may not make a claim under Article 10 of the General Conditions until either (i) the aggregate amount of all outstanding Cost Increases exceeds equivalent value of EUR 100,000 in Rial, or (ii) more than 12 months has passed since the relevant Cost Increase was incurred, after which the entire amount of the Cost Increase shall be processed and be payable by TPPH. If any Cost Increase is incurred in a currency other than Rial then, for the purposes of determining whether the abovementioned threshold has been met, the relevant amount shall be converted into Rial using the then applicable official exchange rate of the Central Bank of Iran.

17.1 (Use of Back-up Fuel)

Under no circumstances for the Duration of Contract shall the Company be required to operate the Power Plant using Back-up Fuel (i) where to do so would result in the Company being in breach of any Law, or Permit (ii) for a period which exceeds 1080 consecutive hours, or (iii) for a period which exceeds 1440 hours in aggregate in any single Year.

17.3.6 (Failure to supply Fuel)

Insert the following as a new Article 17.3.6:

If, at any time during the Purchase Period, the Company is unable to generate Delivered Energy, as a result of any disruption in the supply of Fuel to the relevant Fuel Delivery Point (including the delivery of Gas below the minimum delivery pressure specified in Table 3), not otherwise excused under the Contract, then, for each Hour during which the Company is affected by such disruption, TPPH shall pay to the Company (i) the Capacity Price based on the lower of the Capacity and TPPH's share of the Reliable Net Capacity of that Unit or Units (instead of the Actual Capacity), and (ii) the Available Capacity Price that would have been received by the Company under the Company Power Purchase Contract but for occurrence of such disruption. If the Company has a contract for delivering the Company's Share from Delivered Energy to its own Consumer(s) in accordance with the Contract and Law, the Company will be obliged to supply the Energy required by those Consumers through the Market by entering into a guaranteed power supply contract with Iran Grid Management Company. TPPH will then pay to the Company the amounts paid to the Market Manager for supplying the Energy required by such Consumer(s) after deducting the Average Variable Cost (AVC) and such payment will continue as long as the Energy is supplied to the such Consumer(s) during the existence of such disruption.

17.4 (Back-up Fuel Storage Capacity)

The Back-up Fuel storage tanks shall have a storage capacity which is sufficient to hold a quantity of Back-up Fuel required to enable the Power Plant to operate for 15 Days at full load.

17.7 (Use of Fuel)

At all times, the Company shall use Fuel provided by TPPH solely for the purposes specified in this Contract.

21.6 (Purchase of Energy)

Add a new Article 21.6 as follows:

If the Company elects to perform Acceptance Tests on an individual Unit prior to the Commercial Operation Date of the Power Plant, then, in respect of any Unit which has achieved its Unit's Acceptance Tests Completion Date:

- a) the Company may, prior to the Commercial Operation Date for the Power Plant, elect to declare the Commercial Operation Date for such Unit by giving notice to TPPH (a "COD Declaration"). If a COD Declaration is given in respect of any Unit, then the Purchase Period shall begin at the same date; or
- b) the Company may elect not to declare the Commercial Operation Date for such Unit prior to the Commercial Operation Date for the Power Plant, in which case the Company may (i) leave such Unit idle until it is required for the Acceptance Tests for the Power Plant, or (ii) for all or part of the period from the Unit's Acceptance Tests Completion Date for such Unit until the Commercial Operation Date for the Power Plant (and subject to a maximum period of 4 months), the Company may sell the Energy generated by such Unit to:
 - i. the Market pursuant to a Company Power Purchase Contract;
 - ii. a Consumer pursuant to a power supply contract entered into with such

Consumer; or

- iii. TPPH in accordance with this Contract if TPPH agrees to such sale and subject to an agreement between the Parties on a price,

and the sale and purchase of such power shall not (i) be deemed to cause the Commercial Operation Date and shall not cause the Purchase Period to commence, and (ii) require TPPH to perform the obligations pertaining to the Purchase Period. For the avoidance of doubt, commercial operation (and excluding operation for the purposes of commissioning and testing) of a block comprising a steam turbine and one or more gas turbines (and related auxiliary equipment) shall not be permitted prior to the Commercial Operation Date of the Power Plant.

- c) Any Delivered Energy not sold to TPPH during the period between the Unit's Acceptance Tests Completion Date and the Commercial Operation Date for the Power Plant (excluding power generated and delivered as part of the commissioning and testing of a Unit or the Power Plant), shall be deemed to be Company's Share and the Company shall pay for the Fuel consumed in generating such Company's Share of Delivered Energy.

24.3 (Threshold for claims) Neither Party may make a claim under Article 24.3 of the General Conditions until either (i) the aggregate amount of all outstanding Cost Increase(s) (in the case of a claim by the Company) or Cost Decrease(s) (in the case of a claim by TPPH) exceeds equivalent value of EUR 100,000 in Rial, or (ii) more than 12 months has passed since the relevant Cost Increase or Cost Decrease was incurred, after which the entire amount of the Cost Increase or Decrease shall be processed and payable. If any Cost Increase or Cost Decrease is incurred in a currency other than Rial then, for the purposes of determining whether the abovementioned threshold has been met, the relevant amount shall be converted into Rial using the then applicable official exchange rate of the Central Bank of Iran.

29.2 (TPPH Power Purchase Contract Indemnity) Insert a new Article 29.2:
for so long as the Company is selling Delivered Energy and Capacity to TPPH, the Company shall indemnify and hold TPPH harmless in respect of any liability imposed on TPPH under the TPPH Power Purchase Contract, any Market Procedure, Law or Permit, due to reasons attributable to the Company.

33.1 (Company Default) The following shall be inserted as new Articles 33.1.5, 31.1.6, 33.1.7 and 31.1.8 as Company Default:

31.1.5 a failure by the Company to achieve the Commercial Operation Date of the Power Plant by the Longstop Date;

31.1.6 if any of the Grid Connection Agreement or Land Lease Agreements are terminated, due to a default by the Company;

31.1.7 Any change in the shareholder(s) of the Company in violation of Article 9.4 of the General Conditions

31.1.8 failure by the Company to furnish TPPH with the Progress Guarantee Letter or Performance Guarantee Letter within the period specified under the Contract
The existing Article 33.1.5 shall be renumbered as Article 33.1.9 and the reference therein to “Articles 33.1.1 to 33.1.4” shall be replaced with “Articles 33.1.1 to 33.1.8”

33.2.1 (Failure to pay)

35.7

(Confidentiality)

With reference to Article 33.2.1 of the General Conditions, the Operation cost for the Power Plant is [insert value].

a) For the Duration of Contract and three Years after the termination or expiration of the Contract for any reason whatsoever, each Party shall:

(iii) keep the Confidential Information confidential;

(iv) not disclose the Confidential Information to any other person who is not a Party other than (i) with the prior written consent of the other Party, or (ii) in accordance with paragraph (b); and

(v) not use the Confidential Information for any purpose other than the performance of its obligations under the Contract.

b) For the Duration of Contract and after termination or expiration of the Contract for any reason, a Party may disclose the Confidential Information:

i. to its direct shareholders and affiliates (provided that in no circumstances shall disclosure to the public be permitted pursuant to this paragraph (b)(i)), directors, officers or employees (each a “Recipient”) to the extent necessary to achieve the purposes of the Contract, provided that the disclosing Party shall procure that each Recipient is made aware of and complies with all the disclosing Party’s obligations of confidentiality under the Contract as if the Recipient was a party to the Contract;

ii. if, and only to the extent, required to disclose such information by judicial or administrative process or otherwise in accordance with any law or the rules of any recognised stock exchange applicable to the disclosing Party;

iii. with the consent of the other Party (not to be unreasonably withheld), in the interest of attracting debt or equity financing for the Project;

iv. to its legal, financial and/or technical advisors or pursuant to the Financing Agreements, provided that prior to making such disclosure, the disclosing Party obtains an appropriate confidentiality undertaking from the person to whom the Confidential Information is to be disclosed;
or

- v. in a legal action or proceeding brought by the disclosing Party in pursuit of its rights or in exercise of its remedies.
- c) The obligations contained in paragraphs (a) and (b) shall not apply to any Confidential Information which:
 - i. is at the date of the Contract in, or at any time after the date of the Contract comes into, the public domain other than through breach of the Contract by the disclosing Party or any Recipient;
 - ii. can be shown by the disclosing Party to the reasonable satisfaction of the other Party to have been known to the disclosing Party independently;
 - iii. on, before or after the date of the Contract has come lawfully into the possession of the disclosing Party from a third party.
- d) This prohibition shall not forbid a Party, with the prior consent of the other Party, from issuing a press release containing Confidential Information in relation to the progress of the Project.
- e) For the purposes of this Article, "Confidential Information" means the Contract and all information concerning the Project and other Party (or its affiliates) which are in writing, and acquired directly before or after the date of the Contract.

Compensation Notwithstanding anything to contrary, TPPH shall have no obligation to compensate the Company for any amount in any event or circumstance under the Contract or otherwise, unless there is an express provision under the Contract which entitles the Company for such compensation.

Progress Report During the Construction Period, the Company shall prepare and submit to TPPH, for information, quarterly progress reports in two hard copies and one electronic file. Each progress shall include: (i) description of progress, including the stages of design, procurement, manufacture, construction, installation, testing, and commissioning, and (ii) photographs showing the status of manufacture and of the progress on the Construction Site