

Date: 9/11/2023

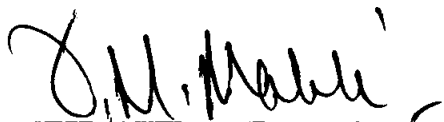
Registrar,
National Electric Power Regulatory Authority (NEPRA),
Attaturk Avenue (East), Sector G-5/1, Islamabad.
Fax: +92 51 2600028

Subject: Application for Modification of Generation License (License No: SPGL/18/2017).

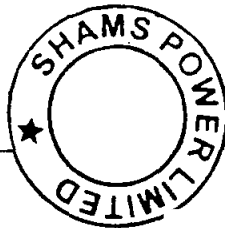
I, Omar M. Malik, Chief Executive Officer, being the duly authorized representative of Shams Power Limited (SPL) by virtue of Board Resolution dated October 22nd, 2021, hereby apply to the National Electric Power Regulatory Authority (NEPRA) for the modification of Generation License (License No: **SPGL/18/2017** Licensee: **Shams Power Limited** pursuant to section-10 of the National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations, 1999.

I certify that the documents-in-support attached with this application are prepared and submitted in conformity with the provisions of the National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations, 1999, and undertake to abide by the terms and provisions of the above-said regulations. I further undertake and confirm that the information provided in the attached documents-in-support is true and correct to the best of my knowledge and belief.

Two pay orders in the sum of Rupees Four Hundred Eighty-Five Thousand Eight Hundred Seventy-Nine only (Rs 485,879/-) being the non-refundable license application fee calculated in accordance with Schedule II to the National Electric Power Regulatory Authority Licensing (Application and Modification Procedure) Regulations, 1999, are also attached herewith.



Omar M. Malik.
(Chief Executive Officer)
Shams Power Limited.



Shams Power Limited

2nd Floor, Al Maalik, 19 Davis Road, Lahore, Pakistan

Phone +92 42 36313235 & 36

Fax +92 42 36312959

APPLICATION FOR MODIFICATION OF GENERATION LICENSE No. SPGL/18/2017

**GRANTED TO SHAMS POWER LIMITED –
(PREVIOUSLY SHAMS POWER (PRIVATE) LIMITED)**

IN RESPECT OF

**ITS GENERATION FACILITY/SOLAR FARM/SOLAR POWER PLANT LOCATED AT,
INTER ALIA, PAK PING - C (PRIVATE) LIMITED AL MAALIK BUILDING 19 DAVIS ROAD
IN THE PROVINCE OF PUNJAB**

TOTAL INSTALLED CAPACITY: = 3.5571 MW (DISTRIBUTED)

ISSUED ON 19TH DAY OF JANUARY 2017

Shams Power Limited

2nd Floor, Al Maalik, 19 Davis Road, Lahore, Pakistan

Phone +92 42 36313235 & 36

Fax +92 42 36312959

Application for Modification of Generation License (License No: SPGL/18/2017)

Modification Purpose & Relevant Details

1.0 Background:

1.1 Shams Power Limited (SPL) was incorporated on January 15, 2015 under Section-32 of the companies' ordinance, 1984. with corporate universal identification No. 0091515. The business office of the company is at 2nd Floor, AL-Maalik building, 19-Davis Road Lahore.

1.2 It is a joint venture of three of Pakistan's leading energy companies (Saba Power Limited, PITCO Private Limited and Orient Operating Company Limited), involved in setting up power projects in Pakistan since 1996.

1.3 Shams Power Limited aims to pioneer solving the Pakistan's energy problems by accelerating the adoption of distributed solar energy. Our team is committed to excellence in every aspect of solar design, construction, and operations and maintenance.

1.4 Shams Power Limited offers a complete range of solar energy services to commercial and industrial sector customers across the Pakistan. Backed by more than 20 years of industry experience and a dedicated technical team, SPL handle every aspect of solar power installation—including financing, technology evaluation, engineering and design, construction, monitoring, and ongoing maintenance and support—to ensure the most efficient and reliable solution.

1.5 Shams Power Limited in pursuance of, inter alia, Regulation 9 and 10 of National Electric Power Regulatory Authority Licensing (Application, Modification, Extension and Cancellation) Procedure Regulations, 2021 and other applicable provisions of the Regulation of Generation Transmission and Distribution of Electric Power Act, 1997 (the "Act"). Rules, Regulations and applicable documents (collectively "NEPRA Laws") submits this Application for modification of its Generation License (the "MGL") in respect of its Generation License No. SPGL/18/2017 dated 19.01.2017 (Copy of the said Generation License^s attached herewith).

as modified on 22 April 2022

2.0 Proposed Modification

2.1 Reference of issued Generation License No: SPGL/18/2017, dated 19th January 2017, by the Authority (NEPRA) for 0.07956 MW Solar Generation Facility located at Paki Ping- C (Private) Limited on the roof-top of Al-Maalik Building, 19 Davis Road, Lahore. A modification of the GL was issued via letter no. NEPRA/R/LAG-319/6815-25 dated April 22nd, 2019 by the Authority for 3.5571 MW distributed solar generation facilities at 09 sites of Metro Cash and Carry and 01 site of Akzonobel Head Office Pakistan, including the initially granted generation of 0.07956MW at Al Maalik Building.

2.2 Shams Power Limited has successfully commissioned and efficiently operated the Solar Power Plants at Al-Maalik Building, Metro Cash and Carry Stores Pakistan and Akzonobel Head office for a few years. However, the aforementioned customer Pak Ping-c (Private) Limited desire to take over some or all of the solar power plants at their respective sites and manage themselves from now onwards.

Shams Power Limited

2nd Floor, Al Maalik, 19 Davis Road, Lahore, Pakistan

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2.3 In accordance with National Electric Power Regulatory Authority Licensing (Application & Modification Procedure) Regulations, 1999, Shams Power Private Limited (SPL) intends to **modify** its existing generation license SPGL/18/2017 (vide letter no. NEPRA/R/LAG-319/6815-25 dated April 22, 2019) in order to facilitate its customer. It will enable SPL to fulfil its contractual obligation of ownership transfer to its customers according to the terms agreed between parties.

3.0 Reasons In Support of Modification of Generation License

3.1 Shams Power Limited is a Clean Energy Solution Provider which provides turnkey solutions to its customers, and takes care of CAPEX & OPEX (for time period agreed in PPA) making it the most feasible financial model, for customers, to switch to cleaner energy without upfront capital investment. SPL had initially applied for 50 MW generation license to cater to this ever-increasing generation capacity requirement. However, since at that time SPL did not have MOUs to back its application, therefore it was declined by the Authority (NEPRA) and a Generation License was only granted for 0.07956 MW at the Al Maalik Building site which was modified to 3.5571MW after inclusion of 0.4 MW at Akzonobel Head Office and 3.07754 MW at 9 sites of Metro Cash and Carry Stores Pakistan.

3.2 SPL has designed the solar PV plants keeping in view the minimum energy demands of the clients. However, solar power generated on weekends and holidays is being waste, and our client intends to net-meter the surplus generation as per according to AEDB's net-metering guidelines.

3.3 SPL and its clients tried to avail net-metering, but the efforts could not materialize due to the regulatory technicalities for PPA cases where the power seller (in this case SPL) has already obtained the Generation License from the Authority, and a second net metering license cannot be issued to SPL's clients for net metering.

3.4 Therefore, SPL's client Pak Ping-C (Private) Limited have decided to take over the solar power plant at their respective site and manage the power plants themselves afterwards. According to the PPA, SPL is bound to handover the projects to the clients either at the end of the term of PPA or whenever both parties agree to do so. Therefore, SPL has decided to handover the plants to its clients, and withdraw the Generation License for their site whilst leaving the other sites referenced in the Generation License intact.

4.0 Statement of Impact on the Tariff, Quality of Service and Performance.

4.1 Impact on the Tariff

As per the PPA signed between SPL and the Customers, SPL was charging a mutually agreed tariff (agreed between SPL and customer). This is a B2B setup where SPL's operational PV plants will be transferred to the clients with mutual consent. Therefore, there will be no impact in the existing facility's tariff as well as it will not affect tariff of any DISCO.

4.2 Impact on Quality of Service and Performance

SPL has been taking care of operation and maintenance of these facilities from the date of commissioning and has a dedicated staff for routine maintenance and troubleshooting of the PV plants, 24/7 available at site.

Furthermore, to avoid soiling losses as much as possible, SPL had scheduled weekly cleaning of the PV modules, which it has followed strictly. All insulations, cable joints, fuses, SPDs, cable trays and PV modules are inspected monthly for any fault or break. Similarly, inverters are serviced i.e., filters cleaned once every two months to keep the system trouble free and efficient. Open circuit voltage and short circuit current of PV modules and arrays are tested quarterly to check their conformity with the manufacturer's provided specification sheet. Due to these rigorous measures the PV plant has been running flawlessly since it's commissioning and not even a single major break down has occurred during this time.

After transfer of ownership, Operations and Maintenance of the PV plants will be customer's own responsibility.

SPL will provide Cleaning & maintenance Manuals and SOPs so that they may follow the guidelines in order to achieve the productivity targets. SPL will also train the customer's staff for the purpose. Therefore, no impact on the quality of service and performance is envisioned.

SPL has performed an in-depth technical and financial analysis for above mentioned 11 proposed sites. Findings from these analyses suggest that the proposed site at of Pak Ping-C (Private) Limited are suitable for handing over to the customers.

PV plants at each site have been specifically designed to cater its power requirements and keeping in view technical & financial constraints pertaining to that site.

As considerable amount of effort and attention to minute details have been put into PV plant designing and construction, SPL is confident that, if it is allowed to handover these plants to the customers, they will be able to operate and achieve the required results without any problem.

5.0 Prayer

It is most humbly prayed to the esteemed Authority as follows:

- A. That the Authority may kindly approve the modification of SPL's Generation License.
- B. That the Authority may be pleased to treat the request for modification of SPL's Generation license expeditiously and on a non-discriminatory basis;
- C. Any further and better relief that the Authority may deem appropriate in the circumstances may kindly be granted to SPL.

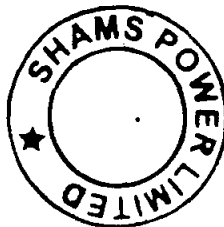
We hope the information/explanation provided above meets the Authority's requirements and SPL shall remain available to assist the Authority in further queries/clarifications.

Therefore, SPL requests the authority to accept our modification application of Generation License (License No: SPGL/18/2017) of 3.5571 MW Distributed Solar Plants, by removing the following site;

1. *Al-Maalik Building, 19 Davis Road, Lahore.*



Sincerely
Omar M. Malik
Chief Executive Officer
Shams Power Limited



Shams Power Limited

2nd Floor, Al Maalik, 19 Davis Road, Lahore, Pakistan

Phone +92 42 36313235 & 36

Fax +92 42 36312959

**National Electric Power Regulatory Authority
(NEPRA)**

Islamabad – Pakistan

GENERATION LICENCE

SPGL/18/2017

In exercise of the Powers conferred under Section-26 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 the Authority hereby modifies the Generation Licence granted to Shams Power (Private) Limited to the extent of changes mentioned as here under.

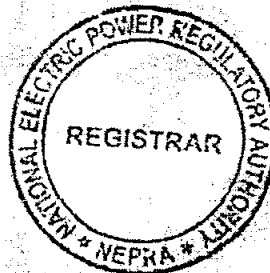
- (i). Installed capacity mentioned in the Face Sheet may be read as **3.5571 MW** instead of **0.07956 MW**;
- (ii). Changes in the Articles of the Generation Licence attached as Revised/Modified Articles of the Generation Licence;
- (iii). Changes in **Schedule-I** attached as **Revised/Modified Schedule-I**;
- (iv). Changes in **Schedule-II** attached as **Revised/Modified Schedule-II**; and
- (v). **STSA** is attached.

22nd

This **Modification-I** is given under my hand on ____ **day** of **April**

Two Thousand & Nineteen


22/04/17
Registrar



Authorization by
National Electric Power Regulatory Authority

To

Shams Power (Private) Limited (SPPL)

Incorporated on January 15, 2015 Under Section-32
of the Companies Ordinance, 1984, having corporate
Universal Identification No. 0091515

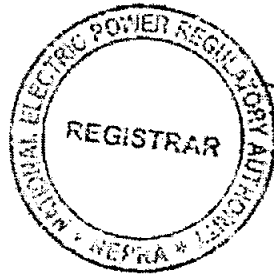
Generation Licence No. SPGL/18/2017

For

Sale to Bulk Power Consumer

Pursuant to Section-21 of the NEPRA Act and Rules-7 of the NEPRA Licensing (Generation) Rules, 2000, the Authority hereby authorizes SPPL/(the Licensee) to engage in Second Tier Supply business, limited to the following consumers/BPCs also mentioned in Schedule-I of the Generation Licence No. SPGL/18/2017 dated January 19, 2017;

1. Pak Ping-C (Private) Limited AL-Maalik Building 19-Davis Road Lahore.
2. METRO Cash and Carry, Islamabad.
3. METRO Cash and Carry, Thokar Niaz Baig, Lahore.
4. METRO Cash and Carry, Airport Road, DHA, Lahore.
5. METRO Cash and Carry, Ravi Road, Lahore.
6. METRO Cash and Carry, Model Town, Lahore.
7. METRO Cash and Carry, Sargodha Road, Faisalabad.
8. METRO Cash and Carry, Manghopir Road, Karachi.



9. METRO Cash and Carry, Near Stargate, Karachi.
10. METRO Cash and Carry, Near Safari Park, Karachi.
11. Azonobel, Head Office, Lahore.

Authority

(Rafique Ahmad Sheikh)
Member

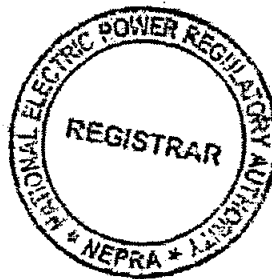
Rafique Ahmad Sheikh
9/4/19

(Saif ullah Chaudhary)
Member

Saif ullah Chaudhary
10.4.2019

(Rehmat ullah Baloch)
Member/ Vice Chairman

Rehmat ullah Baloch



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TRUE COPY OF THE RESOLUTION OF BOARD OF DIRECTORS SHAMSPower LIMITED

Board of Directors of Shams Power Limited, by the resolution in circulation dated 28th of August 2023, has passed to resolve as under:

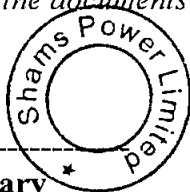
"Resolved, that the Company shall proceed with all acts necessary to comply with the legal and Regulatory requirements in relation to its business objectives and activities, inter alia, of the sale of electricity through the Generation Facilities to be provided by the Company at site(s) of Buyer(s).

Further Resolved, that in order to modify the Generation License number SPGL/18/2017 issued by National Electric Power Regulatory Authority (NEPRA) on 19th January 2017, as modified on 22nd of April, 2021, the Chief Executive Officer of the Company (Omar M. Malik) shall be authorized to submit the application for modification and / or to seek or submit any details, documents, evidence, clarification, or request as well as to represent the Company for the purposes of soliciting the Modification of the aforementioned Generation License number SPGL/18/2017 for the following sites, either before NEPRA or any other appropriate forum and to do all or any other act that a man of ordinary prudence will do for the purposes mentioned above, including appearance before any department or forum or body, whether judicial or quasi-judicial, and to obtain the permission or no objection certificate where and when required.

1. *Al-Maalik Building, Lahore.*
2. *METRO Cash and Carry, Islamabad.*
3. *METRO Cash and Carry, Thokar Niaz Beg, Lahore.*
4. *METRO Cash and Carry, Airport Road, Lahore.*
5. *METRO Cash and Carry, Ravi Road, Lahore.*
6. *METRO Cash and Carry, Model Town, Lahore.*
7. *METRO Cash and Carry, Sargodha Road, Faisalabad.*
8. *METRO Cash and Carry, Manghopir Road, Karachi.*
9. *METRO Cash and Carry, Near Stargate, Karachi.*
10. *METRO Cash and Carry, Near Safari Park, Karachi.*
11. *AkzoNobel, Head Office, Lahore.*

It is also resolved that Omar M. Malik, the Chief Executive Officer named above, may further delegate the powers so vested in him, in writing to one or more persons to the extent of the purposes as shall be mentioned in the deed of delegation.

Moreover, it is resolved that Omar M. Malik, the Chief Executive Officer named above, is authorized and empowered for and on behalf of the Company to sign, execute and file the Petition for the modification of Generation License to NEPRA / other appropriate forum along with the documents essential to be filed.



Company Secretary

Certified to be a true copy

Shams Power Limited

2nd Floor. Al Maalik, 19 Davis Road, Lahore, Pakistan

Phone 092 42 36313235 & 36

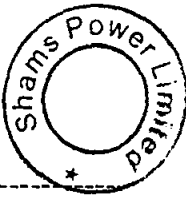

Fax +92 42 36312959

CERTIFICATION

I hereby certify that the above resolution was duly passed on 28th August, 2023 in circulation by the Board of Directors of Shams Power Limited comprising of:

1. Usman H. Malik
2. Omar M. Malik
3. Asad Qamar
4. Choudhry Usaed Hafeez

I also certify that the Resolution has been entered in the minute's book of the company in accordance with the Articles of Association of the company.



Company Secretary
Shams Power Limited

E-STAMP



ID : PB-LHR-6D3B98E2064614D4
Type : Low Denomination
Amount : Rs 300/-



Scan for online verification

Description : AFFIDAVIT- 4
Applicant : Nepra [00000-0000000-0]
Representative From : nil
Agent : Hassan Liaqat [35202-8381274-7]
Address : Lahore
Issue Date : 26-Aug-2023 1:23:46 PM
Delisted On/Validity : 2-Sep-2023
Amount in Words : Three Hundred Rupees Only
Reason : in favor of Shams Power Limited.
Vendor Information : Muhammad Zia Ul Mustafa | PB-LHR-865 | Abbot Road Lahore



نوٹ: عہدہ دار کو یہ یقین دلایا جاتا ہے کہ اس کی تصدیق شدہ اور تصدیق شدہ معلومات پر مبنی ہے۔
Type "eStamp <16 digit eStamp Number>" send to 8100

TERMINATION AGREEMENT

THIS TERMINATION AGREEMENT (this "**Termination Agreement**") is made on this 28th day of August 2023 (the "**Effective Date**") at Lahore.

BY AND BETWEEN

SHAMS POWER LIMITED (PREVIOUSLY SHAMS POWER (PRIVATE) LIMITED), a company incorporated and existing under the laws of Pakistan, having its registered office at 2nd Floor, Al-Maalik Plaza, 19-Davis Road, Lahore (hereinafter referred to as the "**Seller**" which expression, where the context so permits, shall include its successors in interest and permitted assigns);

AND

PAK PING - C (PRIVATE) LIMITED, a company existing under the laws of Pakistan, whose registered office is at Al Maalik Plaza, 19 Davies Road, Lahore, (hereinafter referred to as the "**Power Purchaser**" which expression, where the context so permits, shall include its successors in interest and permitted assigns).

(The Seller and the Power Purchaser shall collectively be referred to as "**Parties**" and individually each as a "**Party**").

WHEREAS:

- The Seller and the Power Purchaser entered in a Solar Power Purchase Agreement dated 11.07.2016 (the "**Solar Agreement**"), which is attached herewith as **Annexure A** hereto.
- The Parties desire to mutually terminate the Solar Agreement.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS SET-OUT HEREIN BELOW AND WITH THE INTENTION TO BE LEGALLY BOUND, THIS AGREEMENT WITNESSES as follows:

1/1

- The Parties hereby terminate the Solar Agreement with effect from the Effective Date.
- Each Party agrees, confirms and acknowledges that everything is settled under the Solar Agreement and neither Party is liable to the other for anything whatsoever and howsoever under the Solar Agreement and each Party indemnifies the other Party.

ATTESTED
M. YASIN MIRZA
Advocate Oath Commissioner
Lahore High Court, Lahore
Notification: 205/Cen. & 2014

1. Name of the person or organization	2. Address	3. City	4. State	5. Zip
6. Telephone number	7. Fax number	8. E-mail address	9. Website	10. Other contact information
11. Date of birth	12. Date of death	13. Date of marriage	14. Date of divorce	15. Date of remarriage
16. Date of immigration	17. Date of naturalization	18. Date of citizenship	19. Date of residency	20. Date of departure
21. Date of arrival	22. Date of departure	23. Date of return	24. Date of departure	25. Date of return
26. Date of departure	27. Date of return	28. Date of departure	29. Date of return	30. Date of departure
31. Date of return	32. Date of departure	33. Date of return	34. Date of departure	35. Date of return
36. Date of departure	37. Date of return	38. Date of departure	39. Date of return	40. Date of departure
41. Date of return	42. Date of departure	43. Date of return	44. Date of departure	45. Date of return
46. Date of departure	47. Date of return	48. Date of departure	49. Date of return	50. Date of departure
51. Date of return	52. Date of departure	53. Date of return	54. Date of departure	55. Date of return
56. Date of departure	57. Date of return	58. Date of departure	59. Date of return	60. Date of departure
61. Date of return	62. Date of departure	63. Date of return	64. Date of departure	65. Date of return
66. Date of departure	67. Date of return	68. Date of departure	69. Date of return	70. Date of departure
71. Date of return	72. Date of departure	73. Date of return	74. Date of departure	75. Date of return
76. Date of departure	77. Date of return	78. Date of departure	79. Date of return	80. Date of departure
81. Date of return	82. Date of departure	83. Date of return	84. Date of departure	85. Date of return
86. Date of departure	87. Date of return	88. Date of departure	89. Date of return	90. Date of departure
91. Date of return	92. Date of departure	93. Date of return	94. Date of departure	95. Date of return
96. Date of departure	97. Date of return	98. Date of departure	99. Date of return	100. Date of departure



نوٹ: جی آر ٹی کیسٹن ناز ویج اجراء سے سات دنوں تک کے لیے قابل استعمال ہے۔ ای اسٹمپ کی تصدیقی پتھر ورسو آپ سائن کی گولی کوڑا یا ایم ایس سے کی جا سکتی ہے۔

Type "eStamp <16 digit eStamp Number>" send to 8100

DEPONENT

1/1

ATTESTED
M.YASIN MIRZA
Advocate Oath Commissioner
Lahore High Court, Lahore
Notification: 395/Gen/X.B.9(b)1

3. The Parties shall execute simultaneously with the execution of this Termination Agreement, new agreement(s) for purposes of the solar power/equipment.
4. The validity, construction and performance of this Termination Agreement shall be governed and interpreted in accordance with the procedural and substantive laws of Pakistan. The Parties hereby agree to submit to the jurisdiction of the courts in Lahore.
5. This Termination Agreement constitutes the entire agreement between the Parties hereto in respect of the subject matter hereof. No modification of this Termination Agreement shall be of any force or effect unless reduced in writing and signed by the Parties hereto.
6. Each Party warrants and represents to the other Party that it has power to execute, deliver and perform its obligations under this Termination Agreement.

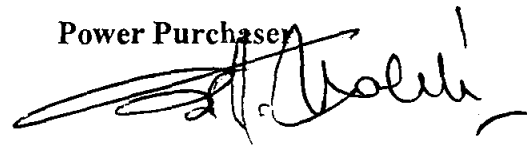
IN WITNESS WHEREOF the Parties hereto have executed this Agreement on the day, month and year first above written.

Seller




 Shams Power Limited


Power Purchaser



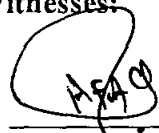
 Pak Ping- C (Private) Limited

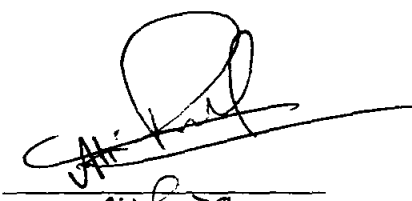
Witnesses

1. 
 Name: Umar Sijad Hashmi
 Address: 19 Davis Road, Lahore.
 CNIC No.: 33202-2211456-9

2. 
 Name: KHAUD ZUBAIR
 Address: JINNAH COLONY Abdul Hakim
 CNIC No: 36102-9514778-7

Witnesses:

1. 
 Name: AFAR MEHMOOD
 Address: 19-Davis Road, AL-MaaliK, Lhr
 CNIC No.: 35202-5488871-9

2. 
 Name: Ali Raza
 Address: AL-MaaliK Building, Davis Road Lah
 CNIC No: 35301-4784219-9



SOLAR POWER PURCHASE AGREEMENT

THIS SOLAR POWER PURCHASE AGREEMENT ("**Agreement**") is made at Lahore on this 11th day of July 2016, by and between:

Shams Power (Private) Limited, a company incorporated and existing under the laws of Pakistan, having its registered office at 2nd Floor, Al Maalik, 19 Davis Road, Lahore, Pakistan (hereinafter referred to as the "**Seller**", which expression, where the context so, permits shall include its successors in interest and permitted assigns)

AND

Pak Ping Carpets (Pvt.) Ltd., a company incorporated and existing under the laws of the Pakistan, having its head office at 2nd Floor, Al Maalik, 19 Davis Road, Lahore, Pakistan (hereinafter referred to as the "**Power Purchaser**", which expression, where the context so permits, shall include its successors in interest and permitted assigns).

(The Seller and the Power Purchaser shall individually be referred to as the "**Party**" and collectively as the "**Parties**")

WHEREAS

(1) The Power Purchaser desires the Seller to install, operate and maintain a solar electric generating facility with an Installed Capacity of approximately 80 KW (Eighty kilowatts) fully described in Annexure A hereto (the "**Facility**") on the rooftop/premises of the Power Purchaser's property located at Al-Maalik Building, Davis Road, Lahore (the "**Site**").

(2) The Power Purchaser desires the Seller to sell the Solar Energy produced by the Facility to the Power Purchaser.

(2) The Power Purchaser has represented that it is the legal and/or beneficial owner of the Site.

(3) In the reliance on this representation, the Seller has agreed to install, operate and maintain the Facility on the Site and sell to the Power Purchaser the Solar Energy from the Facility pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual benefits, the Parties agree as follows:

A. DEFINITIONS AND INTERPRETATIONS

1. Definitions

In this Agreement, in addition to the Recitals above, the words set out below shall have the meanings assigned to them as follows:

Shams Power (Private) Limited
 2nd Floor, Al Maalik, 19 Davis Road, Lahore, Pakistan
 Phone +92 42 36313235 & 36
 Fax +92 42 36312959

- (1) "**Book Value**" means the value of the Facility as defined in clause 4.3.
- (2) "**Commercial Operation Date**" means, with respect to the Facility, the date on which (a) the Facility is capable of producing and delivering Solar Energy to the Delivery Point; and (b) Seller has obtained all necessary Permits required in order for the Facility to deliver Solar Energy to the Delivery Point.
- (3) "**Commercial Operation Year**" means, with respect to the Facility, any consecutive twelve (12) month period during the Term of this Agreement, commencing on each consecutive anniversary of the of Commercial Operation Date and ending as of the of the Day preceding the next anniversary of the Commercial Operation Date.
- (4) "**Day**" The 24- hours period beginning and ending at 12:00 midnight Pakistan time.
- (5) "**Deemed Energy Supplied**" means any solar electricity deemed to have been supplied by the Seller during the closure of the Facility as a result of any event not related to Force Majeure.
- (6) "**Delivery Point**" means, with respect to the Facility, the Meter, as further specified by Seller prior to the Commercial Operation Date.
- (7) "**Effective Date**" shall be the date of signing of this Agreement.
- (8) "**Event of Default**" shall have the meaning set forth in Clause 16.
- (9) "**Equipment Lifetime**" shall be 25 years.
- (10) "**Facility**" shall have the meaning set forth in the Preamble.
- (11) "**Force Majeure Event**" shall have the meaning set forth in Clause 20.
- (12) "**Hazardous Materials**" shall mean all hazardous or toxic substances, wastes or other pollutants, including petroleum, petroleum hydrocarbons or petroleum products, petroleum by-products, radioactive materials, asbestos or asbestos-containing materials, gasoline, diesel fuel, pesticides, radon, urea formaldehyde, lead or lead-containing materials, polychlorinated biphenyls; and any other chemicals, materials, substances or wastes in any amount or concentration which are now included in the definition of "hazardous substances," "hazardous materials," "hazardous wastes," "extremely hazardous wastes," "restricted hazardous wastes," "toxic substances," "toxic pollutants," "pollutants," "regulated substances," "solid wastes," or "contaminants" or words of similar import, under any applicable law.
- (13) "**Initial Period**" shall have the meaning set forth in Clause 3.
- (14) "**Installed Capacity**" means, the aggregate nameplate capacity of all installed Solar Modules of the Facility expressed in kilowatts (peak).



- (15) "kWh" shall mean a kilowatt-hour, or the delivery of one-thousand watts of energy over a period of one hour.
- (16) "Losses" mean any and all losses, liabilities, claims, demands, suits, causes of action, judgments, awards, damages, cleanup and remedial obligations, interest, fines, fees, penalties, costs, and expenses (including all fees and other costs and expenses incurred in defending any such claims or matters or in asserting or enforcing any indemnity obligation).
- (17) "**Material Adverse Effect**" means any event, occurrence, change or effect of whatever nature (or events, occurrences, changes or effects, taken together) that (i) is, or is reasonably likely to be, materially adverse to the present or future business, operations, assets, liabilities, properties, results of operations or condition (financial or otherwise) of the project or, including the design, development, construction or operation of the Facility as currently contemplated, or (ii) prevents or materially impairs or delays, or is reasonably likely to prevent or materially impair or delay, either Party's ability to perform its obligations under this Agreement or to consummate the transactions contemplated hereby or thereby.
- (18) "**Meter**" shall mean the all meter (s) and metering devices (including remote terminal units) installed by Seller at the Delivery Point that measures the Solar Energy produced by the Facility as well as the Solar Energy delivered to the Power Purchaser.
- (19) "**Operations Period**" shall have the meaning set forth in Clause 3.
- (20) "**Permits**" means all permits, consents, licenses, approvals, or authorizations from any governmental authority, required to own, construct, operate or maintain the Solar Facility, make available Solar Energy at the Delivery Point, and otherwise sell and transfer Solar Energy to the Power Purchaser.
- (21) "**Purchase Price**" shall have the meaning set forth in Clause 11.
- (22) "**Site**" shall have the meaning set forth in the Preamble.
- (23) "**Solar Energy**" means the instantaneous electrical energy output (in kWh), intermittent and variable within the hour, made available from the Facility after the Commercial Operation Date at the Delivery Point, as measured by the Meter installed at the Delivery Point.
- (24) "**Solar Modules**" means those photovoltaic solar electric generating devices powered by the sun and related equipment necessary for the production of electric energy that are included in the Facility.
- (25) "**Term**" means the period of time during which this Agreement shall remain in full force and effect, and which is further described in Clause 3.



2. Interpretation

Save to the extent that the context or the express provisions of this Agreement otherwise require:

- (1) words of any gender include the other gender, and words using the singular or plural number also include the plural or singular number, respectively;
- (2) the terms "hereof", "herein", "hereby", "hereto" and similar words refer to this entire Agreement and not any particular clause, paragraph or any other subdivision of this Agreement;
- (3) a reference to a "Clause" or "paragraph" are to a Clause or paragraph to this Agreement;
- (4) the words "include" or "including" is deemed to be followed with "without limitation" or "but not limited to" whether or not they are followed by such phrases or words of like import;
- (5) references to "this Agreement" or any other agreement, document or instrument is to be construed as a reference to such agreement, document or instrument as amended, replaced, modified or supplemented and in effect from time to time and includes a reference to any document which amends, replaces, modifies or supplements it, or is entered into, made or given pursuant to or in accordance with its terms;
- (6) the headings are for convenience only and are to be ignored in constructing this Agreement;
- (7) references to persons include natural persons, bodies corporate or unincorporate and their successors and any permitted transferees and assigns;
- (8) any reference to a date or time is a reference to that date or time in Pakistan;
- (9) no rule of construction applies to the detriment of any Party by reason of that Party having control and/or was responsible for the preparation of this Agreement or any part thereof;
- (10) whenever this Agreement refers to a number of days, such references are to calendar days; and
- (11) in carrying out its obligations and duties under this Agreement, the Parties have an implied obligation of good faith.



3. Term and Termination

(1) The term of this Agreement shall consist of an Initial Period and an Operations Period, both as defined below (the "**Term**").

(2) The Initial Period shall begin on the Effective Date and end on the Commercial Operation Date (the "**Initial Period**"). During the Initial Period, the Seller shall confirm the feasibility of the Facility. The Parties hereby acknowledge and agree that the Seller may, at its sole discretion, terminate this Agreement during the Initial Period. Upon such termination, the Seller shall remove all structures that it has installed on the Site. The Seller shall bear cost.

(3) Subject to, and other than the termination options provided in, Clause 4(3) and Clause 31 below, the Power Purchaser agrees, confirms and acknowledges that it does not have the right to terminate this Agreement for whatever reason during the Term.

(4) The Operations Period shall begin on the Commercial Operations Date and shall end twenty (20) years after the Commercial Operations Date unless terminated before such date pursuant to this Agreement (the "**Operations Period**"). The Parties agree that the twenty (20)-year Operations Period shall, initially, be for fifteen (15) years and shall be extended for another five (5) years. The Power Purchaser hereby acknowledges, undertakes and agrees that in case of its failure to extend it for five (5) years after the initial fifteen (15) years, the Power Purchaser shall buy the Facility on the **Book Value** as per, and in accordance with, Clause 4(3) below.

4. Purchase Option

(1) On the twentieth (20th) anniversary of the Commercial Operation Date, the Power Purchaser shall have the option, subject to ninety (90) days prior written notice to the Seller, to purchase the Facility from the Seller. If the Power Purchaser provides notice of its intent to exercise such option, the Seller shall transfer the title of the Facility on "as-is" basis without representation or warranty except as to good title, to the Power Purchaser for a consideration of PKR 100.

(2) If, at the end of the Operations Period, the Power Purchaser does not exercise its option to purchase the Facility, the Seller shall decommission and remove the Facility from the Site.

(3) During the Term, anytime after the completion of the 15th year of this Agreement, the Power Purchaser shall have the option to buy the Facility based on the **Book Value**. The Seller will determine the **Book Value** of the equipment based on a straight-line depreciation method and over a period of 25 years, which is the **Equipment Lifetime**. The Seller will provide warranties from equipment suppliers for panel and inverters for the remaining duration of the **Equipment Lifetime**.

5. Ownership of the Facility

Subject to Clause 4 above, the Parties hereby acknowledge and agree that the Seller shall remain the legal and beneficial owner of the Facility at all times during the term of agreement.



6. Permits and Approvals

- (1) The Seller shall obtain all Regulatory Permits from the National Electric Power Regulatory Authority (NEPRA) necessary for operation and maintenance of the Facility and the performance of its obligations hereunder.
- (2) The Seller shall obtain a certificate of building structural fitness from Pak Ping Carpets approved professional third party firm for installation and operation of the Facility. Certificate of design and fitness is attached as Annexure D.
- (3) The Power Purchaser shall be responsible for obtaining, and paying for, any and all, consents or approvals from the local government and municipal authorities, which are necessary for the construction, commissioning, and operation of the Facility. The Power Purchaser shall further pay for and obtain all consents required for it to execute this Agreement and perform its obligations under this Agreement from its lenders, tenants and any other persons with an interest in the Site.

7. Construction and Operation of the Facility

- (1) The Seller shall design, install, test, commission, operate, and maintain the Facility and keep it in good condition and repair in accordance with applicable law. Such work shall be at the Seller's sole expense and all building plans and work plans shall be subject to the approval of Pak Ping Carpets (Pvt.) Ltd
- (2) That Seller shall ensure that the construction and installation of the Facility is carried out in a such a manner that it shall not damage any part of the Site and subsequently shall take preventive measure to avoid any structural damage or an operational hindrance to the Site.
- (3) The Seller shall be responsible for all Losses due to any accident which occurs during and after construction/installation of the Facility to the extent arising out of the Seller's negligence or willful misconduct or any failure to properly handle or dispose of any Hazardous Materials brought onto the Site by the Seller. Accident/incident may include damage to property and injury to person i.e. customers, visitors, suppliers, employee and/or any other person. The Power Purchaser hereby acknowledges and agrees that the Seller shall not be responsible for any Loss due to any accident which occurs during and, after construction/installation of the Facility which does not arise out of the negligence or willful default of the Seller and the Seller shall not be responsible for any Hazardous Materials encountered at the Site except to the extent introduced by the Seller.
- (4) The Power Purchaser hereby grants to the Seller and its employees, agents, representatives and subcontractors the right to use such portions of the Site as are reasonably required in order for the Seller and its employees, contractors and subcontractors for the purposes of designing, installing, testing, commissioning, operating, and maintaining the Facility (the "**Access Rights**"). Such portions of the Site to be made available to the Seller shall include, without limitation, a reasonable area for construction lay-down and delivery of materials and equipment. The Power Purchaser hereby grants the Access Rights to the Seller and its employees, agents, representatives and subcontractors; and agrees that it will not impair, and will not permit third parties to impair, such Access Rights for so long as this Agreement is in effect (and thereafter for such period of time as may be reasonably necessary to remove the Facility).



- (5) The Power Purchaser undertakes and agrees not to modify the Site in such a way as to interfere with the construction, operation and maintenance of the Facility. The Power Purchaser further acknowledges that sunlight is essential to enable the Facility to generate Solar Energy and, therefore, agrees that it shall not during the term of this Agreement directly or indirectly take any actions that would result in blocking or reducing sunlight to the Facility or otherwise interfere with the Facility or the Facility's access to solar radiation.
- (6) The Seller shall cooperate with any reasonable attempt by the Power Purchaser to obtain a solar access easement for the Site to prevent other buildings, structures or flora from overshadowing or otherwise blocking access of the sunlight to the Facility.
- (7) The Power Purchaser will provide security for the Facility as part of its normal security procedures for the Site and will inform the Seller, immediately, upon observing any damage to the Facility or that could reasonably be expected to adversely affect the Facility or the Site.

8. Operations and Maintenance and Repairs

- (1) The Seller shall be responsible for performing, or causing to be performed, all operation, maintenance and monitoring services for the Facility during the Term. The Seller shall promptly provide the Power Purchaser with all information reasonably requested by the Power Purchaser relating to the operation, use, or any other matter relating to the

Facility, subject, however, to any confidentiality requirements or restrictions in favor of third parties.
- (2) The Parties acknowledge and agree that the Seller may, immediately and with prior notice, shut down the Facility at any time in order to perform emergency repairs.
- (3) In addition to the right of Seller to shut down the Facility for emergency repairs or maintenance, the Seller may shut down the Facility if the Seller reasonably believes that the Site conditions or activities of persons on the Site, which are not under the control of Seller, whether or not under the control of the Power Purchaser, may interfere with the safe operation of the Facility. Seller shall give the Power Purchaser notice of the shutdown immediately upon becoming aware of the potential for such conditions or activities.
- (4) The Seller shall give the Power Purchaser five (5) day notice for regular maintenance shutdowns. The Seller shall not have any obligation to reimburse the Power Purchaser for costs of purchasing electricity which would have been produced by the Facility for such a maintenance shutdown.
- (5) The Power Purchaser may request Seller to stop, temporarily, operation of the Facility for reasons related to the Power Purchaser's activities in maintaining and improving the Site, provided, however, that the Power Purchaser shall make the payments to Seller for the Deemed Energy Supplied.
- (6) During the Operations Period, the Power Purchaser shall provide to the Seller, free of cost, the following: (a) storage area on the site for storage of the maintenance



equipment and supplies; (b) access to utilities necessary for the maintenance of the equipment, including but not limited to water and electricity; and (c) Internet connectivity close to the invertors to enable the Seller to monitor the Facility remotely.

(7) During the Operations Period, if the Power Purchaser deems it necessary to relocate the Facility within the existing Premises or to another location, the Seller shall facilitate the relocation of the Facility to the maximum extent, including but not limited to:

- i. Selection of least cost mechanism for relocation through a competitive evaluation of at least 3 relocation cost options.
- ii. Undertaking and/or supervising the relocation of the Facility.
- iii. Decommissioning the Facility at the new location.
- iv. All costs for the Relocation shall be borne by the Power Purchaser, however subject to prior written approval of the Power Purchaser.

9. Payment during Closure of Site

In the event the Site is closed as a result of an event not related to Force Majeure, the Power Purchaser shall nevertheless continue to pay the Seller for the Deemed Energy Supplied.

10. Purchase and Sale of Solar Energy

- (1) During the Operations Period, the Power Purchaser shall buy from the Seller all of the Solar Energy produced by the Facility at the agreed price and payment terms described in this Agreement. The Seller does not guarantee that any particular amount of electric energy will be produced by the Facility for any hourly, daily, monthly, annual or other period.
- (2) It is acknowledged and agreed that the Seller shall not be responsible for providing any electricity to the Power Purchaser other than the electricity produced by the Facility; and that, in the event that the amount of Solar Energy generated by the Facility is at any time insufficient to serve the needs of the Power Purchaser, the Power Purchaser shall obtain any shortfall electric power from the local utility/any other source. If the Facility provides more energy than is required to meet Power Purchaser's load, such surplus energy shall be exported to the grid by the Power Purchaser.
- (3) If the Power Purchaser decides to enter into a net-metering agreement with its local electric utility service provider, the Seller agrees to assist the Power Purchaser with paperwork and coordination with the local electric utility as required.

11. Electricity Purchase Price and Payment Terms

- (1) The Power Purchaser shall pay the Seller for each kilowatt-hour of Solar Energy delivered by the Seller at the Delivery Point as well as, any Deemed Energy pursuant to this Agreement at the rates set out in Annexure B hereto (the "**Purchase Price**") based on the Reading Date for the relevant Billing Month.

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- (2) The Reading Date will be defined as the last working day of each calendar month. The Readings of the current month minus the previous month will be the "Monthly Energy Delivered" for the Power Purchaser.
- (3) On the Reading Date, the Parties shall take a joint reading of the Billing Meter. In case the Customer's representative is not available for any reason for a joint meter reading, the Supplier's representative shall take the reading alone.
- (4) The Seller shall provide to the Power Purchaser a monthly invoice stating the amount of Solar Energy actually delivered to the Delivery Point by Seller, as well as any Deemed Energy, multiplied by the current Purchase Price (defined below). Payments for electricity generated by the Facility shall be due upon receipt of the invoice and the Power Purchaser shall make payment Thirty (30) days from the date of receipt of each invoice.

12. Grace Period

The Seller shall provide first six (6) months as grace period to the Power Purchaser for evaluating smooth & satisfactory Power generation by the PV Solar System and thereafter to make the payment of energy consumed during the said period.

Afterwards, monthly payment of Solar energy dispatched will be made as defined above **Clause 11.**

13. Delivery

- (1) The Solar Energy from the Facility shall be delivered from Seller to the Power Purchaser at the Delivery Point, as set forth in Annexure A, and otherwise in compliance with all requirements of the local electric utility.
- (2) The Seller shall be deemed to be in control of the Solar Energy up to and until the Delivery Point and the Power Purchaser shall be deemed to be in control of such Solar Energy at and after the Delivery Points.

14. Metering

- (1) The Seller shall install, own, operate and maintain all Meters and data processing equipment capable of the measurement, data storage, and transmission of information regarding the Solar Energy generated and delivered to Delivery Point by the Solar Facility.
- (2) The Solar Energy generated by the Facility shall be recorded by the Meter(s). The Seller shall test the Meter(s) for accuracy at least once within every Commercial Operation Year at its own cost. The Power Purchaser may have a representative present during any such testing.
- (3) Seller shall also test the Meter(s) at any time reasonably requested by the Power Purchaser, such additional testing shall be at Power Purchaser's expense.



- (4) When, as a result of any test pursuant to mentioned here-in-above the Meter(s) is found to be inaccurate by more than one-half percent (0.5%) or is otherwise functioning improperly then the correct amount of delivered energy for the actual period during which inaccurate measurements were made, be calculated for the period, if it can be ascertained, the Meter was discrepant and , if such period cannot be ascertained, for a period of no more than 60 days from the date of the test and up to the date of the installation and operation of the recalibrated Meter. Over- or under-billing, as the case may be, shall be adjusted in the invoice prepared for the subsequent calendar month.

15. Taxes

- (1) The Parties acknowledge that, as per the current applicable laws, the Seller shall be exempt from all income taxes associated with payments from the Power Purchaser to the Seller pursuant to this Agreement. The Parties undertake and agree that if Income Tax is levied in future on the sale of electricity at some time during the duration of this Agreement, the Power Purchaser will bear/pay withholding tax up to the extent of 4% of billing amount. Above 4% withholding tax shall be borne by the Seller.
- (2) The Power Purchaser shall be responsible for all present and future taxes, fees, and charges, including sales, use and gross receipts taxes, imposed or authorized by any Governmental authority on the purchase of electric energy by the Seller to the Power Purchaser and for all ad valorem personal property or real property taxes levied against the Site and its improvements and personal property located at the Site.
- (3) The Seller shall be obligated to pay all future taxes, fees and levies, imposed on or associated with the Facility or income from the sale of the Solar Energy.

16. Defaults and Remedies

- (1) Any of the following shall constitute an Event of Default ("**Event of Default**") on the part of either Party upon its occurrence and no cure period shall be applicable:
- (a) Either Party's actual fraud or willful misconduct in connection with this Agreement;
 - (b) Either Party's assignment of this Agreement or assignment of any of its rights hereunder for the benefit of creditors;
 - (c) Either Party's filing of a petition in voluntary bankruptcy or insolvency or for reorganization or arrangement under the bankruptcy laws or under any insolvency act of any state; and
 - (d) The failure of either Party to comply with any material obligation under this Agreement which would have a Material Adverse Effect on the other Party.
- (2) If any representation or warranty made by either Party in this Agreement proves to have been false or misleading in any material respect when made or ceases to remain true during the Term if such cessation would reasonably be expected to have a Material

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Adverse Effect on the other Party, it shall constitute an Event of Default unless cured within thirty (30) Days after the date of written notice.

- (3) The filing of an involuntary case in bankruptcy or any proceeding under any other insolvency law against either Party as debtor that could materially impact the other Party's ability to perform its obligations hereunder shall constitute an Event of Default; provided, however, that such a Party does not obtain a stay or dismissal of the filing within one hundred eighty (180) Days.
- (4) Upon the occurrence of an Event of Default that occurs at any time during the Term, the non-defaulting Party shall have the right to pursue all available legal or equitable remedies available to it, including the right to collect damages.
- (5) Each Party agrees that it has a duty to mitigate damages and covenants that it shall use reasonable efforts to minimize any damages it may incur as a result of the other Party's performance or non-performance of this Agreement.

17. Insurance

Each Party shall maintain the insurance coverage as set forth in Annexure C hereto in full force and effect throughout the Term.

18. Representations of the Parties

Beginning on the Execution Date (Initial Period), each Party represents and warrants to the other Party that:

- (1) It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;
- (2) The execution, delivery and performance of this Agreement is within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it;
- (3) This Agreement and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms;
- (4) It is not bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming bankrupt;
- (5) There is not pending or, to its knowledge, threatened against it or any of its affiliates any legal proceedings that could materially adversely affect its ability to perform its obligations under this Agreement;
- (6) It is acting for its own account, has made its own independent decision to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of the other Party in so doing, and



is capable of assessing the merits of, and understands and accepts, the terms, conditions and risks of this Agreement.

(7) It shall continue to be duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

(8) It shall perform its obligations under this Agreement in a manner that does not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it.

19. Indemnification

Each Party shall indemnify, defend and hold harmless the other Party and its directors, officers, employees, agents, volunteers, and invitees (the "Indemnified Parties") from and against any claims arising from or out of any event, circumstances, active incident first occurring or existing on such Party's side of the Delivery Point to the extent arising from or out of the following: (i) any claim for or arising out of any injury to or death of any person or loss or damage to property to the extent arising out of such Party's (or its contractor's) negligence or willful misconduct; (ii) its violation of the applicable laws; or (iii) in case of the Seller for any failure to properly handle or dispose of any Hazardous Materials brought onto the Site by it and in case of the Power Purchaser for the presence, removal or remediation of any Hazardous Materials on the Site. Such Party shall not be obligated to indemnify the other Party or its Indemnified Parties for any Loss to the extent such Loss is due to the negligence or willful misconduct of the other Party or its Indemnified Parties. The Seller's duty to indemnify shall not apply to any action or claim, whether in tort (including negligence and strict liability), contract or otherwise for any loss, injury, or costs resulting from interruptions in service. Each Party shall indemnify, defend and hold harmless the other Party against any governmental charges for which such Party is responsible.

20. Force Majeure

(1) Except as otherwise specifically provided in this Agreement, neither Party shall be considered in breach of this Agreement or liable for any delay or failure to comply with this Agreement, if and to the extent that such delay or failure is attributable to the occurrence of a Force Majeure Event; provided that the Party claiming relief under this Article shall immediately (a) notify the other Party in writing of the existence of the Force Majeure Event, (b) exercise all reasonable efforts necessary to minimize delay caused by such Force Majeure Event, (c) notify the other Party in writing of the cessation or termination of said Force Majeure Event and (d) resume performance of its obligations hereunder as soon as practicable thereafter (subject to the Seller's right to decline replacement of the Facility in sub-Clause (2) below). For the purposes hereof, a "**Force Majeure Event**" means any of the following events to the extent not caused by the Party claiming a Force Majeure Event or its agents or employees: acts of God, sabotage, insurrection, terrorism, riots, hostilities or war (whether declared or not), acts of the public enemy, civil disturbances, any kind of fire, explosion, flood or accidental damage, epidemics, land slides, washouts, lightening, storms, earthquakes, lockouts, blockades, shortage of labour or material, major equipment failure, or other causes beyond the control of the Party affected.

(2) If the Facility is substantially damaged or destroyed by a Force Majeure Event, it may be replaced by the Seller at the Seller's election and upon commencement of operation of the

replacement Facility all terms and conditions of this Agreement shall remain in effect, including the remaining Term of this Agreement. Alternatively, if the Facility is damaged or destroyed by a Force Majeure Event, the Seller may, at its sole discretion, choose to not replace the system and terminate this Agreement without fault or liability. To the extent the Seller does not terminate this Agreement following damage or destruction of the Facility as a result of a Force Majeure Event, the Term shall be extended day for day commensurate with the period during which any Force Majeure Event prevents ordinary operation of the Facility.

21. Confidentiality

(1) Each Party shall keep strictly confidential any and all Confidential Information furnished to it or to its Affiliates in the course of negotiations relating to this Agreement or any transaction contemplated by this Agreement. Each Party has instructed its officers, employees and other representatives having access to the Confidential Information of such Party's obligations of confidentiality. As used herein, "Confidential Information" means, in relation to the disclosing Party, all or any commercial or financial data and information, or other data, documents and agreements, and any operations and know-how which is either directly or indirectly, orally or in writing, whether before, on, or after this Agreement in whatever form (including without limitation, digital format or electronic, magnetic or optical media): (a) disclosed to the receiving Party or its Affiliates by the disclosing Party; or (b) otherwise acquired by the receiving Party from the disclosing Party or its Affiliates. "Affiliate" shall mean with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with such other Person. "Person" shall mean an individual, a partnership, a joint venture, a company, a body corporate, a trust, an unincorporated organization or a government or any department or agency thereof and shall include Pak Ping (Pvt.) Ltd.

(2) Notwithstanding the foregoing, either Party may disclose any Confidential Information which such Party is obligated under this Section to keep confidential after consultation with the other Party as follows: (i) to which the other Party consents in writing; (ii) to representatives, agents, consultants and attorneys of the disclosing Party who need to know such Confidential Information for the purpose of assisting or advising such party, provided that the disclosing Party informs confidential nature of such information; (iii) to third parties whose consent or approval is required for consummating the transactions contemplated herein; (iv) in compliance with applicable law; (v) in order to use such Confidential Information as evidence in or in connection with any pending or threatened litigation related to this Agreement or any transaction contemplated hereunder; but in each case only to the extent such disclosure is necessary in connection with the purpose for which disclosure is permitted. The obligations of confidentiality set forth herein shall not apply to information generally available to the public or in the possession of the receiving party prior to its disclosure under this Agreement or that is given to the receiving Party by another person other than in breach of obligations of confidentiality owed by such person to the Disclosing Party under this Agreement.

The provisions of this clause shall survive the expiration or termination of this Agreement

23. Notices

All notices required or contemplated under this Agreement shall be given in writing by registered mail, international courier service, acknowledgement due, or by fax addressed as follows:



(1) If to the Seller:

Attention: Mr. Omar M. Malik
Designation: Director
Address: Shams Power (Private) Limited
2nd Floor, Al Maalik, 19 Davis Road,
Lahore, Pakistan.

Fax No: _____

(2) If to Power Purchaser:

Attention: Mrs. Neena Malik
Designation: Director
Address: Pak Ping Carpets (Private) Limited
2nd Floor, Al Maalik, 19 Davis Road,
Lahore, Pakistan.

Fax No: _____

24. Severability

If for any reason any provision contained in this Agreement shall become invalid, illegal or unenforceable in any respect, the effect of all the other provisions of this Agreement shall remain valid.

25. Authority

Nothing in this Agreement shall be construed to give any Party, and no Party shall hold itself out to have, the authority or power to enter into any obligation on behalf of the other Party except as specifically authorized by the other Party in writing.

26. Recitals and Annexures

The Recitals and Annexures shall form an integral part of this Agreement.



27. Entirety

(1) The Parties intend this Agreement to be the final expression of their agreement on the matters contained herein.

(2) This Agreement represents the final agreement between the Parties on the matters covered under this Agreement and shall, accordingly supersede any/all prior negotiations, documents, understandings and correspondence in relation thereto.

28. Amendment

No amendment or variation of this Agreement is binding unless the same is duly affected by an instrument in writing signed by the Parties and expressed to be for the purpose of such amendment.

29. Arbitration

(1) The Parties shall endeavor to reach an amicable settlement on any disputes that may arise under this Agreement through mutual consultation and in good faith as promptly as possible.

(2) If the Parties are unable to resolve a dispute through amicable settlement under sub-Clause (1) above within a period of ninety (90) days following written notice by one Party to the other of the existence of any such a dispute, the matter under dispute shall be settled finally in accordance with the Arbitration Act, 1940 of Pakistan by a sole arbitrator to be agreed between the Parties.

(3) The venue of the arbitration shall be at Lahore, Pakistan and the language of arbitration shall be English.

(4) The Parties agree to facilitate the arbitration by:

(a) Making available to each other and to the arbitrator all documents, records and personnel under their control as the arbitrator may determine to be relevant to the dispute;

(b) Conducting arbitration hearings on successive days; and

(c) Observing strictly the time periods established by the arbitrator for the submission of evidence and briefs.

(5) All decisions or awards of the arbitrator shall be based on the provisions of this Agreement. The arbitrator shall render a detailed written decision, which includes his findings of fact and applicable rules of law.



(6) The decision or award of the arbitrator shall be final and binding on the Parties and may be executed against them in a court of competent jurisdiction. The arbitrator shall have the power to render declaratory judgments and to issue injunctive orders, as well as to award monetary damages. The cost of arbitration shall be included in any award made.

30. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of Pakistan.

31. Counterparts

This Agreement may be executed in two (2) or more original copies and each such copy may be executed by each of the Parties in separate counterparts, each of which copies when executed and delivered by the Parties shall be an original, but all of which shall together constitute one and the same instrument.


32. Anti-Corruption Clause

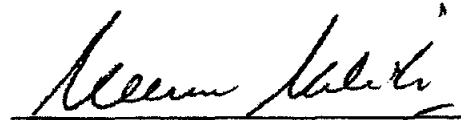
(1) The Parties undertake to take all reasonable measures to not engage in any "corrupt practice" in the negotiation process of this Agreement or during the term of this Agreement. For the purposes of this Clause, "corrupt practice" means the offering, receiving, or soliciting of any thing of value to influence the actions of any person connected with the negotiation process or during the execution of this Agreement. Either Party may terminate this Agreement subject to thirty (30) days prior written notice, in the event it is proven by the competent court that the other Party has engaged in "corrupt practice" in the negotiation process of this Agreement.

(2) The Power Purchaser hereby acknowledges, undertakes and agrees that in case it terminates this Agreement under Clause 31(1) above, the Power Purchaser shall buy the Facility on the Book Value as per, and in accordance with, Clause 4(3) above.



IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed in duplicate at the place and on the date set forth above.


for and on behalf of
[Seller]


for and on behalf of
[Power Purchaser]

Witnesses:

1. 

Name: AGFEL AHMED

Address: Al-Maalik, 19-Davis Rd, 1hr.

2. 

Name: BELAL AHMED CHEIKH

Address: Al-Maalik Prop 19-Davis
Road Liv.



Whereas Clause (1)
Annexure A
DESCRIPTION OF FACILITY

TBD

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Clause 17
Annexure C
INSURANCE COVERAGES

To be included:

- Shams Power insurance cover for Solar PV Facility
 - PPC insurance cover for Premises



Clause 11
Annexure B
PRICE AND PAYMENT

1. The Purchase Price is set at Rs. 12 per kWh for the duration of the Agreement. This price is exclusive of all Government Taxes & Duties.

dy