



Master Agreement on the Sale and Supply of Natural Gas Quantities for Initial Filling of the European Gas Pipeline Link (EUGAL)

between

COMPANY

- hereinafter referred to as the "NATURAL GAS SELLER" -

and

GASCADE Gastransport GmbH

Kölnische Strasse 108-112

34119 Kassel, Germany

- hereinafter referred to as "GASCADE" -

- hereinafter also referred to jointly
as the "Parties" -

(Agreement ID: _EG_GC)

PART 1: GENERAL

Article 1: Subject matter of this Master Agreement

This Master Agreement defines the general arrangements for the sale and supply of natural gas quantities to GASCADE, and balancing thereof, for initial filling of the European Gas Pipeline Link (EUGAL). The Parties shall define the details of the sale and delivery of natural gas by the NATURAL GAS SELLER in the individual agreement to the Master Agreement on the respective lot. The natural gas quantities ordered by GASCADE shall be procured by the NATURAL GAS SELLER in its own name and on its own account. GASCADE can procure the required natural gas quantities from the NATURAL GAS SELLER via an individual order. The agreement contains the arrangements for the supply, receipt and billing of the ordered natural gas quantity in the GASPOOL market area.

Article 2: Definitions

(1) The terms used shall have the following meanings:

1. **"Invitation to tender conditions"** denotes the terms and conditions for the invitation to tender for the procurement and supply of natural gas quantities issued by GASCADE Gastransport GmbH in the version dated 1 September 2020.
2. **"Individual agreement"** denotes the annex to the Master Agreement defining the individual parameters for the supply and pricing of natural gas quantities.
3. **"GASPOOL"** denotes GASPOOL Balancing Services GmbH.
4. **"GASPOOL Hub"** denotes the virtual trading point in the GASPOOL market area and at the same time the handover and takeover point of the natural gas quantities.
5. **"Handling fee"** denotes the charge levied for the GASPOOL Hub on top of the spot price.
6. **"Gas day"** denotes the period of time from 6:00 a.m. CET on a calendar day to 6:00 a.m. CET of the next calendar day.
7. **"CET"** denotes the statutory time in Germany.
8. **"Spot price"** denotes the final settlement price on EEX in accordance with Article 7 (2).
9. **"Business days"** are all days that are not Saturdays, Sundays or public holidays. If a day is a public holiday in one German federal state, it shall be regarded as a

public holiday nationwide. 24 December and 31 December shall be regarded as public holidays every year.

10. **“Individual order”** denotes Annex 2 and the order placed by GASCADE for an individual natural gas quantity in accordance with Article 5.

11. **“Lot”** is part of the entire tendered natural gas quantity. A lot defines a maximum natural gas quantity and a maximum hourly quantity within a certain period in accordance with Article 7.

(2) Terms used in the singular shall also include the plural, except where expressly otherwise stated or where the context otherwise requires. Terms not defined herein shall have the meanings indicated by the Energy Industry Act (EnWG) of 7 July 2005 and the Gas Network Access Ordinance (GasNZV) of 3 September 2010 in the version from time to time in force. All references to time relate to CET.

PART 2: RIGHTS AND OBLIGATIONS OF THE PARTIES

Article 3: Formation of an individual agreement

An individual agreement as Annex 1 to the Master Agreement shall be formed after GASCADE has signed the individual agreement in accordance with the annex that has been sent and signed by the NATURAL GAS SELLER in duplicate. The NATURAL GAS SELLER shall receive a copy of the individual agreement that has been signed by GASCADE. It can be sent by post or e-mail.

Article 4: Contents of the individual agreement to the Master Agreement

(1) The individual agreement provides the basis for the sale and supply of natural gas quantities by the NATURAL GAS SELLER, but does not obligate GASCADE to place an individual order in accordance with Article 5. The individual agreement must contain at least the following information (cf. Annex 1):

- The company name of the NATURAL GAS SELLER
- The contact data of the employees of the Parties responsible for handling an individual order (especially for submission, adjustment, receipt and confirmation in accordance with Article 8 of this agreement)
- Master Agreement ID
- Designation of the handover point
- Details of the reference price
- Details of any handling fee

- Lot number (from 1 to 6)
 - Period of time
- (2) The contents of the lots that can be specified in the individual agreement are defined in Articles 6, 7 and 10.
- (3) The Parties shall be obliged to notify each other about changes to the contact and handling data defined in the individual agreement, in writing and in good time with a period of notice of ten (10) business days.
- (4) The NATURAL GAS SELLER must have been admitted as a bidder in accordance with Section 2 (9) of the invitation to tender conditions before this Master Agreement and an individual agreement under this Master Agreement can be concluded.

Article 5: Contents of an individual order

An individual order must contain at least the following information (cf. Annex 2):

- The contact data of the Parties for handling the respective individual order
- Master Agreement ID
- Lot number
- Individual order ID
- Designation of the delivery point
- The balancing group or the shipper code for transfer at the GASPOOL hub
- The hourly quantities on the delivery day and the period of time as defined in Article 7

Article 6: Handover or takeover point

Natural gas quantities shall be handed over to GASCADE at the GASPOOL hub.

Article 7: Gas quantity and period of time

- (1) The natural gas quantity ordered by GASCADE is specified in MWh.
- (2) The individual order shall comprise a spot market product in the form of a daily band.
- (3) The maximum natural gas quantity per lot shall be 117,000 MWh.
- (4) The maximum hourly quantity per lot and individual order shall be 750 MWh.

- (5) The period of time for which the lots are offered and the natural gas quantities are ordered shall commence at 6:00 a.m. on 1 December 2020 and end at 6:00 a.m. on 15 February 2021. The standard trading products at the trading point in question must be taken into account in selection of the period of time between the start date and the end date.

Article 8: Placement and confirmation of orders

- (1) GASCADE shall be entitled, but not obligated, to submit an order. If GASCADE requires a natural gas quantity, GASCADE shall submit to the NATURAL GAS SELLER an individual order for the lot in question for each following gas day. Individual orders for the next gas day must be placed by e-mail on the day before by no later than 11:00 a.m.
- (2) The NATURAL GAS SELLER shall confirm receipt of an initial order by returning the countersigned individual order by e-mail to the agreed GASCADE contact person by no later than 2:00 p.m. on the same gas day in accordance with Section (1) of this Article 8. If GASCADE does not receive any confirmation, the Parties shall consult and agree over the phone. If GASCADE does not receive any confirmation, the Parties shall consult and agree over the phone. The right of GASCADE to replace a confirmed initial individual order by a final individual order shall remain unaffected by the above provisions.
- (3) GASCADE can only replace its initial individual order already submitted to the NATURAL GAS SELLER by a final individual order for a future period. A waiting period of at least four hours to the next full hour shall apply to each replacement order before the changed values take effect. In such a case, the NATURAL GAS SELLER shall be obliged to confirm the final individual order immediately and update the ordered quantities.
- (4) The right of GASCADE to place an individual order with the NATURAL GAS SELLER shall end when the agreement ends in accordance with Article 22 (2).

Article 9: Obligations of the Parties, transfer of ownership and passage of risk

- (1) Irrespective of the provisions in Section (3) of this Article 3, the NATURAL GAS SELLER shall be obliged to provide and hand over to GASCADE a natural gas quantity ordered in accordance with Article 5 at the GASPOOL hub as the agreed handover or takeover point. The NATURAL GAS SELLER shall be at liberty to acquire the ordered natural gas quantities at the respective trading point or make them available at the handover or takeover point from another source.
- (2) Irrespective of the provisions in Section (3) of this Article 3, GASCADE shall be obliged to take over a natural gas quantity that has been ordered in accordance with Article 5 and provided at the handover or takeover point agreed in Article 6 and to pay the NATURAL GAS SELLER the fee as defined in Article 10.

(3) GASCADE shall be authorised to adjust the ordered natural gas quantity in accordance with Article 8 (3). GASCADE shall notify the NATURAL GAS SELLER of such as adjustment immediately. In such a case, the NATURAL GAS SELLER shall be obliged to provide and hand over the adjusted natural gas quantity at the agreed handover or takeover point.

(4) Ownership of the natural gas quantities and risk for them shall be transferred at the start of the hour that has definitively been allocated to GASCADE by the market area manager GASPOOL.

Article 10: Fee

(1) The fee to be paid by GASCADE to the NATURAL GAS SELLER shall comprise a quantity-based fee per ordered and provided MWh of natural gas in accordance with Section (2) of this Article 7 and a handling fee in accordance with Section (4) of this Article 7.

(2) The quantity-based fee shall be as derived from the finally published European Gas Spot Index (EGSI) for GASPOOL on EEX (www.powernext.com/spot-market-data) for the gas day in question.

(3) If the spot price for the gas day used in accordance with Section (2) of this Article 7 is not published or is not published in a comparable manner, the Parties shall reach a different arrangement that corresponds as closely as possible to the economic rationale of the provisions on pricing.

(4) The handling fee shall be in euros per ordered and provided MWh of natural gas in accordance with the individual agreement (Annex 1).

Article 11: Invoicing and payment, security

(1) The NATURAL GAS SELLER shall invoice GASCADE for the actual fees in accordance with Article 10 (2) and (4) for the provided natural gas quantities, taking into account Article 12 and with the total sum rounded to two (2) decimal places, immediately after delivery of the natural gas has been completed. Invoices shall be sent to the following e-mailbox: rechnungen@gascade.de. The quantity ordered by GASCADE in accordance with Article 7 and provided by the natural gas seller shall be deemed the supplied quantity.

(2) GASCADE shall pay the invoice no later than twenty (20) business days after receiving it. It shall be paid by the amount in question being remitted to an account of the NATURAL GAS SELLER as specified on the invoice.

(3) In justified cases and if security has not already been provided in the pre-qualification phase in accordance with Section 2 (10) of the invitation to tender conditions, GASCADE can demand security from the NATURAL GAS SELLER that is adequate in form and scope. Adequate security shall be guarantees or irrevocable and unconditional surety, waiving the benefit of discussion and the right to contestability and eligibility for offset (if the claims are not disputed or an enforceable judgement has been rendered in respect of them) and on acceptance of the obligation to make payment on first demand. A credit institution issuing this security has to be authorised to do business in the Federal Republic of Germany.

The following are deemed to be justified cases:

- The NATURAL GAS SELLER has defaulted twice on its delivery obligations within the contractual period
- Enforcement measures have been initiated against the NATURAL GAS SELLER

If a NATURAL GAS SELLER has to furnish security, it shall do so within five days.

If the NATURAL GAS SELLER has not complied with a justified written demand within five business days, GASCADE shall be entitled to terminate the Master Agreement for cause immediately without any further notice.

If the rating of a credit institution that issues security is lowered by one of the agencies with the result that the requirements demanded of the credit institution in accordance with the above sentence are no longer fulfilled, GASCADE shall have the right to demand that the NATURAL GAS SELLER replace the security.

GASCADE reserves the right to demand other or additional security to cover the credit risk at any time if the NATURAL GAS SELLER is subsequently reclassified into another risk category in accordance with Article 22 (2) during the term of the Master Agreement.

Existing security shall be released, replaced or reduced at the request of the NATURAL GAS SELLER if it is no longer required to cover the credit risk after entire contract quantities have been settled.

PART 3: GENERAL PROVISIONS

Article 12: Taxes

- (1) The fees specified in this Master Agreement, the individual agreement or individual orders based thereon shall be net fees; statutory value-added tax at the applicable rate shall be charged separately on top of them.
- (1) If energy tax is incurred on natural gas ("natural gas tax"), it shall be disclosed separately at the statutory rate and additionally invoiced.
- (2) If costs or taxes are incurred in connection with the procurement of fuel gas quantities from the purchase of CO2 emission certificates in accordance with the German Fuel Emissions Trading Act (*Brennstoffemissionshandelsgesetz* – BEHG), they shall be disclosed separately at the statutory rate and additionally invoiced.

Article 13: Violation of contractual obligations and termination for good cause

- (1) If the NATURAL GAS SELLER fails to fulfil its contractual obligations in full or in part (in particular its obligations from the underlying individual order) and the NATURAL GAS SELLER is to blame for that, GASCADE shall be discharged from its obligation to pay for the affected natural gas quantities. GASCADE shall be authorised, without the need for further warning, to reject further fulfilment and to replace the natural gas quantities with quantities from other NATURAL GAS SELLERS. The right of GASCADE to claim damages shall remain unaffected.
- (2) This Master Agreement and its associated individual agreement can be terminated extraordinarily for good cause. Grounds for good cause shall include in particular:
 - a) a Party repeatedly violates its contractual obligations;
 - b) execution is levied on the assets of the other Party and is not averted within three (3) months.

Good cause in relation to the NATURAL GAS SELLER shall also include if admission as a bidder has been withdrawn from the NATURAL GAS SELLER in accordance with Section 2 (3) and Section 2 (9) Subsection 2 of the invitation to tender conditions.

- (3) Measures defined in (2) of this Article 13 shall not be valid unless given in writing.

Article 14: Force majeure and impediments to performance

- (1) The Parties shall be released from fulfilling their obligations if and to the extent they are prevented from fulfilling them due to force majeure or circumstances over which they have no control and which it would be unreasonable for them to avert considering the quid pro quo, even applying the due care and technical and economic means that can reasonably be expected. They shall include in particular, but not exhaustively:
 - disruptions to delivery and procurement due to strikes,
 - lockouts,
 - legislative acts,
 - official measures,
 - power outage,
 - natural disasters,
 - terrorist attacks,
 - outage of communications connections, and
 - disruptions to operations, defects, and necessary repairs,

but not the impossibility of paying money.

- (2) The Party affected by force majeure or the circumstances mentioned in Section (1) shall notify the other Party immediately and inform it of the anticipated duration of the force majeure or the respective circumstances. The affected Party will use all technically possible and economically reasonable means to ensure that the requirements to fulfil this Master Agreement and the individual agreement, including the individual orders, are restored.
- (3) Irrespective of (1) of this Article 14, the Parties shall be released from fulfilling their obligations under this Master Agreement, including the associated individual orders, if maintenance or repairs of the pipeline system or measures to build new, modify, expand or to repair existing facilities (such as gas pressure regulating and metering stations, compressors, etc.) impede GASCADE to fulfil its obligations from the concluded individual orders.
- (4) Article 16 (2) of the Energy Industry Act (EnWG) shall not be affected.

Paragraph 15: Liability

- (1) The Parties shall be liable without limitation for injury to life, body or health through fault on their own part and on the part of their own subcontractors and legal representatives; "fault" here shall denote intent and type of negligence. The Parties shall furthermore be liable without limitation for loss or damage due to breach of obligations caused with intent or through gross negligence on the part of the Parties themselves, their subcontractors or their legal representatives.
- (2) In cases of simple negligence, the Parties shall be liable only for loss or damage arising from the breach of contractual obligations that must be fulfilled to ensure proper implementation of the agreement and on the fulfilment of which the Party may usually rely (cardinal obligations). The Parties' liability shall be limited to loss or damage that is typical of the agreement and was foreseeable when the agreement was concluded.
- (3) GASCADE shall not be liable for financial loss caused by measures under Article 16 (2) of the Energy Industry Act (EnWG). In particular, measures under Article 16 (2) of the Energy Industry Act (EnWG) include measures taken to ensure gas supplies to domestic customers under Article 53 a of the Energy Industry Act (EnWG).
- (4) The provision in Section 5 of the Gas Network Access Ordinance (GasNZV) shall not be affected.
- (5) Liability of the Parties under peremptory provisions of the Third Party Liability Act (*Haftpflichtgesetz*) and other legal provisions shall remain unaffected.
- (6) Sections (1) to (5) of this Article 15 shall also apply in favour of employees and agents of GASCADE. With the exception of Sections (3) and (4) of this Article 15, this shall also apply accordingly to the NATURAL GAS SELLER.

Section 16: Confidentiality and data protection

- (1) Subject to the provisions of Section (2) of this Article 16, the Parties shall treat confidentially the content of this Master Agreement and the individual agreement, including the individual orders, and all information which they obtain in connection with the Master Agreement, individual agreement and individual orders (hereinafter referred to as “confidential information”) and shall not disclose such confidential information or make it accessible to third parties without the prior written consent of the Party affected. The Parties undertake to use the confidential information exclusively for the purpose of performing the Master Agreement, individual agreement and individual orders.
- (2) Either Party shall be entitled to disclose without the written consent of the other Party any confidential information obtained from the other Party
 - a) to an affiliated company as defined in Article 15 of the Stock Corporation Act (AktG), provided that such a company is likewise obligated to maintain confidentiality,
 - b) to its representatives, consultants, banks and insurers if and to the extent that disclosure is needed for proper performance of the contractual obligations and such persons or companies have undertaken to treat such information confidentially prior to the receipt thereof or are under a professional secrecy obligation in respect of such information; or
 - c) to the extent that the confidential information
 - was legitimately known to the Party receiving the information at the time it was obtained from the other Party;
 - was already in the public domain or becomes publicly available other than through an act or omission of the receiving Party; or
 - has to be disclosed by a Party due to a statutory provision or a court or official order or a request of the regulatory authorities.

GASCADE is also authorised to pass on confidential information to the fractional owners of EUGAL (Fluxys Deutschland GmbH, Gasunie Deutschland Transport Services GmbH, ONTRAS Gastransport GmbH) without the approval of the FUEL GAS SELLER.

- (3) The obligation to maintain confidentiality shall remain in force for a period of two (2) years after the expiry or termination of the Master Agreement.
- (4) GASCADE shall be entitled to transmit billing and contractual data to third parties in so far as and as long as necessary for proper performance of this Master Agreement, the individual agreement or the individual orders. The NATURAL GAS SELLER hereby declares its acceptance of automated data processing by GASCADE or by a company commissioned by GASCADE in accordance with the provisions of data protection laws.

Article 17: Legal succession

- (1) Either Party shall be authorised to assign the rights and obligations under this Master Agreement and the individual agreement to a third party. The consent of the other Party shall be required for any such assignment. Said consent shall be denied only if the third party cannot reliably guarantee that this Master Agreement or the individual agreement, including the associated individual orders, will be fulfilled or if there is good cause to justify refusing said consent.
- (2) The consent of the NATURAL GAS SELLER shall not be required if GASCADE assigns the rights and obligations under this Master Agreement or the individual agreement, including the associated individual orders, to a company affiliated with GASCADE as defined in Article 15 of the Stock Corporation Act (AktG).
- (3) Section (2) of this Article 17 shall apply mutatis mutandis if GASCADE transfers network operation to a third party.
- (4) The consent of the NATURAL GAS SELLER shall not be required if GASCADE assigns the rights and obligations under this Master Agreement, including the individual agreement, to a company affiliated with GASCADE as defined in Article 15 of the Stock Corporation Act (AktG).

Article 18: Loyalty

If, during the term of this Master Agreement or the individual agreement, the economic, legal and/or technical circumstances under which the contractual provisions were agreed change so significantly that a Party can no longer be reasonably expected to continue to abide by the contractual provisions because the Parties' intentions of achieving a fair balance between their mutual economic interests can no longer be fulfilled, the Party in question can demand that the contractual provisions be modified to reflect the change in circumstances.

Article 19: Severability clause

- (1) If one or more of the provisions of this Master Agreement are or become invalid or unenforceable, that shall not affect the other provisions or the existence or continuation of this Master Agreement.
- (2) The Parties shall be obliged to replace the invalid or unenforceable provision with effect as of the time of said provision's invalidity or unenforceability with a new, valid and enforceable agreement which, in terms of economic success, is as similar as possible to said provision.

Article 20: Written form

Amendments and additions to this Master Agreement or the individual agreement shall not be valid unless made in writing. This also applies to amendment to the requirement for written form. Amendments or additions to the respective individual order must not be made in writing.

Article 21: Place of jurisdiction and applicable law

- (1) The place of jurisdiction for any disputes arising from this Master Agreement is Kassel, Germany. Disputes shall be ruled on by ordinary jurisdiction.
- (2) This Master Agreement, the individual agreement and the associated individual orders shall be governed solely by the law of the Federal Republic of Germany, to the exclusion of international private law. The provisions of the UN Convention on Contracts for the International Sale of Goods shall not apply.

Section 22: Effective date and term

- (1) This Master Agreement shall come into force when it has been signed by both Parties.
- (2) This Master Agreement and the associated individual agreement (Annex 1) shall run from **6:00 a.m. on 1 December 2020, to 6:00 a.m. on 15 February 2021**.
- (3) The right to terminate the agreement for good cause shall remain unaffected.

Section 23: Integral elements

Annex 1 "Individual agreement" and Annex 2 "Individual order" are integral elements of this Master Agreement.

Place,.....

Kassel,.....

COMPANY

GASCADE Gastransport GmbH
