



**Terms and conditions for the invitation to tender for the sale and
supply of fuel gas quantities
for GASCADE Gastransport GmbH, Kassel**

(hereinafter referred to as “INVITATION TO TENDER CONDITIONS”)

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Preamble

GASCADE Gastransport GmbH, Kassel (hereinafter referred to as “GASCADE”), is conducting an invitation to tender in order to procure fuel gas quantities in the form of natural gas (high CV quality). These INVITATION TO TENDER CONDITIONS form the legal basis for the participation of natural gas traders (hereinafter referred to as the “FUEL GAS SELLER(S)” in GASCADE’s invitation to tender procedure.

Section 1: Subject matter of the INVITATION TO TENDER CONDITIONS

- (1) These INVITATION TO TENDER CONDITIONS define in particular the procedure for, and the requirements for FUEL GAS SELLERS to take part in, the invitation to tender relating to the sale, supply and commercial processing/accounting of fuel gas quantities.
- (2) The offer for the sale, supply and commercial processing/accounting of fuel gas shall be based on the Master Agreement relating to the sale, supply and commercial processing/accounting of fuel gas quantities (hereinafter referred to as “Master Agreement”) and an individual agreement (hereinafter referred to as “individual agreement”) as an annex to the Master Agreement, which GASCADE will conclude with the FUEL GAS SELLER awarded a contract. The individual agreement to the Master Agreement will govern in particular the pricing of the fuel gas quantities to be procured. The actual fuel gas quantity will then be purchased, if required, through an acceptance procedure and on the basis of the fuel gas quantities allocated by THE to a balancing group of the FUEL GAS SELLER.
- (3) The invitation to tender procedure is divided into the pre-qualification phase, tender and bidding phase, and contract award phase.

Section 2: Pre-qualification phase

- (1) The pre-qualification phase shall commence after publication of these INVITATION TO TENDER CONDITIONS on **10 August 2021**. It shall end with GASCADE’s admission of a FUEL GAS SELLER as a bidder in accordance with (9) sentence 1 of this Section 2 or rejection of a FUEL GAS SELLER in accordance with (9) sentence 2 of this Section 2. The admission or rejection of a FUEL GAS SELLER as a bidder relates to the submission of offers by the FUEL GAS SELLER and inclusion of them by GASCADE in the invitation to tender within the tender and bidding phase.
- (2) The FUEL GAS SELLERS are obliged to submit all the documents required for pre-qualification in accordance with (5) of this Section 2 by no later than **12 noon on 24 August 2021**. The pre-qualified FUEL GAS SELLERS shall be given authorisation to submit offers within the tender and bidding phase.
- (3) Admission as a bidder in accordance with (1) sentence 3 of this Section 2 shall apply for the calendar year **2021** to all tender and bidding phases staged by GASCADE in that period of time, if the FUEL GAS SELLER consents to further invitations to tender by giving a written declaration in accordance with (5) a) of this Section 2 and GASCADE does not revoke its admission as a bidder in the meantime. Admission as a bidder can be revoked at any time if there is good cause or if there is a change to the requirements demanded of FUEL GAS SELLERS for being admitted to a new invitation to tender procedure. Good cause shall exist in particular if the FUEL GAS SELLER has



knowingly made false statements or has submitted incorrect documents and if the FUEL GAS SELLER no longer meets the requirements for pre-qualification.

- (4) If a FUEL GAS SELLER is rejected as a participant in the invitation to tender procedure, it can gain admission as a bidder at any time up to the end of the bidding phase by taking part in a pre-qualification phase again and successfully completing it. In order to be able to take part in a pre-qualification phase, there must be a demonstrable change in the circumstances on the part of the FUEL GAS SELLER compared to those examined in the previous pre-qualification phase.
- (5) The FUEL GAS SELLER shall submit the following documents to GASCADE in order to be admitted as a bidder:
 - a) A written declaration from the fuel gas seller (see attachment).
 - b) A fully completed compliance questionnaire with information about the company and the management (see attachment).
 - c) An up-to-date excerpt from the commercial register or, in the case of non-German FUEL GAS SELLERS, appropriate documents in German or English which is or are not older than three months (a relevant certified translation is to enclose, in case the originals are not German or English), a list of shareholders if the FUEL GAS SELLER or a shareholder of the FUEL GAS SELLER has the legal form of a limited liability company (GmbH), and audited annual financial statement documents (balance sheet, income statement, statement of cash flows, and management report) for the last completed fiscal year.
 - d) A list of contact data to enable initiation of the data communication required for operational handling and other additional company information (bank details, tax number, etc.).
- (6) The FUEL GAS SELLER shall immediately report any changes to the documents specified in (5) of this Section 2 during the entire invitation to tender procedure.
- (7) GASCADE shall conduct a credit check on the basis of the documents submitted by the FUEL GAS SELLER pursuant to (5) of this Section 2 and shall inform the FUEL GAS SELLER about the results of the credit check.

In principle, the FUEL GAS SELLER shall be classified in a risk category on the basis of the published credit rating of the agencies Creditreform and Dun & Bradstreet (D&B) or a similar agency, as follows.

Risk category	D&B risk indicator	Creditreform risk class	Pre-qualification
A: low risk	1 to 3	I-II	Passed
B: higher risk	> 3	> II	Failed

If there are multiple credit ratings/classifications, the credit rating or classification reflecting the greatest risk shall be authoritative in determining the risk category.

GASCADE reserves the right to reclassify the FUEL GAS SELLER into another risk category if the annual financial statement documents submitted by the FUEL GAS SELLER reveal a different assessment to that communicated by D&B and/or Creditreform. The creditworthiness check may also be negative, if based on actual indications GASCADE has reasonable doubts that the FUEL GAS SELLER has an appropriate credit rating and/or will fulfil its contractual obligations. Moreover, GASCADE shall be authorised to reclassify the FUEL GAS SELLER into another risk category throughout the invitation to tender procedure if necessary due to changes reported in accordance with (6) of this Section 2. GASCADE shall always give the FUEL GAS SELLER opportunity to state its view in brief in the event of reclassification.

- (8) The minimum communication requirements needed for operational handling shall be deemed to have been fulfilled
- (a) if the FUEL GAS SELLER can be reached every business day at a central point of contact with staff that can speak German or English (contact persons). The point of contact must be able to be reached by phone under just one telephone number and at least one further communication channel (email or fax) and
 - (b) if the FUEL GAS SELLER has a balancing group that is valid for the term of the agreement in the THE market area in which GASCADE consumption points can be included as RLM exit points.

“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.

- (9) If a FUEL GAS SELLER has submitted the documents specified in (5) of this Section 2 in full and on time and fulfils the requirements defined in (8) of this Section 2, and the creditworthiness check is positive, GASCADE shall admit the FUEL GAS SELLER as a bidder and send it the Master Agreement in accordance with Section 1 (2) so that the FUEL GAS SELLER can sign it. After successful pre-qualification, GASCADE shall provide the FUEL GAS SELLER with the historical offtakes from January 2019 to July 2021.

If the FUEL GAS SELLER has not fulfilled the requirements under the above sentence, GASCADE shall notify the FUEL GAS SELLER applying to participate that it has been rejected and shall return the submitted documents. GASCADE shall endeavour to notify the FUEL GAS SELLER of the result of the pre-qualification review within ten (10) business days.

- (10) If the FUEL GAS SELLER does not have sufficient creditworthiness, the latter can be guaranteed by adequate security being furnished. Adequate security shall be irrevocable bank guarantees or directly enforceable, 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). A credit institution issuing this security must have a Standard & Poor’s long-term rating of A- or better, a Moody’s long-term rating of A3 or better, or be part of the German savings or cooperative bank sector. Damage of €100,000 up to the end of the agreement shall be assumed in determining whether the security is adequate.

If a FUEL GAS SELLER has to furnish security, it shall do so by the end of the tender and bidding phase in accordance with Section 3 (1). Offers by FUEL GAS SELLERS who do not furnish security despite being classified in risk category B (higher risk) shall not be considered in the contract award phase.

If the rating of a credit institution or company 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 FUEL 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 FUEL GAS SELLER is subsequently reclassified into another risk category in accordance with (7) of this Section 2 during the invitation to tender procedure.

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

Section 3: Tender and bidding phase

- (1) The pre-qualification phase is followed by the tender and bidding phase. The tender and bidding phase shall commence on 24 August 2021 and last until **12 noon on 30 August 2021**.
- (2) This invitation to tender represents a request from GASCADE for the FUEL GAS SELLERS who have been admitted as bidders in accordance with Section 2 (9) sentence 2 at the time of contract award as specified in Section 4 (2) and whose admission as a bidder has not been subsequently revoked in accordance with Section 2 (3) to submit an offer for concluding a Master Agreement as well as a respective individual agreement to the Master Agreement in accordance with Section 1 (3).
- (3) In the tender and bidding phase in accordance with (1) of this Section 3, the FUEL GAS SELLERS defined in accordance with (2) of this Section 3 can issue a binding offer for the sale, supply and commercial processing/accounting of fuel gas quantities. An offer shall be submitted by way of sending a signed Master Agreement and a completed and signed individual agreement as a PDF-file by email or in duplicate originals by post (to be also sent in advance per email as a PDF-file) to the contact person specified in the publication of an individual agreement on the GASCADE website. Offers that are not submitted in the tender and bidding phase or that are incomplete shall be deemed not to have been submitted and shall not be considered. The relevant point of time for the purpose of a timely submission is the receipt of the email by **12 noon on 30 August 2021**.
- (4) Offers which are subject to conditions and/or reservations shall not be considered in the contract award phase.

Section 4: Contract award phase

- (1) The contract award phase shall commence when the tender and bidding phase ends. During the contract award phase, GASCADE shall have the option of bindingly accepting the offers which FUEL GAS SELLERS who have been admitted as bidders have submitted in the tender and bidding phase. The contract award phase shall end at **12 noon on 3 September 2021**.

- (2) The FUEL GAS SELLER quoting the lowest handling fee in its offer shall win the contract for the tender. "Handling fee" is the fee in accordance with Article 8 (3) of the Master Agreement charged in addition to the spot price for supplying and commercial processing/accounting for the fuel gas quantities. If the submitted offers quote the same prices, the time at which the offers are received shall determine which has precedence. In such a case, the offer received earliest shall be accepted. GASCADE shall notify the FUEL GAS SELLER who wins the bid that it has bindingly accepted the offer in accordance with Section 5 (2). As soon as the FUEL GAS SELLER that wins the bid receives the notification in accordance with Section 5 (2), it shall send GASCADE the signed Master Agreement referred to in Section 3 (3) and the signed individual agreement referred to in Section 3 (3) in duplicate by post, unless it has already done so in the tender and bidding phase. GASCADE shall return one signed version of the Master Agreement and one signed version of the individual agreement.
- (3) An invitation to tender procedure shall end when an offer is accepted by GASCADE. Irrespective of whether an agreement is concluded, the FUEL GAS SELLERS shall be bound to their offer, in accordance with Sections 145 and 148 of the German Civil Code (BGB), for the period of time of the contract award phase to which their offer relates.

Section 5: Duties to provide information

- (1) The FUEL GAS SELLERS shall be obliged to notify GASCADE about all changes to circumstances of relevance to their admission as bidders in accordance with Section 2 immediately and without being requested to do so.
- (2) GASCADE shall notify the FUEL GAS SELLERS who have issued binding offers during the tender and bidding phase about the outcome of the invitation to tender procedure in suitable form.
- (3) In cases defined in Section 2 (3) and Section 8 (1) and (3), GASCADE shall notify the FUEL GAS SELLER immediately.

Section 6: Confidentiality

- (1) All the information received as part of this invitation to tender procedure and exchanged between GASCADE and the FUEL GAS SELLER is confidential. Confidential information may only be used in connection with carrying out the invitation to tender and may not be passed on to third parties without the prior consent of the other party in text form. Article 6a of the Energy Industry Act (EnWG) shall not be affected. Relevant information may be disclosed to an affiliated company as defined in Article 15 of the Stock Corporation Act (AktG).
- (2) GASCADE shall be authorised to collect, store and use information it has obtained from the FUEL GAS SELLERS as part of an invitation to tender procedure in compliance with data protection legislation, and to disclose such data to third parties, where this is required to ensure proper handling of the procedure in question.
- (3) Rights and obligations under this provision shall also apply to third parties engaged by GASCADE.
- (4) The obligation to maintain confidentiality shall remain in force for a period of 12 (twelve) months after the respective invitation to tender procedure ends.

Section 7 Liability

GASCADE shall be liable for loss or damage due to injury to life, body or health in accordance with the statutory provisions. GASCADE shall be liable for other loss or damage only if it has been caused by GASCADE, a legal representative, a contractor or an agent through intent or gross negligence or there has been a culpable violation of cardinal obligations. Cardinal obligations are obligations that must be fulfilled so that these INVITATION TO TENDER CONDITIONS can be implemented and on the fulfilment of which the FUEL GAS SELLERS taking part in the invitation to tender may usually rely. If cardinal obligations are violated, liability shall be limited to typical, foreseeable loss or damage.

Section 8: Validity, termination, amendments

- (1) These INVITATION TO TENDER CONDITIONS can be amended by GASCADE at any time with future effect without the need for GASCADE to give reasons for doing so.
- (2) If invitation to tender procedures overlap in time, the INVITATION TO TENDER CONDITIONS that applied at the start of the procedure's respective phase shall apply.
- (3) GASCADE shall be authorised to amend these INVITATION TO TENDER CONDITIONS with immediate effect if they need to be amended to comply with relevant laws or regulations or legally binding stipulations by national or international courts and authorities and the generally accepted rules of technology. If the amendment results in material economic disadvantages for the FUEL GAS SELLER with regard to an ongoing invitation to tender procedure, the FUEL GAS SELLER shall be entitled to terminate its participation in that invitation to tender procedure.

Section 9: Miscellaneous

- (1) These INVITATION TO TENDER CONDITIONS shall be governed solely by German law, to the exclusion of international private law. The place of jurisdiction shall be Kassel, Germany.
- (2) GASCADE shall not charge a FUEL GAS SELLER any fee for participating in an invitation to tender procedure. Each participant in an invitation to tender procedure shall itself bear the costs it incurs in the procedure.
- (3) If any of the provisions of these INVITATION TO TENDER CONDITIONS are or become invalid or unenforceable, the other provisions of the INVITATION TO TENDER CONDITIONS shall remain in full force and effect.
- (4) These INVITATION TO TENDER CONDITIONS shall be published in German and English. The German language version shall always prevail in case of inconsistencies between the two versions or different interpretations.



Prequalification for participation in the invitation to tender procedure
of GASCADE Gastransport GmbH

DECLARATION

The FUEL GAS SELLER _____ hereby declares that

- no insolvency proceedings against it have been initiated, applied for or dismissed due to insufficient assets
- it can guarantee a secure and reliable supply of fuel gas quantities and will only submit offers in the invitation to tender if it is able to provide the quantities offered throughout the supply period at the agreed delivery point.

(Place) (Date) (Stamp/Signatures)



Registration and compliance questionnaire

Company information

Name of the company:

Address:

Telephone number:

Web address:

Management board:

Details of company foundation

Venue:

Date:

Details on the following ID numbers

EIC Code:

DVGW Code:

VAT Code:

Bank details

International bank account number (IBAN):

Business Identifier Code (BIC):

Contact Person

Name:

Telephone number:

Mobile number:

Fax:

Email:

24/7 Data:

General information about the company

Period of activity in the energy sector: _____

Please briefly describe your business model:

Your primary business activity:

Are you currently active in other business fields outside of the energy sector?

Yes No

If yes, please specify:

Are there other additionally assumed names, company of trading names?

Yes No

If yes, please specify:

Please specify the principal place of business:

Please specify the managing director(s) and owner(s):

Details of financial situation

Please enter your company's debt to equity ratio and equity ratio:

- Debt to Equity Ratio = $\frac{\text{Total Debt}}{\text{Total Equity}}$
- EK – Quote = $\frac{\text{Total Equity}}{\text{Total Assets}}$

Are you in the middle of default / debt collection proceedings?

Yes

No

If yes, please clarify in more detail:

Self-disclosure

Is the company, or are functionaries included on sanctions lists?

Yes No

If yes, please clarify in more detail:

Are you or one of your senior executives or managing directors related to, or on friendly terms with, or have any other kind of link with GASCADE or a GASCADE employee, GASCADE managing director or senior executives?

Yes No

If yes, please clarify:

Do you have a company code of conduct or are committed to lawful conduct in some other way?

Yes No

Was your company the subject of criminal investigations within the last 10 years, or was your company accused or convicted in connection with bribery, fraud or another criminal offense within the last five years?

Yes No

If yes, please clarify:

Place, Date

Signature