

GENERAL CONTRACT TERMS AND CONDITIONS FOR THE SALE OF NATURAL GAS FOR COMMERCIAL OR SIMILAR USE

GENERAL TERMS AND CONDITIONS prepared by Energigas Sverige and adopted by the Board on 12 September 2013

1 Introductory Terms and Conditions

1.1 These General Terms and Conditions apply to the sale of natural gas to a facility where the customer conducts business or similar activities.

The sale of natural gas to consumers is subject to other terms and conditions.

1.2 These General Terms and Conditions apply until further notice.

These General Terms and Conditions may be amended by the party by which they were prepared. Unless otherwise agreed, the supplier is entitled to introduce such amendments against the customer no sooner than two months after notifying the customer of such amendments. Notice thereof must be made in the proper manner.

1.3 In the event of any discrepancy between the provisions of these General Terms and Conditions and a written agreement entered into by the parties, the provisions of such written agreement will prevail.

1.4 In these General Terms and Conditions, the following terms are defined as follows:

- Stated supplier: A supplier who sells natural gas to a customer that does not choose its own supplier. The stated supplier will be selected by the pipeline owner.
- Balance administrator: The party which, as agreed with the system administrator, assumes the financial responsibility for the natural gas provided to the Swedish natural gas system being equal to the amount of natural gas retrieved from the customer's supply point.
- Collection of measuring value: Information about the amount of natural gas consumed, obtained as reported by the customer or as collected by the pipeline owner.
- Customer: Contractual party to whom natural gas is sold, primarily for commercial or similar (business) use.
- Pipeline owner (company that engages in transferring natural gas pursuant to the Swedish Natural Gas Act (SFS 2005:403)): Owner of a natural gas pipeline that is connected to the customer's facility.
- Supplier (supplier of natural gas pursuant to the Swedish Natural Gas Act): The party that sells and delivers natural gas to the customer.

- Natural gas: Natural gas, biogas, and gas from bio mass and other gas insofar as it is technically feasible to introduce such gas into the natural gas system and use it therein.

- System administrator: The authority that, according to the Swedish Natural Gas Act, has the overall responsibility for maintaining a short-term balance between introduction and extraction of natural gas in the Swedish natural gas system.

- Supply point: The point where a customer obtains natural gas for consumption as agreed with the pipeline owner.

2 Sale of Natural Gas

Sales Obligations

2.1 The supplier shall ensure that a balance administrator exists for the customer's supply point.

According to the Swedish Natural Gas Act, the supplier may only deliver natural gas at the supply point if there is a balance administrator for the supply point. The supplier shall notify the pipeline owner that the latter is to begin selling natural gas at the customer's supply point and shall identify the balance administrator for the supply point. For the sale to begin on the date agreed by the supplier and the customer, the notice must take place at least 14 days before the sale begins.

2.2 If, at some point, the supplier is unable to ensure that there is a balance administrator for the delivery, the supplier must notify the customer and the pipeline owner accordingly without delay.

Customer's Obligations

2.3 The customer agrees to obtain an agreement with the pipeline owner for the delivery.

2.4 Unless otherwise stated in these Contract Terms and Conditions, the customer shall pay for all natural gas that is consumed at the supply point. This payment obligation applies to all natural gas that the customer has not been able to use because of defects at the customer's own facilities or for any other reason not caused by the pipeline owner or the supplier.

Impediments to the Fulfilment of the Agreement (Force Majeure)

2.5 Neither party is obligated to fulfil the agreement if fulfilment is significantly obstructed by impediments that are beyond

such party's control. Impediments include warfare, extreme weather conditions, government decisions, disruptions of the general infrastructure, disruptions of the general supply system for natural gas, or other events of an exceptional nature which significantly affect the fulfilment of the agreement, which the party could not have predicted, and the harmful effect of which the party could not reasonably have eliminated.

2.6 If the supplier is able to predict permanent interruption of delivery, the supplier must relay this in an appropriate manner as soon as possible.

2.7 If natural gas can only be delivered to a limited extent, the supplier is entitled to request that the pipeline owner limit the delivery at the customer's supply point.

Indemnification, etc.

2.8 If a customer claims that a change of supplier has not taken place in the proper or in a timely manner, the supplier who reported the change must ensure – upon consultation with the customer's pipeline owner – that the customer's issue is resolved. The supplier must also notify the customer of the cause of the defect. Unless otherwise stated, the supplier must notify the customer within one month from the date when the customer contacted the supplier.

2.9 If the Supplier has not fulfilled its obligations in respect of its taking over or commencement of delivery and this is due to circumstances that are within the Supplier's control, the Customer is entitled to compensation from the Supplier for any losses incurred.

2.10 The Customer is entitled to compensation from the Supplier for damages, but only if such damages are caused by negligence on the part of the Supplier.

2.11 Such entitlement to compensation does not cover purely financial loss or consequential damages for personal and property damage.

2.12 If the obligation to pay damages would be unduly burdensome given the liable party's financial circumstances, such damages may be adjusted according to what is reasonable. Any assessment shall also take into account insurance policies and insurance opportunities, the liable party's ability to anticipate and prevent damages, and other circumstances.

2.13 The Customer must notify the Supplier of any claim for damages within one

<p>year from the time the damages occurred. Should the Customer fail to do so, any right to compensation for damages suffered will be lost. If the Customer has shown that the Customer is likely to have suffered damages, but that such damages do not exceed SEK 1,000 per item per supply point per incident, the Supplier will not be liable for damages.</p>	<p>into account any differing tariffs that have applied during the period covered by the reconciliation. Should no special reasons exist for the application of any other basis, the calculation must be conducted as though the Customer's consumption had followed normal consumption patterns for the customer category in question.</p>	<p>The Supplier is also entitled to suspend delivery should the Customer become liable for any other significant act of negligence under these General Contract Terms and Conditions, or as otherwise agreed.</p>
<p>2.14 The injured party shall take reasonable steps to mitigate its loss. Failure by the injured party to do so may result in any compensation being reduced correspondingly.</p>	<p>4. Payment and Security</p>	<p>5.2 Before the Supplier can take action as set forth in Clause 5.1 above, the Customer must be given reasonable time to remedy the circumstances. This period must be at least 15 days from the date of service of notice to take such remedial action.</p>
<p>3. Measurement, Collection, and Reporting of measured values and billing</p>	<p>4.1 The Customer shall pay the invoiced amounts to the Supplier no later than on the Due Date stated on the Supplier's invoice, which Due Date shall occur no earlier than 15 days after the Supplier has sent the invoice, unless otherwise agreed.</p>	<p>5.3 If the Customer has not fulfilled its obligations under point 4.3 above, the Supplier may immediately suspend delivery.</p>
<p>Measurement</p>	<p>4.2 Unless otherwise agreed in writing, failure to make timely payment will entitle the Supplier to receive from the Customer, in addition to the invoiced amount, interest pursuant to the Swedish Interest Act (SFS 1975:635) from the Due Date indicated in the invoice and compensation for any costs associated with the delay. This also includes costs for written late notices, late payment expenses, and costs for enforcement of payment or other obligations.</p>	<p>5.4 To suspend delivery, the pipeline owner interrupts transmission to the Customer's facility at the Supplier's request.</p>
<p>3.1 Customer consumption will be recorded using the pipeline owner's measuring device. The provisions relating to measurements are contained in the statutes and in the pipeline owner's agreement with the Customer.</p>	<p>4.3 If the Supplier has reasonable grounds to fear that the Customer will not fulfil its payment obligations, the Supplier is entitled to request acceptable collateral or advance payment for the delivery.</p>	<p>5.5 Disconnection shall not take place if the debt is the subject of a dispute.</p>
<p>3.2 Natural gas delivered to the Customer is recorded by the pipeline owner's measuring device. If the delivery is exempt from the measuring requirement pursuant to applicable measurement regulations, the supply must be invoiced at a fixed fee; hence, in such case a measuring device is not required.</p>	<p>If, during the term of the agreement, the Customer has defaulted in its payment obligations to the Supplier, the Supplier will be entitled to request acceptable collateral or advance payment for further delivery.</p>	<p>5.6 The Supplier may also terminate delivery if the Customer breaches the terms and conditions of the agreement with the pipeline owner and such breach entitles the pipeline owner to suspend the transfer to the Customer's supply point. The responsibility for the shutdown will always fall upon the party requesting the measure.</p>
<p>3.3 Should the measuring device include flow meters with volume converters or remote readers, and recording of measured values is not consistent with sampled readings, then invoicing will be based on the volume of natural gas in normal cubic metres (Nm³) as registered by the flow meter.</p>	<p>If, in accordance with the first or second subsection above, the Supplier is entitled to demand security or advance payment, the Supplier is also entitled to issue monthly invoices.</p>	<p>5.7 If interruption of delivery has taken place, and in that instance the Supplier has not exercised the right of cancellation under subsection 5.8 below, delivery will be resumed when the reasons for its interruption no longer exist and the Customer has reimbursed the Supplier's costs for the interruption of delivery and reconnection.</p>
<p>Collection and reporting of measured values and invoicing</p>	<p>Placement of a security or advance payment may not amount to more than the equivalent of six months' estimated costs for the delivery.</p>	<p>5.8 Where the Supplier has the right to interrupt the natural gas supply pursuant to paragraphs 5.1 and 5.2 above, the Supplier is also entitled to cancel the contract. Should the Supplier cancel the contract, the Supplier must immediately provide the pipeline owner with notice thereof. The Supplier is always be entitled to compensation for any damages incurred.</p>
<p>3.4 Collection and reporting of measured values should be in accordance with applicable law, or as determined by the parties by special agreement.</p>	<p>Any advance payment used by a supplier must be reasonable and based on expected consumption.</p>	<p>5.9 The Customer is entitled to cancel the contract should the Supplier become guilty of material breach of contract.</p>
<p>3.5 Invoicing may be carried out preliminarily and may be based on estimated consumption. Estimated consumption will be determined based on the Customer's previously recorded consumption and other circumstances.</p>	<p>If the Customer has fulfilled its payment obligations for one year from the first time a collateral was deposited or prepayment was made, any collateral must be returned and prepayments must cease.</p>	<p>5.10 If the Customer has entered into a fixed-term contract and prematurely breaches such contract by entering into a new agreement on gas deliveries with another provider, the Customer must reimburse the previous natural gas supplier for what that the Supplier is able to show are the Supplier's losses over the remainder of the term of the contract.</p>
<p>If measured values are absent or incorrect at the time of collection, invoicing must take place based on the Customer's previously recorded consumption and other circumstances, such as changes notified by the customer which are likely to affect the quantity of delivered natural gas.</p>	<p>If the Customer has provided a security under this subsection, the deposited funds must be deposited to an interest-bearing account, separate from the Supplier's own assets</p>	<p>6. Contract Assignment</p>
<p>Invoicing based on collected measurements shall be made at least once a year and then on expiry of the supply agreement.</p>	<p>5. Breach of Contract</p>	<p>6.1 The Supplier is entitled, without the Customer's consent, to transfer its contracts for supply to another company. The Customer must be notified of such a transfer, in an appropriate way.</p>
<p>Reconciliation of invoicing based on estimated readings (preliminary invoicing) must follow the collection of measured values (final invoicing) and must take</p>	<p>5.1 Any neglect on the part of the Customer to pay overdue fees, provide security, or provide advance payment, and if such breach is not minor, will entitle the Supplier to suspend delivery to the Customer.</p>	<p>7. Validity, changes and additions</p>
		<p>7.1 Unless otherwise agreed, the contract for the delivery shall terminate at the end</p>

of the month immediately following the month of the written notice.

- 7.2 Unless otherwise agreed, the Supplier may change the applicable price and pricing conditions and is, therefore, obliged to inform the Customer of such changes. Such notice shall be given at least 15 days before the changes take effect and shall be made either by special notice to the Customer or by way of advertisement in the daily press and information posted on the Supplier's website. The expression, "daily press" shall be taken to mean the daily newspaper with the largest circulation in the municipality where the delivery is being made. The subsequent invoice must indicate when the price change occurred and its magnitude.

Price changes resulting from new or modified taxes or fees may be made and implemented immediately and without prior notice. The same applies to other changes resulting from changes in legislation or similar regulations.

- 7.3 In the event of a price change, the new price will be based on the collected measured values if they are collected within a reasonable period of time from the date of the change or based on a reasonably calculated measurement point.
- 7.4 Unless otherwise agreed, the Supplier may change the prevailing contractual delivery terms for an indefinite period, in which case the Supplier shall inform the Customer concerning such changes. Such notification shall take place by sending a notice to the Customer at least one month prior to when the new terms take effect.

The above-mentioned changes in this paragraph do not apply to prices, price conditions, and these General Contract Terms and Conditions.