

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

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

1 Introductory provisions

1.1 These General Contractual Terms and Conditions apply to the sale of natural gas to a facility where the customer carries on business operations or other similar operations. The sale of natural gas to consumers is subject to other terms and conditions.

1.2 These General Contractual Terms and Conditions apply until further notice.

These General Contractual Terms and Conditions can be amended by the party responsible for their formulation. Unless agreed otherwise, the supplier is entitled to make amendments that are applicable to the customer no earlier than two months after the customer has been notified of the amendments. Notification of any such amendments must be made in a suitable manner.

1.3 If there is a discrepancy between the provisions in these General Contractual Terms and Conditions and a written agreement entered into by and between the parties, the provisions set out in the written agreement shall prevail.

1.4 The following terms and definitions shall apply in these General Contractual Terms and Conditions:

- Assigned supplier: A supplier that sells natural gas to a customer that has not chosen a supplier. The assigned supplier is chosen by the grid owner.
- Balance administrator: The party which, following agreement with the system balance administrator, has assumed financial responsibility for ensuring the entry of natural gas into the Swedish natural gas system is equal to the offtake of natural gas at the customer's offtake point.
- Collection of metering data: Details of the volume of natural gas consumed are reported by the customer or are collected by the grid owner.
- Customer: A contractual party to whom natural gas is sold, primarily for commercial use or similar (business proprietor).
- Grid owner (a company involved in the transmission of natural gas pursuant to the Swedish Natural Gas Act (SFS 2005:403)): The owner of a natural gas pipeline to which the customer's facility is connected.
- Supplier (supplier of natural gas pursuant to the Swedish Natural Gas Act): The party that sells and supplies natural gas

to the customer.

- Natural gas: Natural gas, biogas, gas from biomass, and other gas to the extent it is technically possible to introduce and use these gases in the natural gas system.
- System balance administrator: The authority which under the Swedish Natural Gas Act, has overall responsibility for ensuring a short-term balance is maintained between entry and offtake of natural gas in the Swedish natural gas system.
- Offtake point: The point at which a customer, following agreement with the grid owner, withdraws natural gas for consumption.

2 Sale of natural gas

Sales obligations

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

According to the Swedish Natural Gas Act, the supplier is only permitted to supply natural gas at the offtake point if there is a balance administrator for the offtake point. The supplier must notify the grid owner that it will begin selling natural gas at the customer's offtake point, and must name the balance administrator for the offtake point. For the sale to begin on the date agreed by and between the supplier and the customer, notice must be given at least 14 days before.

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

Customer's obligations

- 2.3 The customer is obliged have a supply agreement with the grid owner.
- 2.4 Unless stated otherwise in these General Contractual Terms and Conditions, the customer must pay for all natural gas consumed at the offtake point. This payment obligation also applies to natural gas the customer has not been able to use because of defects in the customer's own facility, or for any other reason not attributable to the grid owner or the supplier.

Impediments to fulfilment of the agreement (Force majeure)

2.5 A party is not obligated to fulfil the agreement if fulfilment is materially

prevented as a result of impediments that are beyond the control of the party. Impediments include war, extreme weather conditions, official decisions, disruptions in the general natural gas transmission system, or other events of an exceptional nature that have a material impact on fulfilment of the agreement and which the party was unable to predict, and the harmful effect of which the party could not have reasonably been in a position to eliminate, such as disruptions in the general gas transmission system.

2.6 If the supplier is in a position to predict a permanent suspension of supply, this information must be relayed in a suitable manner as soon as possible.

2.7 If natural gas can only be supplied to a limited extent, the supplier is entitled to request that the grid owner restricts supply at the customer's offtake point.

Compensation for damage/loss etc.

2.8 If a customer claims that a change of supplier has not taken place in a correct or timely manner, the supplier that reported the change must ensure, following consultation with the customer's grid owner, that the matter is investigated. The supplier must also notify the customer of the cause of the defect. Unless there are particular reasons for not doing so, the customer must be notified within one month from the date on which the customer contacted the supplier.

2.9 If the provider has not fulfilled its obligations in respect of taking over or commencement of supply, and this is due to circumstances that are within the provider's control, the customer is entitled to compensation from the provider for any loss it has incurred.

2.10 The Customer is entitled to compensation from the provider for a loss, but only if the loss is caused by negligence on the part of the provider.

2.11 The right to compensation does not cover a pure economic loss and nor does it cover consequential loss in conjunction with personal injury or property damage.

2.12 If the obligation to pay damages were to be unduly onerous in the light of the financial circumstances of the party liable for payment of damages, the amount could be adjusted based on what is deemed reasonable. When making this assessment, current insurances and the potential to take out insurance must be taken into account, as well as the ability of the party liable for payment of dama-

ges to anticipate and prevent the loss and other circumstances from arising.

- 2.13 The customer must notify the provider of any claim for compensation within one year of the loss occurring. Should the customer fail to do so, the right to compensation for the loss is forfeited. If the customer has demonstrated that it was probable that it had suffered a loss, but such a loss did not exceed 1,000 kronor per offtake point per incident, the provider is not liable for payment of compensation.
- 2.14 The party that has suffered a loss must take reasonable measures to mitigate its loss. Failure to do so may result in compensation being reduced correspondingly.

3. Metering, collection and reporting of metering data, and invoicing

Metering

- 3.1 Customer consumption is registered using the grid owner's metering equipment. Metering provisions are laid down in law and in the grid owner's agreement with the customer.
- 3.2 Natural gas supplied to the customer is registered by the grid owner's metering equipment. If supply is exempt from the metering requirement under the measuring instruments directive applicable at any given time, supply shall be invoiced in the form of a fixed fee and in that case metering equipment is not required.
- 3.3 If the metering equipment includes a flow meter with a volume converter or remote reader, and registration of metering data does not concur with the collected metering data, invoicing must be based on the volume of natural gas in normal cubic metres (Nm³) registered by the flow meter.

Collection and reporting of metering data and invoicing

- 3.4 Collection and reporting of metering data should be in accordance with the law, or as agreed separately by the parties.
- 3.5 Invoicing may take place preliminarily and can be based on estimated consumption. Estimated consumption must be determined based on the customer's previously registered consumption and other circumstances.

If metering data is not available or is incorrect at the time of collection, invoicing must be based on the customer's previously registered consumption and other circumstances, such as changes notified by the customer which are likely to affect the volume of natural gas supplied.

Invoicing based on collected metering data must occur at least once a year and when the supply agreement ends.

Invoicing reconciliation based on estimated readings (preliminary invoicing) must take place following the collection of metering data (final invoicing) and must

take into account the different tariffs applied during the period covered by the reconciliation. Unless there are particular reasons for using another basis for the calculation, it must be made on the assumption the customer's consumption followed the normal consumption pattern for the customer category in question.

4. Payment and collateral

- 4.1 The customer's payment must be received by the supplier no later than the due date stated on the invoice from the supplier, which must fall no earlier than 15 days from the date on which the Supplier sent the invoice, unless agreed otherwise.
- 4.2 If payment is not made on the correct date, the supplier is entitled, unless agreed otherwise in writing, to claim from the customer, in addition to the invoiced amount, interest pursuant to the Swedish Interest Act (SFS 1975:635) from the due date stated on the invoice, as well as reimbursement of costs associated with the delay. This includes the cost of a written reminder, compensation for late payment, and costs related to enforcement of payment or other obligations.
- 4.3 If the supplier has reasonable grounds to fear the customer will not fulfil its payment obligations, the supplier is entitled to request acceptable collateral or advance payment for supply.

If, during the term of the agreement, the customer has defaulted on its payment obligations to the provider, the provider shall be entitled to request acceptable collateral or advance payment for supply to continue.

If, in accordance with the first or second paragraph above, the supplier is entitled to request collateral or advance payment, the supplier is also entitled to invoice on a monthly basis.

Collateral or advance payment may not amount to more than the equivalent of six months' estimated supply costs.

Any advance payment system used by a supplier must be reasonable and be based on expected consumption.

If the customer has fulfilled its payment obligations for one year from the first time collateral was provided or advance payment was made, the collateral provided must be returned and advance payments must cease.

If the customer has provided collateral under this clause, the funds deposited must be placed in an interest-bearing account, separate from the supplier's own assets.

5. Breach of Contract

- 5.1 Any failure on the part of the customer to pay overdue fees, provide collateral, or make advance payment, and the failure

in question is not of a minor nature, the supplier is entitled to suspend the supply of gas to the customer. The provider is also entitled to suspend supply if the customer is guilty of any other material act of negligence in contravention of these General Contractual Terms and Conditions, or as agreed otherwise.

- 5.2 Before the supplier is permitted to take measures set out in 5.1 above, the customer must be given a reasonable period of time to take remedial action. This time period must be at least 15 days, calculated from the date notice is given to take remedial action.
- 5.3 If the customer has not fulfilled its obligations under 4.3 above, the supplier is permitted to suspend supply immediately.
- 5.4 Supply is suspended by means of the grid owner suspending transmission to the customer's facility at the supplier's request.
- 5.5 Suspension must not take place to the extent the debt is the subject of a dispute.
- 5.6 The supplier is also permitted to cease supply if the customer breaches the terms and conditions of the agreement with the grid owner and such a breach entitles the grid owner to suspend transmission to the customer's offtake point. Responsibility for suspension always rests with the party that has requested the measure.
- 5.7 If supply is suspended and the supplier has not exercised the right of rescission under 5.8 below, supply will be reinstated when the reasons for suspension no longer exist and the customer has reimbursed the provider for the costs related to suspension and reconnection.
- 5.8 Where the supplier has the right to suspend the natural gas supply pursuant to 5.1 and 5.2 above, the supplier is also entitled to terminate the agreement. Should the supplier terminate the agreement, the supplier must notify the grid owner immediately. The supplier is always entitled to compensation for any loss incurred.
- 5.9 The customer is entitled to terminate the agreement if the supplier is guilty of a material breach of contract.
- 5.10 If the customer has entered into a fixed-term agreement and prematurely breaches such an agreement by entering into a new gas supply agreement with another supplier, the customer must reimburse the previous natural gas supplier for what the supplier is able to demonstrate are the supplier's losses over the remaining term of the agreement.

6. Assignment of agreement

- 6.1 The supplier is entitled, without the customer's consent, to assign its supply agreement to another company. The customer must be notified of such an assignment in a suitable manner.

7. Validity, changes and additions

- 7.1 Unless agreed otherwise, the supply agreement ceases at the end of the month immediately after one month has elapsed following written notice of termination.
- 7.2 Unless agreed otherwise, the supplier is permitted to change the applicable price and pricing terms and conditions, and is obligated to notify the customer of such changes. Notification must take place at least 15 days before such changes come into effect, either by notifying the customer directly or by way of an advertisement in the daily press and posting information on the supplier's website. The term, "daily press" shall be interpreted as the daily newspaper that has the largest circulation in the municipal area in which supply takes place. It must be stated on the next invoice when a price change has taken place and the amount.

Price changes resulting from new or amended taxes or charges can be made and implemented immediately and without prior notice. The same applies to other changes resulting from amended legislation or similar regulations.

- 7.3 In the event of a change in price, the new price can be applied based on either the collected metering data if collection takes place within a reasonable period of time from the date the price is changed, or based on reasonably calculated metering data.
- 7.4 Unless agreed otherwise, the supplier is permitted to amend the terms and conditions applicable to a supply agreement that runs for an indefinite period, in which case the supplier must inform the customer of the changes. Notification must be sent to the customer at least one month before the new terms and conditions take effect.

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