

# General Business Terms and Conditions

These General Terms and Conditions represent an integral part of Framework Agreement on Balancing Platform Access (the "Agreement").

## Article 1

### Balancing Platform Rules

- 1.1. The BP Operator shall enable BP Users to trade at auction via a balancing platform a day-ahead product or an intra-day product.
- 1.2. The BP Operator shall ensure 24-hour operation of the balancing platform and enable the BP User to use the balancing platform at any time.
- 1.3. The BP Operator acknowledges that the BP User is authorized to Set up/Edit/Cancel access of authorized employees of the BP User to the Balancing Platform by amending the Customer Onboarding Form published on the website of the BP Operator.
- 1.4. The delivery point for the quantity of gas that may be considered as successfully traded pursuant to Procedures and Rules for Trading on Balancing Platform is a Virtual trading point of BP Operator. The quantity of gas in accordance with the first sentence is recorded by the BP Operator as a nomination in respect of the transmission system operator to a Virtual trading point.
- 1.5. The BP Operator will send the BP User Confirmation of Traded Gas Volumes ("Confirmation") of the quantity of gas that is considered as traded in the meaning of the Procedures and Rules for Trading on Balancing Platform. The Confirmation sample is presented in Annex 1 of these General Business Terms and Conditions. Such Confirmation shall become an integral part of the Agreement.
- 1.6. The BP User is obliged to nominate the gas delivery/offtake to the BP Operator by the end of the next whole hour after the sending of the BP Operator confirmation that the trading order of the BP Operator has been paired with the bid or offer of the BP User. A later nomination may not be confirmed by the BP Operator.
- 1.7. The transfer of ownership between the BP Operator and the BP User and the transfer of risks and rewards takes place at the Virtual trading point of BP Operator. The BP Operator meets its obligation to accept the BP User's gas delivery or to deliver the gas to BP User for offtake through the confirmation of nomination submitted by the BP User according to Article 1.5.
- 1.8. The balancing platform is not considered as organised market place defined in Article 2(4) of Commission Implementing Regulation (EU) No 1348/2014 ("REMIT regulation"). The gas quantities traded on the balancing platform are considered as transactions concluded as contracts for balancing services in natural gas in accordance with Article 4(1) (d) of REMIT regulation and thus they are reportable in relation to the REMIT

regulation only upon reasoned request of the Agency for the Cooperation of Energy Regulators and on an ad-hoc basis.

## **Article 2**

### **Limitation of Price at Auction**

- 2.1. The BP Operator is authorized to set in advance a maximum or minimum price for the quantity of gas that may be considered as successfully traded in the meaning of the Business Terms and Conditions pertaining to the Procedures and Rules for Product Trading on the Balancing Platform as follows:
- a) as a minimum, if the BP Operator's trading order is for the sale of gas,
  - b) as a maximum, if the BP Operator's trading order is for the purchase of gas.

## **Article 3**

### **Payment and Bill Terms**

- 3.1. The BP Operator is authorized to issue invoices for the purchase and sale of natural gas.
- 3.2. The BP Operator shall deliver an invoice to the BP User within 10 calendar days of the end of the respective billing period. In this case, the billing period is the 1st to the 10th day of the respective calendar month, the 11th to the 20th day of the respective calendar month and the 21st to the last day of the respective calendar month.
- 3.3. Invoices are due and payable within 14 days of the date they are issued.
- 3.4. The day on which a financial obligation is performed shall be considered the day on which the owed amount is credited to the account of the creditor. If the last day of the invoice maturity period falls on a day that is not a business day (non-working day, bank holiday or public holiday in the Slovak Republic), the creditor shall accept the first subsequent business day as the date of performance of the financial obligation under the agreed price and payment terms.
- 3.5. The Contractual Parties shall issue invoices bearing all the formal particulars required by the valid laws and legal regulation of the Slovak Republic. If any of these particulars is missing, the debtor is entitled to return the invoice to the creditor; in such a case, the debtor is not in arrears with invoice payment. A new maturity period will begin to run on the day on which a correct and complete invoice is delivered to the debtor.
- 3.6. Invoices shall be issued in the euro currency.
- 3.7. The obligations of both Contractual Parties shall be discharged in the euro currency.
- 3.8. Bank fees of the debtor shall be borne by the debtor, and bank fees of the creditor by the creditor.
- 3.9. Both Contractual Parties exclude the assignment of receivables without prior written

agreement.

- 3.10. In the case of a delay in complying with a financial obligation, the creditor is entitled to charge the debtor default interest in an amount of 0.02% of the outstanding amount for every day of arrears.
- 3.11. The Contractual Parties shall discharge their tax obligations in compliance with law and regulation of their state residency and in accordance to international legal regulation, excluding the possibility of assuming the tax liability of a business partner.
- 3.12. BP User is obliged to present the BP Operator with following documents at latest at conclusion date of the Agreement:
  - a) Certificate of registration for excise tax on natural gas issued by relevant customs office according to valid laws and regulation,
  - b) Additional tax representation about facts decisive for imposition of excise tax on natural gas and value added tax.

In case above mentioned documents are not presented in period mentioned in this provision BP Operator is entitled to apply corresponding taxes on the invoice according to valid laws and regulation.

#### **Article 4**

##### **Conditions of Financial Guarantee**

- 4.1. The BP Operator is entitled to require from the BP User financial guarantee for a commodity that BP Operator sells to BP User via action executed on balancing platform. The required amount of the financial guarantee will be calculated as the quantity of gas to be sold by the BP Operator to the BP User multiplied by the price that BP User entered within the trading order.
- 4.2. The BP Operator assesses the amount of the financial guarantee for a commodity before pairing a product trading order with an entered BP User trading order. The BP Operator is obliged to assess only the financial guarantee provided by the BP User at least three working days before the day when the auction is executed.
- 4.3. The BP Operator shall accept the following payment and collateral instruments to financially secure a commodity:
  - a) an irrevocable, unconditional bank guarantee in favour of BP Operator payable on first demand,
  - b) deposit to a bank account.

The bank guarantee shall not expire sooner than two months after the calendar month during which the commodity delivery was executed. All costs related to this bank guarantee shall be covered by BP User. The bank guarantee must be issued, and if relevant confirmed, by a bank with Moody's long term credit rating of not less than Baa2

or Standard & Poor's BBB.

The financial resources transferred as deposit to the bank account of BP Operator do not bear interest rate.

- 4.4. The BP User represents that at the execution date of the Agreement no facts based on which the tax administrator could initiate a proceeding to cancel tax registration pursuant to Act No. 222/2004 Coll. on value added tax are entered on the list kept by the Financial Directorate of the Slovak Republic and published on the website of the Financial Administration of the Slovak Republic. Nor are any such facts known to the BP User. The BP User is obliged to inform the BP Operator of the commencement of a proceeding to cancel tax registration in accordance with the preceding sentence.

## **Article 5**

### **Compensation of Damage**

- 5.1. Compensation of damage is subject to the corresponding provisions of the Commercial Code, as amended, the Operational Order of the BP Operator and the following agreements of the Contractual Parties.
- 5.2. The Contractual Parties shall inform one another of all facts that could lead to damage of which they are aware and shall make every effort to prevent imminent damage. The BP Operator is not liable for any damage incurred by the BP User as a result of:
- a) incorrect or unauthorized use of the balancing platform,
  - b) restriction or temporary prevention of the use of the balancing platform to fix a malfunction or perform repairs of the balancing platform,
  - c) third-party misuse of input data for balancing platform use for which the BP User is culpable,
  - d) malfunction of the data or internet network of either of the Contractual Parties,
  - e) balancing platform inoperability by no fault of the BP Operator.
- 5.3. In the case of a violation of the provision of Article 1.5 of this Agreement, the traded quantity of gas shall be considered as undelivered/unaccepted. If a Contractual Party fails to deliver or accept the quantity of gas, the other Contractual Party is entitled to solicit payment of a contractual fine of 25 EUR/MWh from the Contractual Party that is in violation of this Agreement for every MWh of the undelivered or unaccepted quantity of gas.
- 5.4. The payment of a contractual fine shall not prejudice the obligation of a Contractual Party to compensate the other Contractual Party for any damage incurred by it as a result of the breach of the aforementioned Contractual Party obligation.

**Article 6**  
**Dispute Resolution**

- 6.1. The Contractual Parties shall make every effort to achieve a peaceful settlement of any disputes arising from this Agreement.
- 6.2. If no peaceful settlement is achieved, either of the Contractual Parties may file a lawsuit with a general court locally competent pursuant to Act No. 99/1963 Coll., the Civil Procedure Code, as amended.

**Article 7**  
**Confidentiality of Information**

- 7.1. The Contractual Parties pledge that all information contained in Agreement or made available to them in connection herewith shall be considered as confidential and kept secret. They undertake not to use such information for purposes other than the performance of Agreement, to protect it from publication and not to disclose it to third parties without the prior written consent of the other Contractual Party until such time as the information becomes publicly available. The Contractual Parties will not disclose confidential information to any person other than professional advisors and employees assigned to perform activities under Agreement.
- 7.2. The duty to maintain confidentiality shall not apply to information that is publicly available or whose disclosure is stipulated by a generally binding legal regulation.
- 7.3. Should either of the Contractual Parties commit a demonstrable breach of the obligation under Article VII.1 hereof, that Contractual Party shall be obliged to pay the other Contractual Party a contractual fine in the amount of € 5 000 (in words: five thousand euro) for every such breach of obligation.

**Article 8**  
**Force majeure**

- 8.1. If one Contractual Party is prevented by force majeure from meeting its obligations under this Agreement, it will be exempted from these obligations. The other Contractual Party will be exempted from its obligations to pay consideration to the extent and for as long as the Contractual Party is prevented from meeting its obligations by force majeure.
- 8.2. Force majeure is an external unforeseeable event that cannot be prevented, or cannot be prevented in time, even by taking reasonably expected care and using technically and financially reasonable means. It includes in particular natural disasters, terrorist attacks, power failures, failure of telecommunication links, strikes and lock-outs, if the lock-outs are lawful, legal provisions or measures implemented by government or by the

courts or the authorities (irrespective of their lawfulness).

- 8.3. The Contractual Party affected must notify the other Contractual Party immediately and inform it of the reasons for the force majeure and the expected duration. It will endeavor, by taking all reasonable steps that are technically and financially at its disposal to ensure that it can resume meeting its obligations as soon as possible.
- 8.4. The Contracting Parties will cooperate to clear faults and malfunctions as far as possible.

**Annex No. 1**  
**Sample Confirmation, i.e. Confirmation of Traded Gas Volumes**

**Confirmation of Traded Gas Volumes (“Confirmation”)**

BP Operator:

eustream, a.s.  
Votrubova 11/a  
821 09 Bratislava

BP User:

.....  
.....

This is automatic Confirmation of the gas quantity that is considered as traded in accordance with Procedures and Rules for Trading on Balancing Platform. This Confirmation forms an integral part of the FRAMEWORK AGREEMENT on BALANCING PLATFORM ACCESS that you have concluded with eustream, a.s.

Upon delivery of this Confirmation, the trading order of the BP Operator has been paired with the offer or request of the BP User and the transaction is concluded between the BP Operator and the BP User.

We hereby confirm following transaction:

Trading Order ID	.....
Trade concluded on	.....
Type of Transaction	.....
Delivery date	.....
Delivery Point	.....
Gas Quantity [MWh]	.....
Unit price [EUR/MWh]	.....
Total price [EUR]	.....

This Confirmation has been generated electronically and is valid without signature.

In case of any inconsistencies please contact us immediately:

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