

## CONTRACT on TITLE TRANSFER SERVICE

made by and between

**eustream, a.s.**

with its registered office at: Votrubova 11/A, 821 09 Bratislava, Slovak Republic  
registered in the Commercial register of the City Court Bratislava III, Section: Sa, Insert No.:

3480/B

Entity Identification Number (IČO): 35 910 712

VAT Registration Number: SK 2021931175

(hereinafter referred to as **“EUS”**)

on one side

and

**Title transfer service user:**

with its registered office at:

Entity Identification Number:

VAT Registration Number:

(hereinafter referred to as **“TTU”**)

on the other side,

hereinafter also individually referred to as **“Party”** and collectively as **“Parties”**

## Preamble

EUS as a transmission system operator is providing Title transfer service in the EUS transmission system as defined in the applicable Operational Order.

## Article 1

### Definitions

An integral part of this contract is the applicable Operational Order as defined below. The terms defined therein shall have the same meaning in this contract.

Further, the below terms used in this contract shall have the following meaning:

- 1.1. **"Day"**: a Gas Day as defined by the Operational Order.
- 1.2. **"Gas"** or **"Natural gas"**: mixture of hydrocarbons comprising mainly of methane in gaseous state and non-combustible gases in gaseous state prepared for transmission by pipeline.
- 1.3. **"Market rules"**: the applicable decree of the Regulatory Office for Network Industries of the Slovak Republic which lays down the rules for the operation of internal gas market, requirements on the content of the operational order of a transmission system operator and storage facility operator and the scope of commercial conditions to be included in the operational order of the system operator (at present the Decree of the Regulatory Office for Network Industries of the Slovak Republic No. 208/2023 Coll.).
- 1.4. **"Month"**: period of time beginning at 6:00 on the first day of a calendar month till 6:00 of the first day of the next calendar month.
- 1.5. **"Operational Order"**: the applicable Operational Order of the regulated entity EUS as the transmission system operator, approved by the Office for Regulation of Network Industries of the Slovak Republic and officially published. The applicable Operational Order constitutes an integral part of this contract. The Operational Order valid as of the day of signing this contract is attached as Annex 1. of this contract.
- 1.6. **"Shipper code"**: a distinctive alphanumerical identifier used for identifying individual shippers at upstream and/or downstream side of Interconnection points.
- 1.7. **"Time"**: any reference to time shall be construed as CET (Central European Time). Any Time information is written in 24-hour format.

The numbering convention used in this contract is that in which the comma (,) is used to indicate multiples of a thousand and the full stop (.) is used to indicate a decimal point.

## **Article 2**

### **Subject-matter of the contract**

- 2.1. The subject-matter of this contract is a service whereby EUS enables the transfer of title to gas from TTU to other title transfer service user(s) (and vice versa) within the agreed period and volume (hereinafter referred to as the **"Title transfer service"**).
- 2.2. The respective provisions of the Operational Order, the Market rules and other applicable generally binding legal regulations shall apply to the rights and obligations of the Parties arising from and/or related to this contract.

## **Article 3**

### **Title transfer volume and period**

- 3.1. EUS shall provide to the TTU the Title transfer service in the period and volume defined as follows:  
Beginning date:  
End date:  
Estimated Daily maximum Gas quantity for the provision of Title transfer service at VTP (in MWh per Day):
- 3.2. Shipper code pairs for the respective title transfer between TTU and its counterparts (other Title service users) shall be established by dispatching centres of EUS and TTU.

## **Article 4**

### **Fee for Title transfer service**

The TTU shall pay to EUS the fee for the Title transfer service. The fee for the Title transfer service shall be calculated in accordance with the Operational Order applicable to the moment of service provision.

## **Article 5**

### **Billing and Payment**

- 5.1. The TTU shall pay to EUS for the Title transfer service the fee as stipulated in Article 4. hereof on the basis of invoice issued by EUS.
- 5.2. EUS shall deliver to the TTU an invoice for the Title transfer service no later than the fourteenth (14<sup>th</sup>) calendar day of the month following the provision of the Title transfer service. The maturity of the invoices in accordance with the Operational Order shall be fourteen (14) calendar days from the issue date. If EUS is in delay with the delivery of the invoice, the due date shall be postponed by same number of calendar days as is the duration of such delay.

- 5.3. The TTU shall assign payments for amounts due to the account of EUS, IBAN SK78 1100 0000 0029 3570 0511 with the bank Tatra banka a.s., Bratislava branch, SWIFT code: TATRSKBX, or any other bank account duly notified by EUS to the TTU.
- 5.4. If the TTU is in delay with its payment (wholly or partially) then the TTU shall pay to EUS the default interest from respective outstanding amount for each day of delay at a rate of 3 % above the 3-months Euribor interest rate published on the first day of delay with its payment. If 3-months Euribor interest rate is not published on the first day of delay with its payment, then the 3-months Euribor interest rate published on the nearest precedent day shall apply.
- 5.5. The invoicing shall be performed in accordance with all the requirements as prescribed by the applicable Slovak legislation, in particular Slovak legislation on value added tax (at present the Act No. 222/2004 Coll. on value added tax, as amended). The Parties are governed in tax issues by the legal framework valid in the Slovak Republic excluding the possibility to take over the tax obligation to the other Party.
- 5.6. Any complaints concerning the invoices must be submitted immediately, not later than five (5) calendar days after the date of delivery of an invoice.

## **Article 6**

### **Financial guarantee**

- 6.1. In order to secure any potential claims of EUS under this contract, the TTU shall provide EUS with a financial guarantee in the form of an irrevocable, unconditional bank guarantee in favour of EUS payable on first demand or a cash collateral.
- The bank guarantee shall not expire sooner than two months after the end of duration of this contract. Partial drawings should be allowed. All costs related to this bank guarantee shall be covered by the TTU. 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 language of the document is English or Slovak.
- Financial guarantee in the form of collateral is payable to the following collateral bank account of EUS: IBAN SK59 0200 0000 0000 0012 5858 with the bank VÚB, a.s., Bratislava branch, SWIFT: SUBASKBX. Financial guarantee in the form of collateral shall not be considered as a down payment for Title transfer service.
- 6.2. EUS is entitled to use the relevant financial guarantee only in order to satisfy its claims towards the TTU under this contract. The amount of financial guarantee shall be determined on the basis of the estimated maximum Gas quantity for the provision of Title transfer service. Obligation to pay to EUS default interest under Article 5.4. of this contract shall remain unaffected. The TTU shall maintain the financial guarantee, including its amendments, in the agreed amount valid and effective during the effectiveness of this contract. The TTU shall update the financial guarantee immediately (not later than three (3) calendar days) following EUS has used the financial guarantee.

- 6.3. EUS shall return unspent financial resources of the cash collateral without any bank interests to the TTU according to the respective provisions of the applicable Operational Order.
- 6.4. The TTU shall maintain a sufficient level of the financial guarantee in favour of EUS. A sufficient level of the financial guarantee shall be considered the amount which is at least equal to the projected two-month payment for Title transfer service in the case of a title transfer contract with duration of longer than (2) two months. In case of a title transfer contract with duration of less than 2 months, the amount of financial guarantee shall represent the total projected payment for Title transfer service. If the actual use of the Title transfer service exceeds the amount of the financial guarantee, the TTU shall increase the amount of the financial guarantee without undue delay. If the financial guarantee is not provided or adjusted as required, EUS shall have the right to reduce the nomination for the Title transfer service or withdraw from this contract.

## **Article 7**

### **Shipper codes**

The Parties shall communicate issues regarding the relationship between the TTU and the other Title transfer service user(s) upstream and downstream of the EUS transmission system by using shared Shipper code pairs. The Shipper code for the TTU will be designated by commercial dispatching of EUS. The TTU shall inform EUS about changes in its Shipper code pairs at least five (5) calendar days in advance.

## **Article 8**

### **Governing law and Arbitration clause**

- 8.1. This contract shall be governed by and construed in accordance with the laws of the Slovak Republic with the exclusion of all rules and regulations governing conflict of laws.
- 8.2. The Parties shall do their best to solve amicably any disagreement or dispute arising between them in connection with this contract through negotiations.
- 8.3. Where no such settlement is reached within thirty (30) calendar days after receiving a written notice of the affected Party, either Party may, by giving a written notice to the other Party, refer the matter to arbitration as stipulated hereinafter.
- 8.4. All disputes arising out of this contract or related to its violation, termination or nullity shall be finally settled by the Arbitration Court of the Slovak Chamber of Commerce and Industry under the Rules of Procedure of the Court of Arbitration. The place of arbitration shall be the Arbitration Court of the Slovak Chamber of Commerce and Industry, Bratislava.
- 8.5. The award shall be final and binding for both Parties.

## **Article 9**

### **Assignment of contract, Cession of claims**

- 9.1. Neither Party may assign this contract, either in whole or partially, to the third party, without prior written consent given by the other Party which cannot be unreasonably withheld. EUS has a right to withhold consent with the assignment if the creditworthiness of the third party does not match the level of the creditworthiness of the TTU. The third party (assignee) is always obliged to provide the financial guarantee at the respective amount and quality as the TTU before the assignment shall enter into force.
- 9.2. Neither Party may cede its claims from this contract to a third party without the other Party's prior written consent.
- 9.3. Written notice/agreement as defined hereinabove must be signed by the authorized representative(s) of the Parties.

## **Article 10**

### **Confidentiality**

- 10.1. All information shared between EUS and the TTU concerning this contract is considered as confidential and no Party may reveal such information to third parties without the previous written consent of the other Party. The Party, which was requested to provide a consent to disclosure of confidential information, must provide the consent, if the reason for disclosure is reasonable and should not, taking into account all relevant circumstances, cause any risk to the requested Party.
- 10.2. The TTU and EUS are allowed to disclose confidential information concerning this contract only to their employees, consultants, counsels or other service providers, as well as to those state authorities who are entitled to request the given information in accordance with the applicable legislation.
- 10.3. The TTU and EUS shall take all necessary actions so that all persons and state authorities that received the confidential information pursuant to this Article maintain its confidentiality.

## **Article 11**

### **Entering into force and validity of the contract**

- 11.1. This contract shall become valid and enter into force after signing by both Parties. This contract shall be concluded for definite period till the End date defined in the Article 3 hereof.
- 11.2. For the avoidance of doubt, the end of the validity/termination of this contract shall not affect any rights related to services provided by EUS under this contract before such date, including the rights with regard to payment.

## **Article 12**

## Final stipulations

- 12.1 Modifications and amendments of this contract, if necessary, shall be made in written form as an amendment. Such amendment must be signed by the Parties under the same procedure as this contract.
- 12.2 If any provision of this contract is or becomes ineffective or void, the effectiveness of the other provisions shall not be affected. The Parties undertake to substitute for any ineffective or void provision a new and effective provision which achieves economic results as close as possible to those of the ineffective or void provision.
- 12.3 This contract was executed in two copies in English language, of which each Party receives one copy. All copies are equally valid in law.
- 12.4 In case of conflict between this contract and the Operational Order the provisions of the Operational Order shall prevail.
- 12.5 The TTU hereby certifies that it has read and understood the respective provisions of the Operational Order and agrees therewith.
- 12.6 TTU declares and confirms by his signature hereof that he acquainted himself with the valid laws governing the natural gas transmission and supplementary services through EUS transmission system and undertakes to fully respect the obligations specified in the Operational Order regarding the Title transfer service and provisions of this contract.
- 12.7 TTU agrees to publish business name of the company and contact data in the title transfer users list published on EUS's website [www.eustream.sk](http://www.eustream.sk).
- 12.8 In case of a change or amendment of the Operational Order during the period of this contract, this contract shall automatically be governed by the Operational Order in its updated, i.e. applicable version.
- 12.9 The following documents make the integral part of this contract:
- Annex 1: Operational Order

In Bratislava, on

In , on

**EUS**

**TTU**

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