

General Terms of Natural Gas Sales Agreement

(legal persons with small consumption)

Valid from 01.09.2021

Unofficial translation

1. General Provisions

- 1.1. These General Terms of Natural Gas Sales Agreement of AS Eesti Gaas (hereinafter "**General Terms**") regulate the sale of Gas from AS Eesti Gaas (hereinafter "**Seller**") to a legal person specified in Special Terms (hereinafter "**Buyer**") whose consumption is up to 525 MWh per year or who is household customer within the meaning of the Natural Gas Act (*Maagaasiseadus*).
- 1.2. Natural Gas Sales Agreement (hereinafter "**Agreement**") consists of General Terms herein, Special Terms (before and hereinafter "**Special Terms**") and the respective annexes.
- 1.3. Terms deviating from the General Terms can be agreed upon in the Special Terms. If a conflict between the documents of the Agreement should arise, the terms agreed in Special Terms shall apply first, then the Annexes to Special Terms and finally the General Terms shall apply.
- 1.4. Definitions not defined in the Agreement shall be interpreted on the meanings provided by legislation.

2. Gas Supply

- 2.1. The Seller sells to the Buyer the natural gas transmitted through the gas network (before and after "**Gas**") for the consumption points specified in Special Terms.
- 2.2. The Seller sells the Gas to the Buyer as an open supply. If the Buyer also purchases Gas as a fixed supply, the Buyer shall notify the Seller at least 14 calendar days before the start of the supply month and the parties shall in addition agree the terms of Gas supply and Balance management in case of fixed supply. If no agreement is reached, the parties have a right to cancel the agreement, notifying the other party 3 business days beforehand.
- 2.3. The network operator ensures and is responsible for the quality and security of Gas supply in accordance with the network contract concluded with the Buyer. The Seller is not responsible for the quality of the network service or disruptions or interruptions related to it.
- 2.4. The Gas sold by the Seller shall be transferred to the Buyer at the Buyer's connection point and the quantity of Gas sold shall be measured at the respective metering point in accordance with the network contract.
- 2.5. During the validity of the Agreement, the Buyer has the right to request the addition or removal of metering points set in the Agreement by submitting a corresponding request to the Seller no later than 14 days before the addition or removal of metering points from the Agreement. The addition or removal of metering points and the conditions thereof shall be agreed separately by the Parties.

3. Balance Management

- 3.1. The Buyer delegates its balance responsibility to the Seller and the Seller performs the Buyer's balance management.
- 3.2. The Seller shall ensure the balance of the Buyer in each balance period, which is a 24-hour period starting at 7.00 AM of the calendar day and ending at 7.00 AM Estonian time on the morning of the next calendar day, unless otherwise provided in the Natural Gas Act (*Maagaasiseadus*).

4. Determination of the quantity of Gas

- 4.1. The quantity of Gas purchased and sold equals the quantity of Gas consumed at the metering point.
- 4.2. The quantity of Gas consumed at the Buyer's metering point is determined on the basis of data entered by the network operator to the data exchange platform specified in § 10² of the Natural Gas Act (*Maagaasiseadus*) regardless of whether the Gas quantity is measured with the metering device of the network operator or determined by the network operator in accordance with the procedure provided by legislation or the network contract. If the Buyer does not agree with the data on the quantity of Gas consumed, the Buyer shall resolve the respective dispute with the network operator and, if necessary, request the network operator to correct the data submitted to the Seller.
- 4.3. The Seller has the right to request the inspection and verification of the metering devices and documented metering data of the Buyer's metering points on site. If the Seller requests so, the Buyer must request the network operator to verify the accuracy of the metering devices and metering data and upon registering inaccuracies to correct the data. If the Buyer does submit the request in a reasonable time, the Seller has a right to submit a corresponding request to the network operator on behalf of the Buyer.
- 4.4. If the network operator corrects the Buyer's consumption data after submission of the Seller's invoice, the Seller shall reflect respective corrections on the next invoice submitted to the Buyer.

5. Price of Gas

- 5.1. The price of Gas or the basis for the formation of the price and the price package shall be agreed in Special Terms (before and hereinafter "**Price of Gas**"), generally in euros per energy unit.
- 5.2. If the parties have agreed on floating Price of Gas based on the formula, the following indices will be used in the following sense:
 - 5.2.1. "TTF" means the "TTF front month" index published by *Argus European Natural Gas* on the last business day of the calendar month preceding the Accounting Period, or its successor¹;
 - 5.2.2. "GETB" is the average market price of natural gas for the Accounting Period published under the symbol BGS1 for the Estonian market area by the *GET Baltic gas exchange*². At the time of concluding the Agreement, the area „LV-EE“ is considered to be Estonian market area.

¹ the price basis is disclosed to the Buyer in the Seller's e-service

² <https://www.getbaltic.com/en/market-data/trading-data/?period=day&graph=trades&area=23&show=price&display=table>

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- 5.3. VAT and other applicable taxes will be added to the Price of Gas agreed in the Special Terms in accordance with the applicable legislation in the Republic of Estonia. The Price of Gas does not include charges for network service, excise duties and other possible charges payable to the network operator.
- 5.4. If the agreed price package includes a monthly fee and the validity of the Agreement in the given Accounting Period is shorter, the Buyer shall pay the monthly fee according to the number of days in the Accounting Period, where the daily fee is calculated by dividing the monthly fee by the number of calendar days. The monthly fee is added to the invoice for each month, regardless of whether the Buyer consumed the Gas or not.
- 5.5. If a price package is applied to the Buyer, according to which the Seller periodically notifies the Buyer of the valid Price of Gas in accordance with the conditions and procedure provided in the price package, such periodic change of the Gas price shall not be considered an amendment to the Agreement, incl. clause 5.7 of the General Terms does not apply.
- 5.6. In case of an indefinite term Agreement, the Buyer has the right to request a change in the price package at any time by notifying the Seller at least 14 calendar days before the change of the calendar month. The new price package agreed by the parties will take effect from the beginning of the next Accounting Period.
- 5.7. In case of an indefinite term Agreement, the Seller has the right to unilaterally and without the Buyer's consent change the price package, pricing conditions (incl. Set monthly fee) and Price of Gas if it is necessary to take into account changed circumstances (eg changes in legislation or competitive conditions, changes due to the development of the gas market, significant change in the Gas consumption of the Buyer) or is necessary due to the change of the gas sales principles by the Seller, notifying the Buyer thereof at least 1 month in advance. If the Seller changes the price packages, the Seller shall, if necessary, exchange the valid price package for the price package with the most similar conditions, taking into account the Buyer's Gas consumption. The Buyer has the right to terminate the Agreement within 14 calendar days from submitting the notice if the Buyer does not agree with the change.

6. Billing

- 6.1. The Seller shall invoice the Buyer for each period starting with the beginning of the first balance period of the calendar month and finishing with the end of the last balance period of the calendar month (before and hereinafter "**Accounting Period**").
- 6.2. If the Seller and the network operator have agreed on the submission of a joint invoice, the Seller shall invoice the Buyer for the claims arising from both the Agreement and the network contract. In such case, the invoice amount consists of the claims arising from this Agreement and the network contract (hereinafter "**Invoice Amount**") and all the Agreement Terms related to the invoice shall apply also to the claims arising from the network contract, including the conditions concerning default interest and deposit.
- 6.3. The Seller shall issue an invoice to the Buyer no later than on the 12th calendar day following the Accounting Period or on the first business day thereafter, provided that the network operator has made the Buyer's consumption data available to the Seller on the data exchange platform specified in § 10² of the Natural Gas Act (*Maagaasiseadus*) or otherwise.
- 6.4. The Seller issues the invoice according to the Buyer's request either electronically or on paper. For the submission of a recurring invoice, the Seller has the right to demand

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- from the Buyer a fee for issuing a recurring invoice in accordance with the price list of additional services established by the Seller.
- 6.5. The Buyer must notify the Seller if the invoice is not received by the 15th calendar day following the Accounting Period.
 - 6.6. If the Buyer does not agree with the submitted invoice or only partially agrees with it, the Buyer shall notify the Seller in writing or in a form that can be reproduced in writing before the due date, stating the reasons for disagreement. In case of partial acceptance, the Buyer shall pay the accepted part in accordance with the Agreement. The Seller shall check the Buyer's application and notify the Buyer in writing or in a form that can be reproduced in writing of the results of the inspection within 10 working days of receipt of the notice. Based on the results of the inspection, the Seller may set a later payment date. If the Buyer's application was not substantiated, the Buyer shall pay the unpaid amount together with the accrued default interest.
 - 6.7. The Buyer shall pay the invoice no later than on the 20th calendar day following the Accounting Period or on the first business day thereafter, referring to the reference number on the invoice.
 - 6.8. The Invoice is considered paid on the day when the entire Invoice Amount has been credited to the account indicated on the invoice.
 - 6.9. Of the amount paid by the Buyer, a claim that has first become due shall be deemed to have been paid before a claim that has become due later. For claims that have become collectible simultaneously first collection costs and default interest shall be deemed to have been paid, then financial obligations arising from the network contract (if the Seller has submitted a joint invoice) and last other financial obligations arising from the Agreement.
 - 6.10. If the Buyer makes an advance payment, the Seller shall retain it to cover future obligations. No interest is charged or paid on the advance payment. If the Buyer has no outstanding arrears, the Seller shall return the advance payment to the Buyer within 5 business days from the receiving the relevant request by the Buyer. Upon termination of the Agreement if the Buyer has no outstanding arrears, the Seller shall return the advance payment to the Buyer within 5 business days after the submission of the invoice for the last Accounting Period.
 - 6.11. If the Buyer fails to settle the invoice on time, the Seller has the right to demand from the Buyer a late payment interest of 0.2% per day on the due amount of the unpaid Invoice. Late payment interest on arrears will be calculated from the day following the due date and the calculation of late payment interest on arrears will be terminated on the day of receipt of the Invoice Amount in full.

7. Liability

- 7.1. The Parties shall immediately notify each other of all circumstances that hinder or may affect the performance of the Agreement. A Party is obliged to inform the other Party if a Party or any company or undertaking belonging to a group or a member of their management or supervisory body will become subject to international sanctions (hereinafter "**Sanctions**") by a state or an international organization.
- 7.2. The Parties shall be liable for improper performance or non-performance of the obligations provided for in the Agreement.

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- 7.3. If the Buyer has breached the Agreement, the Seller has the right to apply the following measures together or separately at its own choice:
 - 7.3.1. to unilaterally shorten the payment term up until 3 business days, reflecting the new payment term on the invoice;
 - 7.3.2. to demand a performance security, i.e., demand a deposit, surety, bank guarantee, parent company guarantee etc.;
 - 7.3.3. to submit an application to the network operator for the interruption of Gas supply in accordance with the provisions of legislation, whereas the costs related to the interruption and restoration of gas supply shall be borne by the Buyer;
 - 7.3.4. to implement other legal remedies.
- 7.4. The Seller has the right to apply the measures specified in clause 7.3 of General Terms if a bankruptcy warning or bankruptcy notice is filed against the Buyer or bankruptcy, reorganization or liquidation proceedings are initiated, also if the Seller has reasonable grounds to believe that the Buyer does not perform properly the obligations arising from the Agreement.
- 7.5. The security given by the Buyer covers all existing and future claims arising from the Agreement. The Seller has the right to satisfy the claims arising from the Agreement at the expense of the security. The use of security and the amount, type and form of the security shall be decided by the Seller, however, the amount of the security may not exceed the expected Invoice Amount of three Accounting Periods.
- 7.6. The Seller has the right to keep the deposit until the end of the Agreement. Upon termination of the Agreement, in the absence of arrears, the Seller shall return the deposit to the Buyer within 5 business days after full payment of the invoice submitted for the last Accounting Period. If the Buyer has duly fulfilled its obligations under the Agreement throughout the last 12 months, the Buyer may also request a refund of the deposit during the validity of the Agreement, upon which the Seller shall refund the deposit to the Buyer within 5 business days of receiving the Buyer's request. No interest is charged or paid on the deposit.
- 7.7. The Parties are obliged to act in such a way as to prevent damage to the other Party during the performance of the Agreement. However, if one of the Parties causes damages to the other Party by its actions or omissions, the Party who caused the damage shall only compensate the direct material damages caused to the other Party, the loss of profit shall not be compensated. The Seller's liability is limited to the cost equal to the cost of Gas for 3 months, where the cost of one month is the arithmetic average of the cost of Gas sold during the last 12 calendar months or, in the absence of such data, the arithmetic average of the cost of Gas sold during the term of the Agreement per month. The limitations and exclusions of liability set out in this clause shall not apply if, according to applicable legislation, such liability cannot be limited or excluded.
- 7.8. A Party shall not be held liable for improper performance or non-performance of the obligations set in this Agreement as long as it is due to the direct effect of force majeure. Failure to meet financial obligations is generally not excusable on grounds of force majeure, regardless of the nature of the event giving rise to the financial failure.
- 7.9. The Party whose performance of the obligations arising from the Agreement is hindered due to force majeure shall notify the other Party as soon as possible of the occurrence

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of force majeure, also of the extent and expected duration of its effects. The Parties shall take all reasonable measures to mitigate and overcome the consequences of force majeure and shall promptly provide the other Party with information known to them on the extent and duration of the circumstances of force majeure.

8. Validity and amendment of the Agreement

- 8.1. The Agreement is valid from the date of signing the Agreement by both Parties.
- 8.2. The Agreement is valid indefinitely or until the end of the Agreement period agreed in Special Terms.
- 8.3. The Agreement may be amended by mutual agreement of the Parties or on other grounds prescribed by the Agreement or applicable legislation.
- 8.4. A definite term Agreement is not renewed on the basis of § 234 of the Law of Obligations Act (*Võlaõigusseadus*). The Agreement can be extended only by the written agreement of the Parties or according to clause 8.5.
- 8.5. In the case of a definite term Agreement, the Seller may, no later than 1 month before the end of the Agreement period, submit to the Buyer an offer regarding the Price of Gas and terms of sale for the next period. If the Buyer does not notify the Seller of its disagreement with the offer within 14 calendar days of receiving the offer, the Agreement shall extend for the period specified in the offer with the price and conditions specified in the offer, if the Seller has informed about it in the offer.
- 8.6. If additional taxes, conditions or fees related to the sale of Gas, including transmission system operator conditions or fees, are established, implemented or amended by public authorities or third parties during the validity of the Agreement and which impose additional financial obligations on the Seller or resulting a conflict between the Agreement and legislation or the gas transmission system operator conditions, the Seller has the right to unilaterally change the terms of the Agreement, including the agreed Price of Gas and pricing to the extent and in the manner necessary to take into account the change, notifying the Buyer at least 1 month in advance.
- 8.7. In addition, the Seller has the right to unilaterally amend the General Terms without the Buyer's consent or establish new General Terms if it is necessary to take into account changed circumstances (eg changes in legislation or competitive conditions, changes due to the development of the gas market) or is necessary due to the change of the gas sales principles by the Seller.
- 8.8. Upon amending of the General Terms or establishing new General Terms, the Seller shall notify the Buyer thereof at least 1 month before the amendments to the General Terms or the new General Terms enter into force. The notification shall specify the proposed change, the basis for making the change and the date on which the change will take effect. The Buyer has the right to terminate the Agreement within 14 calendar days from submitting the notice if the Buyer does not agree with the change.
- 8.9. Amendments to the General Terms or new General Terms published pursuant to the procedure prescribed by law and the General Terms shall be deemed an integral part of the Agreement and shall also apply to the Agreements entered into force before the amendments. The General Terms which have entered into force later replace or amend the General Terms or other standard terms and conditions that were previously part of the Agreement.

9. Termination of the Agreement

- 9.1. The Agreement shall terminate:
 - 9.1.1. upon expiry;
 - 9.1.2. by written agreement of the parties;
 - 9.1.3. upon termination of the Agreement on the bases and pursuant to the procedure provided for in the Agreement or in applicable legislation;
 - 9.1.4. upon termination of the network contract, if such a ground is provided by applicable legislation;
 - 9.1.5. on any other grounds provided by the applicable legislation.
- 9.2. The Buyer has the right to terminate the Agreement at any time by submitting a notice of termination to the Seller at least 14 calendar days ahead, provided that the Buyer's obligations arising from the Agreement have been fulfilled.
- 9.3. The Buyer undertakes to pay the invoices due at the time of submitting the notice of termination within 14 calendar days from the submission of such notice. If the Buyer fails to settle the arrears within such term, the Agreement shall remain in force until the Buyer pays the arrears in full.
- 9.4. The Seller has the right to terminate the Agreement if:
 - 9.4.1. the Buyer has materially breached the Agreement. If the Seller has given a reasonable additional term, the Seller has right to terminate the Agreement after the expiry of additional term, whereas the Seller has no obligation to grant an additional term unless required by the applicable legislation;
 - 9.4.2. the ownership of the consumer installation has been alienated and the Buyer has no legal grounds for its use, whereas the Buyer has the burden of proving the existence of the legal grounds for the use of the consumer installation;
 - 9.4.3. the Gas supply at the Buyer's metering point has been interrupted more than 3 months;
 - 9.4.4. if Sanctions have been imposed on the Buyer or on an undertaking belonging to its group or any member of their management or supervisory body;
 - 9.4.5. a bankruptcy warning or bankruptcy notice is filed against the Buyer or bankruptcy or liquidation proceedings are initiated, also if for any other reason the Seller has reasonable grounds to believe that the Buyer has become insolvent or may become insolvent in the near future or that the Buyer fails to perform its obligations;
 - 9.4.6. there is some other ground specified in the applicable legislation, or in the Agreement.
- 9.5. The following events, among others, are considered material breaches of the Agreement by the Buyer:
 - 9.5.1. the Buyer has been late in settling the invoice for more than 3 times during the last 12 calendar months for more than 7 calendar days or once for more than 30 calendar days in a row or if at any time the amount of the arrears exceeds the average 2-months cost of the quantity of Gas for previous 12 calendar months;

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- 9.5.2. the Buyer does not provide the performance security required by the Seller within 7 calendar days of receipt of the respective request;
 - 9.5.3. the Buyer has consumed the Gas illegally;
 - 9.5.4. the Buyer violates the obligations of the natural gas consumer arising from the applicable legislation.
- 9.6. Upon termination of the Agreement on the grounds specified in clause 9.4, the Seller shall submit a notice of termination to the Buyer at least 7 calendar days ahead, unless otherwise provided in the Agreement or legislation. In the cases specified in clauses 9.4.1, 9.4.2 and 9.4.4, the Seller has the right to terminate the Agreement without observing the notice period, unless otherwise provided in the legislation.
- 9.7. The Seller has the right to terminate the indefinite term Agreement at any time by submitting a notice of termination to the Buyer at least 30 calendar days before the termination of the Agreement.
- 9.8. If the network contract remains valid after the termination of the Agreement, then the Agreement ends at the end of the last balance period of the calendar month. If the notice of termination is submitted or the preconditions for termination of the Agreement are fulfilled less than 14 calendar days before the beginning of a new calendar month, the Agreement terminates at the end of the last balance period of the calendar month following the month of submission of the notice of termination or fulfillment of the precondition for termination of the Agreement, except in cases provided by legislation.
- 9.9. Upon termination of the Agreement, the delivery and sale of Gas by the Seller to the Buyer shall cease. If the Buyer's network connection is not interrupted in relation to the termination of the Agreement and the use of Gas continues, the Buyer shall not use the Gas on the contractual basis.
- 9.10. Upon termination of the Agreement for any reason, the provisions of the Agreement which by their nature provide for the rights and obligations of the Parties after the termination of the Agreement shall continue to apply after the termination of the Agreement.

10. Notices

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- 10.1. Notices related to the Agreement shall be forwarded to the other Party using the contact details specified in the Agreement or notified to the other Party. A Party is obliged to inform the other Party immediately of any change in contact details. If the contact details of a Party have changed during the term of the Agreement and the Party has not informed the other Party thereof, the notice shall be deemed to have been received by the Party if it has been sent using the most recent contact details provided by the Party. Publication of the relevant information on the Seller's website is also considered as a notice of the change of contact details of the Seller.
- 10.2. Unless otherwise provided in the Agreement, a notice having direct legal effect, in particular a notice giving rise to financial claims or obligations or affecting the validity of the Agreement, shall be deemed to have been duly given if it is given in writing or in a form that can be reproduced in writing. A digitally signed form is equated to a written form.
- 10.3. The Seller has the right to submit notices with the invoice issued to the Buyer, and if the respective invoice is paid, it is considered that the Buyer has received the notice.

11. Final Provisions

- 11.1. The laws and other applicable legislation of the Republic of Estonia shall apply to the Agreement and related documents.
- 11.2. All disputes between the parties arising from or related to the Agreement shall be settled through negotiations. If such disputes cannot be resolved through negotiations, they shall be resolved in the Harju County Court (*Harju Maakohus*) based on the legislation of the Republic of Estonia. This shall not preclude the Parties from submitting an application in an expedited procedure for orders for payment in accordance with the jurisdiction provided for in that procedure.
- 11.3. During the term of the Agreement and for 2 years after the termination of the Agreement, the Party undertakes to keep secret, not to disclose and not use for its own benefit or for the benefit of any person or body any information that has become known to it in connection with the Agreement, including information on the Price of Gas and on the other Party's business or products (hereinafter "**Confidential Information**"). Disclosure of Confidential Information to third parties is permitted only with prior consent of the other Party, except for disclosure to the Parties' auditors, legal advisers, banks, affiliates and in cases where the Party is required by the applicable legislation to disclose information.
- 11.4. The Seller ensures the processing of the personal data in accordance with the applicable legislation and the principles of use of personal data applied by the Seller, which are available on the Seller's website.
- 11.5. Each Party undertakes to comply with all anti-corruption and anti-money laundering legislation and to make all reasonable efforts to ensure that its personnel and other representatives comply with it.

12. Seller's information
