

# Agreement on Certain Conditions for the Provision of Daily Storage Capacity, Gas Storage Services and the Manner of Negotiation of the Parties when Concluding Contracts

hereinafter referred to as the "Agreement"

## I. Contracting parties

**Gas Storage CZ, a.s.** (hereinafter referred to as the "Storage Operator")  
with registered office at Limuzská 3135/12, Strašnice, 100 00 Prague 10  
registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 28939, ID No.: 27892077, VAT No.: CZ27892077  
represented by Zbyněk Pokorný, Head of Sales  
Peter Szmuda, Public Affairs Manager

**Contract registration number: ...**

and

.....(hereinafter referred to as "Storage User")  
located at .....  
registered in the Commercial Register maintained by .....  
ID: .....  
VAT NUMBER: .....  
Represented by: .....

(hereinafter referred to as the "Parties")

## II. Preamble

1. In connection with the storage of gas in the Storage Operator's storage facility, the Storage Operator shall be interested, at its discretion, to use the storage capacity using firm or interruptible daily storage capacity ("**Daily Storage Capacity**") in accordance with the Storage Code of Gas Storage CZ, a.s. ("**Storage Code**"), to carry out Capacity Transfer or Capacity Lease, Merging and Gas Transfer in accordance with the Storage Code, to use the Related Services as further described in the Storage Code, and to enter into contracts in respect of the said products or services of the Storage Operator.
2. The Parties anticipate that the conclusion of the contracts referred to in Article II(1) will occur repeatedly and therefore consider it appropriate to simplify the process of concluding specific contracts by negotiating certain terms and conditions in this Agreement.
3. The Parties further intend to determine by mutual agreement a method of conducting the legal negotiations relating to the conclusion of the contracts referred to in Article II(1) which will ensure that the conduct of the Parties is sufficiently certain, unquestionable and binding, it being understood that, in order to ensure the efficiency of the negotiations in terms of time and cost, the Parties do not consider it appropriate or necessary to conclude contracts by means of sending proposals and accepting a paper proposal. However, by entering into this Agreement, the Parties do not intend to preclude the possibility of conducting legal negotiations, including the conclusion of contracts, by other means (e.g. electronically), provided that such means meet all legal requirements, e.g. using a qualified electronic signature, if both Parties agree to such means.

### III. Contractual arrangements for products and services

1. The reservation of Daily Storage Capacity is regulated in the Storage Code and Decree of the Energy Regulatory Office No. 349/2015 Coll., on the Gas Market Rules (hereinafter referred to as "**PTP**").
2. The reservation of the Temporary Product is regulated in the Annex to the Storage Code.
3. Capacity Transfer, Capacity Lease, Merging and Gas Transfer are regulated in the Storage Code.
4. The provision of Daily Capacity, Capacity Transfer, Capacity Lease, Merging, Gas Transfer and Related Services shall be subject to the execution of a separate subcontract for the service or product ("**Subcontract**") in the manner set out in the Storage Code or this Agreement.
5. Each Subcontract shall be governed by this Agreement, the Storage Code and relevant legislation. The Storage User declares that it has read the contents of the Storage Code in force on the date of signing of this Agreement and on the date of conclusion of the Subcontract.
6. The Storage User shall comply with the financial credibility conditions, nomination rules and other procedures and obligations set out in the Storage Code, including its applicable Annexes, throughout the term of this Agreement.
7. In the event of a conflict between the Storage Code and the Agreement or the Storage Code and the Subcontract, the provisions of the Storage Code shall prevail. In the event of a conflict between the Subcontract and the Agreement, the Subcontract shall prevail.
8. The Subcontract shall be entered into in accordance with the procedure set forth in Article IV of this Agreement, unless otherwise provided in the PTP, the Storage Code, or this Agreement.
9. In the case of provision of the Temporary Product, both parties have the option to terminate the Subcontract within the period set out in the terms and conditions of provision of the Temporary Product published on the website of the Storage Operator in force at the time of conclusion of the Subcontract. The termination period shall commence on the first business day following the date of delivery of the notice to the contact email provided in Article IV of this Agreement.

### IV. Conclusion of contracts

1. The Parties agree that for the purposes of negotiations related to the conclusion of any Subcontract under this Agreement, including the conclusion of the Contract, except for the conclusion pursuant to paragraph 2 of this Article IV, the persons authorized to act for them shall be the persons set forth in Annex 1 hereto or persons demonstrably authorized by them. For the purposes of this Article, the Parties shall deem it sufficient for the Parties to deliver notice by e-mail to one of the other Party's e-mail addresses listed in Annex 1 or other authorized addresses in accordance with the following sentence. Either Party shall be entitled to change the persons authorised to act for a Party, including their e-mail addresses, by unilateral notice delivered to the other Party. The change shall take effect upon confirmation of receipt of the notice of change by the other Party.
2. The Parties agree that all legal actions performed through the Storage Operator's Nomination System shall be performed by persons who have or will have established access to the Storage Operator's Nomination System and are thereby authorized to perform such actions. Requests for new access to the Storage Operator's Nomination System shall be sent or agreed to from the email addresses set out in Annex 1 to this

Agreement or from email addresses authorised pursuant to the preceding clause, unless otherwise demonstrably agreed between the parties.

3. The Parties undertake to take all measures to ensure that only a person authorised to act for a Party in accordance with this Agreement acts for that Party, i.e. to take measures to prevent any third party from misusing the password, email address or telephone number of a person authorised to act for that Party. Any misuse of the application login details, email address or telephone number of the authorised person shall be at the expense of the party to whom the misuse occurs and shall not affect the validity, binding, effectiveness or enforceability of the Subcontract to which the misuse of the password or contact details relates.
4. In the case of proving the conclusion of the Subcontract, the parties agree that the submission of an extract from the application or an e-mail message confirming the conclusion of the Subcontract is sufficient as proof of the conclusion of the contract.
5. The reservation (allocation) of the Related Service, Capacity Transfer, Capacity Lease, Merging, Gas Transfer and reservation of Daily Capacity and thus the conclusion of the Subcontract shall take place on the basis of the results of an auction held by the Storage Operator or on the basis of a request by the Storage Operator made via the Nomination System, e-mail or other means demonstrably agreed between the parties.
6. In the case of a reservation based on the results of an auction, the Subcontract is concluded at the moment when the Storage Operator sends electronic confirmation of the auction result.
7. In the case of a reservation by application, the Subcontract is concluded when the Storage Operator's representative or the Storage Operator's Nomination System automatically delivers to the Storage User a confirmation of successful processing of the application.
8. The subcontract shall be concluded for a fixed period of time as specified in the application or confirmation, if the application or confirmation specifies the duration of the Subcontract.
9. The price for the provision of a service or product in a Subcontract is determined by agreement between the Storage User and the Storage Operator or is the result of an auction. If it is not an auction, the Storage Operator publishes the preliminary price on its website and in the Nomination System. The binding price level shall be set out in the Subcontract. Billing, payment and complaint conditions are governed by the provisions of the Storage Code. The prices are always plus the VAT applicable in the Czech Republic at the applicable rate.
10. The booking period, the size of the operating volume and the size of the injection and withdrawal capacity and other parameters necessary for the conclusion of the Subcontract shall be agreed by the Parties in the Subcontract.

## **V. Common provisions**

1. With the exception of amendments to this Agreement or the Subcontracts as a result of the approval of the new Storage Code by the Energy Regulatory Office pursuant to Act No. 458/2000 Coll., on the Conditions of Business and the Exercise of State Administration in the Energy Sectors and on Amendments to Certain Acts (Energy Act), as amended, and changes to the authorized persons pursuant to Article IV, this Agreement, including the Annexes, may be amended or supplemented only on the basis of written, ascending numbered amendments executed by authorized representatives of both Parties. In the event that the ERO approves amendments to the Storage Code, the Parties shall not have the right to withdraw from the Agreement by reason of such amendments to the contractual relationship or to reject such amendments.

2. Capitalized terms used in this Agreement and other terms not defined in this Agreement shall have the meanings ascribed to them in the Storage Code and legislation.
3. Assignment, assumption of debt and assignment of this Agreement or the Subcontract in its entirety shall be made only with the consent of the Storage Operator.
4. Set-off of claims under this Agreement or the Subcontract by unilateral declaration by the Storage User is not allowed.
5. The Storage User, by signing this Agreement or the Subcontract, acknowledges that the security deposit, if any, provided by the Storage User within the meaning of Sections 2012 et seq. of Act No. 89/2012 Coll., Civil Code, as amended, pursuant to this Agreement or the Subcontract, also secures the obligation to pay interest on unpaid outstanding receivables where the interest rate exceeds the statutory interest rate.
6. If the circumstances reasonably indicate that the Storage User is likely to incur a liability within the meaning of Section 109 of Act No.235/2004 Coll., on Value Added Tax, as amended, in relation to individual taxable supplies provided by the Storage Operator under the Subcontract, the Storage User reserves the right to pay the tax on these individual taxable supplies to the locally competent tax authority of the Storage Operator in accordance with Section 109a of the same Act. The Storage Operator shall be reimbursed less this tax. The Storage User undertakes to notify the Storage Operator of the application of this tax reimbursement procedure in due and timely manner and no later than 7 days after the tax reimbursement has been made.
7. The rights and obligations not governed by this Agreement or the Subcontracts or the Storage Code shall be governed by Act No. 458/2000 Coll., the Energy Act, as amended (hereinafter referred to as the "EZ"), and Act No. 89/2012 Coll., the Civil Code, as amended.

## **VI. Duration and termination of the Agreement**

1. This Agreement is concluded for an indefinite period of time and shall enter into force and effect on the date of its signing by both Parties.
2. This Agreement may be terminated without giving any reason within a period of 1 month starting from the date of delivery of the notice. This Agreement shall terminate upon expiry of the notice period. However, notwithstanding the wording of the preceding sentence, if any Subcontract is entered into between the parties, this Agreement shall not terminate until all Subcontracts entered into pursuant to this Agreement have terminated.

## **VII. Declaration**

A prerequisite for the provision of storage of gas and products by the Storage Operator is the demonstration that the Storage User is not subject to Sanctions as defined in the Storage Code. By signing this Agreement, the Storage User makes the Affidavit, the text of which is attached as Annex 2 to this Agreement, thereby assuring the Storage Operator that it is not subject to any Sanction that would prohibit the Storage User from entering into contracts or otherwise entering into business relationships with the Storage Operator.

## **VIII. Final Provisions**

1. This Agreement is in the case of signing printed agreements made out in two counterparts of which each of the Contracting Parties shall receive one copy.
2. If any provision of this Agreement is or becomes invalid or ineffective, that fact shall not invalidate or render ineffective any other provision of this Agreement, provided that such

provision is severable from the rest of the Agreement. The Parties agree to replace the invalid or ineffective provision of this Agreement with a provision closest in content and purpose to such invalid or ineffective provision. Pending replacement in accordance with the preceding sentence, the corresponding provisions of generally binding law shall apply, taking into account the content and purpose of the invalid or ineffective provision.

3. This Agreement is not subject to publication in the Register of Contracts pursuant to Act No. 340/2015 Coll., on Special Conditions of Effectiveness of Certain Contracts, Publication of Such Contracts and on the Register of Contracts, as amended (hereinafter referred to as the "Act on the Register of Contracts"). The Parties expressly undertake not to publish this Agreement in the Register of Contracts. In the event of a breach of the obligation agreed in the preceding sentence, the breaching Party shall pay a contractual penalty of CZK 30 000 to the other Party. Payment of the contractual penalty shall not affect the right to compensation for damages in excess of the contractual penalty. If one of the Parties becomes aware that this Agreement is subject to publication, it shall inform the other Party without undue delay. In such a case, paragraph 1 of this Article shall not apply and the publication of the contract shall be ensured by the Storage Operator. The Storage User undertakes to communicate to the Storage Operator in writing all information that it requires to be made public in accordance with the Law on the Register of Contracts prior to publication and to provide any other assistance necessary for the publication of the contract. In the event of failure of the other party to provide the necessary cooperation, the contract shall be deemed not to contain trade secrets, confidential information or other information of the other party that cannot be published pursuant to Section 3 of the Register of Contracts Act.
4. The parties declare that they have concluded the Agreement as entrepreneurs in the course of their business within the meaning of Act No. 89/2012 Coll., the Civil Code. As holders of a licence for the gas business, the Parties declare that neither of them is a weaker party within the meaning of Act No. 89/2012 Coll., Civil Code, and each of them assumes the risk of a change of circumstances.
5. The Parties declare that the provisions of Sections 1765(1), 1766, 1799, 1800 and 1805(2) of the Civil Code do not apply to this Agreement and the Subcontracts.
6. The parties to this Agreement declare that they have read this Agreement in detail, understand it and unconditionally agree to its contents, and in evidence of these facts, according to their free and serious will, their authorized representatives affix their signatures.

In ..... on .....

In Prague on .....

.....

.....  
Zbyněk Pokorný  
Head of Sales, Gas Storage CZ, a.s.

.....

.....  
Peter Szmuda  
Public Affairs Manager, Gas Storage CZ, a.s.

## **Annex 1**

Persons authorised to act for the Storage User:

- Name, surname, position, telephone, e-mail

Persons authorized to act for the Storage Operator:

- Zbyněk Pokorný, Head of Sales, zbynek.pokorny@czgs.cz, +420731609661
- Sales Department Officer, sales@czgs.cz, +420 775 88 4444

## Annex 2 - Affidavit

### AFFIDAVIT

I, the undersigned, as a duly authorised representative of the Storage User (hereinafter referred to as the "Entity"), hereby declare under honour that within the meaning of Article 5p of Council Regulation (EU) No. 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine, as amended, in particular by Council Regulation (EU) No. 2023/427 of 25 February 2023 (hereinafter referred to as the "**Regulation**"):

- (a) the Entity is not a Russian national, or a natural person residing in Russia, or a legal person, entity or body established in Russia;
- (b) the Entity is not a legal person, entity or body whose proprietary rights are directly or indirectly owned for more than 50 % by an entity referred to in point (a) of this paragraph; and
- (c) the Entity is not a natural or legal person, entity or body acting on behalf of or at the direction of an entity referred to in point (a) or (b) above.

Furthermore, I declare that the Entity is not subject to any other sanction(s) under (i) the Regulation, (ii) Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine, including the Annex I thereto, as amended, (iii) decision or decree of the Government of the Czech Republic, (iv) decision of the United Nations Security Council, or (v) any other legal actions, which would prohibit the entity from entering into contracts or fulfil obligations arising from them (including the impossibility of paying monetary obligations) or otherwise entering into business relations with Storage Operator.

The Entity undertakes to inform Storage Operator immediately of any facts which cause any of the above statements to be untrue, inaccurate or incomplete.