Monthly Gas Storage Contract with Interruptible Storage Capacity with Gas Loan

(hereinafter also referred to as the "Contract")

I.
Contracting Parties

Gas Storage CZ, a.s. (hereinafter also referred to as the "Storage Operator")
With its registered office at Limuzská 3135/12, 100 00 Prague 10, Czech Republic
Registered in the Commercial Register maintained by the Prague Municipal Court, Section B, File 28939
ID No.: 27892077
VAT No.: CZ27892077
Acting through: Zbyněk Pokorný, Head of Sales
                    Peter Szmuda, Public Affairs Manager

Contract number:

and

Company (hereinafter also referred to as the "Storage User")
With its registered office at
Registered in
ID No.:
VAT No.:
Acting through:

(hereinafter also referred to as the "Contracting Parties")

II.
Subject of Contract

1. The subject of this Contract is the Storage Operator's commitment to store the agreed quantity of gas and to provide the Storage User with gas in the amount equal to the working gas volume through gas loan under the agreed terms on the one hand, and Storage User's commitment the to pay the contractual price for the storage and gas loan and to provide and maintain in the amount required by the Storage Operator the required Financial security pursuant to Article VIII of this Contract and to return the full amount of the loaned gas on the other hand.

2. No transfer or lease of storage capacity is possible for this storage capacity. The Storage Operator may refuse the gas transfer, if the transfer would result in a failure to meet the Financial security conditions under Article VIII.

3. Storage Capacity under this Contract has been reserved based on the confirmed results of the auction on ......, organised by the Storage Operator pursuant to the Auction Conditions (hereinafter also referred to as the "Auction"), which the Storage User has read and agreed to (hereinafter also referred to as the "Auction Conditions" - Annex 2 to this Contract).

III.
Storage Capacity

The Storage Operator undertakes to provide the Storage User with the following storage capacity including gas loan:

Storage period	WGV [MWh]	IR [MWh/day]	WR [MWh/day]	Price [CZK/MWh/period]

where

WGV   working gas volume
IR   maximal interruptible injection rate
WR   maximal interruptible withdrawal rate

(hereinafter also referred to as the "Storage Capacity")

IV.
Storage Capacity Provision Period

The Storage Capacity to be provided by the Storage Operator to the Storage User has been negotiated for a storage period as stated in Article III of this Contract.

V.
Injection and Withdrawal Curve

The Storage User uses storage capacity according to the injection and withdrawal curve set forth under Annex No. 1 to this Contract.

VI.
Gas Storage Price

1. The price for services rendered by the Storage Operator according to Article III. of this Contract is stated in CZK excluding VAT per MWh of working gas volume. The storage price includes the reward for the gas loan according to Article VII. of this Contract.

2. VAT at the legal rate in the Czech Republic shall be added to the price agreed.

VII.
Gas Loan

1. The Storage Operator undertakes to lend the Storage User ...... MWh of gas by way of a loan pursuant to Section 2390 of Act No. 89/2012 Coll, Civil Code, as amended (hereinafter referred to as the "CC"), provided that prior to the loan, the Storage User provides the Storage Operator with security for the obligation to duly and timely return the loaned gas and to pay contractual penalties and other monetary obligations related to the loan, including damages in a form acceptable to the Storage Operator, which is further specified in Article VIII, paragraph 1 of this Contract.

2. Gas is loaned for the period from 6:00 a.m. on ...... to 6:00 a.m. on ...... (the "Loan Period").

3. Loaned gas shall be delivered to the Storage User by the Storage Operator by transfer of the loaned gas to the Storage User´s balance account no later than the beginning of the Loan Period.

4. The Storage User undertakes to keep the entire quantity of the Loaned Gas in its possession unencumbered by any third-party rights in its balance account no later than at the end of the Loan Period. The Storage Operator shall transfer the loaned gas to its account and adjust the Storage User´s balance account accordingly, thereby returning the gas.

5. In the event of termination of the Contract by withdrawal for any reason or the commencement of insolvency proceedings against the Storage User for any reason, the Storage User shall return the entire volume of the loaned gas immediately after the effective date of withdrawal or the commencement of insolvency proceedings. In such case, the Storage Operator shall proceed in accordance with Article VII, paragraph 4, second sentence. In case of return of gas that is outside

the Storage Operator's storage facility, the Storage Operator shall return the gas without undue delay within 5 days of termination of the Contract.

VIII.
Financial Security

1. Storage User undertakes, no later than .... to provide the Storage Operator with security for the obligation to return the loaned gas in due and timely manner and to pay the contractual penalty pursuant to Article X of the Contract and other monetary obligations related to the loan in the amount determined in accordance with the formula for calculating the value of Financial security (hereinafter referred to as "Financial security"), by submitting an original valid bank guarantee in a form agreed in advance by the Storage Operator and valid for at least one month after the expiry of the Loan Period in accordance with the conditions set out in paragraph 8 of Annex 1 to the Storage Code of Gas Storage CZ, a.s. (hereinafter referred to as the "Storage Code").

   In case that the Storage User fails to provide the full amount of Financial security to the Storage Operator by the deadline specified the previous paragraph, then the Storage User shall lose its entitlement to the auctioned storage capacity with the gas, the Contract expires and the storage capacity shall become the available storage capacity without compensation to the Storage User.

   Formula for calculating the value of the Financial security:

   $$J = 1,25 \times Cp \times V$$

   where

   J is the value of the required Financial security in CZK;

   Cp is the unit price of the Comparator Product as defined in Section C. Product Parameters (in the event that this particular product is not posted, the Storage Operator shall select another, preferably corresponding product) on the Title Transfer Facility Exchange ("TTF") posted on the website: eex.com/en/market-data/natural-gas/futures in the section "EEX TTF NATURAL GAS FUTURES", column "Settlement Price" (hereinafter referred to as the "**Comparator Product**") as of the previous business day in CZK / MWh. For conversion from EUR to CZK, the ČNB exchange rate published on their website on the same day shall be used;

   V is the amount of reserved working storage volume and the amount of loaned gas in MWh

2. If at any time from ...... until the end of the Loan Period, the Financial security of the Storage User shall fall below the value of J determined in accordance with the formula for calculating the value of Financial security, then the Storage User shall be obliged to provide an additional bank guarantee in accordance with paragraph 1 of this Article ("Additional security") no later than within 3 Business Days after such fact, at least up to the value of J.

3. Storage User provides Additional security repeatedly.

4. If the Storge User duly returns to the Storage Operator the full amount of the loaned gas and is not in default in the payment of monetary obligations related to the loan of gas, including contractual penalties, the Storage Operator shall return the original bank guarantee by the deadline specified in Section C. Product Parameters, point 4. of Auction conditions after the end of the storage period or after withdrawal from the Contract.

IX.
Storage Code

1. The Storage Code of Gas Storage CZ, a.s., including all subsequent amendments and additions (hereinafter also referred to as the "Storage Code"), constitutes an integral part of this Contract. The Storage User affirms to be acquainted with the contents of the version of the Storage Code in effect as of the signature date hereof.

2. In the event of a conflict between the provisions of the Storage Code and the provisions of this Contract, the provisions of the Storage Code shall take precedence over the respective provisions of this Contract.

X.
Sanctions

1. If the Storage User breaches the obligation to provide the Financial security pursuant to Article VIII. Paragraph 1 or Paragraph 4 on time and in the required amount, the Storage Operator is entitled to demand from the Storage User the payment of a contractual penalty of 10% of the amount determined as the product of the total quantity of loaned gas and the price of the Comparator Product determined as of the business day preceding the date of the notice of the contractual penalty was sent.

2. If the Storage User breaches the obligation to provide the Additional security pursuant to Article 3 on time and in the required amount, the Storage Operator shall be entitled to demand from the Storage User the payment of a contractual penalty of 10% of the amount determined as the product of the total quantity of loaned gas and the price of the Comparator Product determined on the business day preceding the date of the notice of the contractual penalty plus 3 €/MWh.

3. If the Storage User breaches the obligation to return the gas by the end of gas loan period or within the time limit pursuant to Article VII. paragraph 5 in case of withdrawal from the Contract or in case of initiation of insolvency proceedings against the Storage User, the Storage Operator shall be entitled to demand from the Storage User the payment of a contractual penalty in the amount determined as the product of the unreturned quantity of gas in MWh and 115% of the unit price for the Comparator Product determined as of the business day preceding the day of the notice of the contractual penalty was sent plus 3 €/MWh.

4. The Storage Operator shall be entitled, at its discretion, to unilaterally set off any of its claims for payment of the contractual penalty or compensation for damages against the Storage User's claim for reimbursement of the security deposit on the Storage User's account or to claim payment under a bank guarantee.

5. The application of the contractual penalty does not affect the Storage Operator´s claim for damages. The contractual penalty paid shall reduce the Storage Operator´s claim for compensation.

6. The contractual penalty shall be payable within 5 working days of receipt of the notice of application of the contractual penalty.

XI.
Validity and Effect of the Contract

This Contract is entered into for a definite period of time until 6:00 a.m. on ...... and shall become valid and effective upon its signature by both Contracting Parties.

XII.
Withdrawal / termination of the Contract

1. Except for the reasons provided by law or the Storage Code, the Storage Operator shall be entitled to terminate this Contract with effect on delivery of the notice of termination if:

   a) Storage User breaches its obligation to provide Financial security pursuant to Article VIII, Paragraph 1 of this Contract or

   b) Storage User breaches its obligation to provide Additional security pursuant to Article VIII paragraph 3 of this Contract.

2. Termination or cancellation of the Contract pursuant to Article VIII, paragraph 1 shall not extinguish any right to compensation for damages, payment of contractual penalties and other rights which by their nature are intended to survive termination of the Contract.

XIII.
Final Provisions

1. This Contract is in the case of signing printed contracts drawn up in four counterparts, two for each Contracting Party.

2. No provision of this Contract that is or becomes invalid or unenforceable shall prejudice the validity or enforceability of any other provision of this Contract, provided that such a provision is separable from the remaining contents of the Contract. The Contracting Parties undertake to replace such an invalid or unenforceable provision by a provision the contents and purpose of which are closest to the invalid or unenforceable provision. Until described provision is replaced in accordance with the previous sentence, the relevant generally binding legal regulations shall apply.

3. With exception of an amendment to the Contract due to the approval of a new Storage Code by the Energy Regulatory Office (hereinafter also referred to as the "ERO") in accordance with Act No. 458/2000 Coll. on Business Conditions and Public Administration in Energy Sectors and on Amendment to Certain Other Acts (hereinafter also referred to as the "Energy Act"), as amended, this Contract may be amended or supplemented only by means of written annexes, numbered in an ascending order, entered into by the authorized representatives of the Contracting Parties. If the amendments to the Storage Code are approved by ERO, the Contracting Parties shall not have the right to withdraw from the Contract due to such changes to the Contract or reject such changes.

4. Terms not defined in this Contract shall have the meaning assigned to them in the Storage Code, in the Energy Act, and in Regulation No. 349/2015 Gas Market Rules Coll.

5. Rights and obligations not regulated by this Contract shall be governed by Act No. 89/2012 Coll., the Civil Code.

6. Assignment of receivables, debt assumption and assignment of the whole of this Contract shall be possible only with the consent of the other Party.

7. The set-off of receivables by unilateral declaration by the Storage User is not permitted.

8. The withdrawal from the Contract by any of the Party has ex nunc effects.

9. By signing this Contract, the Storage User acknowledges that a security (if any) provided by the Storage User in accordance with Storage Code, extends to the obligation to pay interest on the outstanding mature debts where interest rate exceeds the statutory interest rate.

10. If circumstances reasonably indicate that the guarantor's duty (Liability of recipient of taxable supply) in terms of Section 109 of Act No. 235 Coll., on value added tax, as amended, might very likely arise for the storage user with respect to the individual taxable transactions provided by the storage operator on the basis of this Contract, the storage user reserves the right to pay the tax on the individual taxable transactions to the locally competent storage operator's tax administrator proceeding in compliance with Section 109a of the same Act. The payment to the storage operator will be reduced by this tax. The storage user undertakes to advise the storage operator of applying this tax payment process in time, within no later than 7 days of the tax payment.

11. With its Declaration according to Article 2 of the Storage Code, the Storage User assured the Storage Operator that he is not subject to any Sanctions according to Article 2 of the Storage Code which would prohibit the Storage User from concluding contracts and otherwise entering into business relations with the Storage Operator (hereinafter referred to as "Sanctions").

12. The Parties represent they have concluded the Contract as entrepreneurs running their business within the meaning of Act No. 89/2012 Coll., the Civil Code. Holding a licence to carry out business in the gas industry the Contracting Parties declare that none of them is a weaker party within the meaning of Act No. 89/2012 Coll., the Civil Code, and none of them assumes the risk of a change in circumstances.

13. The Contracting Parties declare that the provisions of Sections 1766, 1799, 1800 and 1805 Subsection 2 of the Civil Code shall not be applied to this Contract.

14. The Contracting Parties concur in representing they have familiarised with this Contract including the Storage Code in detail, understood it, agree with its content not deviating from usual conditions arranged in similar cases and, in witness of these facts have of their free and solemn will caused their authorised representatives to affix their signatures hereunder.
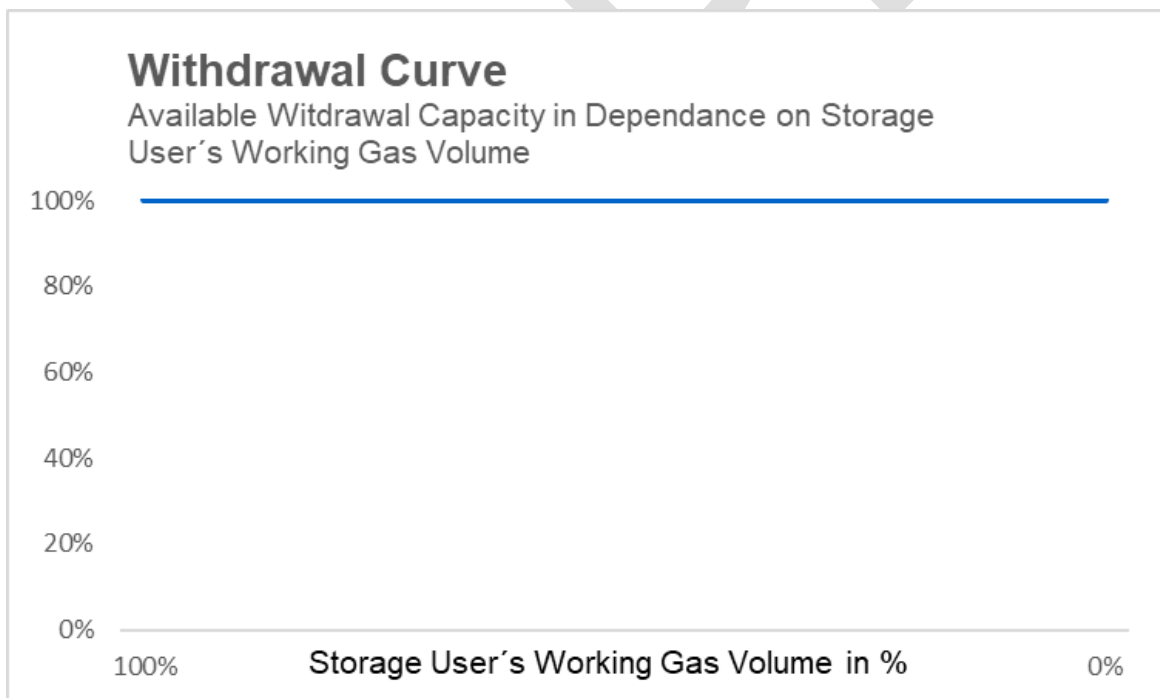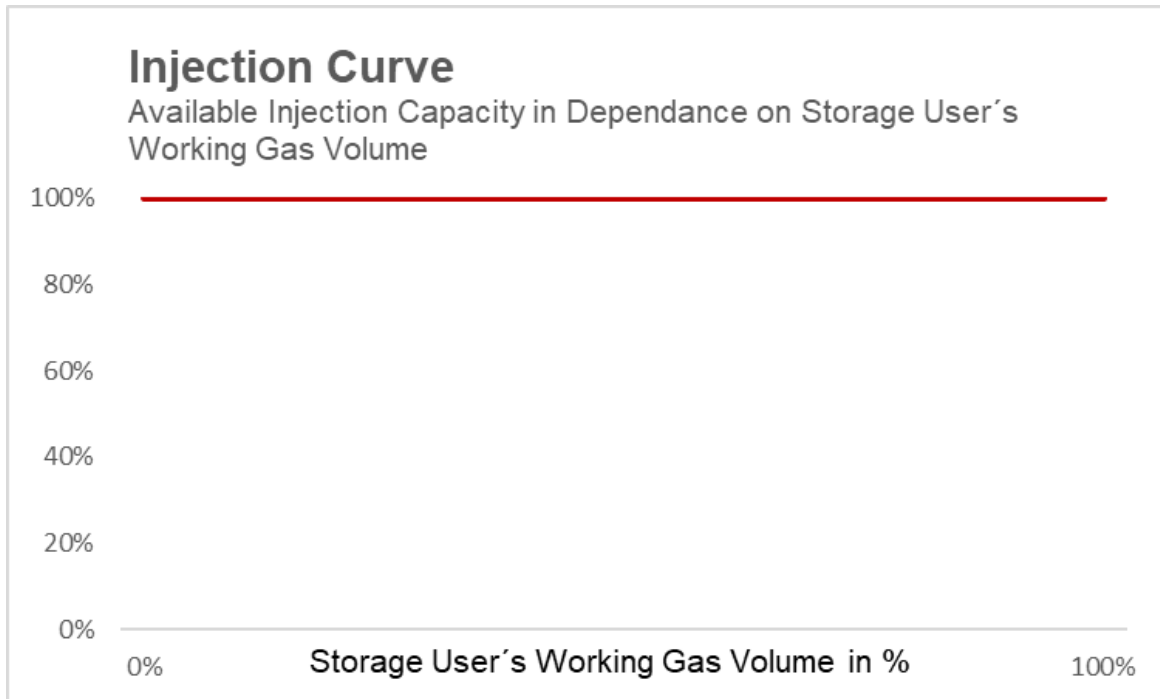

In ………………… on ……………   In ………………… on ……………

……………………………………………   ……………………………………………
Storage User   Gas Storage CZ, a.s.

Annex No. 1

Injection Curve
Available Injection Capacity in Dependance on Storage User´s Working Gas Volume

Withdrawal Curve
Available Witdrawal Capacity in Dependance on Storage User´s Working Gas Volume

Annex No. 2 - Auction Conditions