

# Terms and Conditions of Sale and Delivery of natural gas to business enterprises

## 1. INTRODUCTION

These Terms and Conditions apply to DCC Energi A/S' (DCC Energi's) sale and delivery of natural gas and are an integral part of the written contractual basis (the "Agreement") between DCC Energi and the Customer. In case of disagreement between the individual provisions in the Terms and Conditions and the individual agreement between DCC Energi and the Customer on the sale and delivery of natural gas, the agreement will supersede the Terms and Conditions.

The Customer concludes the agreement with:

DCC Energi A/S  
Nærum Hovedgade 8  
DK-2850 Nærum  
Company reg. no. (CVR) 32141846  
Telephone +45 70 150 150  
dccenergi.dk

Being the gas supplier, DCC Energi is bound by the rules applicable to the transmission of natural gas in the Danish natural gas supply system. The versions of Rules for Gas Transport and the Gas Regulations applicable from time to time therefore also apply to DCC Energi's supply of natural gas to the Customer. The most recent versions of this set of rules are available at [energinet.dk](http://energinet.dk).

Some of the below provisions of the Agreement have been prepared based on the Rules for Gas Transport.

## 2. DEFINITIONS

The expressions used are to be understood as follows:

*The system:* The transmission, distribution and/or storage system

*Relevant licence holder:* The licence holder for the transmission, distribution and/or storage system (the Relevant Licence Holder)

*Hourly read metering sites:* Customers who have their gas metre read once per hour

*Monthly read metering sites:* Customers who have their gas metre read once a month

*Annually read metering sites:* Customers who have their gas metre read once a year

## 3. DELIVERY

The Customer may use DCC Energi as its supplier of natural gas to the metering sites included in the Agreement only, and the Customer confirms that the Customer has no existing agreement on the supply of natural gas to the metering sites with a different supplier from the time on which DCC Energi's natural gas supply commences.

On signing the Agreement, the Customer confirms that the amounts of natural gas stated are in accordance with the relevant distribution licence holder's basic data for the metering sites included in the Agreement. The amounts of natural gas that the Customer anticipates purchasing and that DCC Energi is obliged to deliver in the period of agreement are stated in each agreement between the Customer and DCC Energi on sale and delivery of natural gas.

The Customer must notify DCC Energi of future changes/conditions that may significantly affect the Customer's purchase compared to the anticipated and agreed purchase. Conditions that may cause a significant impact are, *i.a.*, planned or unplanned shutdowns in the Customer's production, acquisitions, disposals and similar changes in the Customer's circumstances.

Supply of natural gas is considered having occurred when the natural gas passes the output valve at the metering equipment installed at the Customer at the metering sites included in the Agreement. On delivery, ownership passes to the Customer.

As a condition for delivery of natural gas being able to occur, the Customer must have concluded a distribution agreement with the relevant distribution company.

The Customer is responsible for the conclusion of the distribution agreement and approval of the Customer's natural gas installations. Any costs in those regards must be paid by the Customer. As per agreement, the Agreement may be extended to include more places of delivery and meters. The relevant conditions are agreed separately.

## 4. QUALITY AND DELIVERY SPECIFICATIONS

DCC Energi is obliged to supply natural gas which meets the requirements of standard for belonging to the second gas family, Group H, on delivery as defined in DS/EN 437 or the requirements of standard applicable from time to time. All natural gas transported in the system must meet the quality specifications mentioned.

According to the Rules for Gas Transport, DCC Energi is, however, entitled to supply natural gas that does not meet the standards otherwise applicable in case of difficulties of supply. For a period of time further defined (*once a transmission, supply or distribution line or an M/R station has been tested for pressure and commissioned*), DCC Energi is entitled to supply natural gas that deviates from the quality standards agreed with respect to water and hydrocarbon dew points.

The deviations described do not entitle the Customer to terminate the Agreement, claim compensation or to receive a proportionate reduction or otherwise assert remedies for breach of contract.

## 5. METERING

The amount of natural gas supplied is registered through readings performed at the Customer by meter(s) approved by the distribution company. Reading of meters can be done through remote reading. The reading method is chosen by the distribution company that sends information about the readings to the Customer as well as to DCC Energi. DCC Energi is entitled to check that the reading is in accordance with information given.

The natural gas metering must meet the requirements and approvals applicable from time to time and issued by the authorities with a view to a reliable and accurate reading and recording of consumption. The natural gas reading must also be in accordance with good, international standard. The reading of the amount of natural gas supplied to the Customer is considered correct if the misreading in the natural gas metering system does not exceed plus/minus 3%.

If one of the parties finds errors as regards the meter reading, metering equipment etc., the other party must be notified immediately following which the Customer contacts the distribution company to have the error corrected. If there is any doubt about the commencement of the incorrect reading, it will be the first of the month in which the deviation was found.

DCC Energi cannot be made liable for non-delivery of natural gas if due to defects in the metering equipment. Making sure that the natural gas passes through and is read correctly is the Customer's obligation.

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## 6. INVOICING

All prices stated in the Agreement are exclusive of fees, VAT and any charges. All prices are stated in Danish ører or kroner per Nm<sup>3</sup>.

### Price

The invoice amount is made up of the natural gas price, payment of the transmission and gas storage services, payment of the nomination and balancing services and payment of any other services as imposed on DCC Energi by the authorities to charge.

Energy and natural gas taxes and payment of distribution are charged separately by the distribution company. Deviations from the amounts of natural gas stated involve payment of an additional price that is stated in the individual agreement between DCC Energi and the Customer.

### Transport and gas storage service

Payment of the transport and gas storage service is fixed according to the through-invoicing principle. That is based on current rates of the transmission company and the storage company and is adjusted in relation to changes in such rates according to the Rules for Gas Transport and the relevant rules for storage of natural gas.

### Balance settlement

DCC Energi is entitled to a subsequent adjustment of the invoice amount based on validated meter data from the Relevant Licence Holder received later. That right also applies after the end of the period of Agreement.

### Basis for charged amount

*Hourly Read Metering Sites and Monthly Read Metering Sites*  
Each month, DCC Energi invoices the Customer for the validated, monthly amounts based on validated meter data from the Customer's distribution company. If the Customer has hourly read metering sites as well as non-hourly read metering sites, the Customer will receive a separate invoice for the consumption of natural gas for the hourly read metering sites and the non-hourly read metering sites, respectively.

### *Annually Read Metering Sites*

DCC Energi generally invoices the Customer every three months for the anticipated, monthly amount calculated based on the Customer's estimated annual consumption (*calculated by the Relevant Licence Holder*) and season/heating profile. It is therefore an on account payment as the Customer's final consumption cannot be settled until the Customer's reading of the gas metering system once a year.

If the Customer has hourly read metering sites as well as non-hourly read metering sites, the Customer will receive a separate invoice for the consumption of natural gas for the hourly read metering sites and the non-hourly read metering sites, respectively. No interest is paid on on account payments paid in.

### Late payment

If the terms of payment are not observed, DCC Energi is entitled to charge a 2 % monthly default interest on overdue payments for every month or part of a month until payment of the outstanding amount is effected. If outstanding amounts are not received on time and DCC Energi has to send a reminder, a fee will be added for each reminder.

## 7. PROVISION OF SECURITY AND LIABILITY

The Agreement depends on the Customer's credit rating being approved by DCC Energi which reserves the right to obtain information on the date of application and regularly from financial institutes, credit rating agencies, Debitor Registret A/S and RKI Kreditinformation A/S to form the basis

for an individual rating of creditworthiness. DCC Energi reserves the right to reject any trading application.

Unless the Customer has been notified of missing credit approval not later than 14 days after the signing of the Agreement, the Agreement is final. DCC Energi may at any time in the period of Agreement require security in the form of the following:

- Bank guarantee
- Warranty/deposit account in the Customer's own bank
- Advance payment
- Guarantee from an approved guarantor

If the Customer's affiliated companies have natural gas supplied according to the Agreement, the Customer declares to provide a guarantee as a guarantor for the supply of natural gas to these affiliated companies.

## 8. DURATION AND TERMINATION

The Agreement takes effect on the signing date. The Agreement is non-terminable for the Customer and DCC Energi in the period of Agreement unless otherwise stated in the agreement between DCC Energi and the Customer on sale and delivery of natural gas.

## 9. TRANSFER, CHANGE OF ADDRESS, CLOSING ETC.

The Agreement cannot be transferred by the Customer to anyone else or transferred to a different place of delivery without consent from DCC Energi. The Customer is not liable for consumption at the place of delivery until the Agreement has been terminated and has expired. If the Customer gets a new owner, merges or the like, DCC Energi must be notified immediately. DCC Energi may transfer rights and obligations to third parties.

Notification of change of address, the date of the change of address, the Customer's new address and reading of the meter must be submitted in writing to DCC Energi not later than on the vacation day. If a meter reading has not been stated in the notification of change of address, it will be obtained by the Customer's distribution company, and the Customer will be charged a fee of DKK 800 inclusive of VAT in those regards.

### Compensation in case of termination of Agreement

If the Agreement is terminated early, e.g. due to the Customer's change of address or breach of Agreement, the Customer must cover DCC Energi's consequent loss, if any.

## 10. FORCE MAJEURE

Force majeure means the circumstances mentioned in the force majeure provision in Rules for Gas Transport. Force majeure includes, *i.a.*, unusual weather conditions, including landslides, strokes of lightning, extraordinary weather, flooding, erosions, war, riots, vandalism, fire, explosions, industrial actions, technical breakdown of installations or plants and similar events.

Force majeure arisen at DCC Energi's gas suppliers in the storage, transmission or distribution network is not considered force majeure at DCC Energi. In case of force majeure, DCC Energi's obligation to supply is put on hold.

## 11. OBSTACLES TO DELIVERY

The Rules for Gas Transport apply to DCC Energi's supply of natural gas. In so far as and to the extent that DCC Energi's supply of natural gas to the Customer is prevented due to circumstances with the Relevant Licence Holder, the Customer

most tolerate the subsequent inconveniences and restrictions to the extent that DCC Energi must tolerate those inconveniences and restrictions according to the Rules for Gas Transport.

To the extent that the Relevant Licence Holder in relation to DCC Energi may change the terms in Rules for Gas Transport, the Customer must tolerate the same changes that DCC Energi must tolerate. The Customer is specifically notified that DCC Energi's supplies to the Customer may be reduced, interrupted or delayed due to the Relevant Licence Holder's circumstances, see Rules for Gas Transport. Where the supply of natural gas in the System is not considerably reduced, delivery to the Customer as non-hourly read consumption will have priority according to the Rules of Gas Transport.

## 12. BREACH OF AGREEMENT

In case of material breach of one of the Parties' obligations according to the Agreement, the Agreement may be terminated immediately subject to written notification to the Party in breach. Specifically the following will be considered material breach:

- (i) The Customer's non-compliance with notices in an emergency supply situation or when capacity is otherwise reduced
- (ii) default on the Customer's payment obligations
- (iii) the Customer's preparation of compulsory composition, private arrangement, filing for suspension of payment, if execution is levied against the Customer's property or the Customer is adjudicated bankrupt or in any other way becomes insolvent, if the Customer/the estate does not provide security by a deadline fixed by DCC Energi
- (iv) the Customer does not provide the security requested by DCC Energi

The Party in breach is liable for the losses which the breach inflicted on the other Party, including DCC Energi's loss due to early termination of the fixed-price contract, however, see clause 13. If the Relevant Licence Holder interrupts or restricts supplies to the Customer due to circumstances that cannot be attributed to DCC Energi, that is not considered material breach of this Agreement.

## 13. EXCLUSION OF LIABILITY

In so far as and to the extent that DCC Energi's supply of natural gas to the Customer is affected by circumstances with the transmission, distribution or storage licence holder, the Customer must tolerate the subsequent inconveniences and restrictions to the extent that DCC Energi must tolerate similar inconveniences and restrictions according to the Rules for Gas Transport.

In no circumstances is DCC Energi liable for the Customer's loss of earnings, turnover, goodwill etc. or operating loss, loss of profits or similar indirect losses attributable to DCC Energi's non-performance of the Agreement.

That is also the case if there is whole or partial interruption because of force majeure, supply problems in the System or maintenance of the System to the Customer's installation. The Customer is encouraged to take out a consequential loss insurance.

DCC Energi can also not become liable in any way for the natural gas supplied, including any kind of product liability or defects liability for any damage - including but not limited to damage to the Customer's natural gas equipment, property, business or any consequent direct or indirect loss - attributable to the Customer's natural gas equipment being sensitive to the quality and delivery specifications of the natural gas.

DCC Energi provides no advice about expectations to the market, product or price development. If the Customer chooses to conclude a fixed-price contract, the Customer is responsible if the Agreement does not result in the anticipated financial result to the Customer. DCC Energi assumes no liability for any loss of the Customer due to a fixed-price contract.

## 14. CHANGES

In case of changes in legislation, DCC Energi reserves the right to change the Agreement without prior notice, including in connection with any changes in the Gas Regulations, Rules for Gas Transport. In any case, DCC Energi is entitled to change the Agreement by giving 14 calendar days' notice.

## 15. APPLICABLE LAW AND VENUE

Any disagreement or dispute arising in relation to this Agreement must be settled according to Danish law before the City Court of Copenhagen.

## 16. CONFIDENTIALITY

This Agreement or parts thereof and any subsequent matters may not be published or disclosed in whole or in part to any third parties without prior, express, written consent from the Customer and DCC Energi.

However, DCC Energi is entitled to disclose information about the content of this Agreement and any subsequent matters to other companies owned in whole or in part by DCC Plc or where DCC Plc directly or indirectly has a controlling interest.

## 17. PRIVACY POLICY

The current Privacy Policy is always available at [dccenergi.dk/privatlivspolitik](https://dccenergi.dk/privatlivspolitik).