

**Ratification Letter for Polish VP Appendix (Version 1.0 / 14 December 2013) to the EFET
General Agreement Concerning the Delivery and Acceptance of Natural Gas**

[Letterhead of Ratifying Party]

Send to: edrsAdmin@efet.org

Cc: secretariat@efet.org

Dear Sirs

**Polish VP Appendix (Version 1.0 / 14 December 2013) to the EFET General Agreement
Concerning the Delivery and Acceptance of Natural Gas – Ratification**

The purpose of this letter (the “**Ratification Letter**”) is to confirm our ratification of the amendment of any existing EFET General Agreement Concerning the Delivery and Acceptance of Natural Gas Version 2.0/January 6, 2003 and Version 2.0(a)/May, 11 2007 (each an “**EFET General Agreement**”) by the incorporation therein of the Polish VP Appendix Version 1.0 as published by the European Federation of Energy Traders (“**EFET**”) on 14 December 2013 (the “**Appendix**”) as set out in the Schedule to this Ratification Letter. We confirm our understanding that the purpose of this Ratification Letter is to incorporate the Polish VP Appendix Version 1.0 into any existing EFET General Agreement.

All terms not otherwise defined in this Ratification Letter shall have the meanings given to them in the Appendix and the EFET General Agreement.

By ratifying the Appendix in accordance with the terms of this Ratification Letter, any EFET General Agreement that we have concluded before the Ratification Date (as defined below) (a “**Covered General Agreement**”) with each other party that has ratified the Appendix in accordance with the terms of this Ratification Letter (each person so ratifying the Appendix, including ourselves, being a “**Ratifying Party**”) shall be deemed modified, amended and supplemented by the Appendix as if we had signed such Appendix bilaterally with each other corresponding Ratifying Party and the Appendix shall apply to such Polish VP Transactions as are identified below. If, however, before the Ratification Date, a Polish VP Appendix in any of the versions published by EFET already forms part of a Covered General Agreement entered into between another Ratifying Party and us (each, a “**Bilateral Polish VP Appendix**”), the provisions of such Bilateral Polish VP Appendix shall remain in effect and the Covered General Agreement shall not be modified, amended or supplemented by this Ratification Letter.

As between ourselves and the corresponding Ratifying Party, the agreement to incorporate the Appendix by amending and supplementing the provisions of a Covered General Agreement will take effect as of the date EFET, as agent, first publishes on its website at <http://edrs.efet.org/users/> (the “**Website**”) a list of parties who have ratified the Appendix that lists both Ratifying Parties as having ratified the Appendix and uploads on the Website the Ratification Letters from both such Ratifying Parties to ratify the Appendix (such date, as stated on the Website, being with respect to the relevant Ratifying Parties, the “**Ratification Date**”).

The Appendix shall apply to the following Polish VP Transactions governed by a Covered General Agreement:

- (a) all Polish VP Transactions entered into on or after the Ratification Date with Total Supply Periods commencing on or after 23 November 2013 and time of taking effect;
- (b) all Polish VP Transactions entered into before the Ratification Date with Total Supply Periods commencing on or after 23 November 2013 and time of taking effect; and
- (c) all Polish VP Transactions entered into before the Ratification Date with Total Supply Periods that include a period on or after 23 November 2013 and time of taking effect provided that, in such case, the amendments set out in this Ratification Letter shall only apply in respect of Days falling on or after 23 November 2013 and time of taking effect.

We acknowledge that the modification, amendment and supplementation of the Covered General Agreement by way of ratifying the Appendix in accordance with the terms of this Ratification Letter fulfils the requirement pursuant to §23.3 of the Covered General Agreement that any amendments shall be made only in writing signed by both parties thereto.

1. Process; General Provisions

The following shall also apply in relation to the Appendix:

- (a) EFET shall have the right, in its sole and absolute discretion, upon thirty (30) calendar days' notice on the "EDRS" section of the Website (or by other suitable means) to designate a closing date for ratification of the Appendix (such closing date, the "**Limitation Date**"). After the Limitation Date, EFET will not accept any further Ratification Letters in respect of the Appendix.
- (b) Each Ratifying Party will access the "EDRS" section of the Website to enter information online that is required to generate the appropriate form of Ratification Letter. Each Ratifying Party will print, sign and upload the signed Ratification Letter as a PDF attachment into the "EDRS" system of the Website.
- (c) If EFET, as agent, determines prior to its publication on the Website that a purported ratification is incomplete, not readable, contains extraneous material, is unsigned or is not in compliance with the terms of this Ratification Letter, EFET will not upload the purported ratification document and will attempt to contact the Ratifying Party. If there is reasonable evidence that a published Ratification Letter is the result of fraud or other criminal activity, then EFET reserves the right, as agent, to remove the name of such party from the list of those having ratified the Appendix and remove the published Ratification Letter from the Website, whereupon, without prejudice to any existing agreement to make the amendments set out in the Appendix based on such

Ratification Letter, such purported ratification shall be incapable of forming the basis of any subsequent agreement to make the amendments set out in the Appendix.

- (d) A copy of each Ratification Letter as uploaded by the Ratifying Party will be published by EFET on the Website and in accordance with the Terms of Use of the EFET Document Ratification System in force from time to time so that it may be viewed by all Ratifying Parties.
- (e) This Ratification Letter is intended for use without negotiation, but without prejudice to any amendment, modification or waiver in respect of a Covered General Agreement that the parties may otherwise effect in accordance with the terms of that Covered General Agreement.
- (f) The provisions of the Covered General Agreement setting forth the governing law and dispute resolution mechanisms that apply to the Covered General Agreement shall be incorporated into and shall apply to this Ratification Letter as if references in the Covered General Agreement to the Covered General Agreement were references to this Ratification Letter.

2. Appointment; Release

We hereby appoint EFET as our agent for the purpose of administering our ratification of the Appendix and accordingly we waive, and hereby release EFET from, any claims or actions whatsoever (whether in contract, tort or otherwise) arising out of or in any way relating to this Ratification Letter or our ratification of the Appendix.

3. Representations and Undertakings

As of the Ratification Date, each Ratifying Party represents to the other corresponding Ratifying Party that:

- (a) it is duly organised, validly existing and, if relevant under such laws, in good standing under the laws of its jurisdiction of incorporation, or, if it otherwise represents its status in or pursuant to the Covered General Agreement, has such status;
- (b) the signing and the entering into by it of this Ratification Letter shall not violate any provision of its constitutional documents;
- (c) it has the power and is authorised to execute, deliver and perform its obligations under this Ratification Letter and has taken all necessary action to authorise that execution, delivery and performance, and its execution, delivery and performance of this Ratification Letter does not violate or conflict with any other term or condition of any contract to which it is party or any constitutional document, rules, law or regulation applicable to it;
- (d) it has all governmental, regulatory and other authorisations, licenses, approvals and consents necessary for it legally to perform its obligations under this Ratification Letter; and

- (e) its entry into this Ratification Letter will not, in and of itself, adversely affect the enforceability, effectiveness or validity of any obligations owed, whether by it or by any third party, under any Credit Support Document in respect of its obligations relating to the Covered General Agreement as amended by this Ratification Letter.

4. Amendments

- (a) In ratifying the Appendix, a Ratifying Party may not specify additional provisions, conditions or limitations to the Appendix in its Ratification Letter. Any such added provisions, conditions or limitations shall not be recognised and shall have no legal effect, and such Ratification Letter may not be accepted by EFET.
- (b) Each Ratifying Party acknowledges and agrees that ratification of the Appendix is irrevocable.
- (c) An amendment, modification or waiver in respect of the matters contemplated by the Appendix will only be effective in respect of a Covered General Agreement if made in accordance with the terms of the Covered General Agreement and then only with effect between the Parties to that Covered General Agreement (and will only be effective to amend or override the provisions set forth in this Ratification Letter if it expressly refers in writing to this paragraph of this Ratification Letter).

5. Contact Details

Our contact details for the purposes of this Ratification Letter are:

Name:	Susanne Krebs, Group Legal
Company Name:	Danske Commodities Deutschland GmbH
Address:	Rödingsmarkt 16, 20459 Hamburg Germany
Telephone:	+45 8833 8181
Fax:	+45 8612 2430
E-mail:	skr@danskecommodities.com

We consent to the disclosure by EFET of the name of the undersigned Ratifying Party and the Ratification Date on the Website. We also consent to the publication by EFET as described herein of a final copy of this Ratification Letter with the printed or typewritten name of each signatory to the Ratification Letter and we confirm that each such signatory has consented to such publication.

Unless expressly set out in this Ratification Letter, this Ratification Letter shall be ratified pursuant to and shall in all respects be subject to the Terms of Use of the EFET Document Ratification System in force from time to time as published on the “EDRS” section of the Website and as may be amended by EFET from time to time.

Yours faithfully

For and on behalf of:

Name: Helle Ø. Kristiansen

Title: VP, Head of Finance & IT

Company Name: Danske Commodities Deutschland GmbH

Signature: 

Date: November 30th 2015

Schedule

Polish VP Appendix version 1.0 (14 December 2013)

EFET

European Federation of Energy Traders

Amstelveenseweg 998 / 1081 JS Amsterdam

Tel: +31 20 5207970

E-mail: secretariat@efet.org

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POLISH VP APPENDIX

to the

EFET General Agreement

Concerning the Delivery and Acceptance of Natural Gas

Version 2.0/January 6, 2003 and Version 2.0(a)/May 11, 2007

(the "Polish VP Appendix")

NOTICE & WAIVER: THIS POLISH VP APPENDIX WAS PREPARED BY EFET'S MEMBERS EXERCISING ALL REASONABLE CARE BASED ON THE TRANSMISSION NETWORK CODE VERSION 23. HOWEVER EFET, THE EFET MEMBERS, REPRESENTATIVES AND COUNSEL INVOLVED IN ITS PREPARATION AND APPROVAL SHALL NOT BE LIABLE OR OTHERWISE RESPONSIBLE FOR ITS USE AND ANY DAMAGES OR LOSSES RESULTING OUT OF ITS USE IN ANY PARTICULAR CASE AND IN WHATEVER JURISDICTION. IT IS THEREFORE THE RESPONSIBILITY OF EACH PARTY WISHING TO USE THIS POLISH VP APPENDIX AND THE EFET GENERAL AGREEMENT TO ENSURE THEIR TERMS AND CONDITIONS ARE LEGALLY BINDING, VALID AND ENFORCEABLE AND BEST SERVE TO PROTECT THE USER'S LEGAL INTERESTS. USERS OF THIS POLISH VP APPENDIX ARE URGED TO CONSULT RELEVANT LEGAL OPINIONS MADE AVAILABLE THROUGH EFET AS WELL AS THEIR OWN COUNSEL.

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European Federation of Energy Traders

POLISH VP APPENDIX
to the
General Agreement
Concerning the Delivery and Acceptance of Natural Gas
Version

POLISH VP APPENDIX

dated as of _____
(the “Polish VP Appendix Effective Date”)

Between

[_____]

and

[_____]

Check the following box and fill in date ONLY if you are using this Polish VP Appendix to modify and supplement a previously executed General Agreement between the Parties:

- [] By executing this Polish VP Appendix in the signature block at the end hereof, the Parties hereby modify, supplement and amend the terms of that certain previously executed General Agreement entered into and dated as of _____, _____ to provide that the terms of this Polish VP Appendix shall be incorporated therein and shall be applicable to and thereafter govern all Polish VP Transactions (as hereinafter defined).
- [] All Polish VP Transactions (as hereinafter defined) concluded before execution of this Polish VP Appendix shall be governed by this Polish VP Appendix.

The provisions of the General Agreement are hereby amended and supplemented in accordance with the following:

1. Transmission Network Code and Incorporation of its Defined Terms

Capitalised terms used in this Polish VP Appendix and not otherwise defined herein or in the General Agreement shall have the meaning given to them in the Transmission Network Code (inclusive of its appendices and exhibits) published by OGP Gaz-System. For the purpose of this Polish VP Appendix the official English translation of such terms will be used; in case of any inconsistencies between the Polish definition and the official English translation, the Polish definition will govern. References to any particular article or provision of a Transmission Network Code shall be construed to be references to such article or provision as it is renumbered or re-referenced from time to time in subsequent revisions to the Transmission Network Code. For ease of reference, this Polish VP Appendix includes italicized, bracketed references to Polish language terminology employed in the Transmission Network Code at the time of issuance of this Polish VP Appendix (version 1.0). In the event that later versions or amendments to the Transmission Network Code employ alternative terminology, any no longer applicable referenced terms contained in this Polish VP Appendix should be struck out of this Polish VP Appendix and/or construed to be references to the relevant alternative terminology being employed in the then current version of the Transmission Network Code.

2. Applicability of this Polish VP Appendix

This Polish VP Appendix to the General Agreement amends and supplements, to the extent set forth herein, certain provisions of the General Agreement and, together with the General Agreement, shall apply to and govern all Individual Contracts entered into by the Parties for and concerning the delivery and acceptance of Natural Gas at the Polish VP Delivery Point, being the virtual title transfer point in the network of OGP Gaz-System (each such Individual Contract a “**Polish VP Transaction**” and, collectively, the “**Polish VP Transactions**”). Any and all future Individual Contracts between the Parties that constitute Polish VP Transactions shall be automatically subject to the General Agreement, as it is modified, amended and/or supplemented by its Annexes, Election Sheet and this Polish VP Appendix, without further action by the Parties, unless the terms of such Individual Contract expressly provide that it shall not be subject to this Polish VP Appendix. For all other types of Individual Contracts which are not Polish VP Transactions, the General Agreement shall remain unmodified by this Polish VP Appendix. In the event of any inconsistency between the General Agreement and this Polish VP Appendix, this Polish VP Appendix will prevail for purposes of all Polish VP Transactions. In the event of any inconsistency between the terms of a Polish VP Transaction (whether evidenced in a Confirmation or otherwise) and the provisions of either this Polish VP Appendix or the General Agreement (as amended by this Polish VP Appendix), the terms of the Polish VP Transaction will prevail for the purposes of that Polish VP Transaction.

3 Confirmations

- 3.1** § 3.2 (*Confirmations*) of the General Agreement shall be amended by adding after the reference in the last line to “Annex 2a – d” and “and Annex 2 (A)-(D)”.
- 3.2** Annexes 2 (A) – (D) which are attached to this Polish VP Appendix shall be added to the General Agreement for use in Polish VP Transactions.

4 Force Majeure

For the purposes of a Polish VP Transaction, § 7 (*Non-Performance Due to Force Majeure*) of the General Agreement shall apply but with the deletion of the words: “unless this constitutes a Transportation Failure” from §7.1 (*Definition of Force Majeure*).”

Notwithstanding the above, if OGP Gaz-System implements any procedures applicable under the Transmission Network Code and as a result a Party is unable to fulfill in whole or in part any of its contractual obligations under a Polish VP Transaction and such action by OGP Gaz-System has not been caused in whole or in part by the Claiming Party, then this shall constitute a Force Majeure event with respect to that Polish VP Transaction.

5 Remedies for Failure to Deliver or Accept the Contract Quantity

For the purposes of **Polish VP Transactions § 8.1 to 8.4 (Underdelivery, Under Acceptance, Overdelivery and Over Acceptance)** inclusive shall be deleted and replaced with the following:

"1. Underdelivery. If in respect of a Day and a given Individual Contract the Contract Quantity exceeds the Delivered Quantity by reason of the Seller's Default, the Seller shall pay to the Buyer as compensation for its resulting losses an amount equal to the product of:

- a) an amount, if positive, by which the Reference Gas Price exceeds the Contract Price; and*
- b) the Default Quantity*

Additionally, if the Buyer had to pay Additional Charges for Balancing Above Daily Imbalance Limits (OZB), the above amount will be augmented by that part of Additional Charges for Balancing Above Daily Imbalance Limits that applies to the Default Quantity.

2. Under Acceptance. If in respect of a Day and a given Individual Contract the Contract Quantity exceeds the Delivered Quantity by reason of the Buyer's Default, the Buyer shall pay to the Seller as compensation for its resulting losses an amount equal to the product of:

- c) an amount, if positive, by which the Contract Price exceeds Reference Gas Price and*
- d) the Default Quantity*

Additionally, if the Seller had to pay, Additional Charges for Balancing Above Daily Imbalance Limits (OZB), the above amount will be augmented by that part of Additional Charges for Balancing Above Daily Imbalance Limits that applies to the Default Quantity."

6 Off-Spec Gas

For the purposes of Polish VP Transactions the provisions of **§ 8a (Off-Spec Gas)** shall not apply.

7 Tolerance

For the purposes of Polish VP Transactions the Tolerance shall be zero.

8 Definitions:

"Additional Charges for Balancing Above Daily Imbalance Limits (OZB)" has the meaning as defined in the Transmission Network Code (in version 23 of the Transmission Network Code clause 19.3.6.3 and 19.3.6.4)

"Natural Gas" means Gaseous Fuel (*Paliwo Gazowe*) as defined in the Transmission Network Code which according to the Transmission Network Code is the subject of trading on the Polish VP Delivery Point

"OGP Gaz-System" means the transportation system operated by Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A., with its seat in Warsaw, performing the transmission of gaseous fuels, assigned the role of the gas transmission system operator and responsible for operating the network according to the relevant regulations, or any successor entity from time to time.

"Polish VP or Polish VP Delivery Point" means Virtual Point (*Punkt Wirtualny*) as defined in the Transmission Network Code

"Reference Gas Price" (*Cena Referencyjna Gazu*) has a meaning as defined in the Transmission Network Code (in version 23 of the Transmission Network Code clause 19.3.6.1).

"Transmission Network Code" means the Polish language version of the Transmission Network Code (*Instrukcja Ruchu i Eksploatacji Sieci Przesyłowej*), which is a document written by OGP Gaz-System in accordance with the relevant regulations and describing detailed conditions of use of the transmission grid and conditions and methods of operating and utilizing the network and planning its development, as amended from time to time.

ADDITIONAL PROVISIONS / AMENDMENTS TO THE POLISH VP APPENDIX

To be executed by Parties that checked and completed the box on the first page hereof:

IN WITNESS whereof this Polish VP Appendix has been duly executed by the duly authorized representative(s) of each Party on the respective dates set out below with effect from the Polish VP Appendix Effective Date.

[Name of Party]

[Name of Party]

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

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ANNEX 2 POLISH VP (A) to the General Agreement

CONFIRMATION OF INDIVIDUAL CONTRACT FOR POLISH VP TRANSACTIONS (FIXED PRICE)

BETWEEN:

(1) _____ ("Seller"); and

(2) _____ ("Buyer").

concluded on [/ /], [:] hours

Delivery Point : Polish VP

(1) ☒ INTRA SYSTEM

(2) **Relevant System :** OGP Gaz-System transmission grid

Contract Quantity : []

Time Unit : 1 hour

Total Supply Period : From [] hours on [/ /]
to [] hours on [/ /]

Contract Price :

Tolerance : 0

This Confirmation confirms the Individual Contract entered into pursuant to the EFET General Agreement Concerning the Delivery and Acceptance of Natural Gas between the Parties (General Agreement) and supplements and forms part of that General Agreement. In case of any inconsistencies between the terms of this Confirmation and the Individual Contract, please contact us immediately.

Date : _____

Signature : _____

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ANNEX 2 POLISH VP (B) to the General Agreement

CONFIRMATION OF INDIVIDUAL CONTRACT FOR POLISH VP TRANSACTIONS (FLOATING PRICE)

BETWEEN:

(1) _____ ("Seller"); and

(2) _____ ("Buyer").

concluded on [/ /], [:] hours

Delivery Point : Polish VP

(3) ☒ INTRA SYSTEM

(4) **Relevant System :** OGP Gaz-System transmission grid

Contract Quantity : []

Time Unit : 1 hour

Total Supply Period : From [] hours on [/ /]
to [] hours on [/ /]

Price Source :

Commodity Reference Price :

Alternate Commodity Reference Price :

Calculation Date :

Calculation Agent :

Calculation Method :

Tolerance : 0

This Confirmation confirms the Individual Contract entered into pursuant to the EFET General Agreement Concerning the Delivery and Acceptance of Natural Gas between the Parties (General Agreement) and supplements and forms part of that General Agreement. In case of any inconsistencies between the terms of this Confirmation and the Individual Contract, please contact us immediately.

Date : _____

Signature : _____

EFET

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ANNEX 2 POLISH VP (C) to the General Agreement

CONFIRMATION OF INDIVIDUAL CONTRACT FOR POLISH VP TRANSACTIONS (CALL OPTION)

BETWEEN:

(1) _____ ("Writer"); and

(2) _____ ("Holder").

concluded on [/ /], [:] hours

Option Details :

- (a) Option Type : Call
- (b) Option Style: American/European
- (c) Exercise Deadline :
- (d) Exercise Period: (if American Style Option)
- (e) Premium :
- (f) Premium Payment Date :

Delivery Point : Polish VP

(5) ☒ INTRA SYSTEM

(6) **Relevant System :** OGP Gaz-System transmission grid

Contract Quantity : []

Time Unit : 1 hour

Total Supply Period : From [] hours on [/ /]
to [] hours on [/ /]

Contract Price :

Tolerance : 0

This Confirmation confirms the Individual Contract entered into pursuant to the EFET General Agreement Concerning the Delivery and Acceptance of Natural Gas between the Parties (General Agreement) and supplements and forms part of that General Agreement. In case of any inconsistencies between the terms of this Confirmation and the Individual Contract, please contact us immediately.

Date : _____

Signature : _____

EFET

European Federation of Energy Traders

ANNEX 2 POLISH VP (D) to the General Agreement

CONFIRMATION OF INDIVIDUAL CONTRACT FOR POLISH VP TRANSACTIONS (PUT OPTION)

BETWEEN:

(1) _____ ("Writer"); and

(2) _____ ("Holder").

concluded on [/ /], [:] hours

Option Details :

- (a) Option Type : Put
- (b) Option Style: American/European
- (c) Exercise Deadline :
- (d) Exercise Period: (if American Style Option)
- (e) Premium :
- (f) Premium Payment Date :

Delivery Point : Polish VP

(7) ☒ INTRA SYSTEM

(8) **Relevant System :** OGP Gaz-System transmission grid

Contract Quantity : []

Time Unit : 1 hour

Total Supply Period : From [] hours on [/ /]
to [] hours on [/ /]

Contract Price :

Tolerance : 0

This Confirmation confirms the Individual Contract entered into pursuant to the EFET General Agreement Concerning the Delivery and Acceptance of Natural Gas between the Parties (General Agreement) and supplements and forms part of that General Agreement. In case of any inconsistencies between the terms of this Confirmation and the Individual Contract, please contact us immediately.

Date : _____

Signature : _____
