**NOTICES & WAIVER: THIS INDIVIDUAL CONTRACT WAS PREPARED BY EFET’S MEMBERS EXERCISING ALL REASONABLE CARE. 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 INDIVIDUAL CONTRACT TO ENSURE ITS PROVISIONS ARE LEGALLY BINDING, VALID AND ENFORCEABLE AND BEST SERVE TO PROTECT THE USER’S LEGAL INTERESTS. USERS ARE URGED TO CONSULT RELEVANT NETTING AGREEMENT OPINIONS IF AND WHEN MADE AVAILABLE THROUGH EFET AS WELL AS THEIR OWN COUNSEL.**

**NOTICE USE LIMITATION: USERS ARE ADVISED TO CONSIDER THEIR CREDIT POSITION WITH ALL POTENTIAL COUNTERPARTIES BEFORE USING THIS INDIVIDUAL CONTRACT. USERS ARE ALSO STRONGLY ENCOURAGED TO CONSULT THEIR OWN COUNSEL AND TAX ADVISER BEFORE ATTEMPTING TO USE THIS DOCUMENT AND TO FAMILIARISE THEMSELVES WITH APLICABLE TAX RULES.**

## EFET

**European Federation of Energy Traders**

INDIVIDUAL CONTRACT

(Virtual Gas Storage service Transaction)

Between:

(1) as “**Storage Seller**”

and

(2) as “**Storage Buyer**”

Date of conclusion: \_\_/\_\_/\_\_\_\_.

This Individual Contract is entered into pursuant to the EFET General Agreement Concerning the Delivery and Acceptance of Natural Gas in place between the Parties, dated [ ], as amended and supplemented from time to time (“**General Agreement**”) [including a [ ] Appendix entered into by the Parties] and supplements and forms part of that General Agreement. [References to Individual Contract(s) shall be deemed to be references to [ ] Transactions for the purposes of such [ ] Appendix].

With this Individual Contract, a virtual gas storage service transaction, the Storage Seller allows the Storage Buyer to nominate certain volumes of Natural Gas for Injection or Withdrawal at the Delivery Point, according to the following specifications:

**Total Supply Period: [ ]**

**[Injection Period] [ ]**

**[Withdrawal Period] [ ]**

**Delivery Point: [ ]**

**Time Unit: [Day/hour]**

**Maximum TU Injection Quantity: [ ] per Time Unit**

**Maximum TU Withdrawal Quantity: [ ] per Time Unit**

**Maximum Working Gas Quantity: [ ]**

**Minimum Working Gas Quantity: [ ]**

**[Opening Working Gas Balance: [ ]]**

**[Opening Working Gas Balance Price: [ ]]**

**Closing Working Gas Balance: [ ]**

**Storage Service Fee: [ ]**

**Monthly Storage Service Fee: [ ]**

**[Injection Fee: [ ]]**

**[Withdrawal Fee: [ ]]**

**Relevant System: [ ]**

**Nomination Time: [ ] CET**

**Tolerance: 0**

**Reference Price: as specified under clause 6 (*Reference Price*)**

CERTAIN TERMS SET OUT IN THIS INDIVIDUAL CONTRACT SHALL ONLY APPLY IF THEY ARE ELECTED TO APPLY BY THE RELEVANT BOX BEING CHECKED.

**1. Virtual Gas Storage Service:**

**1.1 Injection/Withdrawal:** In consideration of the payment to the Storage Seller of the Storage Service Fee, the Storage Buyer has, subject to clause 2 (***Nomination Conditions***), the right to

1. deliver Natural Gas during the Injection Period, if one is specified for this Individual Contract, or, if no Injection Period is so specified, during the Total Supply Period, to the Storage Seller at the Delivery Point (each such delivery by the Storage Buyer being an “**Injection**”, and “**Inject**” and “**Injected**” shall be construed accordingly), and
2. require the delivery of Natural Gas during the Withdrawal Period, if one is specified for this Individual Contract, or, if no Withdrawal Period is so specified, during the Total Supply Period, at the Delivery Point from the Storage Seller to the Storage Buyer (each such delivery by Storage Seller being a “**Withdrawal**”, and “**Withdraw**” and “**Withdrawn**” shall be construed accordingly).

Accordingly for the purposes of the application of all provisions of the General Agreement:

1. in case of Injection the Storage Buyer shall be the Seller and the Storage Seller shall be the Buyer;
2. in case of Withdrawal the Storage Seller shall be the Seller and the Storage Buyer shall be the Buyer;
3. the “Contract Quantity” shall be interpreted as the quantity Nominated (or, if applicable, deemed Nominated or re- nominated) for Injection or Withdrawal in accordance with clause 2 (***Nomination Conditions***); and
4. no Contract Price shall be payable in respect of quantities of Natural Gas Injected or Withdrawn by the Storage Buyer to the Storage Seller.

**1.2** **Working Gas Quantity:** Subject to clause 4 (***Failure to Inject or Withdraw and consequence for Working Gas Quantity***), the “**Working Gas Quantity**” shall mean at all times during the Total Supply Period, the aggregate of all quantities of Natural Gas Injected (or, if applicable, deemed Injected) less the aggregate of all quantities of Natural Gas Withdrawn (or, if applicable, deemed Withdrawn) plus, if clause 3.4 (***Opening Working Gas Balance and Opening Working Gas Balance Price***) is elected to apply, the Opening Working Gas Balance.

**1.3 Storage Report**: [ ] As soon as possible in the Month following each Month of the Total Supply Period, Storage Seller shall send Storage Buyer a monthly storage report, which shall show for the preceding Month an overview of the usage of the virtual storage service, i.e. Injections, Withdrawals and Working Gas Quantity.

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**2. Nomination Conditions:**

**2.1 Nomination:** If the Storage Buyer intends to Inject or Withdraw in a Time Unit, it shall provide the Storage Seller with a nomination for that Time Unit of the quantities to be Injected or Withdrawn (“**Nomination**” and “**Nominated**” shall be construed accordingly) at the latest at the Nomination Deadline.

* 1. **Nomination Day**: “**Nomination Day**” means:

[ ] Business Day; OR

[ ] calendar day; OR

[ ] a day (other than Saturday or Sunday) on which commercial banks are open for general business in the United Kingdom; OR

[ ] a day (other than Saturday or Sunday) on which commercial banks are open for general business in [ ].

**2.3 Nomination Deadline:** The Nomination Time (as specified on page 1 of this Individual Contract) on the Nomination Day immediately preceding the respective Day or Days of Injection or Withdrawal shall be the “**Nomination Deadline**”.

For avoidance of doubt the Storage Buyer shall send a Nomination by the same Nomination Deadline for all relevant Days after the Nomination Day.

**2.4 Nomination Confirmation:** [ ] The Storage Seller shall on each Day on which it receives a Nomination send a confirmation to the Storage Buyer confirming that the instructions of the Storage Buyer in the Nomination have been received and will be carried out accordingly (“**Nomination Confirmation**”). A Nomination Confirmation shall not constitute a requirement for a legally valid Nomination.

**2.5 Nomination Limits:** Storage Buyer’s rights of Injection and Withdrawal are subject to the following limitations ("**Nomination Limits**"):

(a) Quantities specified in a Nomination for Injection for any Time Unit shall not exceed the Maximum TU Injection Quantity;

(b) Quantities specified in a Nomination for Withdrawal for any Time Unit shall not exceed the Maximum TU Withdrawal Quantity;

(c) The Working Gas Quantity shall not exceed the Maximum Working Gas Quantity and shall be not less than the Minimum Working Gas Quantity;

 (d) Other:

[ ] (i) Storage Buyer shall not be entitled to issue more than one Nomination in respect of any Time Unit in the Total Supply Period.

[ ] (ii) Storage Buyer shall be entitled to issue more than one Nomination in respect of any Time Unit in the Total Supply Period.

[ ] (iii) Quantities specified in a Nomination shall be the same during each hour of any Day.

[ ] (iv) Storage Buyer may not Inject and Withdraw Natural Gas on the same Day.

**2.6 Communication of Nomination:**

Nominations by the Storage Buyer and any commercial and/or operational communications by the Storage Seller shall be given by:

[ ] EDIG@S; OR

[ ] by using the following email addresses:

Storage Seller’s email address: [ ]

Storage Buyer’s email address: [ ]

If EDIG@S communication system is chosen above and is inoperative or unavailable all relevant data required for EDIG@S communication (including but not limited to the respective shipper codes) shall be exchanged between the Parties by using the following email addresses:

Storage Seller’s email address: [ ]

Storage Buyer’s email address: [ ]

If email and EDIG@S communication system are both inoperative or unavailable, all relevant data required for communication shall be exchanged between the Parties by using the following fax numbers:

Storage Seller’s fax number: [ ]

Storage Buyer’s fax number: [ ]

**2.7 Failure to Nominate or non-compliance with Nomination Limits**:

2.7.1 If the Storage Buyer does not provide the Storage Seller with a Nomination by the Nomination Deadline, the Nomination for the relevant Day shall be considered to be equal to zero (0) for each Time Unit of that Day.

2.7.2 If the Storage Buyer’s Nomination does not comply with the rules set out in clause 2.5 (***Nomination Limits***), the following shall apply:

[ ] **Option A:** The quantities of Natural Gas Nominated will be automatically re-set to the applicable Nomination Limit(s) by the Storage Seller and the Storage Buyer will be deemed to have Nominated in accordance with those Nomination Limits;

AND

[ ] such automatic re-set will apply without the need for any notice from the Storage Seller to the Storage Buyer; OR

[ ] the Storage Seller will use reasonable endeavours to provide a rejection notice to the Storage Buyer; for the avoidance of doubt the sending of such rejection notice shall not constitute a legal requirement for a valid automatic re-set of the quantities.

 OR

[ ] **Option B:** The quantities of Natural Gas Nominated will be automatically re-set to zero (0) for each Time Unit of that Day;

AND

[ ] such automatic re-set will apply without the need for any notice from the Storage Seller to the Storage Buyer; OR

[ ] the Storage Seller will use reasonable endeavours to provide a rejection notice to the Storage Buyer; for the avoidance of doubt the sending of such rejection notice shall not constitute a legal requirement for a valid automatic re-set of the quantities.

2.7.3 The adjusted quantities deemed to be Nominated in accordance with this clause 2.7 shall be the Contract Quantity for the relevant Time Units and the Parties shall be obliged to Schedule for such adjusted Contract Quantities in accordance with the provisions of § 4 (***Primary Obligations For Delivery and Acceptance of and Payment Obligation For Natural Gas***) of the General Agreement.

**2.8 Re-Nominations** [ ] The Storage Buyer shall have re-nomination rights as specified in clause 8 (***Special Conditions***); OR

[ ] The Storage Buyer shall have no re-nomination rights.

**3. Fees**

**3.1 Storage Service Fee:** For the virtual gas storage services pursuant to this Individual Contract the Storage Buyer shall pay to the Storage Seller a fee (“**Storage Service Fee**”) irrespective of the actual usage of the virtual gas storage services by the Storage Buyer or of an Early Termination of the General Agreement. The Monthly Storage Service Fee will be invoiced and shall be payable in equal monthly instalments in arrears.

**3.2 Injection/Withdrawal Fees:** [ ] The Storage Buyer shall pay an Injection Fee for the quantity of Natural Gas actually Injected or, if applicable, deemed Injected. The Injection Fee will be invoiced monthly in arrears.

 [ ] The Storage Buyer shall pay a Withdrawal Fee for the quantity of Natural Gas actually Withdrawn or, if applicable, deemed Withdrawn. The Withdrawal Fee will be invoiced monthly in arrears.

**3.3 Invoicing:** Any Fees (Storage Service Fee, any Injection Fees or Withdrawal Fees, if applicable) agreed in this Individual Contract shall be invoiced in accordance with § 13 (***Invoicing and Payment***) of the General Agreement.

**3.4 Opening Working Gas Balance and Opening Working Gas Balance Price:**

 **[ ]** For the quantity of Natural Gas deemed Injected by the Storage Seller at the beginning of the Total Supply Period (“**Opening Working Gas Balance**”) the Storage Buyer shall pay the Storage Seller a price (“**Opening Working Gas Balance Price**”) irrespective of the actual usage of the Opening Working Gas Balanceby the Storage Buyer or of an Early Termination of the General Agreement. The Opening Working Gas Balance Price will be invoiced and paid in accordance with § 13 (***Invoicing and Payment***) of the General Agreement; AND

[ ] shall be payable in monthly instalments in arrears as specified in clause 8 (***Special Conditions***); OR

[ ] shall be payable in one lump sum.

**4. Remedies for Failure to Inject or Withdraw and Consequence for Working Gas Quantity**

**4.1** **Consequence for Working Gas Quantity**:

In case of a failure to deliver or accept the quantities of Natural Gas specified (or deemed specified) in a Nomination for Injection or Withdrawal in accordance with clause 2 (***Nomination Conditions***):

[ ] **Option A:** the quantities of Natural Gas actually Injected or Withdrawn, as applicable, shall be used for the calculation of the Working Gas Quantity; OR

[ ] **Option B:**  the Working Gas Quantity shall be calculated as if the Default Quantity has been properly Injected or Withdrawn, as applicable.

**4.2** **Damages for Failure to Inject or Withdraw**:

[ ] § 8 (***Remedies for Failure to Deliver or Accept the Contract Quantity***) of the General Agreement shall apply. The deemed Contract Price for purposes of § 8 of the General Agreement shall be

If the Parties have elected for Option A in clause 4.1 (***Consequence for Working Gas Quantity***), the Reference Price (as specified in clause 6 (***Reference Price***)), or

If the Parties have elected for Option B in clause 4.1(***Consequence for Working Gas Quantity***), zero (0); OR

[ ] §§ 8.1-8.4 (***Remedies for Failure to Deliver or Accept the Contract Quantity***) of the General Agreement shall not apply and the following shall apply instead: [ ]; AND

[ ] For avoidance of doubt the remaining provisions of § 8 (***Remedies for Failure to Deliver or Accept the Contract Quantity***) of the General Agreement shall apply mutatis mutandis; OR

[ ] The remaining provisions of § 8 (***Remedies for Failure to Deliver or Accept the Contract Quantity***) of the General Agreement shall not apply and the following shall apply instead: [ ].

**5. Mechanism at the end of the Total Supply Period**

**5.1.** **Closing Working Gas Balance**:

The Working Gas Quantity at the end of the Total Supply Period or upon Early Termination of the General Agreement shall be the closing Working Gas Balance as specified on page 1 of this Individual Contract (“**Closing Working Gas Balance**”).

**5.2. Excess Working Gas Quantity:**

If however the Working Gas Quantity at the end of the Total Supply Period or upon Early Termination of the General Agreement is greater than the Closing Working Gas Balance (“**Excess Working Gas Quantity**”), then the Storage Buyer shall not be entitled to Withdraw the Excess Working Gas Quantity and the Storage Seller shall pay to the Storage Buyer an amount equal to the product of:

(a) the Excess Working Gas Quantity and

[ ]% of the Reference Price;

except in respect of quantities of Natural Gas the Storage Buyer was not able to Withdraw for reasons of Force Majeure or due to default of the Storage Seller in which case the Storage Seller shall pay to the Storage Buyer an amount equal to the product of:

1. the Excess Working Gas Quantity and

100% of the Reference Price.

Any compensation payable according to this clause 5.2 shall be invoiced and paid in accordance with § 13 (***Invoicing and Payment***) of the General Agreement.

**5.3. Shortfall Working Gas Quantity:**

If however the Working Gas Quantity at the end of the Total Supply Period or upon Early Termination of the General Agreement is lower than the Closing Working Gas Balance (“**Shortfall Working Gas Quantity**”), then the Storage Buyer shall not be entitled to Inject the Shortfall Working Gas Quantity and shall compensate the Storage Seller by paying an amount equal to the product of:

(a) the Shortfall Working Gas Quantity; and

[ ]% of the Reference Price;

except in respect of quantities of Natural Gas the Storage Buyer was not able to Inject for reasons of Force Majeure or due to default of the Storage Seller in which case the Storage Buyer shall compensate the Storage Seller by paying an amount equal to the product of:

(b) the Shortfall Working Gas Quantity; and

100% of the Reference Price.

Any compensation payable according to this clause 5.3 shall be invoiced and paid in accordance with § 13 (***Invoicing and Payment***) of the General Agreement.

#### 6. Reference Price: [ ] shall be [ ] [currency]/[energy unit] (Fixed Price); OR

[ ] shall be:

(a) for the purposes of clause 4.2 (***Damages for Failure to Inject or Withdraw***) the price in [currency] per [energy unit] determined according to the Calculation Method (Floating Price).

Price Source: [ ]

Commodity Reference Price: [ ]

Alternative Commodity Reference Price: [ ]

Calculation Method: [ ]

Calculation Date: shall be the Day on which the Seller's Default or Buyer's Default occurred; and

(b) for the purposes of clause 5 (***Mechanism at the end of the Total Supply Period***) the price or if there is more than one price the arithmetic average of the prices in [currency] per [energy unit] determined according to the Calculation Method using the Price Source, Commodity Reference Price, Alternative Reference Price referred to above on the basis that:

Calculation Date: shall be each Day in the Reference Price Calculation Period; and

Reference Price Calculation Period:

[ ] a period of Days commencing on the Day immediately following the end of the Total Supply Period or the Early Termination Date, as applicable, and ending on the Day on which the Working Gas Quantity would equal the Closing Working Gas Balance if (i) in the case of an Excess Working Gas Quantity, it was Withdrawn at the Maximum TU Withdrawal Quantity rate and (ii) in the case of a Shortfall Working Gas Quantity, it was Injected at the Maximum TU Injection Quantity rate; OR

[ ] the last Day of the Total Supply Period or the Early Termination Date, as applicable;

[ ] Other; OR

[Calculation Method: [ ]]

[ ] shall be: [Other]

**7. Tax Treatment**.

In addition to § 14 (***VAT and Taxes***) of the General Agreement, all amounts agreed under this Individual Contract and services performed under this Individual Contract shall be net amounts excluding VAT and/or other Taxes, Other Taxes, duties and levies. These amounts shall be increased by any applicable VAT and / or other Taxes, Other Taxes, duties and levies.

Both Parties explicitly agree that from a VAT perspective the virtual storage services served under this Individual Contract shall be treated as a supply of services (and not as a delivery and redelivery of Natural Gas).

If however a Party has received a ruling, guidance or similar binding interpretation from a relevant court or authority that this Individual Contract is in the opinion of such court or authority not considered to be a service contract but a delivery and redelivery of Natural Gas, then such Party shall be obliged to inform the other Party as soon as reasonably possible.

Both Parties mutually agree to support each other to any reasonably acceptable extent in this connection and undertake to fully cooperate in order to achieve a corresponding VAT treatment.

**8. Special Conditions**

**8.1 Re-Nomination:** If in clause 2.8 (***Re-Nominations***) it is elected that the Storage Buyer has the right to re-nominate the following shall apply:

(a) Subject to the Nomination Limits, the Storage Buyer shall be entitled to

[ ] change (increase or reduce); OR

[ ] reduce (only)

the Nominated (or deemed Nominated) Time Unit quantity of Natural Gas to be Injected or Withdrawn, by sending the Storage Seller a re-nomination at any time after Nomination Deadline until the Re-Nomination Deadline (each such amended Nomination a “**Re-Nomination**”).

(b) The “**Re-Nomination Deadline**” is [ ].

(c) [ ] The Storage Buyer may only make one Re-Nomination in respect of each Time Unit.

(d) The Storage Buyer must submit the Re-Nominations with the minimum Lead Time before the start of the first Time Unit for which the revised quantity is requested.

Lead Time: [ ] full hours

(e) Operational requirements for Individual Contracts with Time Units of an hour:

[ ] A Re-Nomination shall set out the quantities for Injection and /or Withdrawal for *all* remaining full hours of the relevant Day and not only the hours in respect of which the Re-Nomination is made; OR

[ ] A Re-Nomination shall set out the quantities for Injection and /or Withdrawal *only for the hours* in respect of which the Re-Nomination is made.

1. [ ] Storage Seller shall without undue delay following the receipt of a Re-Nomination send a confirmation to the Storage Buyer confirming that the instructions of the Storage Buyer in the Re-Nomination have been received and will be carried out accordingly (a “**Re-Nomination Confirmation**”). A Re-Nomination Confirmation shall not constitute a requirement for a legally valid Re-Nomination.
2. [Other]

**8.2 Instalments for Opening**

**Working Gas Balance Price:** If clause 3.4 (***Opening Working Gas Balance and Opening Working Gas Balance Price***) is elected to apply and it is further elected that the Opening Working Gas Balance Price shall be payable in monthly instalments in arrears, the following shall apply:

 **[ ]**

**8.3 Other Special Conditions**

**Storage Seller Storage Buyer**

*Name, title, date*  *Name, title, date*

*Name, title, date* *Name, title, date*