

Standard contract**Annex 2**

to the regulations of use of the
natural gas transmission system of the
Joint-Stock Company “Latvijas Gāze”

Contract No. _____
between
the Joint-Stock Company “Latvijas Gāze”
and
_____ *name of the merchant* _____
on
gas transmission in the territory of the Republic of Latvia

Rīga _____ 201__

The Joint-Stock Company “Latvijas Gāze” (Single Registration Number No. 40003000642), hereinafter referred to as – the Transmission system operator, represented by _____ according to the _____ Articles of Association/commercial authorization _____, on one part, and _____ *name of the merchant* _____ (Single Registration Number No. _____), hereinafter referred to as – the **System user**, represented by _____ according to the _____ *basis of representation rights* _____, on the other part, hereinafter together referred to as – the Parties, each of them separately – the Party,

having regard to the fact that, pursuant to the application on reservation of free capacity of natural gas transmission services, submitted to the Transmission system operator by the System user on _____ 201__, the Transmission system operator* on _____ 201__ has adopted decision “On reservation of free capacity of natural gas transmission services for _____ *name of the merchant* _____” on _____ 201__ the Transmission system operator* has adopted a decision No. _____ “On reservation of free capacity of natural gas transmission services for _____ *name of the merchant* _____” pursuant to the decision No. _____ “Regulations of Use of Natural Gas Transmission System” (hereinafter referred to as – the Regulations) adopted on _____ 2015 by the Public Utility Commission. On _____ 201__ the Transmission system operator* as an operator of Inčukalns Underground Gas Storage Facility (hereinafter referred to as – the Storage Facility) owned by the Joint-Stock Company “Latvijas Gāze” has adopted a decision No. _____ “On reservation of free capacity of the Storage Facility services for _____ *name of the merchant* _____” and pursuant to the decision No. _____ “Regulations of Use of Inčukalns Underground Gas Storage Facility owned by the Joint-Stock Company

“Latvijas Gāze” the Transmission system operator has reserved the cross-border transmission system capacity necessary for the System user for accumulation of natural gas into and delivery thereof from the Storage Facility to transmit it further to the natural gas elimination point indicated in the access application of the System user,

* decision referring to the particular System user shall be indicated in the contract

shall enter into the following contract, hereinafter referred to as – the Contract:

Chapter 1. Terms

Terms used within this Contract shall have the following meaning:

1.1 gas day – a period of time consisting of 24 consecutive hours from 7.00 by the universal time coordinated, hereinafter referred to as – UTC, from the morning of any calendar day up to 7.00 by UTC of the next calendar day;

1.2 year – a period of time from the first calendar day of the year at 7.00 by UTC up to 7.00 by UTC of the first calendar day following the reference year;

1.3 gas – natural gas, i.e., product of underground deposits (combustible gas) with the basic component methane, complying in terms of quality with the Latvian National Standard LVS 459:2014 “Combustible gases. Gas properties, parameters, quality assessment.” (hereinafter referred to as – LVS 459);

Standard contract

1.4 transition of risk related to legal transfer of gas – accidental loss of gas from the Transmission system operator to the System user after gas transmission in the whole territory of the Republic of Latvia for the supply to the System user on the border of the Republic of Latvia and the Republic of Estonia or the Republic of Latvia and the Republic of Lithuania. Also, transition of risk related to accidental loss of gas from the System user to the Transmission system operator, upon transfer of gas by the System user on the border of the Republic of Latvia for the transmission in the whole territory of the Republic of Latvia;

1.5 gas transmission system – gas transmission cross-border system owned by the Joint-Stock Company “Latvijas Gāze”;

1.6 technical transfer-acceptance of gas – transfer-acceptance of gas by volume and quality;

1.7 volume of gas – amount of gas in m^3 determined under standard conditions: $t = 20$ degrees by Celsius, $P = 101.325$ kPa;

1.8 gas pressure – difference between the absolute gas pressure in gas pipe and the atmosphere pressure;

1.9 gas caloric value risk – differences of the lowest thermal capacity indicators kkal/ m^3 between the gas accepted by GMS “Kemenai” and supplied to the System user to GMS “Karksi”^{*} or the Storage Facility^{*} or gas supplied to GMS “Kemenai”^{*} after delivery from the Storage Facility;

^{*} the contract shall specify the gas transfer point to be referred to the respective System user

1.10 degree by Celsius – certain interval between any temperature by Kelvin and temperature 273.15 degrees by Kelvin as provided by the International standard ISO 100/1973.

1.11 GMS – gas measurement station;

1.12 kkal – quantity of heat necessary for heating up of one kilogram of distilled water from +19.5 to +20.5 degrees by Celsius at the atmospheric pressure;

1.13 Storage Facility operator - Joint-Stock Company “Latvijas Gāze”;

1.14 m^3 – quantity of dry gas occupying volume of one cubic meter at the temperature plus 20 degrees by Celsius and absolute pressure 101.325 kPa;

1.15 month – period of time from the first day of the calendar month at 7.00 by UTC up to 7.00 by UTC of the first day of month following the reference month;

1.16 milligram (mg) – one millionth of a kilogram;

1.17 PSO – gas transmission system operator;

1.18 dew point – water vapour dew point: condition, when gas at certain pressure is saturated with water vapour resulting in partial condensation of water vapour from gaseous phase into liquid phase at constant pressure upon change of temperature;

1.19 lowest thermal capacity – quantity of heat, which is being determined in kkal/m³ and which is exuding at the temperature of +20/25 (measurement/ combustion) degrees by Celsius and at absolute pressure 101.325 kPa after full combustion of one cubic meter of dry natural gas provided that vapours in the combustion products turn into gaseous condition.

Chapter 2. Subject of the Contract

2.1 The Transmission system operator shall undertake to perform transmission of gas owned by the System user in the territory of the Republic of Latvia from the border of the Republic of Latvia and the Republic of Lithuania (technical transfer – acceptance at GMS “Kemenai”) to the border of the Republic of Latvia and the Republic of Estonia (technical transfer – acceptance at GMS “Karksi”) at the volumes and within the time limit set by the Annex 2 of the Contract, total distance of the gas transmission – 272.298 km* or up to the Storage Facility in order to provide gas accumulation into the Storage Facility followed by delivery thereof from the Storage Facility – transportation of gas from the Storage Facility to GMS “Karksi”/GMS “Kemenai”*.

* the contract shall specify the service to be referred to the respective System user

Volume of gas shall be specified in the gas transfer – acceptance acts to be drawn up and signed by the authorized representatives of the Parties and/or PSO of the Republic of Lithuania and/or the Storage Facility operator and/or PSO of the Republic of Estonia.

Standard contract

Volume of gas accepted by the Transmission system operator for transportation within the territory of the Republic of Latvia from the border of the Republic of Latvia and the Republic of Lithuania (technical transfer – acceptance at GMS “Kemenai”) to the border of the Republic of Latvia and the Republic of Estonia (technical transfer – acceptance at GMS “Karksi”) or the Storage Facility shall be determined in m³ under standard conditions: t = 20 degrees by Celsius and P = 101.325 kPa at the lowest thermal capacity.

In cases provided by the Regulations, the Transmission system operator shall be entitled to discontinue gas transmission unilaterally or reduce the transmission volumes specified in Annex 2 of the Contract. The Transmission system operator shall notify the System user of discontinuation of gas transmission at lower volume within the time limit set by Clause 4.11 of the Contract. In the abovementioned case, the Parties shall conclude an agreement on reduction of gas transmission volumes or coordinate the time for the Transmission system operator to perform gas transmission in full volume.

2.2 The System user shall undertake to pay to the Transmission system operator at the amount, according to the procedure and within the time limits set by the Contract for transmission services of the gas owned by the System user within the territory of the Republic of Latvia at the distance of 272.928 km* or at the distance of _____ km calculated from the point of technical transfer of gas to the Transmission system operator to the Storage Facility and from the Storage Facility to the point of technical transfer of gas to the System user*, pursuant to the invoices issued by the Transmission system operator and according to the tariffs determined according to the procedure provided by Clause 3.1 of the Contract.

* the distance to be referred to the respective System user shall be specified

2.3 The System user shall undertake also:

2.3.1 to perform all the procedures related to gas supply provided by the law (including customs procedures) after the legal transfer of gas on the border of the Republic of Latvia and the Republic of Lithuania and the technical transfer of gas at GMS “Kemenai” and to submit to the Transmission system operator copies of the documents confirming completion of customs procedures within 3 (three) working days after completion of customs procedures (if necessary);*

2.3.2 to perform all the necessary procedures related to acceptance of gas (including customs procedures) after the legal transfer of gas on the border of the Republic of Latvia and the Republic of Estonia and the technical transfer of gas at GMS “Karksi” and to submit to the Transmission system operator copies of the documents confirming completion of customs procedures within 3 (three) working days after completion of customs procedures (if necessary);*

2.3.3 to conclude a contract with Lithuanian PSO and/or a PSO of the Republic of Estonia and/or the Storage Facility operator*, which would provide for the System user fulfilment of obligations included in this Contract, taking into consideration the fact that volume of gas shall be determined in cubic meters under the standard conditions: $t = 20$ degrees by Celsius and $P = 101.325$ kPa;

* the contract shall specify the requirement to be referred to the respective System user

2.3.4 to notify the Transmission system operator of commencement of gas supply, including delivery from the Storage Facility according to the procedure and within the time limits set by Clause 4.9 of the Contract.

2.3.5 to coordinate timely the total volume of gas to be transported and distribution thereof by months and days according to the Annex 2 of the Contract with the Transmission system operator (PSO) of the Republic of Lithuania, the Storage Facility operator (if necessary) and the PSO of the Republic of Estonia (if necessary). The System user shall send the coordination specified in this Clause to the Transmission system operator to the following e-mail address: dispeceri@lg.lv and by fax: +371 67546820 not later than 74 (seventy-four) hours prior to the commencement of gas transmission;

2.3.6 to pay the security deposit within the time limit and according to the procedure set by Clause 3.10 of the Contract;

Clause 2.3.6 of the Contract shall be included only in the contracts to be concluded by the System users, which have previously failed to follow the time limit or procedure of payments for the transmission system services provided by the contract.

Chapter 3. Total amount of the Contract, settlement procedure and payment

3.1 Charge for the transmission services shall be determined in accordance with the applicable natural gas transmission service tariffs determined according to the procedure provided by the Energy Law and the Law on Regulators of Public Utilities. Value-added tax should be applied pursuant to the regulatory enactments of the Republic of Latvia.

Standard contract

3.2 Charge for the natural gas transmission services shall be determined at the amount of _____ EUR (_____ *euro* _____ cents) per 1000 m³ per 100 km at the moment of conclusion of the Contract.

3.3 The System user shall pay to the Transmission system operator for the gas transmission performed during the reference month (Annex 3) than on the 15th (fifteenth) date of the month following the reference month according to the tariff provided by Clause 3.2 of the Contract pursuant to the gas transfer – acceptance act, transfer – acceptance act of completed works (Annex 4) and the invoice issued by the Transmission system operator.

The Transmission system operator shall send the invoice to the System user for coordination purposes to the following e-mail address: _____@_____. The Transmission system operator shall send the original copy of invoice to the System user by post.

If the System user shall not submit any objections within 10 (ten) days after receipt of the Transmission system operator's invoice, the amount of invoice shall be considered accepted and exclude any disagreements between the Parties.

3.4 The System user shall pay to the Transmission system operator late payment interest for delayed payments at the amount of 0.15% of the delayed amount per each day of delay (Section 1753 of the Civil Law).

3.5 The day, when the funds are transferred into the current account of the Transmission system operator shall be considered the date of payment.

3.6 Transfer of funds shall be performed at the expense of the System user.

3.7 In case of any disagreements between the System user and the Transmission system operator in relation to any invoice issued by the Transmission system operator, the disagreements shall be resolved according to the procedure set by the Contract. In case of disagreements, the System user shall make all the payments within the time limit set by Clause 3.3 for the transmission services provided by the Transmission system operator, in regard of which the Parties have no disagreements. Final settlements and corrections of invoices (if necessary) shall be performed after reaching of agreement between the Parties or after entry into force of a court judgement.

3.8 Total amount of the Contract shall be _____ EUR (_____ *euro* _____ cents).

3.9 The System user shall pay into the Transmission system operator's account and maintain a security deposit at the amount of _____ EUR (_____ *euro* _____ cents) as a guarantee of fulfilment of the Contract within ___ days as of entry into force of the

Contract. If the System user shall fulfil all provisions of the Contract, the Transmission system operator shall use the security deposit to cover the amount of the last invoice for the transmission system services provided by the Transmission system operator. If the amount of the security deposit shall exceed the amount of the last invoice issued by the Transmission system operator, the Transmission system operator shall return the balance of the security deposit to the System user by transferring within five working days to the System user's account specified in the Contract.

3.10 If the System user has paid to the Transmission system operator a security deposit as a guarantee for proper fulfilment of the contractual obligations arising out of the Contract:

3.10.1 the Transmission system operator shall be obliged to notify the System user of discharge of the System user's outstanding liabilities from the security deposit;

3.10.2 the System user shall be obliged to renew fully security deposit at the request of the Transmission system operator, if the Transmission system operator has discharged the System user's outstanding liabilities from the security deposit;

3.10.3 upon termination of contractual obligations, the Transmission system operator shall be obliged to return to the System user the security deposit amount, which is not necessary for discharge of the System user's outstanding liabilities within 5 (five) working days.

Clause 3.9 and 3.10 of the Contract shall be included only in the contracts to be concluded by the System users, which have previously failed to follow the time limit or procedure of payments for the transmission system services specified in the contract.

Chapter 4. Registration procedure of the transmitted gas

Version 1. 4.1 Legal transfer of gas from the System user to the Transmission system operator shall take place on the border of the Republic of Lithuania and the Republic of Latvia, at the place and moment, when gas enters

the gas transmission system of PSO of the Republic of Latvia, technical transfer – according to indications of the GMS “Kemenai”.*

Version 2. 4.1 Legal transfer of gas from the System user to the Transmission system operator shall take place in the interconnection of the transmission system and the Storage Facility at the place and moment, when gas enters the gas transmission system of the Transmission system operator, technical transfer – according to indications of the GMS 1 or GMS 2.*

Version 3. 4.2 Legal transfer of gas to the System user shall take place on the border of the Republic of Latvia and the Republic of Estonia, at the place and moment, when gas enters the gas transmission system of PSO of the Republic of Estonia, technical transfer – according to indications of the GMS “Karksi”.*

Version 4. 4.2 Legal transfer of gas to the System user shall take place on the border of the Republic of Latvia and the Republic of Lithuania, at the place and moment, when gas enters the gas transmission system of PSO of the Republic of Lithuania, technical transfer – according to indications of the GMS “Kemenai”.*

4.3 The System user’s gas, which crosses the border of the Republic of Latvia and the Republic of Estonia after transmission within the Republic of Latvia shall be registered at the GMS “Karksi”, and pursuant to the indications of gauges of the GMS “Karksi” a tripartite gas transfer – acceptance act, Annex 3 to the Contract, shall be prepared, which shall be drawn up and signed by authorized representatives of the Parties and a representative of PSO of the Republic of Estonia.

4.4 The System user’s gas, which crosses the border of the Republic of Latvia and the Republic of Lithuania after transmission within the Republic of Latvia shall be registered at the GMS “Kemenai”, and pursuant to the indications of gauges of the GMS “Kemenai” a tripartite gas transfer – acceptance act, Annex 3 to the Contract, shall be prepared, which shall be drawn up and signed by authorized representatives of the Parties and a representative of PSO of the Republic of Lithuania.

* The Contract shall specify, whether it is Version 1 or 2 and Version 3 or 4.

4.5 Each of the Parties shall be obliged to provide the other Party with information on execution of the Contract.

Full documentation for the current month must be submitted upon request of customs authorities of the Republic of Lithuania, the Republic of Estonia and the Republic of Latvia.

4.6 Determination of volume and quality of gas shall be performed pursuant to regulations ISO 6974 as amended, ISO 6976:1995 as amended, and ISO 9951:1993 as amended.

4.7 Authorized representatives of the Parties shall perform the following activities for the purpose of drawing up of monthly acts of the volumes of transferred – accepted gas via GMS “Kemenai” and/or GMS “Karksi” and/or the Storage Facility:

4.7.1 Representative of the System user – _____

_____.

4.7.2 Representative of the Transmission system operator – _____

_____.

4.8 Transfer – acceptance acts regarding gas transmitted through the GMS “Kemenai” and the GMS “Karksi” shall be prepared according to the indications of the GMS “Kemenai” and the GMS “Karksi”.

Authorized representatives of the Parties shall sign the monthly transfer – acceptance acts up to the fifth date of each month. Coordination of the transfer – acceptance acts shall be performed electronically; e-mail address on the part of the Transmission system operator: dispeceru.dala@lg.lv or by fax +371 67546820; e-mail address on the part of the System user: _____@_____. or by fax +_____. The System user shall send the original copies of the transfer – acceptance acts to the Transmission system operator for signing.

4.9 Volume of gas indicated in the monthly transfer – acceptance acts shall serve as a reason for performance of mutual settlements.

4.10 The System user and the Transmission system operator shall timely coordinate gas transmission modes and volumes (hourly, daily) taking into consideration the technical capacities of the Transmission system operator’s transmission systems and the technical capacities of the Storage Facility and the fact that modes and volumes of gas transmission must comply with the technical characteristics of the GMS “Kemenai” and the GMS “Karksi”.

The System user shall send his proposals in relation to the gas transmission schedule, coordinated with PSO of the Republic of Lithuania and PSO of the Republic of Estonia (if necessary), and the Storage Facility operator (if necessary), to the Transmission system operator’s e-mail address: dispeceri@lg.lv and by fax +371 67546820 not later than 20 (twenty) days before commencement of gas transmission. The System user shall coordinate updated volumes of gas transmission with the Transmission system operator and PSO of the Republic of Lithuania and PSO of

the Republic of Estonia (if necessary), and the Storage Facility operator (if necessary) 72 (seventy-two) hours prior to commencement of transmission.

Taking into consideration the technical capacities of the transmission system and provided that total monthly gas transmission amount shall be maintained the Transmission system operator shall examine the System user's application regarding changes in gas transmission up to 5% per month of the volume of gas to be transported on average on each gas day.

The System user shall be obliged to coordinate applications regarding changes in the gas transmission schedule with PSO of the Republic of Lithuania (if necessary) and PSO of the Republic of Estonia (if necessary), and the Storage Facility operator (if necessary) and to submit to the Transmission system operator 72 (seventy-two) hours prior to commencement of the planned gas transmission. The Transmission system operator shall afterwards notify the System user of the adopted decision.

Information exchange shall be performed via e-mail. E-mail address on the part of the Transmission system operator: dispeceri@lg.lv, fax: +371 67546820; e-mail address on the part of the System user: _____@_____.__, fax: +_____.

4.11 If the Transmission system operator shall suspend gas transmission or reduce the amount of gas transmission in case specified in Clause 2.1 of the Contract, the Transmission system operator shall notify the System user thereof at least 5 days prior to suspension or reduction of gas transmission.

Chapter 5. Gas quality

Physical – chemical indicators of the gas the Parties transfer to each other must comply with requirements and norms specified in the Annex 1 of the Contract and LVS 459:2014 “Combustible gases. Gas properties, parameters, quality assessment” and LVS 460:2014 “Utilization of gases manufactured from renewable sources in natural gas transmission system”.

Quality indicators of the gas to be transferred to the Transmission system operator shall be determined at GMS “Kemenai” or in the Storage Facility, but indicators of the gas to be transferred to the System user – at GMS “Karksi”, GMS “Kemenai” or in the Storage Facility. Risk of the caloric value shall be undertaken by the System user.

Chapter 6. Responsibility of the Parties

6.1 The Parties shall be responsible for the fulfilment of the contractual conditions. The Parties shall compensate losses caused to the other Party, if the guilty Party shall fail to fulfil or improperly fulfil contractual conditions.

6.2 The Party, which has properly fulfilled the contractual obligations, shall be entitled to demand from the other Party full completion of obligations regardless of expiry date of the Contract.

6.3 If the System user has transferred for transmission lower volume of gas than provided by Annex 2 of the Contract or has failed to transfer the volume of gas provided by the Contract, the System user shall pay to the Transmission system operator compensation for reservation of capacity and provision of balance in the transmission system. The Transmission system operator shall calculate the compensation by multiplying volume of gas non-transferred for transmission by doubled tariff determined in Clause 3.2 of the Contract. The Transmission system operator shall calculate the compensation specified in this Clause after the expiry of balancing period.

6.4 If the System user has delivered from the transmission system lower gas volume than transferred for transmission or if the System user has transferred for transmission higher gas volume than specified in the Contract, the System user shall pay to the Transmission system operator compensation. The Transmission system operator shall determine the compensation by multiplying volume of gas, which the System user has failed to deliver from the transmission system, or volume of gas exceeding the one provided by the Contract by doubled tariff determined by Clause 3.2 of the Contract and doubled gas storage service tariffs. Gas storage service tariff shall be determined according to the procedure provided by Clause 3.1 of the Contract, and this tariff shall be determined at the amount of _____ **EUR/thousand m³** at the moment of conclusion of the Contract. The Transmission system operator shall calculate the compensation specified in this Clause after the expiry of balancing period.

Balancing period shall be one month, during which each System user shall be obliged to provide that the volume of gas delivered from the transmission system shall match

Standard contract

to the volume of gas input into the transmission system. Volume of gas delivered from the transmission system in one gas day within the balancing temperature may differ from the volume of gas input into the transmission system in one gas day by not more than 5%.

6.5 If any of the Parties shall transfer to the other Party gas, the physical-chemical composition of which shall not comply with the parameters specified in Annex 1 of the Contract, the Party performing acceptance of gas shall suspend acceptance of such gas immediately. Acceptance of gas shall be restored only, when the respective Party provides appropriate gas composition. Suspension of acceptance of gas provided by this Clause by the Transmission system operator shall not be considered a violation of contractual provisions.

6.7 If the System user shall fail to conclude a contract with a PSO of the Republic of Lithuania or a PSO of the Republic of Estonia or the Storage Facility operator regarding corresponding transfer or acceptance of gas for the provision of execution of the Contract, the Transmission system operator shall be entitled to terminate the Contract unilaterally by sending a written notice to the System user's address specified in the Contract. In this case, the Contract shall be considered terminated after the 5th day after the date, when the Transmission system operator has sent a respective notice to the System user.

6.8 If the System user shall fail to observe the time limits or procedure of payments for transmission system services specified in the Contract, the Transmission system operator shall be entitled to demand from the System user to submit a guarantee for proper fulfilment of contractual obligations – to pay and maintain a security deposit at the amount of the Contract.

6.9 If the System user has paid a security deposit to the Transmission system operator as a guarantee for proper fulfilment of contractual obligations:

6.9.1 The Transmission system operator shall be obliged to notify the System user of discharge of the outstanding liabilities from security deposit;

6.9.2 The System user shall be obliged to renew fully security deposit at the request of the Transmission system operator, if the Transmission system operator has discharged the System user's outstanding liabilities from the security deposit.

6.9.3 Upon termination of contractual relationships the Transmission system operator shall be obliged to return to the System user the amount of safety deposit, which has not been used for discharge of any liability of the Transmission system operator, within 5 (five) working days.

6.10 If gas shall be input into the Transmission system operator's gas transmission system, but not transferred to PSO of the Republic of Estonia or PSO of the Republic of

Lithuania* due to fault of the System user, the System user shall pay to the Transmission system operator compensation in accordance with Clause 6.4 of the Contract.

* The respective PSO shall be indicated in the contract.

7 Applicable laws and resolution of disputes

7.1 The Contract has been drawn up, as well as the legal relations arising out of the Contract shall be governed, executed and interpreted in accordance with the laws of the Republic of Latvia.

7.2 All disputes and disagreements (hereinafter referred to within this Clause – Dispute) between the Parties shall be resolved by means of negotiations. In case of Dispute the Party referring to existence of a Dispute must submit to the other Party a written notice indicating description of the Dispute, proposed solution of the Dispute, as well as persons authorized to conduct the dispute-related negotiations in the name of the Party.

7.3 If resolution of the Dispute by means of negotiation shall turn to be impossible within 30 (thirty) days (unless the authorized representatives of the Parties have agreed on any other time limit for the solution of Dispute) as of the moment of origination thereof, it shall be resolved according to the procedure defined by the regulatory enactments of the Republic of Latvia.

Chapter 8. Force Majeure

8.1 The Parties shall not be responsible for full or partial non-fulfilment of the contractual obligations, if such a non-fulfilment has been caused by force majeure conditions. Force majeure conditions within the meaning of this Clause shall be obstruction, which has originated beyond the control of the affected Party preventing this particular Party from fulfilment of its contractual obligations and which may not be prevented by the Party. Such conditions shall primarily include: disasters, fire, earthquake and other natural phenomena, military activities, as well as

economic sanctions, embargoes, instructions and orders of judicial, administrative and public institutions or any other conditions the Parties were unable to foresee during conclusion of the Contract.

8.2 Obstructions arising out of personal and especially economic conditions of the Parties shall not be considered force majeure conditions. Separate obstructions in relation to fulfilment of contractual obligations, which have arisen, while the Party, which had not fulfilled the contractual obligations, delayed fulfilment of its obligations, shall not be considered force majeure conditions.

8.3 Fact of existence of force majeure conditions shall be confirmed by the Chamber of Commerce of the respective Party within two weeks from the moment of origination of such conditions. If force majeure conditions shall last longer than 3 (three) months, the Parties shall commence negotiations on acceptable solution for the fulfilment of contractual obligations. In this case, termination of the Contract shall be possible upon mutual agreement between the Parties only.

Chapter 9. Confidentiality

9.1 All the information, which became known to the Parties in relation to conclusion of the Contract and fulfilment of obligations set by the Contract shall be confidential and may not be disclosed to third parties without prior written consent of authorized representatives of the Parties, except for information the disclosure of which is provided by law.

9.2 Also, the employees of the contractual parties, who normally within the work description and duties to be performed would not have access to such documents, as the Contract shall be considered third parties within the meaning of Clause 9 of the Contract. However, third parties shall not include external advisors and cooperation partners of the contractual parties, involved in the commercial activity of the respective contractual party and contractually or legally related to that particular contractual party regarding confidentiality at least at the level provided by the Contract.

9.3 Termination or expiry of the Contract shall not cease duty of the Parties regarding non-disclosure of confidential information.

Chapter 10. Other provisions

10.1 Amendments and additions can be made in the Contract upon mutual agreement between the Parties. All amendments and additions of the Contract should be made in writing and they shall enter into force as soon as they are signed by both Parties.

10.2 The Contract may be terminated early upon mutual written agreement between the Parties or in case specified in Clause 10.3 of the Contract.

10.3 Any of the Parties shall be entitled to terminate the Contract unilaterally, if the other Party shall fail to fulfil or shall fulfil improperly the obligations set by the Contract. In such a case, the Party, which wants to terminate the Contract on such basis, shall notify the other Party in writing thereof indicating the reason of termination, not later than 30 (thirty) days prior to termination of the Contract. The Contract should be considered terminated from the day indicated by the notice.

10.4 The Parties shall be obliged to notify each other of changes in their legal addresses, e-mail addresses, phone numbers and faxes not later than within one working day.

10.5 The Parties shall be entitled to take additional measures, including insurance and other activities, for the purpose of fulfilment of the obligations set by the Contract.

10.6 All the previous correspondence, documents and negotiations between the Parties regarding matters composing the subject of the Contract shall become invalid on the day of signing of the Contract.

10.7 The Parties shall not be entitled to transfer or delegate any of their obligations set by the Contract to the third party without previous written consent of the other Party.

10.8 If separate Clauses of the Contract shall become invalid, this will not cause cancellation of other Clause. In such a case the Parties, taking into consideration the regulatory enactments valid in the Republic of Latvia, shall replace the Clause of the Contract, which has become invalid, in such a way as to the new Clause was as similar to the invalid Clause in terms of content and purposes as possible.

10.9 Representatives authorized by the Parties:

Standard contract

Representative of the Transmission system operator – Head of the Dispatcher Unit

_____ or

Deputy Head of the Dispatcher Unit _____,

Representative of the System user – _____.

10.10 Following Annexes have been attached to the Contract at the moment of signing thereof forming an integral part of the Contract:

Annex 1 – Physical chemical indicators of gas composition.

Annex 2 – Volume of gas transmission and distribution schedule thereof.

Annex 3 – Monthly transfer – acceptance act.

Annex 4 – Common transfer – acceptance act.

Chapter 11. Validity period of the Contract

11.1 The Contract shall enter into force with the condition that the System user has performed the duties specified in Clause 2.3.5 of the Contract.

11.2 Validity period of the Contract shall last from ____ 201__ until ____ 201__. The Contract has been concluded in Riga, in two copies, one of them kept by the System user, the other one – by the Transmission system operator. Both copies are with equal legal force.

Chapter 12. Legal addresses and requisites**The System user:**

Single Registration Number _____

VAT payer's No. _____

Phone: _____

Fax: _____

E-mail: _____

Cc: _____

IBAN _____

SWIFT _____

The Transmission system operator:

Joint-Stock Company

“Latvijas Gāze”

Single Registration Number No.

40003000642

Vagonu Street 20, Riga,

LV-1009, Republic of Latvia

Phone: 67369132, 67369117

Fax: 67821406

Current Account

LV38PARX 0000 004461018

VAT LV No. 40003000642

SWIFT PARXLV22

JSC “Citadele banka”

Republikas laukums 2a, Riga

LV-1010, Republic of Latvia

Title of position of the System user's Title of position of the Transmission

representative with signatory power

system operator's representative with
signatory power
