

KRAFTRINGEN'S CONTRACTUAL TERMS AND CONDITIONS FOR SALE OF ELECTRICITY

revised 21 June 2018

Effective from 1 July 2018

1 Application

- 1.1 These contractual terms and conditions apply when Kraftringen Energi AB (Publ.) or any other company within the same group ("the Supplier") supplies electricity to an electricity user ("the Customer"). These terms and conditions form an integral part of the electricity supply contract between the parties.
- 1.2 The contract between the parties also includes the electricity industry's general contractual terms and conditions applicable from time to time for the sale of electricity to consumers (currently EL 2012 K) and business owners (currently EL 2012 N). The general contractual terms and conditions and these contractual terms and conditions are available from the Supplier's website or can be ordered from customer service. In the event of any discrepancies between the agreement documents, the order of precedence is as follows: any individual terms and conditions, these contractual terms and conditions and general contractual terms and conditions.
- 1.3 The Supplier is entitled to change these contractual terms and conditions by providing written notification to the Customer. The new terms and conditions may come into force no earlier than two months after notification of any such change has been issued.
- 1.4 If the parties have entered into a fixed-term contract, point 6.1 third paragraph of the general contractual terms and conditions is changed such that the Supplier shall notify the Customer, in writing and no earlier than 90 days and no later than 60 days before a contract period expires, of the expiry date of the contract and the consequences thereof.

2 Validity

- 2.1 The contract is valid from the date on which the Supplier accepts the Customer's order. A written contract shall be drawn up at the request of either party. A standard credit check may be carried out and can lead to rejection of the order.
- 2.2 If the Customer is a domestic consumer and the contract has been entered into at a distance, the Customer is entitled to cancel the contract (the right to cancel) by notifying the Supplier accordingly within fourteen (14) days from the date on which the Customer has received the statutory information on their right to cancel. The Customer's right to cancel lapses if supply of electricity has commenced with the Customer's consent during the deadline period for the right to cancel.

3 Scope, etc.

- 3.1 The contract covers the actual electricity consumed via the agreed sockets. The Supplier is not responsible for any delay to the agreed start of delivery as a result of the Customer providing incorrect or incomplete information of importance to the Supplier's sales commitment.
- 3.2 If the Customer's order is incomplete with regard to the desired form of contract (contract product), it will be assumed the contract is for a variable electricity price with the right to change in accordance with the Supplier's terms and conditions applicable from time to time for that contract product.
- 3.3 The Customer is responsible for the correct fulfilment of any remaining obligations in accordance with previous contracts with another electricity supplier.
- 3.4 Any Customer that has received a licence from the Swedish Energy Agency to manage their own quota obligation must inform the Supplier of this in order to be exempt from the agreed RECs cost. If any such licence ceases to be valid, the Customer must immediately notify the Supplier of this.

4 Taxes and fees, etc.

- 4.1 Prices specified are valid unless otherwise expressly stated, exclusive of any applicable VAT and other statutory fees. Nor do the specified prices include other equivalent fees or other cost elements that the Supplier may incur for procurement of electricity and RECs for the Customer. Examples of such fees that are not included in the price are Nasdaq OMX Commodities trading fees and fees charged in accordance with the balance responsibility agreement with Svenska kraftnät. In the event of changes to or introduction of any such new fees, the Supplier is entitled to adjust the price accordingly without providing prior notification to the Customer. This is also the case during an ongoing minimum contract period.
- 4.2 The Supplier is also entitled to change specified prices if the Swedish electricity market's division into bidding areas is changed or if any other change to the function of the electricity market (e.g. the introduction of a common Nordic electricity market) causes increased costs for the Supplier as a result of implementation of this contract.
- 4.3 Current prices are presented on the Supplier's website.

5 Payment and invoicing

- 5.1 Unless the parties have agreed otherwise, invoicing and payments are to be monthly in arrears. However, where the Customer's consumption is minimal, invoicing and payment may be every other month.
- 5.2 Unless the parties have agreed otherwise, payment must reach the Supplier no later than twenty (20) days (Consumer) and thirty (30) days (Business owner) after the applicable invoice date.
- 5.3 In the event of late payment, penalty interest in accordance with the Swedish Interest Act (1975:635) will be payable.
- 5.4 Information about the Supplier's payment and invoicing options is available on the Supplier's website or via customer service.

6 Transfer of contract

The Customer is not entitled, without the prior written consent of the Supplier, to transfer its rights and obligations under this contract to another party. The Supplier is entitled to transfer all or parts of this contract to another party.

7 Termination of the contract

- 7.1 If the Customer moves from the consumption point, the contract ceases to apply. However, the parties may agree that the contract will apply to a new consumption point.
- 7.2 If the Customer terminates the contract before its end date, or the contract is terminated for any other reason before its end date due to a circumstance attributable to the Customer, the Supplier is entitled to compensation from the Customer. If the contract is for a Fixed electricity price, the Customer shall pay compensation at 30 per cent of the agreed price per kWh multiplied by the Customer's estimated consumption for the remaining contract period. If the contract is for a Variable electricity price with the right to change, the Customer shall pay compensation at the price per kWh in force when the most recent invoice was issued multiplied by the Customer's estimated consumption for the remaining contract period. If the contract is for a Near price or Winter-proof electricity price, a combination of the above calculation methods for the fixed and variable portion of the contract applies. Estimated remaining consumption shall be calculated based on the Customer's annual consumption recorded by the network operator. The remaining contract period is calculated in complete months. In addition to compensation stated herein, the Customer shall also pay any remaining annual fees and an administration fee of SEK 500, including VAT per socket.
- 7.3 The Customer's liability to pay compensation as per point 7.2 above shall apply even if the Customer terminates the contract before the supply of electricity has commenced. However, this is not the case if the contract is terminated due to the Customer invoking the right to cancel.

- 7.4 If the Customer cancels the electricity contract at the end of the contract period and a new electricity supplier has not applied to provide a supply, the Customer will be given a guideline price until the new supplier takes over.

8 Other information

Information on consumer rights, complaints handling and other information regarding contracts, electricity prices and terms and conditions is available for viewing on the Supplier's website, www.kraftringen.se or can be obtained from customer service. Information about the Supplier's environmental work, the source of the electricity and its environmental impact is also available there.

9 Disputes

Any dispute arising out of or in connection with this contract shall be settled by a general Swedish court (the district court at first instance).

10 Special terms and conditions for different forms of contract

- 10.1 "Fast elpris" refers to a contract for a set period of time. The price for the electricity supplied is calculated using a predetermined price per kWh for the relevant bidding area. The predetermined price includes costs for RECs and all other procurement costs. In addition to the electricity price, there is an annual fee that remains the same throughout the contract period, and VAT. The contract cannot be renegotiated during the ongoing contract period. If neither party terminates the contract at least one (1) month before the end of the contract period, the contract will automatically renew for further periods of twelve (12) months at a time under the current terms and conditions. Kraftringen sends a reminder to the customer before the automatic renewal of the contract.
- 10.2 "Närpris" refers to a contract for a set period of time. The price for the electricity supplied is calculated using a basic price and a monthly price, and is the total of these. The basic price is calculated using a predetermined price per kWh for the relevant bidding area. The basic price includes costs for RECs. The monthly price consists of the difference between the volume-weighted spot price for the month for the relevant bidding area and the Nordic system price for the same month, and is calculated monthly in

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arrears. The volume-weighted spot price is calculated by multiplying each hour's spot price by the total consumption of the Supplier's customers during the same hour, divided by the total consumption of the Supplier's customers during the current month. The monthly price is available on the Supplier's website. In addition to the basic and monthly price, there is an annual fee that remains the same throughout the contract period, and VAT. The contract cannot be renegotiated during the ongoing contract period. If neither party terminates the contract at least one (1) month before the end of the contract period, the contract will automatically renew for further periods of twelve (12) months at a time under current contractual terms and conditions for Variable electricity price with the right to change. Kraftringen sends a reminder to the customer before the automatic renewal of the contract.

- 10.3 "Rörligt elpris med bytesrätt" refers to a contract for a set period of time. The electricity price consists of a monthly volume-weighted average price, including purchase costs for the supply month based on the spot price listings on the Nordic energy market for the relevant bidding area, compared with the consumption profile of all the Supplier's customers hour by hour, plus costs for RECs. In addition to the electricity price, there is an agreed surcharge, an annual fee that remains the same during the contract period, and VAT. The Customer is entitled to change to a fixed electricity price contract on the terms in force at that time at any point during the contract period with one (1) calendar month's notice, calculated from the start of the next month, for the remainder of the contract period or longer. If neither party terminates the contract at least one (1) month before the end of the contract period, the contract will automatically renew for further periods of the same duration under the current terms and conditions. Kraftringen sends a reminder to the customer before the automatic renewal of the contract.
- 10.4 "Rörligt elpris löpande" refers to an ongoing contract. The electricity price consists of a monthly volume-weighted average price, including purchase costs for the supply month based on the spot price listings on the Nordic energy market for the relevant bidding area, compared with the consumption profile of all the Supplier's customers hour by hour, plus costs for RECs. In addition to the electricity price, there is an agreed surcharge, an annual fee and VAT. The Supplier is entitled to change the surcharge and annual fee during the contract period by providing written notification to the Customer. The new terms and conditions may come into force no earlier than two months after notification of any such change has been issued. The Customer has the right to terminate the contract upon giving one (1) month's notice calculated from the beginning of the next month.
- 10.5 "Vintersäkrat elpris" refers to a contract for a set period of time. The price for the electricity supplied is calculated during certain months as specified in the contract, based on a predetermined price per kWh for the relevant bidding area. The predetermined electricity price includes costs for RECs and all other procurement costs. In other months, the price for electricity supplied consists of a monthly volume-weighted average price, including purchase costs for the supply month based on the spot price listings on the Nordic energy market for the relevant bidding area, compared with the consumption profile of all the Supplier's customers hour by hour, plus costs for RECs. In addition to the variable electricity price, there is an agreed surcharge. In addition, there is an annual fee that remains the same throughout the contract period, and VAT. The contract cannot be renegotiated during the ongoing contract period. If neither party terminates the contract at least one (1) month before the end of the contract period, the contract will automatically renew for further periods of twelve (12) months at a time under current contractual terms and conditions for

Variable electricity price with the right to change. Kraftringen sends a reminder to the customer before the automatic renewal of the contract.

10.6 "Timpris/Spotpris" refers to a contract for a set period of time. The price for electricity supplied is calculated monthly in arrears and is based on the spot price listings on the Nordic energy market hour by hour for the relevant bidding area. In addition to the electricity price, there is an agreed surcharge, costs for RECs, an annual fee and VAT. If neither party terminates the contract at least one (1) month before the end of the contract period, the contract will automatically renew for further periods of the same duration under the current terms and conditions. Kraftringen sends a reminder to the customer before the automatic renewal of the contract.

10.7 "Anvisningspris" refers to an ongoing contract. The electricity price consists of a monthly volume-weighted average price, including purchase costs for the supply month based on the spot price listings on the Nordic energy market for the relevant bidding area, compared with the consumption profile of all the Supplier's customers hour by hour, plus costs for RECs. In addition to the electricity price, there is an agreed surcharge, an annual fee and VAT. The Supplier is entitled to change the surcharge and annual fee during the contract period by providing written notification to the Customer. The new terms and conditions may come into force no earlier than two months after notification of any such change has been issued. The Customer has the right to terminate the contract upon giving fourteen (14) days' notice.

10.8 Any discounts only apply during the agreed period. Any contract renewal will be on the terms and conditions in force at that time.

11 Special terms and conditions for options

11.1 "Bra Miljöval" means that the Supplier guarantees to purchase as much environmentally-produced electricity (as defined by the Swedish Society for Nature Conservation) as the Customer consumes. The price for the option may be changed during the contract period. Price changes will be announced on the Supplier's website no later than fifteen (15) days before they come into force. However, price changes as a result of a decision by the Swedish Society for Nature Conservation to change the criteria for environmentally-produced electricity may be enforced immediately without prior notification.

11.2 "Förnybar el" means that the Supplier guarantees to purchase as much origin-labelled electricity as the Customer consumes. Origin-labelled electricity comes from energy sources powered by biofuel, hydroelectric or wind power. The price for the option may be changed during the contract period. Price changes will be announced on the Supplier's website no later than fifteen (15) days before they come into force.

11.3 "Solel" means that the Supplier guarantees to purchase as much origin-labelled electricity as the Customer consumes. Origin-labelled electricity comes from solar-powered energy sources. The price for the option may be changed during the contract period. Price changes will be announced on the Supplier's website no later than fifteen (15) days before they come into force.