Ratification Letter for Amendments to EFET General Agreement Concerning the Delivery and Acceptance of Natural Gas (Version 2.0 (a) / May 11, 2007 or Version 2.0 / January 6, 2003) and VAT (Amendments to § 14 (VAT and Taxes))

Send to: edrsAdmin@efet.org

Cc: secretariat@efet.org

Dear Sirs

EFET General Agreement Concerning the Delivery and Acceptance of Natural Gas (Version [2.0 (a) / May 11, 2007] or [2.0 / January 6, 2003]) and VAT (amendments to § 14 (*VAT and Taxes*)) – Ratification[1]

The purpose of this letter (the "**Ratification Letter**") is to confirm our ratification of the amendments to the existing EFET General Agreement Concerning the Delivery and Acceptance of Natural Gas, Version 2.0 (a) or Version 2.0, as published by the European Federation of Energy Traders ("**EFET**") on 11 May 2007 or 6 January 2003 (the "**Amendment**") as set out in the Schedule to this Ratification Letter. We confirm our understanding that the purpose of the Amendment is to confirm the terms of the change letter relating to amendments to § 14 (*VAT and Taxes*) to be used by parties which have already signed Version 2.0 (a) or Version 2.0 of the EFET General Agreement concerning the Delivery and Acceptance of Natural Gas published by EFET on 16 December 2013 (the "**Change Letter**").

By ratifying the Amendment in accordance with the terms of this Ratification Letter, any EFET General Agreement Concerning the Delivery and Acceptance of Natural Gas, Version 2.0 (a) or Version 2.0, that we have concluded before the Ratification Date (as defined below) (a "**Covered General Agreement**") with each other party that has ratified the Amendment in accordance with the terms of this Ratification Letter (each person so ratifying this Amendment, including ourselves, being a "**Ratifying Party**") shall be deemed modified, amended and supplemented by the Amendment as if we had signed such Amendment bilaterally with each other corresponding Ratifying Party.

As between ourselves and the corresponding Ratifying Party, the agreement to make the amendments stated in the Amendment will take effect as of the date EFET, as agent, first publishes on the "EDRS" section of its website at www.efet.org (the "**Website**") a list of parties who have ratified the Amendment that lists both Ratifying Parties as having ratified the Amendment and uploads on the Website the Ratification Letters from both such Ratifying Parties to ratify the Amendment (such date, as stated on the Website, being with respect to the relevant Ratifying Parties, the "**Ratification Date**").

We acknowledge that such modification, amendment and supplementation by ratifying the Amendment in accordance with the terms of this Ratification Letter fulfils the requirement

[1] NOTE: Parties are advised that in respect of the two versions of the EFET General Agreement Concerning the Delivery and Acceptance of Natural Gas (i.e. Version 2.0(a), 2007 and Version 2.0, 2003), the intended amendment of Clause 14 (*VAT and Taxes*) is **not** suitable for Version 2.0, 2003 in its unamended form, since Clause 14 has not been amended in Version 2.0, 2003 to conform to the current version (Version 2.0(a), 2007). Parties should **not** use this Ratification Letter if they have not already updated all agreements on the terms of Version 2.0, 2003 to conform Clause 14 (*VAT and Taxes*) to that in Version 2.0(a), 2007.

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 Amendment:

(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 Amendment (such closing date, the "**Limitation Date**"). After the Limitation Date, EFET will not accept any further Ratification Letters in respect of the Amendment.

(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 Amendment and remove the published Ratification Letter from the Website, whereupon, without prejudice to any existing agreement to make the amendments set out in the Amendment 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 Amendment.

(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 Amendment 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 Amendment.

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 Amendment, a Ratifying Party may not specify additional provisions, conditions or limitations to the Amendment 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 Amendment is irrevocable.

(c) An amendment, modification or waiver in respect of the matters contemplated by the Amendment 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

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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, Legal & Compliance
Company:	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 signature and 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

Name:	Helle Østergaard Kristiansen
Title:	VP, Head of Group Finance
Company:	Danske Commodities Deutschland GmbH
Signature:	Helle Ø. Kristiansen
Date:	February 16th 2015

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Schedule

The Amendment

All terms not otherwise defined in this letter shall have the meanings given to them in the Change Letter and the Covered General Agreement.

The Council Directive 2013/43/EU, adopted on 22 July 2013, amends the EU's common VAT system by allowing Member States to implement, on an optional and temporary basis, a shift of liability for the payment of VAT ('Reverse Charge Mechanism') regarding, *inter alia*, domestic wholesale gas and electricity transactions. As a result, the domestic reverse charge mechanism is applicable to the gas and electricity suppliers established in the concerned Member State(s) based on the classification of the suppliers and their customers for wholesale electricity transactions and based on the classification of the customers for wholesale gas transactions.

In order to reflect the implementation of the Reverse Charge Mechanism by Member States, on 16 December 2013, EFET published on its Website the Change Letter reflecting amendments to § 14 (*VAT and Taxes*) of the Covered General Agreement.

In order to ensure that we continue to trade with you on standard market terms we wish to amend § 14, paragraph 1, subsection two of the Covered General Agreement to reflect the updated terms of the Change Letter.

1. The following amendments shall be made to the Covered General Agreement:

   § 14, paragraph 1, subsection two, shall be amended in line two by deleting, after the figure "39" the word "or" and replacing it by "," and by adding after the figure "195" the words " or 199a" and in line three by adding after the words "Council Directive 2006/112/EC" the words "(as amended by any subsequent Directives) and in accordance with any associated national legislation", so that the full part of this subsection now reads:

   "Where, in accordance with EU and/or national legislation, any supplies under an Individual Contract may be Zero-Rated and/or subject to the reverse charge in accordance with Article 38, 39, 195 or *199a* of Council Directive 2006/112/EC *(as amended by any subsequent Directives) and in accordance with any associated national legislation*, the following shall apply:"

2. Except as amended above, the Covered General Agreement shall remain unamended and continue in full force and effect.

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