

Mälarenergi AB's electricity trading terms for Companies

Terms valid from 9 September 2022

Start of contract, validity and scope

This Agreement (the "Agreement") is valid from the date Mälarenergi AB, corporate registration no. 556448-9150, ("Mälarenergi"), approves the Customer's order and until further notice. Credit checks may be carried out and result in the order not being accepted. The agreement covers the Customer's total energy requirements at the agreed delivery points as set out in the attached list of facilities. The supply of electricity will commence in accordance with the agreement provided that the Customer has provided complete and accurate information. The Customer is responsible for terminating contracts with any other electricity trading company. The Customer is liable for any costs relating to contracts with another electricity trading company. Mälarenergi AB is responsible for the balance of the electricity supply. The network charge from electricity network companies is not covered by this Agreement.

General terms and conditions

General Terms and Conditions for electricity sales, currently EL 2012 N (rev 2015) apply in addition to the Agreement. The terms and conditions can be read at malarenergi.se, and can be obtained through the Customer Centre. In the event of a dispute, the terms of the Agreement take precedence.

Arbitration

Disputes shall be settled finally by arbitration in accordance with the rules of the Arbitration Institute of the Stockholm Chamber of Commerce. If the disputed amount does not exceed SEK 1 million, the dispute shall be settled in accordance with the Arbitration Institute's Rules for Simplified Arbitration. Unless the parties agree on another location, the arbitration shall take place in Stockholm. Swedish law shall apply to this Agreement.

Confidentiality

The parties undertake not to disclose the contents of or information about this Agreement to third parties during the term of this Agreement.

Payment and payment terms

Payment for the delivery must be received by Mälarenergi no later than 30 days after invoicing unless otherwise agreed. Any interest on arrears is calculated at a rate 8 percentage points above the Riksbank's reference rate in force at any particular time during the period of arrears.

Statutory taxes and fees

Costs of applicable statutory taxes and other fees will be added. If, during the contract term, authorities decide on a change in the Electricity Certificate Act, changed quota obligations, levies and other tax rates, the price will be adjusted in accordance with the new decisions, including during a current commitment period. The changes will be reported on the Customer's invoice in arrears.

Information and advice

Information and advice from Mälarenergi regarding the electricity market and the choice of contract form does not mean that the Customer leaves it to Mälarenergi to decide on the choice of electricity trading agreement. Mälarenergi accepts no responsibility for the Customer's decision.

Assignment

Mälarenergi has the right to assign the Agreement to another company on unchanged terms. The Customer may not assign the Agreement to another party.

Cessation

If the Agreement expires without the Customer entering into a new electricity trading agreement, Mälarenergi's Temporary Monthly Price will apply for the continued supply of electricity.

Terms Temporary monthly price

Temporary monthly price is based on the market situation in the electricity market. The price is set monthly in arrears. A fixed monthly fee will be added. Switching to another of Mälarenergi's products can be done at any time during the current month. If the customer does not sign a new electricity trading agreement, the Temporary Monthly Price continues without an end date. Information about the current price can be found on Mälarenergi's website (www.malarenergi.se) and is announced on the Customer's invoice.

Relocation

The Customer's Agreement shall also apply in the event of relocation to a new facility, unless Mälarenergi, upon review, finds that the Agreement cannot apply to the new facility. Notification of relocation to a new facility must be made to the Customer Centre no later than one month before the moving-in date. The Customer must also report this to their electricity network company.

Deviations from agreed volume

Deviations between consumption and agreed volume are measured over 12 months. In case of deviations on the agreed 12-month volume greater than +/-5% that entail additional costs for Mälarenergi, the Customer is charged in arrears. The charge is made as follows: the difference between the sales price and the average spot price on Nordpool during the current period for the deviating consumption volume.

Change in quota obligation

Companies that manage their quota obligation themselves must notify Mälarenergi of any changes in their quota obligation.

Choice of renewable energy source

The option that supplied electricity is to be produced by a special energy source constitutes an addition to the Customer's electricity trading agreement. Mälarenergi undertakes to purchase electricity for the Customer's chosen energy type corresponding to the volume of electricity the Customer consumes. In the case of fixed-term electricity price contracts, the option and agreed price apply for the same period as the fixed electricity price contract. For other forms of contract, the price of the selected energy source is a variable price that can be adjusted monthly. The current price for the selected energy source is specified on the Customer's My Pages for all forms of contract except for fixed electricity price agreements where the cost of the selected energy source is included in the total electricity trading price.

Terms and conditions regarding Fixed electricity price agreement

The fixed electricity price consists of electricity trading price, electricity certificate fee and VAT. During the agreed binding period, the electricity price and the agreed fixed fee remain unchanged. The agreement expires at the end of the contract term without the requirement of termination and then changes to Mälarenergi's Temporary Monthly Price. Information that the Agreement expires is communicated by Mälarenergi 60-90 days before the end date of the term of the agreement.

Early termination of Fixed electricity price agreement

In case of termination of the Fixed Electricity Price Agreement, one month's mutual notice period applies and must be given at least one month before the end of the contract period. Upon the Customer's termination, this must be done in writing to the Customer Centre.

In the event of early termination, Mälarenergi is entitled to compensation under the General Terms and Conditions for the damage Mälarenergi suffers if the Customer terminates the Agreement in advance. Unless Mälarenergi can demonstrate a higher amount of damages, compensation is calculated as a variable part amounting to 15 öre/kWh for the Customer's estimated consumption during the remaining commitment period and compensation for the remaining fixed monthly charges and an administrative fee of SEK 750. VAT is not included in the compensation. Compensation is payable even when the supply of electricity under the Agreement has not commenced in the event of the Customer's early termination. The remaining part of the commitment period is calculated in whole months and the monthly consumption is then calculated as one twelfth of the annual consumption declared by the network owner. In the event of a dispute, Mälarenergi has the right to retrieve consumption data from the Customer's electricity grid company. No compensation will be charged if the termination is due solely to the Customer's definitive relocation. Relocation must be notified no later than one month before the moving date, to the Customer Centre and to the local electricity grid company.

Terms and conditions regarding Variable hourly rate agreement

The variable electricity price is based on Nord Pool Spot's hourly rates, for the current electricity area that is weighted in volume. The variable electricity price consists of Mälarenergi's purchase price (spot price, electricity certificate fee, related costs in connection with the purchase of electricity and, where applicable, the cost of origin marking) and mark-ups. In addition to the variable electricity price, there is a fixed monthly fee. The variable electricity price is invoiced monthly in arrears. If the Customer is notified of changes at least two months in advance, Mälarenergi has the right to change the mark-up, fixed monthly fee and the Terms and Conditions. It is possible to bind the price to the currently valid fixed contract price during the current contract period.

Termination of Variable Hourly Rate Agreement

One month's mutual notice of termination applies to variable hourly rate contracts. Termination shall be made in writing by the Customer to the Customer Centre unless the Customer with a variable agreement signs a fixed-term agreement with Mälarenergi, in which case the Agreement expires on the starting date of the fixed-term agreement.

Terms And Conditions Managed Electricity Fund

Managed Electricity Fund is a product that combines variable price with fixed price. The price is a mix of the volume-weighted spot price and the result of the active management of financial positions carried out by Mälarenergi AB's Krafthandel. The price is set after the end of the month and also consists of a guarantee of origin for the selected energy source and electricity certificate. In addition to the price, there is a fixed monthly fee. The agreement runs until further notice.

Termination of Managed Electricity Fund

For Managed Electricity Fund, a three calendar months mutual notice period applies. In the event of termination, and if the Customer has not signed another electricity contract with Mälarenergi AB or another electricity trading company after the notice period has expired, the Customer receives a Temporary monthly price in accordance with the applicable terms and conditions, see Terms Temporary monthly price.

In the event of early termination of the Managed Electricity Fund, Mälarenergi is entitled to compensation under the General Terms and Conditions. Unless Mälarenergi can show higher amounts of damages, compensation is calculated with remaining fixed monthly fees and an administrative fee of SEK 750. VAT is not included in the compensation. No compensation will be charged if the termination due solely to the Customer's definitive relocation. Relocation must be notified no later than one month before the moving date, to the Customer Centre and to the local electricity grid company.

Terms Procurement Contract

The Procurement Contract is based on the call-off of all or part of the consumption on Nord Pool listed futures as below. The price of the purchased future is the current selling rate converted to the current electricity area and Swedish currency + Mälarenergi's surcharge. The model for this reads: ((Sales rate Nord Pool for current futures contract + Sales price Nord Pool for current CfD contract) x current exchange rate set by Mälarenergi (future) for the intended time period) + Mälarenergi's mark-up. Call-offs can be made until the last trading day of the current future. Decisions on price hedging are made by the Customer. The price of uncalled volumes is based on the variable electricity trading price.

Early termination of Procurement Contract

In the event of early termination, Mälarenergi is entitled to compensation under the General Terms and Conditions for damage suffered by Mälarenergi in case of early termination by the Customer of the Agreement. The compensation is calculated based on the agreed mark-up and multiplied by the agreed monthly consumption for the remaining contract period. If the price hedging in electricity futures has a positive market valuation, this value belongs to Mälarenergi. In the event that the value of the electricity futures is negative, the Customer will be invoiced for an amount that covers the negative value. The remaining part of the contract period is calculated in whole months and the monthly consumption is calculated as one twelfth of the agreed annual consumption. Compensation is payable even when the supply of electricity under the Agreement has not commenced in the event of the Customer's early termination. In the event of a dispute, Mälarenergi has the right to retrieve consumption data from the Customer's electricity grid company. A commercial fee and an administrative fee of 1,200 SEK per facility will be added.

Terms Portfolio Management

Portfolio management is basically a variable agreement where the Customer can buy and sell fixed volumes in MW listed on Nasdaq Commodities futures market monthly, quarterly or annually. A settlement is then made in delivery between the price of the financial position and the variable spot price on Nord Pool Spot. The financial outcome of this settlement is compiled monthly as a result of the invoice. Decisions to buy or sell financial positions are made by the Customer, or alternatively it is agreed that trading is carried out by Mälarenergi without acceptance by the Customer of each individual transaction (discretionary management). If, upon termination of the Agreement, there are outstanding financial positions, a valuation of these is made. The financial positions are valued against the market price on Nasdaq Commodities futures market at the time of termination of the Agreement. If the date of termination of the Agreement is not the trading day on Nasdaq commodities futures market, the valuation takes place on the nearest trading day before the termination of the Agreement. The market value of the financial positions is settled on the next invoice. Settlement can also take place with a tripartite agreement where the Customer, Mälarenergi and the new electricity trading company agree on the transfer of existing financial positions to the new electricity trading company.

Early termination of Portfolio Management Agreement

In the event of early termination, Mälarenergi is entitled to compensation under the General Terms and Conditions for damage suffered by Mälarenergi in case of early termination by the Customer of the Agreement. The compensation is calculated based on the agreed mark-up and multiplied by the agreed monthly consumption for the remaining contract period. If the price hedging in electricity futures has a positive market valuation, this value belongs to Mälarenergi. In the event that the value of the electricity futures is negative, the Customer will be invoiced for an amount that covers the negative value. The remaining part of the contract period is calculated in whole months and the monthly consumption is calculated as one twelfth of the agreed annual consumption. Compensation is payable even when the supply of electricity under the Agreement has not commenced in the event of the Customer's early termination. In the event of a dispute, Mälarenergi has the right to retrieve consumption data from the Customer's electricity grid company. A commercial fee and an administrative fee of 1,200 SEK per facility will be added.