General Booking Terms

of MND Gas Storage a.s. (hereafter referred to as **"Storage Operator"**)

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I. Auction - Process and Termination

All applicants interested in participating in an auction are required to register in the auction system (https://mnd-es.proebiz.io/ – hereinafter referred to as the **"Auction System"**), to log in to the relevant auction (send request) and to comply with all auction terms and conditions set out in the Gas Storage Operator Code (hereinafter referred to as the **"Code"**), in these General Booking Terms (hereinafter referred to as **"these terms"**) and also, where applicable, in the Terms of a specific auction (hereinafter referred to as the **"Auction Terms"**). Subsequently, the Storage Operator will send confirmation of compliance with the Auction Terms (participation authorization) to the applicant, whereby the applicant becomes an active applicant authorized to participate in the respective auction.

Registration for the relevant auction (submission of an application to participate in the auction) must be completed no later than half an hour before the scheduled start of the auction, unless otherwise specified in the Auction Terms. Late registration may result in exclusion from participation in the auction.

Auction Terms may be (designation of auction conditions):

- Complete (regulating all conditions in accordance with market rules); or
- Framework (numbered, governing other conditions according to market rules and published well in advance) and related Supplementary auction conditions (numbered, referring to the framework auction conditions and governing additional conditions according to market rules to the referenced framework auction conditions).

The Auction Terms generally include, but are not limited to, the following information regarding the specific auction being announced, namely the:

- designation of Auction Terms (Complete, Framework with a numerical identifier, Supplementary with numerical identifier;
- auction mode (standard, standard with gas lease, option, option with gas lease);
- type of auction (capacity auction, rolling capacity auction, ERMMA, capacity ERMMA);
- final deadline (date and time) for submitting a participation request;
- start date and time of the auction
- initial (starting) price (for storage or option premium); or the method of its determination;
- price step (the increase of storage price or option premium price) between auction rounds in case of capacity auctions;
- amount of financial security (if not specified, it is deemed to be zero);
- penalty and/or financial compensation for the successful active applicant's failure to sign a storage contract / cancellation of reservation (if not specified, it is deemed to be zero);
- method of calculating fees for storage related services (fixed model, tariff model, or other method – if not specified, a fixed amount of CZK 0.00 applies);
- specification as to the storage user's obligation to provide technological gas (gas in kind – if "yes", it is provided by the storage user, otherwise by the storage operator) – if stated, it is only indicative, the amount stated in the price list is binding;
- size of the storage capacity (working gas volume, injection output and/or withdrawal output) or the method of defining the size of the storage capacity;
- minimum reserved storage capacity or the method of its determination (if not specified, it is deemed to be zero);
- kind of storage capacity - working gas volume and outputs (fixed, interruptible – this is fixed storage capacity, unless specified otherwise);
- type of storage capacity (monthly, annual, daily, unused);
- type of outputs (subject-to-curve or flat; if not specified, the output is taken to be subject-to-curve specified in the Code, Annex 2, curve type B);
- minimum and maximum storage capacity booking periods (the storage period is fixed, unless stated otherwise);
- size of additional storage capacity that can be activated;

- auction round time (equals 10 minutes, unless specified);
- auction round extension time for ERMMA and capacity ERMMA (equals two minutes, unless specified);
- interval between auction rounds (pause) in capacity auctions (equals one minute, unless specified);
- other particulars in accordance with the Market Rules.

The request to book storage capacity for the storage period in question shall be made by the active applicant in the auction round in the form of an integer (whole number) expressing the size and/or amount requested in the specified units in which the auction was announced. Within a single auction, the Storage Operator may offer storage capacity for several storage periods, consisting of one or more storage days, months, years and/or parts thereof; in such cases, requests for storage capacity bookings must be submitted separately for each storage period (the request may have a different value for each storage period).

Successful active applicants will receive confirmation of their storage capacity reservation without undue delay after the auction ends, no later than the following business day.

The auction may not be attended by an applicant in cases specified in the Code or provided for in applicable legal regulations nor by an applicant in debt and subject to insolvency proceedings under Act No. 182/2006 Coll., the Insolvency Act, or in default of any payment due to the Storage Operator, unless the Storage Operator decides otherwise.

The Storage Operator may cancel the auction at any time by promptly notifying the individual applicants and posting its decision, including the underlying reasons, on the Storage Operator's website.

The Storage Operator offers both available and unused storage capacity in below defined types of auctions, listed under letters a. – d. The Storage Operator announces the following modes of auctions:

- Standard, i.e. storage capacity without gas lease;
- Standard with gas lease;
- Option, i.e. storage capacity without gas lease;
- Option with gas lease (unless otherwise stated, the information provided below for the option also applies to the option with gas lease).

In the case of Options, successful active applicants, having signed the relevant gas storage contract and paid an option premium, will be allowed to decline a portion or the entire storage capacity booked (as per the Option terms under the relevant storage contract). Option auctions may be announced with either a fixed price for the gas storage service or a fixed option premium, provided that:

- the price for the gas storage service with respect to fixed-price Options is fixed and specified in the Auction Terms; all active applicants will submit their requests in the manner specified for the respective auction type, where the resulting auction price defines the amount of the option premium;
- the option premium with respect to fixed-premium Options is fixed and specified in the Auction Terms; all active applicants then submit their request in the auction in the standard manner established for the given type of auction, where the resulting auction price defines the price for the gas storage service.

Types of auctions and their specific conditions:

a. Capacity Auction

A capacity auction is a multi-round auction where active applicants submit their requests for storage capacity bookings in the respective auction round in the units specified in the Auction Terms.

The Storage Operator may specify the size of any additional storage capacity to be activated in the Auction Terms. The Storage Operator will decide on the activation of any additional storage capacity based on the auction process. Additional storage capacity, or part thereof, may be activated at any time during the interval between auction rounds if the storage capacity currently in demand is higher than the capacity offered, but only up to the difference between the storage capacity demanded and the storage capacity offered. The activation of additional storage capacity will be effective as of the start of the next auction round.

The Storage Operator may set a minimum booked storage capacity in the Auction Terms. If the aggregate storage capacity requested in the first round is less than the minimum booked storage capacity, the Storage Operator will call off the auction without any storage capacity being booked. Unless the Auction Terms specify a minimum booked storage capacity, it is assumed to be zero.

In each round, auction participants may submit an integer request to book storage capacity up to the sum of the offered storage capacity and of any additional storage capacity (including capacity not yet activated). Submitted requests for storage capacity booking may be modified during each auction round. In cases where the sum of all storage capacity booking requests for at least one storage period exceeds the offered storage capacity at the end of the auction round, another auction round will follow, wherein the price for the gas storage service (or the Option premium for a fixed price storage Option) per unit of storage capacity will be automatically increased by the price step value defined in the Auction Terms. In order to avoid doubt, if only one active applicant submits a storage capacity booking request which is greater than or equal to the offered storage capacity, the auction will be closed and the active applicant will have booked the offered storage capacity in its entirety (excluding any additional capacity not activated).

Active applicants are entitled to submit a request to shorten the auction round by clicking on the relevant button, thereby confirming their intention not to modify their storage capacity booking request in the round in progress. In the event that all authorized active applicants within one round submit a request for the auction round reduction, the Storage Operator may choose to close the auction round early.

After each auction round, the system evaluates the status of each storage period offered. If the sum of the storage capacity booking requests for a given storage period exceeds 100% of the offered storage capacity in the closed auction round, a break will follow, and for that storage period another auction round is then held. Active applicants may submit a storage capacity booking request in the next auction round in any amount, e.g. even higher than their storage capacity booking request submitted in the previous auction round. The submission of storage capacity booking requests in subsequent rounds is conditional on submitting any storage capacity booking request in the current round on the understanding that a zero-value request is also regarded as a storage capacity booking request. **In the absence of any storage capacity booking request in the current auction round, the active applicants concerned may no longer submit storage capacity booking requests for the same storage period in any subsequent auction round, i.e. they no longer qualify as active applicants in relation to the storage period in question.**

If the sum of the storage capacity booking requests for a storage period is less than or equal to the storage capacity offered at the close of the auction round, the auction for that storage period will close. The entire auction closes once the auction for the last storage period offered has ended.

The auction will be closed with no bid selected unless any non-zero storage capacity booking request is submitted in the first round.

Once an auction is closed, other than by cancellation or "without having selected the most advantageous bid", the auction will be evaluated by the Storage Operator in accordance with these rules, (hereinafter referred to as a "**Successful Auction**"):

a) If the auction is terminated in the first round, the Storage Operator will book the storage capacity for all active applicants that have submitted a non-zero request for storage capacity booking in an amount equal to their storage capacity booking requests.
b) If the auction continues after the first round, then:
    a. In cases where the sum of all active applicants' requests for storage capacity booking in the last auction round was equal to the value of the total storage capacity offered, the Storage Operator

will book the storage capacity for all active applicants that have submitted a non-zero request for storage capacity booking in the last auction round in an amount equal to their storage capacity booking requests.

b. Where the sum of all active applicants' requests for storage capacity booking in the last auction round was lower than the total storage capacity offered, the Storage Operator will book:

   i. the storage capacity for all active applicants that have submitted a non-zero request for storage capacity booking in the last auction round in an amount equal to their storage capacity booking requests, and

   ii. the unallocated portion of the storage capacity offered in the last auction round pro rata to all active applicants that have submitted a non-zero request for storage capacity booking in the penultimate auction round based on the amount of their storage capacity booking requests in the penultimate round on the understanding that their storage capacity booking requests from the penultimate round are to be reduced by their storage capacity booking request from the last round, but not below zero.

c) In the event that an active applicant had been allocated a lower amount of storage capacity (working gas volume) than the total offered, the applicant will be also allocated the offered withdrawal/injection outputs in proportion of the booked working gas volume to the total working gas volume offered.

d) The calculated booked storage capacity will always be rounded to a whole number, and when allocating the offered storage capacity among several active applicants, the rounding procedure will be such that the storage capacity to which several active applicants are partially entitled will be booked to an active applicant having mathematically the strongest claim to it (the value of the remainder of the applicant's entitlement to book the available storage capacity being the highest). In the event of a matching entitlement, the capacity will be booked based on a time stamp order to the active applicant that was first to submit its last storage capacity booking request to the auction system. Furthermore, the auction evaluation will never result in the allocation of more storage capacity than the sum of the additional storage capacity offered in the auction and the additional storage capacity activated, if any.

The resulting price per unit of storage capacity is mathematically rounded to two decimal places and is determined as:

a) the value of the starting (initial) price if the Successful Auction was closed in the first round;

b) the weighted average of the prices from the last and the penultimate auction rounds, where the weights represent the amount of storage capacity booked in the last and the penultimate auction rounds, provided that the active applicant has also booked storage capacity based on a storage capacity booking request in both the penultimate and last auction rounds;

c) the value of the auction price in the relevant auction round in which the storage capacity has been booked for the active applicant provided that the storage capacity is booked for the active applicant only on the basis of a storage capacity booking request submitted in one auction round.

The price for the gas storage service will be calculated as the multiple of the resulting price per unit of storage capacity and the size of the booked storage capacity.

b. Rolling Capacity Auction

This is a capacity auction with the following deviations:

a) At least two storage periods are always offered;

b) In each round, the auction participant may submit a request for storage capacity reservation as a whole number, up to the sum of the offered storage capacity and any additional storage capacity (even if not yet activated). **However, the requested reservation for the second and each subsequent storage period must** not exceed the reservation request submitted for the preceding storage period.

c. ERMMA

ERMMA (a reverse multi-item multi-criteria auction) is a type of single-round auction where active applicants/bidders submit their requests/bids by offering a price for the gas storage service (or Option premium for a fixed-price storage Option) per unit and storage period as specified in the Auction Terms. The storage service is then booked in its entirety (**"winner-takes-all"**) to an active applicant/bidder offering the best price.

At the start of the auction, all active applicants/bidders will be shown the starting (initial) price. Active applicants/bidders submit their storage capacity booking requests/bids **against the current best price in the auction** (raising it). The first active applicant/bidder to request a storage capacity booking in the auction may submit a bid at the starting (initial) price or raise the price, in either case by submitting a storage capacity booking request in the form of an integer (if the price is set in EUR, it should be to 2 decimal places) representing the offered price for the gas storage service (or an Option premium for a fixed-price storage Option). All active applicants will then be shown the current highest bid, i.e. the current best price (Option premium) in the auction, and any active applicant can further submit their request for storage capacity booking by placing a higher bid than the current best price. During the auction, there is no limit as to the number of storage capacity booking requests submitted by any one active applicant. Each storage capacity booking request will be regarded as a request for the entire amount of storage capacity offered in the auction for the entire storage period offered.

The duration and/or extension of each auction round will be specified in the Auction Terms. The extension occurs in the event of a new storage capacity booking request being submitted during the extension period so established for the remainder of the auction round, so that the auction round does not close before the end of the period so established. The auction ends on the expiry of the stipulated time and/or the extended auction round duration.

The active applicant whose storage capacity booking request represents the current best price in the auction at the time the auction closes will be allocated/booked the full amount of storage capacity offered in the auction for the entire storage period offered. The value of this storage capacity booking request constitutes the price for the gas storage service (or Option premium for a fixed price storage Option) per unit as specified in the Auction Terms. The price for the gas storage service (or the total amount of the Option premium for a fixed-price storage Option) will be calculated as the multiple of this value and the number of units in the storage service offered.

Termination of the auction with no winning request/bid selected occurs if no storage capacity booking request is submitted during the auction round.

No additional storage capacity is offered in this type of auction.

d. Capacity ERMMA

Capacity ERMMA is a type of single-round auction based on ERMMA principles where the active applicant/bidder **submits** a storage capacity booking request by **offering a price for the gas storage service (or Option premium for a fixed-price storage Option)** per unit and storage period as specified in the Auction Terms, **as well as the required amount of storage capacity.** The system compares the price offered by the active applicant with the prices of the other active applicants and, based on the ranking, decides as to whether to allocate (i.e. book after the auction) the requested capacity, or a portion thereof, to the active applicant, gradually until the offered storage capacity is exhausted.

The Storage Operator may set a minimum booked storage capacity in the Auction Terms. Unless the Auction Terms specify a minimum booked storage capacity, it is assumed to be zero.

At the start of the auction, all active applicants/bidders will be shown the starting (initial) price. Each active applicant/bidder may submit a request/bid at the starting (initial) price or raise the price, in either case by submitting a booking request in the form of an integer (if the price is set in EUR, it should be to 2 decimal place) representing the offered price for the gas storage service (or an Option premium for a fixed-price storage Option) and, at the same time, in the form of an integer as a storage capacity request in units specified in the Auction Terms. In this type of auction, active applicants/bidders submit their subsequent storage capacity booking requests by **raising the price relative to their last submitted price** (biding up the price). During the auction, all active applicants/bidders may submit any number of storage capacity booking requests, essentially bidding up the price (in the event of a tie, the earliest submitted request/bid is the best ranked), while the quantity of storage capacity may be modified at will; the price change and the quantity requested shall always be submitted simultaneously. Throughout the auction, all active applicants/bidders are informed as to the amount of storage capacity currently allocated to them based on the offered bid and the auction process. In cases where an active applicant/bidder is not allocated the full (or any) amount of storage capacity requested, information will be available to indicate the price to be surpassed in order to have the full amount of the requested storage capacity booked.

The duration and/or extension of each auction round will be specified in the Auction Terms. The extension occurs in the event of a new storage capacity booking request being submitted during the extension period so established for the remainder of the auction round, so that the auction round does not close before the end of the period so established. The auction ends on the expiry of the stipulated time and/or the extended auction round duration; the last requests/bids submitted by active applicants/bidders with allocated storage capacity constitute the winning requests/bids.

In the event that an active applicant has been allocated a lower amount of storage capacity (working gas volume) than the total offered, the applicant will also be allocated the offered maximum withdrawal/injection outputs in proportion of the booked working gas volume to the total working gas volume offered.

An active applicant whose storage capacity booking request has been identified as winning at the time the auction closes will be awarded/booked the allocated storage capacity for the storage period. The value of this storage capacity booking request constitutes the price for the gas storage service (or Option premium for a fixed price storage Option) per unit as specified in the Auction Terms. The price for the gas storage service (or the total amount of the Option premium for a fixed-price storage Option) will be calculated as the multiple of this value per unit and the size of the booked storage capacity.

An auction will close without any winning bid selected if no non-zero storage capacity booking request is submitted by the time the auction closes and/or if a minimum booked storage capacity has been set and the aggregate requested storage capacity booking at the time the auction closes is less than the minimum booked storage capacity.

No additional storage capacity is offered in this type of auction.

II. Direct sale – Process and Termination

An applicant wishing to participate in a direct sale must meet all conditions for participation as set out in the Code, in these terms, and, where applicable, in the booking terms of the Applicant's Offer Price or the Storage Operator's Offer Price (hereinafter also referred to as "**direct sale terms**"), or in the booking terms for daily products (as defined in Section A.1(1)(z) of the Code, i.e. for daily capacity reserved via the nomination portal).

Direct sale terms (designation of direct sale terms) may be:

- **Complete** (governing all conditions in accordance with market rules); or
- **Framework** (numbered and published in advance, governing other conditions in accordance with market rules) and related **Supplementary** Direct Sale Terms (numbered, refer to the framework terms, and define

additional conditions under market rules applicable to the referenced framework terms).

Participation in a direct sale is excluded for any applicant who, within the past 12 months, became a successful active applicant (i.e. was allocated storage capacity) but subsequently failed to conclude a gas storage agreement with the Storage Operator. An applicant may request an exemption from this rule. The request must be submitted in writing and include a detailed explanation. The Storage Operator informs all applicants that no entitlement to exemption exists, and the assessment of such exemption by the Storage Operator is not subject to any deadlines.

Participation in a direct sale is prohibited for any applicant in cases specified in the Code and/or applicable legal regulations. This also applies to any applicant who, as a debtor, is subject to insolvency proceedings under Act No. 182/2006 Coll., the Insolvency Act, or who is in default on any payment owed to the Storage Operator – unless the Storage Operator allows for an exception.

By fulfilling all conditions for participation in the direct sale, the applicant is deemed registered and becomes an active applicant, thereby eligible to participate in the direct sale. The Storage Operator informs the applicant that no automatic confirmation of compliance with the conditions for participation in the direct sale will be issued in advance. Verification of compliance is the sole responsibility of the applicant.

A direct sale may be canceled at any time prior to its scheduled start date, and in the case of daily storage capacity, at any time. Regardless of the final deadline for submitting a reservation request, the direct sale may be terminated early, at any time. However, in the case of an Applicant's Offer Price and/or a Storage Operator's Offer Price based on the PRO RATA rule, termination may take effect no earlier than the end of the current evaluation period.

a. Direct Sale of Monthly/Annual Storage Capacity – Common Conditions

In cases of direct sale of monthly or annual storage capacity, the applicant is required to submit a completed KYC form to the Storage Operator in hard copy sufficiently in advance, in accordance with Section C.2(2)(b) of the Code.

Reservation requests and all related communication must be sent exclusively from the email address specified for such purposes in the applicant's most recent KYC, and addressed to the Storage Operator's email listed in the applicable booking terms, as defined in Section B.1(5)(b) of the Code. If no contact email address is specified in the relevant booking terms, the designated address shall be understood to be: auction@mnd-es.cz.

Reservation requests may be submitted at any time during the direct sale period (including nighttime hours, weekends, and public holidays); however, evaluation is carried out only during the timeframes specified for each mode of direct sale. The decisive factor for submission is the delivery of the reservation request to the Storage Operator's contact email address. Verification of submission may be requested by phone during business days between 9:00 a.m. and 3:00 p.m.

Each reservation request must include at least the following:

- Precise identification of the active applicant;
- Designation of the direct sale;
- Requested quantity, including units;

Following evaluation of the reservation request, the Storage Operator shall inform the applicant as to whether the request has been accepted by replying to the received email. If the Storage Operator determines upon evaluation that the reservation request does not meet the established conditions, the request will not be accepted. The Storage Operator will invite the applicant to correct any deficiencies, which may only be done by submitting a new reservation request that complies with the established conditions. It is not possible to rectify deficiencies in an already submitted request.

Submitted reservation requests may be corrected by the applicant during the course of the direct sale. However, if it is not entirely clear from the submitted request that it constitutes a correction and/or to what extent and in what manner the correction is to be made, the request shall be deemed a new reservation request.

The direct sale terms generally include, but are not limited to, the following information related to the specific direct sale being announced:

- designation of the direct sale terms (Complete, Framework with a numerical identifier, Supplementary with a numerical identifier);
- Mode of direct sale (standard, standard with gas lease, option, option with gas lease);
- Type of direct sale (Applicant's Offer Price; Storage Operator's Offer Price based on the First Come First Served (FCFS) rule; Storage Operator's Offer Price based on the proportional allocation rule (PRO RATA));
- start date and time of the direct sale;
- final deadline (date and time) for submitting a participation request;
- fixed storage price or option premium in the case of the Storage Operator's Offer Price, or the method of its determination;
- initial (starting) price (for storage or option premium) in the case of the Applicant's Offer Price, or the method of its determination;
- amount of financial security (if not specified, it is deemed to be zero);
- penalty for failure of a successful active applicant to conclude a gas storage agreement (if not specified, it is deemed to be zero);
- method of calculating fees for storage related services (fixed model, tariff model, or other method – if not specified, a fixed amount of CZK 0.00 applies);
- whether the Storage User is required to provide gas for technological purposes (gas in kind – if "yes," the Storage User provides it; otherwise, it is provided by the Storage Operator). If a gas in kind quantity is indicated, it is for reference only; the binding value is stated in the price list;
- size of the storage capacity (working gas volume, injection output, and/or withdrawal output), or the method of its determination;
- minimum reserved storage capacity or the method of its determination (if not specified, it is deemed to be zero);
- maximum reserved storage capacity or the method of its determination (if not specified, it is limited only by the size of the offered storage capacity);
- kind of storage capacity – working gas volume and rates (fixed or interruptible; if not otherwise specified, the capacity is taken to be fixed);
- type of storage capacity (monthly, annual, daily, unused);
- type of outputs (subject-to-curve or flat; if not specified, the output is taken to be subject-to-curve);
- minimum and maximum length of the storage period / duration of storage (if not specified, the storage period is taken to be fixed);
- other particulars in accordance with the Market Rules.

The Storage Operator offers monthly and/or annual storage capacity via direct sale, using one of the following pricing models: Applicant's Offer Price, Storage Operator's Offer Price based on the First Come First Served (FCFS) rule, Storage Operator's Offer Price based on the proportional allocation rule (PRO RATA). The Storage Operator announces the following types of direct sale:

- **Standard**, i.e. for storage capacity without gas lease;
- **Standard with gas lease;**
- **Option**, i.e. for storage capacity without gas lease;

- **Option with gas lease** (unless otherwise stated, all provisions applicable to the option also apply to the option with gas lease).

In the case of Options, successful active applicants, having signed the relevant gas storage contract and paid an **option premium**, will be allowed to decline a portion or the entire storage capacity booked (as per the Option terms under the relevant storage contract). A direct sale using the Applicant's Offer Price for an option may be announced either with a fixed storage price or with a fixed option premium, provided that:

- the storage price with respect to a fixed storage price option is fixed and stated in the direct sale terms. The active applicant submits their request in accordance with the procedure defined for the Applicant's Offer Price, and the resulting price in the direct sale determines the amount of the option premium;
- the option premium with respect to a fixed-price option premium is fixed and stated in the direct sale terms. The active applicant submits their request in accordance with the procedure defined for the Applicant's Offer Price, and the resulting price in the direct sale determines the storage price.

The following supplementary conditions apply to the individual types of direct sale:

b. The Applicant's Offer Price for Direct Sales of Monthly/Annual Storage Capacity – Supplementary Conditions

The active applicant shall submit a reservation request for the relevant storage period in the form of a whole number representing the requested quantity and price in the units specified for the announced direct sale. If the price is stated in EUR, it must be entered with a precision of two decimal places. Within a single direct sale, the Storage Operator may offer storage capacity for multiple storage periods, which may consist of one or more storage days, months, years, and/or their parts. In such cases, reservation requests must be submitted separately for each storage period (the requested value may differ for each period).

Reservation requests are evaluated in the manner and according to the criteria specified in the direct sale terms, promptly after the deadline for submitting reservation requests – unless a different evaluation period is defined – and during business hours from 9:00 a.m. to 3:00 p.m. Key evaluation criteria may include:

a) Offered price per unit of storage capacity;
b) Total price across all storage periods;
c) Average price per unit of storage capacity;
d) Another evaluation method (as defined in the direct sale terms).

Unless otherwise stated in the direct sale terms, successful active applicants will receive confirmation of reservation without undue delay, no later than by the end of the business day following the conclusion of the direct sale.

c. Storage Operator's Offer Price Based on the FCFS Rule for Direct Sale of Monthly/Annual Storage Capacity – Supplementary Conditions

The active applicant will submit a reservation request for the relevant storage period in the form of a whole number representing the requested storage capacity in the units specified for the announced direct sale. Within a single direct sale, the Storage Operator may offer storage capacity for multiple storage periods, which may consist of one or more storage days, months, years, and/or their parts. In such cases, reservation requests must be submitted separately for each storage period (the requested value may differ for each period).

If a reservation request exceeds the currently available storage capacity, it will be deemed submitted for the amount of storage capacity available at that time.

Any correction to a submitted request must be made without delay, no later than 15 minutes after receipt of the request being corrected. The Storage Operator must also be informed of the correction by phone within this time frame. If the correction is made outside business days or during business days between 3:00 p.m. and 9:00 a.m., the corrected request must also be sent in copy to the Storage Operator's email address: dispatching@mnd-es.cz. If any of the conditions stated in this paragraph are violated, the correction will not be taken into account.

Reservation requests are evaluated based on their timestamp, promptly upon receipt, typically in hourly intervals between 9:00 a.m. and 3:00 p.m. on business days. Successful active applicants will receive confirmation of reservation without undue delay following evaluation.

d. Storage Operator's Offer Price Based on the PRO RATA Rule for Direct Sale of Monthly/Annual Storage Capacity – Supplementary Conditions

The active applicant will submit a reservation request for the relevant storage period in the form of a whole number representing the requested storage capacity in the units specified for the announced direct sale. Within a single direct sale, the Storage Operator may offer storage capacity for multiple storage periods, which may consist of one or more storage days, months, years, and/or their parts. In such cases, reservation requests must be submitted separately for each storage period (the requested value may differ for each period).

Reservation requests are evaluated promptly after the deadline for submission – unless a different evaluation period is specified – and during business hours from 9:00 a.m. to 3:00 p.m., in accordance with the PRO RATA rule as follows:

- If the total requested storage capacity across all reservation requests for the relevant storage period is less than or equal to the total offered storage capacity for that period, each applicant shall be allocated the full amount requested;
- If the total requested storage capacity across all reservation requests for the relevant storage period exceeds the total offered capacity, each applicant shall be allocated a proportion of the total offered storage capacity corresponding to their share of the total requested capacity (i.e. the ratio of their request to the sum of all requests).

Unless otherwise stated in the direct sale terms, successful active applicants will receive confirmation of reservation without undue delay, no later than by the end of the business day following the conclusion of the direct sale.

e. Direct Sale of Daily Storage Capacity

Reservation of daily storage capacity is typically carried out via the Storage Operator's Offer Price in the Nomination Portal. This form of reservation is available only to applicants who are Storage Users – that is, those who have concluded a gas storage contract and/or a framework contract with the Storage Operator (see Section B.1 of the Code for details). To participate in this form of direct sale, the applicant must have access to the Nomination Portal (see Section B.4 of the Code for details).

Reservation requests may be submitted at any time during the direct sale period (including nighttime hours, weekends, and public holidays). Unless otherwise specified in the Daily Product Booking Terms, the following applies:

- The start of the direct sale is the beginning of the gas day indicated as the issuance date of the Daily Product Booking Terms;
- The final deadline for submitting a reservation request is "until revoked";
- The mode of direct sale is standard (without gas lease or option);
- The fixed storage price is listed in the Nomination Portal and/or the price list;
- The offered storage capacity is published continuously via the Storage Operator's website and/or listed in the Nomination Portal;
- The minimum reserved storage capacity is listed in the Nomination Portal as a unit;

- The maximum reserved storage capacity is limited only by the size of the offered storage capacity;
- The method of calculating fees for gas storage activities is specified in the price list and/or in the agreement under which the applicant accesses the Nomination Portal;
- The Storage User is required to provide gas for technological purposes (gas in kind);
- The type of storage capacity, working gas volume and rates (fixed or interruptible; unless otherwise stated, the capacity is taken to be fixed), is listed in the Nomination Portal or in the relevant general contract;
- The type of outputs is flat;
- The minimum storage period is one gas day; the maximum period is not defined unless otherwise stated in the Nomination Portal or relevant framework contract;
- Reservation requests are evaluated automatically in the order of their timestamp (FCFS) in the Nomination Portal.

The Daily Product Booking Terms, which govern the direct sale of daily storage capacity via the Nomination Portal, are published on the Storage Operator's website.

The Storage Operator may also offer direct sale of daily storage capacity using the same method as for monthly/annual storage capacity, that is, outside the Nomination Portal. In such cases, the rules applicable to the direct sale of monthly/annual storage capacity will apply to the direct sale of daily capacity accordingly.

III. Secure Electronic Communication and Alternative Communication in the Auction

The auction is conducted in the Storage Operator's online application, i.e. the auction system, available at https://mnd-es.proebiz.io/ via a secure web interface.

In the event of a failure of the Auction System, the Storage Operator will duly notify all active applicants (via e-mail, Auction System chat, notification on the Storage Operator's website, etc.). The auction will be suspended for the duration of the failure, resuming from the start, i.e. the first round, if the Auction System is restored within a reasonable time. If the Auction System fails for an extended period of time, the auction will be canceled. The Storage Operator will duly notify all active applicants of the continuation or cancellation of the auction (via e-mail, Auction System chat, notification on the Storage Operator's website, etc.).

In the event of a failure of an active applicant's electronic communication during the auction, an alternative method of communication may be used by sending an email message to auction@mnd-es.cz, as well as by notifying the Storage Operator via phone of any submitted storage capacity booking requests, ensuring that the email message for each type of auction includes the following details:

a. Capacity Auction and Rolling Capacity Auction:

- accurate identification of the active applicant;
- name of the auction and identification of the auction round associated with the submitted request;
- size of the storage capacity request for each storage period consistent with the Auction Terms;

b. ERMMA:

- accurate identification of the active applicant;
- auction identification;
- price for the gas storage service offered (or the Option premium offered for a fixed-price storage Option) for each storage period in compliance with the Auction Terms;

c. Capacity ERMMA

- accurate identification of the active applicant;
- auction identification;
- size of the storage capacity booking request as well as the price for the gas storage service offered (or the Option premium offered for a fixed-price storage Option) for each storage period in compliance with the Auction Terms.

IV. Financial Terms and Security

All prices and fees are exclusive of VAT to be applied in accordance with applicable legislation. Unless otherwise specified in the Booking Terms, all prices applicable for each storage period will be the same per unit of storage capacity offered for the storage period in question.

The starting (initial) price per unit of storage capacity may be adjusted in accordance with Market Rules.

The amount of financial security is specified in the Booking Terms. Unless otherwise stated, this is a fixed financial security. Financial security may be null.

- Regarding the fixed financial security, applicants may submit a request for 100% of the offered storage capacity provided that a financial security of the required amount or more has been provided. Applicants failing to meet this requirement will be excluded from the auction/direct sale. Activation of additional storage capacity will not affect the right of active applicants that have duly provided the financial security to apply for such additional storage capacity if the financial security is provided at or above the required level.
- As regards flexible financial security, not permitted with respect to ERMMA or capacity ERMMA, the maximum amount of financial security required will be specified in the Booking Terms and corresponds to a request for 100% of the offered storage capacity. Applicants providing a lower financial security in capacity auctions will be able to submit requests for the corresponding proportional portion of the offered storage capacity (e.g. a submission of 50% of the maximum financial security corresponds to a request for a maximum of 50% of the offered storage capacity). However, if additional storage capacity is activated, active applicants that have provided less than 100% of the financial security will not be permitted to apply for this additional storage capacity, nor will their maximum storage capacity request be increased in any way.

The financial security may be provided:

- by submitting an original unconditional and irrevocable bank guarantee meeting the conditions set out in Annex 1 to the Code, in the amount of the required financial security and valid for at least 30 days from the auction/direct sale start date;
- in CZK: by making a cash deposit via bank transfer to the Storage Operator's account number: 1000535202/3500, IBAN CZ52 3500 0000 0010 0053 5202, SWIFT INGBCZPP, including the applicant's ID No. as the variable symbol (natural persons without an ID number provide the applicant's day, month and year of birth);
- in EUR: by making a cash deposit via bank transfer to the Storage Operator's account number: 1330535205/3500, IBAN CZ58 3500 0000 0013 3053 5205, SWIFT INGBCZPP, including the applicant's ID No. as the variable symbol (natural persons without an ID number provide the applicant's day, month and year of birth); Unless the Booking Terms specify the amount of financial security in EUR, the exchange rate published by the Czech National Bank on the first business day of the month in which the financial security was credited to the Storage Operator's bank account will be used as the exchange rate for the conversion of EUR to CZK.

The funds must be credited to one of the bank accounts indicated above no later than 1 hour before the auction/direct sale starts. Delivery of the related documents (where financial security is in the form of an irrevocable bank guarantee) must take place on a working day and at the same time no later than 24 hours before the auction/direct sale starts. Under specific circumstances, the Storage Operator may waive this requirement, if the applicant for participation in the auction/direct sale submits documents confirming submission of the payment (e.g. payment confirmation, SWIFT Payment Confirmation, etc.) by the deadline.

The deposited financial security will be returned to the account from which it was submitted in accordance with Market Rules.

Upon the applicant's request, the Storage Operator will retain the financial security in its account to enable the applicant's participation in subsequent auctions / direct sales.

By submitting a financial security in the form of a cash deposit, the applicant agrees that the amount deposited will not bear any interest and that the Storage Operator will be entitled to off set the financial security, or part thereof, against its claims related to any penalty imposed on the applicant for failing to sign a storage contract or against any other claim it may have against the applicant.

V. Storage Operator Contact Numbers

The Storage Operator’s contact numbers for the purposes of these terms – particularly those related to direct sale – are as follows:

- On business days between 9:00 a.m. and 3:00 p.m.: tel. +420 518 315 363 or +420 775 875 907
- Outside of these hours: tel.: +420 775 875 907

VI. Other Provisions

Unless otherwise specified in the Booking Terms, all times are indicated in CE(S)T.

In cases where the applicant is to participate in the role of a customer, i.e. a person purchasing gas for their own end use at the point of consumption, the Storage Operator must be notified no later than 2 business days prior to the auction / direct sale start.

These terms and Booking Terms are fully in compliance with the applicable and effective mandatory legal regulations, in particular Market Rules and the Code.

If the Storage Operator releases more than one language version of these terms, Booking Terms and/or the Sample Contract, the Czech version shall always prevail. All foreign language versions are for reference only.

Any other matters relating to the auction and/or direct sale not covered by these terms, the Booking Terms or the Code shall be governed by applicable legal provisions, in particular the Market Rules.

In the Auction System, the starting price is indicated as the initial price.

In the event of a conflict between these terms and the Booking Terms, the Booking Terms shall take precedence.