

## **Termsheet**

Subject	Terms and conditions for a Heat Supply Agreement ( <b>HSA</b> ).
Parties	<b>Seller:</b> [seller] <b>Buyer:</b> Vattenfall Warmte N.V.
Term	15 years as of [date]. Duration at least equal to SDE++ period. Parties intend to enter into good faith discussions on a successor HSA no later than 5 years prior to the expiration of the term.
Heat Supply	<b>Heat Supply</b> means the supply of heat from the geothermal source by Seller to Buyer at the heat delivery point and the supply of return water by Buyer to Seller at the heat delivery point.
Seller responsibilities	Seller is responsible for the realization of the geothermal source and associated piping and installation components (together: Geothermal Source) to produce and deliver the geothermal heat to Buyer.  Seller is responsible for the safe and efficient operation of the <b>Geothermal Source</b> - and other installations and pipelines under its management.
Buyer responsibilities	Buyer is responsible for upgrading the geothermal heat by means of a heat pump installation and feeding it into the existing heat grid.  Buyer is responsible for the safe and efficient operation of the heat pump installation - and other related installations and pipelines under its management.
Heat Delivery Point	The <b>Heat Delivery Point</b> is located immediately after the valves as shown in [the drawing].
Heat	Buyer contracts a thermal capacity of [#capacity] MWth for approximately [#hours] full load hours per year, consisting of heat that complies with Buyer's requirements (forming part of the HSA).  [if applicable: Seller is making the best possible effort to increase the capacity of available heat to [# capacity] MWth as soon as possible.]

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Quality of heat supplied	The (seasonal) coefficient of performance at which the geothermal heat shall be upgraded by Buyer will be as high as reasonably possible, based on a minimum delivery temperature of [#degrees]°C by Seller.
Temperature, pressure and flow	<p>The delivery temperature and delivered pressure of the district heating water at the Heat Delivery Point will be delivered in accordance with Buyer's specifications.</p> <p>The temperature at the Heat Delivery Point will be minimum [#degrees]°C and maximum [#degrees]°C.</p> <p>The pressure at the Heat Delivery Point will be [# kPa] maximum. Intended pressure class of the pipes is PN25. The pressure difference between inlet and outlet at the Heat Delivery Point is the pressure drop across the WOS (<i>warmte overdracht station</i>).</p> <p>The flow at the Heat Delivery Point will be [#flow].</p>
Heat Rate	TBD
Dispatch responsibility	N/A
Maintenance and restrictions in heat supply	Maintenance is carried out as much as possible in periods of low heat demand (Q2 and Q3 of a calendar year) so that influence of maintenance activities on the heat supply to Buyer limited.
Guarantees and integrity	To be further elaborated in the HSA.
Invoicing	Seller will invoice Buyer monthly for the supplied Heat within 7 working days of the following month. Buyer will pay the invoice within 30 days.
Metering	Seller is responsible for metering the supplied Heat at the Heat Delivery Point and will provide an adequate metering device. The metering device shall comply with NEN-EN 1434.
Final Agreement	The execution of the HSA is contingent upon obtaining the necessary consents and approvals from the respective internal governing bodies. Until such approvals are obtained, this Head of Terms and/or any other subsequent drafting document shall not be binding on the Parties.
Liability	Unless stipulated otherwise, Parties mutually exclude any liability for indirect or consequential damage that may arise in connection with the performance of the HSA, including but not limited to restriction or interruption of business operations, loss of interest

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	<p>and/or loss of profit. Notwithstanding the foregoing, the compensation of (regulated) off-takers under applicable legislation, does not qualify as the indirect or consequential damages.</p>
Force Majeur	<p>Parties are entitled to invoke force majeure, whereby force majeure has the meaning given in article 6:75 of the Dutch Civil Code.</p> <p>The performance of the obligations of the Party invoking force majeure shall be suspended for the duration of the force majeure situation if and insofar as the force majeure situation prevents this Party from fulfilling its obligations.</p> <p>For the avoidance of doubt: if Seller is forced by the public authorities to adjust the Geothermal Source and must temporarily limit or interrupt the Heat Supply, Buyer will be informed of this in advance, whereby the interests of Buyer must be considered.</p> <p>Party invoking force majeure shall keep the other Party continuously informed of the force majeure situation and shall take all measures that can reasonably be required of it to limit any damage to the other Party as much as possible and to try to remedy the force majeure situation as soon as possible.</p>
Applicable law	<p>Dutch law. Disputes will be submitted to the Netherlands Arbitration Institute (NAI).</p>
Conditions precedent	<p>The full HSA shall only become effective upon the condition that all decision-making bodies of the Parties involved have given their approval.</p>