

ARTICLES OF ASSOCIATION
of the
EUROPEAN ASSOCIATION FOR
THE STREAMLINING OF ENERGY EXCHANGE – gas
“EASEE-gas”

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ARTICLE 1 – NAME, TERM and NATURE OF ORGANISATION

1.1 Name

An international association is hereby founded between six (6) founding members (see list in annex) according to the French Law of 1st July 1901 (as amended), named “**European Association for the Streamlining of Energy Exchange – gas**” and hereafter referred to as EASEE-gas or the Association.

1.2 Term

The term of EASEE-gas shall be indefinite, subject to dissolution by resolution of the General Meeting of Members in accordance with the article 13.

1.3 Nature of organisation

EASEE-gas is established as a not-for-profit organisation.

ARTICLE 2 – PURPOSE, SCOPE and ACTIVITIES

The purpose and scope of the Association are:

To develop and promote common business practices to simplify and streamline business processes between the stakeholders that will lead to an efficient and effective European gas market.

The main activities of the Association are:

- To plan and approve protocols, common business practices, technical documents and reports developed by working groups made up of representatives of stakeholders,
- To publish and distribute protocols, common business practices, technical documents and reports by all kinds of media,
- To set up committees, working groups, commissions, or study groups as necessary,
- To set up and manage the Association's trademarks,
- To organise suitable initial or further training courses, seminars and workshops, and
- To assist companies for the use of the common business practices.

Furthermore:

- EASEE-gas will engage in any lawful activities necessary or desirable to achieve its objectives.
- EASEE-gas may establish an appropriate relationship with the European Committee for Standardisation (CEN) and other relevant organisations involved in the standardisation process, for the purpose of obtaining CEN standards in connection with its common business practices.
- EASEE-gas common business practices may constitute a change in the way parties do business and it must be acknowledged that there may be an accompanying effect on the use and allocation of resources.
- EASEE-gas's policy is to move at a deliberate pace, consistent with its annual plan(s) and the relevant objectives of the European Gas Regulatory Forum (Madrid Forum) to further develop the internal European market for gas. To this end, EASEE-gas will carefully consider whether proposed common business practices are both timely and necessary.

The principles governing EASEE-gas are:

- *Independence.* EASEE-gas is an independent body. While it may have informal liaisons with trade associations, standards organizations and government agencies, it is a fully independent organization.
- *Voluntary.* Participation in EASEE-gas is voluntary and adherence to its common business practices, from EASEE-gas's perspective, is also voluntary. Membership in EASEE-gas is not dependent on whether a company implements EASEE-gas common business practices.
- *No Advocacy.* EASEE-gas will not engage in any lobbying role on behalf of its members regarding its common business practices to any regulators. EASEE-gas's duly authorized representatives, however, are not precluded from communicating with or educating anyone about EASEE-gas's procedures and/or work products.
- *Industry Driven.* EASEE-gas is industry driven. General management staff has neither a vote nor a role with respect to conducting EASEE-gas affairs other than to perform administrative functions.
- *Incorporate Best Practices.* To the extent reasonable, EASEE-gas common business practices reflect the best practices among existing and reasonably anticipated policies, procedures and technology.
- *Flexibility.* EASEE-gas recognizes that flexibility may be necessary to address local concerns as common business practices are developed or to incorporate variances to accommodate operational or structural differences.

- *Balance of Interests.* Voting procedures with respect to governance and common business practices are such that there is a balance among industry segments so that no interest group or groups have undue influence over any decision.

ARTICLE 3 - OFFICES

The registered office of EASEE-gas shall be 62, Rue de Courcelles 75008 PARIS (France).

It may be transferred to any other place in France by a decision of the Board of Directors.

EASEE-gas may have any number of other offices at such places as the Board may determine.

ARTICLE 4 – MEMBERS and GAS INDUSTRY SEGMENTS

4.1 Full Members

Companies, including subsidiaries or divisions with separate accounts, which participate or have business in the European gas markets may become Full Members of EASEE-gas upon provisional approval of their application by the Board, subject to final approval in conformity with article 4.4 by the General Meeting of Members, and the payment of a membership fee. A company may obtain one or more memberships by becoming a Full Member in one or more Gas Industry Segments upon payment of the appropriate fee associated with each such Gas Industry Segment. Fees are payable for each provisionally approved application to join a Gas Industry Segment in which the applying member wishes to have a vote.

4.2 Gas Industry Segments

Companies will apply to join one or more of the following eight (8) Gas Industry Segments corresponding to their business in the gas market: Producers, Transporters, Distribution Network Operators, Traders and Shippers, Suppliers, Retail Suppliers, End Users, LNG Terminal and Storage Operator and Service Provider (LTSOSP).

The Gas Industry Segments shall be described in the Rules.

4.3 Associate Members

Associate Members are non-fee paying and non-voting members of EASEE-gas, which can play an advisory role. The Associate Members may include, but are not limited to, government agencies, regulators, not-for-profit research organisations, consumer groups and individuals.

4.4 Admission

To become a Full Member or an Associate Member of the Association one must present an application according to the procedure which shall be specified in the Rules. The application is examined by the Board who may deliver a provisional agreement which immediately gives the applying member all the rights and duties in accordance with the Articles of Association. The list of applying members is submitted to the General Meeting of Members for final approval. Membership in EASEE-gas is not transferable.

4.5 Resignation

Any Full Member or Associate Member may resign from membership by written notice to the Secretary.

4.6 Register of Members

The Secretary shall keep a Register of Members and their voting rights. Membership is lost by:

- Resignation,
- Failure to pay membership fees at the final deadline set by the Board,
- Cancellation pronounced by the Board with qualified majority of 75% of the present or represented Directors. The company whose membership has thus been cancelled may appeal against the decision to the General Meeting of Members. In that case the membership remains suspended until the General Meeting of Members decides whether to reject or to uphold the appeal. The member, that is the subject of the cancellation vote, is not allowed to participate in the voting process at either Board or General Meeting of Members level.

ARTICLE 5 – BOARD, DIRECTORS AND ALTERNATES

5.1 Duties and Responsibilities

The Board shall have the powers to take any decision affecting the Association except as otherwise provided by these Articles, in particular with respect to the powers reserved for the General Meeting of Members.

The Board:

- shall manage the business and affairs of the Association,
- shall lay down the major guidelines in compliance with the purpose of the Association specified in Article 2,
- shall propose to the General Meeting of Members the Rules and amendments to the current Articles of Association and to the Rules, if needed, in order to respond to the purpose specified in Article 2,
- approves the Association's budget to be put to the vote at the General Meeting of Members and in this regard, sets the annual fees of members and the timetable for their payment,
- shall determine the powers that it delegates to the Chairman,
- shall delegate specific powers and duties to the Executive Committee as specified in Article 8,
- shall give an account of its management, through an annual report, to the Annual General Meeting of Members for approval,
- shall set the agenda of the General Meeting of Members,
- shall set the overall strategic direction of the organization, propose to the General Meeting of Members the annual plan for common business practices development and maintenance, and determine all governance issues.

The Board may delegate other powers consistent with these Articles to the Executive Committee, as it deems appropriate.

The Board may appoint a General Manager employed by the Association.

5.2 Directors and Alternates

Subject to Article 5.7, the Board shall consist of up to eight (8) individuals (Directors), elected by the General Meeting of Members according to the procedures which shall be specified in the Rules, the Full Members of each active Gas Industry Segment to be represented by one(1) Director. Each Director may nominate an Alternate to represent him at the Board. Directors and Alternates shall receive no compensation for their service.

5.3 Term

Directors shall be elected for terms of two (2) years. If a vacancy arises in any Gas Industry Segment, the General Meeting of Members shall fill such vacancy by electing a representative of that Gas Industry Segment for the remainder of the term, as shall be described in the Rules.

5.4 Meetings of the Board

The Board shall hold its meetings, at least twice a year, at the request of the Chairman or of at least three (3) of the Directors. Ten (10) working days' notice of any meeting shall be given in writing to each Director. Such notice shall state the venue, date and time of the meeting and state the agenda to be discussed.

5.5 Quorum, Participation and Voting

Each member of the Board shall have one vote. The Chairman shall have a casting vote in the event of an equality of vote. Subject to Articles 5.7, 10 and 11, the quorum necessary for a meeting of the Board, participation and voting rules shall be described in the Rules.

5.6 Committees

The Board, by majority vote of the entire Board, may establish committees of the Directors by means of resolutions. The resolutions shall describe the goals, organization, powers and authorities of each committee.

5.7 Overall strategic direction

While setting the overall strategic direction of the organization, the Board shall try and obtain the agreement of each and every Director. The overall strategic direction and the Board's decisions in that regard shall be presented to the General Meeting of Members.

ARTICLE 6 – OFFICERS**6.1 Officers**

The officers of EASEE-gas shall include a Chairman, a Vice Chairman, a Secretary, a Treasurer, all elected by the Board in accordance with the Rules, and the General Manager. The officers may include Assistant Secretaries, Assistant Treasurers, and such other officers as the Board may determine by resolution. Any number of offices may be held by the same person except for the combination of Chairman and Treasurer. Removal of Officers shall be defined in the Rules.

The Vice Chairman shall deputise for the Chairman if the latter is prevented from fulfilling her/his duties, if necessary until the end of her/his term of office.

On the authority of the Chairman,

- the Treasurer shall be responsible for the financial management of the Association and as such shall prepare the budget and oversee its execution,
- the Secretary shall draw up the minutes of Board Meetings and the General Meetings of Members.

6.2 The Chairman

The Chairman shall represent the Association vis-à-vis third parties in all civil matters and in particular before any jurisdiction, including arbitration, both as plaintiff and defendant. He may delegate all or part of his powers to a Director, but only in respect of the accomplishment of a specific mission. She or he shall have general supervision over the business and operations of EASEE-gas, subject to governance of the Board. The Chairman shall chair all meetings of the Board and all General Meetings of Members. In her or his absence the meetings will be chaired by the Vice-Chairman.

6.3 The General Manager

The Chairman may delegate to the General Manager all powers and duties necessary for managing the day-to-day operating and business affairs of EASEE-gas and directing all activities of EASEE-gas as prescribed by the Board. The General Manager attends meetings of the Board, of the Executive Committee and all the General Meetings of Members but has no voting rights.

ARTICLE 7 – ADVISORY PANEL

The Board may establish a standing Advisory Panel in accordance with the Rules. The Advisory Panel shall be composed of individuals that are representatives of the Associate Members, who shall be knowledgeable about the issues involved in carrying out the purposes, scope and activities of EASEE-gas. They shall receive no compensation for their service. The members of the Advisory Panel should be rotated from time to time, and should reflect participation by EU and state authorities and Regulators, professional or consumer organizations, and similar entities and individuals of noted relevant expertise with an interest in the efficient and effective operation of the gas markets. The Advisory Panel has only an advisory role towards the Association.

ARTICLE 8 – EXECUTIVE COMMITTEE

8.1 Duties and Responsibilities

On the authority of the Board the Executive Committee shall have overall responsibility for the development, modification and documentation of common business practices, according to the Rules.

8.2 Executive Committee Members

The Executive Committee shall consist of up to twenty-four (24) individuals (Executive Committee Members), representatives of the Full Members with each active Gas Industry Segment electing three (3) Executive Committee Members according to the procedures which shall be specified in the Rules.

8.3 Term

Executive Committee Members shall be elected for terms of three (3) years according to a procedure which shall be specified in the Rules. If a vacancy arises in any Gas Industry Segment, it shall be filled for the remainder of the term, as shall be described in the Rules.

8.4 Quorum, Organisation and Voting

Each Executive Committee Member shall have one vote. The quorum necessary for a meeting of the Executive Committee, its organisation and voting rules shall be described in the Rules.

8.5 Executive Committee Chairman

The Executive Committee Members shall appoint one of them to be the Chairman of the Executive Committee for a term of one year. The Chairman calls the Executive Committee meetings, sets the agenda and presides these meetings.

8.6 Executive Committee Vice-Chairman

The Executive Committee Members shall appoint one of them to be the Vice-Chairman of the Executive Committee for a term of one year. The Vice-Chairman shall deputise for the Chairman in his/her absence.

ARTICLE 9 – GENERAL MEETING of MEMBERS

9.1 Duties and Responsibilities

The General Meeting of Members shall consist of Full Members and Associate Members of EASEE-gas. It shall be the highest authority of the Association. It shall rule on matters brought before it, by a majority of the Full Members present or represented at the meeting, unless otherwise specified in these Articles of Association or in the Rules.

The General Meeting of Members has responsibility for:

- approving the admission of applying members,
- ratifying the Rules and any amendments to these Articles of Association and to the Rules according to Articles 10 and 11,
- ratifying Common Business Practices brought before the General Meeting of Members,
- deciding on the dissolution and liquidation of the Association, and
- any other matters brought before it,

The annual General Meeting of Members also:

- hears the annual report on the activities and accomplishments of EASEE-gas and financial issues,
- approves the accounts, the amount of the membership fees and vote the budget of the next accounting year,
- elects the new Directors, in accordance with Article 5.2, and records the nomination of their Alternates,
- records the election of the new Executive Committee Members
- relieves responsibilities from Directors for the previous accounting year.

9.2 Quorum, participation and voting

Full Members shall be entitled to one vote at all the General Meetings of Members, subject to any limitations as shall be set out in the Rules. The same entitlements shall be applied to other voting of Full Members unless procedures attached to the Rules provide for other voting entitlements.

The quorum for General Meetings of Members shall be 20 % of the total number of registered Full Members. Full Members who are not able to attend may be represented by another Full Member with a written proxy. Each Full Member may hold only one (1) proxy per meeting. If the quorum is not achieved, a General Meeting of Members with the same agenda shall be validly held regardless of the number of Full Members present or represented (provided always that at least three Full Members are present or represented) at a date at least thirty (30) days later (notified in accordance with Article 9.3).

Adjournment provisions and voting rules shall be specified in the Rules.

9.3 Notice

The Board of Directors shall call a General Meeting of Members at least once a year for the annual General Meeting of Members and as from time to time necessary, to conduct the business of the Association. General Meetings of Members can also be called by 30% of the total number of registered Full Members.

Written notice of a General Meeting of Members shall be given in an appropriate form not less than thirty (30) days prior to the day of said General Meeting of Members. The notice shall specify venue, date, time and agenda, and include any proposals for issues requiring a vote. The agenda of the General Meeting of Members is set by the Board on a proposal of the Chairman.

Where the Rules are proposed and/or where the Articles of Association and/or the Rules are proposed to be modified at a General Meeting of Members, the proposal and/or the proposed amendment shall be attached to the notice.

ARTICLE 10 – AMENDMENT TO THE ARTICLES OF ASSOCIATION

A proposal supported by at least 75% of the votes of all Directors, ratified by 75% of the votes cast by Full Members present or represented at the General Meeting of Members shall be required to approve an amendment to these Articles of Association.

ARTICLE 11 – RULES

Subject to a proposal being supported by at least 75% of the votes of all Directors, the Board shall propose Rules to the General Meeting of Members. The Rules will provide details of how the Association will operate but the Rules shall not supersede these Articles of Association. Support from at least 67% of the votes cast by Full Members present or represented at the General Meeting of Members, in favour of the proposed Rules, shall be required for approval.

Amendments to the Rules shall be proposed by the Board and approved by the General Meeting of Members according to the same mechanism as described above for the proposal/approval of the Rules.

ARTICLE 12 – FUNDING and ACCOUNTANCY

12.1 Resources

The financial resources of the Association are provided by annual fees paid by Full Members set by the Board for each calendar year and approved by the General Meeting of Members, in accordance with the Rules, and by income arising from actions of the Association in accordance to its purpose and scope. Such income may arise from the following:

- Sales of common business practices,
- Assistance to companies such as training courses and others,
- Grants-in-aid and all other lawful resources,
- All action in accordance with the purpose of the Association.

12.2 Accountancy

The Association's accounting year shall be the calendar year. Where appropriate, accounts may be audited each year by an Auditor.

ARTICLE 13 – DISSOLUTION

In the event of the Association being dissolved, the General Meeting of Members shall appoint one or more liquidators and take all decisions relating to the return of the net remaining assets.

ARTICLE 14 – LEGAL FORMALITIES

The Chairman has to inform the Prefecture of all the changes happening in the administration of the Association, within three months. In order to fulfil the declaration and publication formalities required by the law, all powers are given to the bearer of these Articles of Association designated by the Board.

ARTICLE 15 – DISPUTES

Any dispute that may arise between Members, working groups, study groups, commissions, committees or representatives of Members, regarding the Association, and which can not be resolved according to the Articles of Association or the Rules, shall be submitted to the decision of the Board for a decision. Any party to such dispute shall have the right to appeal, within one year, against such decision to a General Meeting of Members.