

PROCEDURE

FOR THE ORGANIZATION AND FUNCTIONING OF THE MEDIUM ȘI LONG-TERM STANDARDIZED PRODUCTS MARKET ADMINISTERED BY THE COMPANY

BURSA ROMÂNĂ DE MĂRFURI (ROMANIAN COMMODITIES EXCHANGE) S.A.

GENERAL PROVISIONS

Art.1.- This procedure establishes the organized framework for trading natural gas on the Medium and Long-Term Standardized Products Market (hereinafter referred to as "the Market"), through electronic trading platforms managed by Bursa Română de Mărfuri (Romanian Commodities Exchange) S.A., hereinafter referred to as "BRM", as the licensed operator in the management of the centralized natural gas markets. This procedure is issued in application of ANRE President Order no. 95/2021, with subsequent amendments and additions, for the approval of the Regulation on the organized framework for the trading of standardized products on the centralized natural gas markets managed by the Romanian Commodities Exchange - S.A..

TERMINOLOGY

Art. 2.

(1) For the purposes of this Regulation, the terms used shall have the following meanings:

- **Competent authority** - National Energy Regulatory Authority (ANRE);
- **Broker** - the natural person having an employment relationship with the economic operator or with a brokerage firm, whose main tasks are the placing and maintenance of orders during trading sessions/tenders and who has the right to engage the liability of the economic operator he represents in relation to the BRM;
- **Counterparty** - the role assumed by the BRM by which it interposes itself through a novation process in a Transaction, becoming common buyer for sellers and common seller for buyers, according to the *Clearing, Settlement and Risk Management Regulation of the Romanian Stock Exchange as Counterparty*;
- **Participation Agreement** - a standard agreement defined by the operator of the centralized market, concluded with the participants, and setting out the mutual rights and obligations of the parties regarding participation in the Centralized Markets administered by BRM;
- **ANRE standard contract** - the contract for the sale-purchase of natural gas set out in Annex no. 1 of ANRE Order no. 143/2020 on the obligation to offer natural gas on the centralized markets in Romania, with subsequent additions and regulations.

- **Novation contract** (Annex 4 to this Procedure) - a contract applicable by law to a Participant that has concluded a transaction on the centralized natural gas market administered by the Romanian Commodities Exchange and whose counterparty to the transaction refuses to conclude a standard contract (Annex 2 to this Procedure). The novation contract is between the Participant and the Bursa as Counterparty. The Novation Agreement applies only to Participants that are not Clearing Members of the Counterparty of the Romanian Commodities Exchange;
- **Transmission and System Operator (TSO)**, in this case S.N.T.G.N. Transgaz S.A.;
- **Sell and/or buy order** - an offer submitted by a participant, consisting of a price-quantity pair and other specific attributes and representing the firm commitment of the participant;
- **Bidding obligation** - the obligation of natural gas market participants established in accordance with the provisions of Art. 177 para. (3¹⁵) - (3¹⁷) of Law no. 123/2012 on Electricity and Natural Gas, as subsequently amended and supplemented, transposed by ANRE's Presidential Order no. 143/2020 *on the obligation of natural gas producers whose annual production in the previous year exceeds 3,000,000 MWh to offer natural gas on the centralized markets*, as subsequently amended and supplemented, respectively ANRE's Presidential Order no. 144/2020 *on the obligation of natural gas market participants to offer natural gas on the centralized markets*.

Participant - an economic operator in the natural gas sector/end-customer who signs the Agreement for participation in the energy markets administered by the Romanian Commodities Exchange S.A.

- **Price** - the price at which the transaction was executed, recorded and displayed by the trading system;
- **Best price** - the price of the trade order with the highest execution priority, i.e. the highest bid price or the lowest ask price of a tradable product;
- **Competitive simple trading procedure** - the set of rules and mechanisms for bidding, negotiation and trading established by this procedure. It presupposes the launch of standard tradable products on the basis of an order submitted by an initiating broker, which has the exclusive right to place orders, for one of the directions (buy/sell or buy only, according to the specific regulations in force). Other brokers have the right to enter only orders in the opposite direction to the direction of the order entered by the initiating broker;
- **Double competitive trading procedure** - the set of rules and mechanisms for bidding, trading and dealing established by this procedure. It involves the launch of standard tradable products by the BRM in a trading session;
- **Standard product** - a product defined within the BRM trading system, in accordance with the "Centralized list of standardized products tradable in the natural gas market of short-term standardized products and in the market of standardized products in the medium and long term, in the market of standardized products in the medium and long term, in the market of long-term flexible products, as well as in the market of standardized derivatives in the medium and long term", hereinafter referred to as "*Centralized List*", approved by ANRE President's Decision no. 1755/04.07.2023 on amending and supplementing the Annex to the Decision of ANRE President no. 1397/2018 for the approval of the Centralized List of tradable products within the short-term standardized products market, the medium and long-term standardized products market, the medium and long-term flexible products market, as well as the medium and long-term standardized derivatives market, with subsequent amendments and additions, and in accordance with the provisions of the Order of the President of ANRE no. 105/2018 for the approval of the General Rules on the centralized natural gas markets, with subsequent amendments and additions, having as object the sale - purchase of natural gas for a period of time longer than one gas day,

respectively any other standard products approved at a given time subsequently by Decision of the President of ANRE;

- **Flexible product** - a product that can be traded within the BRM trading system, in accordance with the "Centralized List" and with the provisions of the Order of the President of ANRE no. 105/2018 for the approval of the General Rules on the centralized natural gas markets, with subsequent amendments and additions, having as object the sale - purchase of natural gas for a minimum period of 1 month ;
- **Transaction report** - a statement generated by the BRM's trading systems to each Participant for its own transactions, containing complete data on orders entered and transactions concluded: report number, date of the trading session, name of the traded product, daily [MWh/day] and total quantity traded [MWh], delivery period (according to the traded product), identification number of each transaction ("ID"), name of the opposite direction winner, quality of the Participants in the transaction (Seller/Buyer), quantity traded and the auction price of each transaction [RON/MWh, EUR/MWh or USD/MWh], transaction timestamp;
- **Post trade report** - a statement issued by the Counterparty system to each participant for the transactions accepted by the Counterparty, including the level of collateral allocated by the participant to the margin account opened with the Counterparty, the amounts retained to cover the risk in margins, the amounts available for trading or, where applicable, the margin call, according to the Counterparty's rules;
- **Counterparty Regulations** - the set of rules and procedures consisting of the *Clearing, Settlement and Risk Management Regulation of the Romanian Stock Exchange* as Counterparty and the *Instructions* issued by BRM for the application of this regulation;
- **Trading session** - the period of time during which the single or double competitive trading procedure takes place, during which sell and/or buy orders may be entered, modified, suspended or cancelled and transactions may be concluded - if the matching conditions set by the algorithms of the trading systems are met;
- **Trading systems** - IT systems operated and managed by the BRM for the purpose of transactions;
- **Holders of the obligation to offer** - The natural gas market participants that have the obligation to offer the sale/purchase of natural gas in accordance with the provisions of ANRE Orders no. 143/2020 and 144/2020, regarding the obligation to offer natural gas on the centralized markets in Romania, with subsequent additions and amendments;
- **Trade - an** operation concluded in the trading system by matching a bid with a offer, according to algorithms specific to trading platforms;
- **Transaction Transferred to Counterparty** - a post-trade transaction whereby a transaction is transferred to the BRM Counterparty following the refusal of a Participant, party to a transaction, to enter into the Standard Contract (Annex 2 to this Procedure) as a post-trade transaction with the counterparty to the transaction. The Participant requesting this transaction must be a Clearing Member of the Counterparty at the time of the request;
- **Counterparty Accepted Transaction** - a post-trade operation whereby BRM as Counterparty takes over the rights and obligations of a Participant resulting from the transaction, for the purpose of interposing between it and the other counterparty to the transaction;
- **Initiating order** - an intention to buy and/or sell, materialized by placing a bid on trading platforms,

consisting of a quantity-price pair.

(2) Other terms used and definitions used in this Procedure shall have the meanings set out in "Regulation on the organized framework for the trading of standardized products on the centralized natural gas markets administered by the Romanian Commodities Exchange S.A.", hereinafter referred to as "Regulation", as well as in the relevant legislation in force.

STANDARD AND FLEXIBLE PRODUCTS ADMITTED TO TRADING

Art.3

(1) According to the "*Centralized List*", on the medium and long-term products market, BRM organizes trading sessions for the following standard and flexible products:

A. Standard Products, both in terms of delivery location (PVT), delivery profile (constant daily profile) and duration of deliveries to be traded under the **standard contract, Annex 2 to this Procedure or the Counterparty Mechanism:**

- WEEKEND (delivery interval Saturday - Sunday)
- WEEK (delivery interval - week)
- MONTH (delivery interval - month)
- QUARTER (delivery interval - quarter)
- SEMESTER (delivery interval - semester)
- COLD SEASON (delivery interval - quarters IV and I)
- WARM SEASON (delivery interval - quarters II and III)
- GAS YEAR (delivery period - gas year)
- CALENDAR YEAR (delivery period - calendar year)
- WEEKEND EXTENDED (delivery interval Saturday - Sunday, extended by public holidays on Saturday and Sunday) - valid only for the counterparty mechanism
- BALANCE OF THE MONTH (BOM) - delivery interval rest of the month - valid only for the counterparty mechanism

B. Standard products, both in terms of place of delivery (PVT), delivery profile (constant daily profile) and duration of deliveries to be traded under the **EFET standard contract/pre-agreed contracts :**

- WEEKEND (delivery interval Saturday - Sunday)
- WEEK (delivery interval - week)
- MONTH (delivery interval - month)
- QUARTER (delivery interval - quarter)
- SEMESTER (delivery interval - semester)
- COLD SEASON (delivery interval - quarters IV and I)

- WARM SEASON (delivery interval - quarters II and III)
- GAS YEAR (delivery period - gas year)
- CALENDAR YEAR (delivery period - calendar year)

C. Standard products, both in terms of delivery location (PVT), delivery profile (constant daily profile) and delivery duration, which are traded on the basis of the **contract proposed by the initiating participant of the trade order**:

- WEEKEND (delivery interval Saturday - Sunday)
- WEEK (delivery interval - week)
- MONTH (delivery interval - month)
- QUARTER (delivery interval - quarter)
- SEMESTER (delivery interval - semester)
- COLD SEASON (delivery interval - quarters IV and I)
- WARM SEASON (delivery interval - quarters II and III)
- GAS YEAR (delivery period - gas year)
- CALENDAR YEAR (delivery period - calendar year).
- GAS DAY MULTIPLE (delivery period - multiple of gas days).

D. Medium and long-term flexible products, with delivery in PVT, whose total quantity and price may be subject to adjustments during the contract execution period only in accordance with the terms of the initiating bid. These products are tradable on the basis of an EFET contract/pre-agreed contract/contract proposed by the initiating participant of the trade order.

(2) The description and coding of each product are specified in Annex 1 to this procedure.

SPECIFIC PARTICIPATION AND TRADING REQUIREMENTS

Art. 4

- (1) Participation in trading on the Medium and Long-Term Products Market is allowed to holders of a valid supply or trader license, issued by ANRE for natural gas trading, distribution license holders, storage license holders in the natural gas sector and end customers who have previously concluded a balancing and access contract to PVT with the TSO.
- (2) Distribution system operators and storage operators may only participate in trading to purchase natural gas. Final customers who have concluded a balancing contract and access to PVT with the TSO have the right to trade on the buying side and on the selling side they have the right to sell natural gas only to effectively balance their own portfolio.
- (3) Participation in trading is also allowed to TSOs for the purpose of undertaking actions for the physical balancing of the national transmission system (NTS), the purchase of volumes of natural gas necessary to cover the technological consumption of the NTS and the constitution of the minimum compulsory stock of natural gas.

1.1. The standard products listed in Art. 3 (1) pct. A have the following characteristics:

- delivery suspension period of minimum 2 (two) working days from the date of conclusion of the transaction.
- shall relate to the transfer of ownership in the PVT of quantities of natural gas to be delivered to the PVT on a constant daily basis for a period of time longer than one gas day;
- the transfer is based on the transaction report generated by the BRM's trading systems;
- the subject of the transaction is a standard contract or a multiple of standard contracts, and the elements that can be changed by the parties involved in trading sessions are the price per standard contract and the number of standard contracts traded;
- for the holders of the obligation to bid, acting on the basis of an order declared to be issued under the obligation to bid, bids for the sale/purchase of natural gas shall be launched for trading with the specifications "PART/ALL",
- bids are of the type simple quantity (MWh/day) - price (RON/MWh, Euro/MWh or USD/MWh) pair, with a maximum of two decimal places; the quantity traded under such a contract is 1 MWh/day;
- the price and the number of standard contracts attached to a concluded transaction remain fixed for the duration of the standard contract. The price and the quantity traded, as resulting from the trading report issued by the BRM, shall be bindingly stipulated in the contract(s) concluded;
- from the matching of bid and offer, the transaction takes place after one or more time intervals of $\Delta t = 2$ minutes in order to allow other participants to submit improved bids;
- The process and minimum mandatory requirements related to the obligation to offer are in accordance with the provisions of ANRE's Presidential Order no. 143/2020 on the obligation to offer natural gas on the centralized markets of natural gas producers whose annual production in the previous year exceeds 3,000,000 MWh, with subsequent amendments and additions, and ANRE's Presidential Order no. 144/2020 on the obligation of natural gas market participants to offer natural gas on the centralized markets.

1.2. Characteristics of post-trading and contracting:

1.2.1. As a threshold to the conclusion of a transaction, participants shall ensure post-trade operations through the following 3 options:

- i) by concluding the ANRE contract in the case of orders that are placed by participants in order to fulfill the bidding obligation established by ANRE Order no.143/2020.
- ii) Through the Counterparty Mechanism if the transaction is based on an order with a Mandatory Counterparty condition (CCP tick) in accordance with the provisions of Art. 18.
- iii) by concluding the standard BRM contract (Annex 2 to this Procedure) or by transfer with the agreement of the parties after the transaction to the Counterparty.

2.2.1 The mechanism for submitting, accepting a transaction at the Counterparty:

- i. A transaction can be assigned to the Counterparty only if the applicant is also a Clearing Member according to the *Clearing, Settlement and Risk Management Regulation of the Romanian Stock Exchange as Counterparty*.
- ii. A transaction is deemed to be accepted by the Counterparty if both Participants in the

- transaction hold sufficient collateral according to the rules of the Counterparty.
- iii. A transaction accepted in the Counterparty mechanism remains permanently in the Counterparty system.
 - iv. The Counterparty shall keep daily records of the risks according to the Counterparty's rules until all delivery/payment obligations related to the transaction are closed.
 - v. Participants with the status of Clearing Members at the Counterparty and with a Novation Contract at the Counterparty mechanism, party to a transaction accepted in the Counterparty system, will benefit equally from the risk management held by the system and will receive the post-trade report.
 - vi. Both Participants will benefit from the clearing - settlement regime provided through the Counterparty's system in accordance with the Counterparty's regulations.

(3) The standard products listed in Art. 3 (1) pct. B and C have the following characteristics :

- delivery suspension period of minimum 2 (two) working days from the date of conclusion of the transaction.
- are for the transfer of ownership in the PVT of quantities of natural gas which cannot be changed after the conclusion of the transaction;
- the transfer is carried out on the basis of the transaction report issued by the BRM's trading systems;
- to be delivered in PVT, in constant profile (MWh/day) as set out in the posted Initiating Order and contractually determined in accordance with the Initiating Order for a period of time greater than one day;
- the terms of sale and purchase contracts may not be amended after the date of conclusion of the transaction. The price shall be expressed in RON/MWh, EUR/MWh or USD/MWh and the quantity traded shall be expressed in MWh/day, in the constant profile established by the contract; these elements may not be modified after the date of conclusion of the transaction.

The participants admitted to trading on the Medium and Long-Term Products Market who opt to trade standard products on the basis of a pre-packaged contract (EFET or other), are obliged to submit to the BRM, together with the initiating order, the following documents, under signature:

- the agreed contract that is to form the basis of the transaction;
- the members of the group of participants with which the use of that contract has been agreed. The list must contain at least 8 members to be taken into account;
- changes in the composition of the group and/or in the initial form of the contract after the date of dispatch of the order will result in the corresponding postponement of the date of the tender.

Access to the trading of the products concerned, through the issuance of response orders, is only allowed to participants who are on the transmitted list.

For trading of natural gas on the basis of contracts defined by the initiating participant of the trading order, access to trading of the respective product, by issuing response orders, is allowed to any registered participant of the Medium and Long-Term Products Market that fulfills the conditions set out in the Participation Agreement signed with BRM.

The market operator shall publish the initiating order, the associated contract and/or other documents/information necessary for the trading process to take place in clear and transparent conditions

at least 5 (five) working days before the auction date.

Market participants may ask the initiating participant for clarification of the contract associated with the order no later than 24 hours before the start of the trading session. The Originating Participant shall respond to clarifications no later than 2 hours before the start of the trading session. All clarifications granted/contractual amendments accepted by the initiating participant shall be deemed to form an integral part of the contract associated with the initiating order.

(4) The flexible products listed in Art. 3 (1) pct. D have the following characteristics:

- are for the transfer of ownership in PVT of quantities of natural gas;
- the quantity is expressed in MWh/Zi, and the quantity traded under such a contract is 1 MWh/Zi or an integer multiple of 1 MWh/Zi;
- Delivery time is minimum 1 month;
- the transfer of ownership is carried out on the basis of the transaction report issued by the BRM's trading systems;
- the quantities of natural gas to be delivered in the PVT, in the profile set out in the Initiating Order transmitted and published by BRM and established by the contract associated with it;
- the total quantity and the price may vary during the period of execution of the contract only in accordance with the conditions laid down in the initiating order. The price is expressed in RON, EUR or USD/MWh and the quantity traded is expressed in MWh/day;
- the maximum variation limit of the contracted quantity and the price adjustment formula are stipulated in the Initiating Order (Annex 3) and the model contract submitted by the initiating Participant to the BRM for publication.

Separately, the participants admitted to trading on the Medium and Long-Term Products Market who opt to trade flexible products on the basis of a **pre-priced contract/EFET**, are obliged to submit to the BRM, together with the Initiating Order, the following documents, under signature:

- the agreed contract that is to form the basis of the transaction;
- the members of the group of participants with which the use of that contract has been agreed. The list must contain at least 8 members to be taken into account;
- changes in the composition of the group and/or in the initial form of the contract; after the date of dispatch of the order, these will result in the corresponding postponement of the date of the tender.

Access to the trading of products traded under a **pre-aggregated contract/EFET** shall be by the issuance of counter orders. Only participants on the transmitted list are allowed access.

Access to trading in products traded under a **contract proposed by the initiator of the order** shall be made by issuing counter orders. Access is allowed to any registered participant of the Medium and Long-Term Products Market that fulfills the conditions set out in the Participation Agreement signed with BRM.

The publication of the Initiating Order, the associated contract and/or other documents/information necessary for a clear and transparent trading process shall be made by the market operator at least 5 (five) working days before the auction date. The initiating participant may also set a time interval Δt , applicable between the matching of opposite orders and the closing of the transaction, within which other

participants may submit improved bids.

Market participants may ask the initiating participant for clarification of the contract associated with the order no later than 24 hours before the start of the trading session. The Originating Participant shall respond to clarifications no later than 2 hours before the start of the trading session. All clarifications granted/amendments to the contract accepted by the initiating participant shall be deemed to form an integral part of the contract associated with the initiating order.

TRADING PROCEDURES

The trading procedures used within the centralized natural gas markets administered by BRM are:

- **simple competitive trading procedure** - for the products defined by the BRM under Art. 3 (1), pts. B, C and D.
- **double competitive trading procedure** - for standard products as defined under Art. 3 (1), point. A

Trading hours are from Monday to Friday between 10:00:00 - 15:00:00:00, except on days declared legal holidays.

The interval 15:00:00 - 15:00:10 is strictly allocated for the compliant closing of transactions in the last Δt , in accordance with Art. 18 para. (11). For clarification, within this interval, order operations (entry, modification) are not taken into account for closing a transaction.

A. SIMPLE COMPETITIVE TRADING PROCEDURE

I. REQUIREMENTS

Art. 6.

(1) In order to launch trading of the standard product, the centralized market participant shall submit to the BRM an initiating order in accordance with the model set out in **Annex no. 3** to this procedure, indicating at least the following elements:

- the name of the participant initiating the order and/or of the authorized representative;
- the name of the standard product in accordance with this procedure;
- the quantity traded, expressed in MWh;
- the starting price of the auction (mandatory), which may or may not be made public at the launch of the product, depending on the option of the initiator; it will be expressed in Lei/, EUR/ or USD/MWh, to 2 decimal places;
- the date on which the trading session is requested;
- the proposed contract, which will also contain the constant delivery profile (delivery schedule);
- any other information and/or documents deemed necessary for the clarity and transparency of the tender process.

(2) The initiating order and the other associated documents shall be submitted to the BRM in electronic

format (e-mail) or as an online form attached to the trading software.

(3) The BRM will request clarifications from the order initiator if the initiating orders are formulated in such a way that they are clearly not tradable, for example: price and/or quantity clearly disproportionate to a real trading intention, reasonably assessed by the BRM, product with delivery period prior to the order initiation, etc. If the order initiator maintains its position without valid arguments, the BRM will not consider the order.

(4) The Medium and Long-Term Product Market Operator shall publish the initiating order and the accompanying documents/information at least 5 (five) working days before the date on which the auction has been scheduled.

II. GUARANT

EES Art. 7

(1) In order to be able to register an order for trading, participants will have to provide BRM with a margin, which is automatically calculated by the dedicated BRM platform as the product between the quantity of the order, the price entered in the platform and the 0.5% percentage. In the case of orders traded using USD or EUR as trading currency, the platform automatically performs the currency conversion at the BNR exchange rate valid on the trading day.

(2) The guarantee provided for in para. (1) may take one of the following forms:

- payment order;
- a bank guarantee letter valid for at least 20 working days after the date on which the tender has been scheduled.

(3) The collateral posted by the participants on the account of an order for which a transaction has been concluded shall remain at the disposal of the BRM until the copy of the sale and purchase agreement (in electronic format), signed by the parties to the transaction, has been transmitted to the BRM. The deadline for the transmission of the sale and repurchase agreement (in electronic form) shall be no later than 5 days from the trade date, but no later than 2 days before the start of deliveries.

(4) During the period referred to in the previous paragraph, the collateral lodged on the account of the order on the basis of which a transaction has been concluded may not be used as collateral in the event of participation in the trading of another product.

(5) The guarantees are executed by BRM to compensate the injured party in the following situations:

- a) the participants do not sign the gas sales contract;
- b) the same quantity as the negotiated quantity, the same price as the negotiated price, is not completed in the contract of sale;

(6) In the event that the contract of sale is not signed by one of the parties, the other party to the contract shall be considered to be the aggrieved party. BRM shall transfer the guarantee of the party at fault to the aggrieved party within 15 working days from the date of conclusion of the transaction.

(7) In the event that neither of the parties to the transaction does not sign the sale-purchase contract or in the event that the sale-purchase contract does not contain the items negotiated during the auction, the BRM will retain the collateral of both parties to the transaction, which will be used to compensate the other participants in the trading session, within 3 three working days from the date of the session. The

BRM has the right to sanction Participants who do not sign the contract related to the type of transaction or conclude sale-purchase contracts with other items than those negotiated during the auction, by suspending them from trading for a period of between 1 week and 6 months, depending on the seriousness and repeated nature of their misconduct.

Art. 8

(1) Once the obligations set out in Article 7(3) have been fulfilled, the collateral shall be returned to the participant, with the possibility of keeping it at the BRM, at the participant's request, for the purpose of registering future orders.

(2) Guarantees shall be returned within 3 (three) working days of the date on which a written request is submitted, indicating, for those constituted by payment order, the account and bank to which the amounts will be returned.

Art. 9. Trading sessions shall take place according to the timetable published by BRM on its website.

III. PHASES OF THE TRADING PROCESS

Art 10. The phases of the auction process are set out below:

(1) The simple competitive trading mechanism is carried out in 3 phases, in compliance with the following general criteria for order transactions:

- A participant will only be able to place orders in one direction, buy or sell, depending on his status in the auction and the meaning of the initiating order.
- The entry and modification of orders shall be validated by the trading system subject to the prior existence of the tender allotment security, calculated by the trading system as a percentage of the value of the transaction order, multiple of the quantity and price of the order entered.
- When placing an order on the trading platform, the participant has to select in the order ticket at least the meaning, price, total quantity and validity period.

PHASE I

(2) The initiating Participant's order is entered automatically by the trading system at the opening of the auction, subject to the meaning conditions, i.e. buy/sell, quantity and price, of the initiating bid and cannot be canceled or changed in quantity during the entire auction, including phases 2 and 3. The initiating participant may not enter another order into the trading system regardless of the meaning and attribute of the initiating order.

(3) The following order operations are allowed in this phase:

- price changes for the initiator order
- the introduction of orders with a meaning contrary to the meaning of the initiating order
- price changes to improve the bid for orders contrary to the initiating order

(4) The following order and transaction operations are not allowed in this phase:

- closing transactions
- cancellation of orders
- order changes to decrease the quantity for orders contrary to the initiating order.

PHASE A II-A

(5) The following order and transaction operations are allowed in this phase:

- price changes for the initiator order
- the introduction of orders with a meaning contrary to the meaning of the initiating order
- price changes in order to improve the bid for orders contrary to the initiating order
- closing transactions

(6) The following operations with orders are not allowed in this phase:

- cancellation of orders
- order changes to decrease the quantity for orders contrary to the initiating order.

PHASE III

(7) The following order and transaction operations are allowed in this phase:

- closing transactions
- price changes for the initiator order

(8) The following order operations are not allowed in this phase:

- introducing new orders
- modifications of any kind for orders contrary to the initiating order
- cancellation of orders

(9) With regard to the time validity of orders the option is predefined:

- "GTC", in which case the order remains active and executable until the close of the trading session.

(10) The duration of each auction phase is predefined at 10 minutes. Changes to the duration of the phases shall be made following a request from the initiating participant, agreed by the BRM.

IV. CORRELATION OF ORDERS

Art. 11. The order matching process is described below:

- (1) For the initiating Participant's initiating sell order, the sell order shall be matched with a buy order at the same or a higher price for the maximum quantity determined by the competing quantities specified in the two opposite orders at the best price of the buy order. To the extent that the matching conditions are fulfilled for more than two opposite bids, the order of matching shall be established chronologically according to the earliest time stamp.
- (2) For sell orders entered by any Participant other than the initiating Participant, the sell order shall be matched with an initiating buy order at the same or a higher price, for the maximum quantity determined by the competing quantities indicated in the two orders in the opposite direction, at the price of the sell order.
- (3) For the initiating buy order of the initiating Participant, the buy order shall be matched with a sell order at the same or a lower price for the maximum quantity determined by the competing quantities indicated in the two opposite orders at the best price of the sell order. To the extent that the matching conditions are fulfilled for more than two opposite bids, the order of matching shall be established chronologically according to the earliest time stamp.
- (4) For buy orders entered by any Participant other than the initiating Participant, the buy order shall be matched with an initiating sell order at the same or a lower price for the maximum quantity determined by the competition of the quantities mentioned in the two orders in the opposite direction at the buy order price.

(5) BRM informs trading participants by e-mail that the conditions for matching two offers have been met. The electronic message contains the price [RON/, EUR/ or USD/MWh] and the traded quantity [MWh/day].

(6) If, at the end of the trading session, the initiating order is not fully traded, the initiating broker may re-enter the initiating order for the remaining uncovered quantity in another trading session at a later date.

V. TRANSACTION REPORT Art. 12.

(1) At the end of each trading session, the trading system generates a report, which contains the following elements:

- report number,
- the date of the trading session,
- the name of the traded product,
- daily quantity [MWh/day],
- delivery period (according to the traded product),
- the identification number of each transaction ("ID"),
- name of the winner(s),
- the quality of the Participants to the transaction (Seller/Buyer),
- quantity traded,
- the auction price of each transaction [RON/, EUR/ or USD/ MWh],
- timestamp of the transaction(s).

(2) The transaction report is sent to all brokers participating in the trading session in electronic format.

(3) The results of the trading session are published on the BRM website, in accordance with Article 21 of "Regulation on the organized framework for trading on the centralized natural gas markets administered by the Romanian Commodities Exchange S.A.".

B. DOUBLE COMPETITIVE TRADING PROCEDURE

Art.13. Standard products shall be launched for trading on the initiative and by the BRM, as follows:

(1) The release of a standard product for delivery periods of less than one month shall be made at least 2 working days before the first day of the delivery interval;

(2) The release of a standard product for periods exceeding one month shall be made at least one month before the first day of the delivery interval.

Art. 14. The trading session on the double competitive procedure for the standard products listed in art. 3 (1) pct. A, tradable on the basis of the standard contract, respectively on the basis of the ANRE standard contract or the Counterparty mechanism as the case may be, shall be carried out electronically

and is described below.

I. GUARANT

EES Art. 15

(1) In order to be able to register an order for trading, participants will have to provide the BRM with a margin, which is automatically calculated by the platform as the product of the quantity of the order, the price entered in the platform and the 2% percentage.

(2) In the case of orders entered with execution condition through the Counterparty, the required collateral will be calculated in accordance with THE TRANSACTION PROCEDURE ON THE NATURAL GAS CENTRALISED MARKETPIECES ADMINISTRATED BY SOCIETATEA BURESA ROMĂĂĂANA DE MĂRFURI (ROMANIAN COMMODITIES EXCHANGE) S.A., UNDER THE CONDITIONS OF USE OF A CLEARING HOUSE/ COUNTERPARTY.

(3) The guarantee provided for in para. (1) may take one of the following forms:

- payment order;
- bank guarantee letter.

(4) The collateral posted by participants on account of an order for which a transaction has been concluded remains at the disposal of the BRM until:

- a) signing the contract, if the parties are trading under the ANRE standard contract;
- b) the signing of the contract and the provision of the first collateral provided for in the contract, where the parties are trading under the standard BRM contract set out in Annex 2. If the contract requires the parties to opt for advance payment as an alternative to the provision of collateral, the collateral shall remain at the disposal of the BRM until the first advance payment has been made.
- c) The provision of the collateral required under the obligation as a Clearing Member of the Counterparty system or set out in the Novation Agreement (Annex 4 to this Procedure), as applicable, for transactions accepted by the Counterparty.

Paragraphs (5) to (9) of this Article apply only to options a) and b) above.

(5) The sale and purchase contract (in electronic format) shall be sent to the BRM no later than 5 (five) working days from the date of conclusion of the transaction, but no later than 2 (two) working days before the start of deliveries.

(6) During the period referred to in the previous paragraph, the collateral lodged on the account of the order on the basis of which a transaction has been concluded may not be used as collateral in the event of participation in the trading of another standard product.

(7) The participation guarantees constituted are executed by BRM to compensate the injured party in the following situations:

- a) one of the participants does not sign the gas sales contract;
- b) the same quantity as the negotiated quantity and/or the same price as the negotiated price is not completed in the sales contract;

c) the participant does not make the first payment/does not provide the first guarantee under the contract concluded, in accordance with the deadline stipulated in that contract.

(8) BRM will transfer the security lodged by the at-fault party to the aggrieved party within 3 working days of confirmation of the case of fault.

(9) In the event that neither of the parties to the transaction does not sign the sale-purchase contract or in the event that the sale-purchase contract does not contain the items negotiated during the auction, the BRM will retain the guarantees of both parties to the transaction. The BRM has the right to sanction Participants that do not sign the sale contract or conclude sale and repurchase agreements with other elements than those negotiated during the auction by suspending them from trading for a period of between 1 month and 6 months, depending on the seriousness and repetitiveness of the misconduct of the Participant (repetitiveness is defined as more than 3 misconduct in the last 12 months).

(10) This paragraph shall apply in the case of the collateral security referred to in this Article in paragraphs. (3) and (4) lit. Where the Transaction Participants do not sign an agreement, but the transaction is accepted by the Counterparty, the following specific collateral-related conditions apply:

- i. The guarantees required by the Counterparty shall be those applicable under the rules of the Counterparty for participants in a transaction assigned to and accepted by the Counterparty which is a Clearing Member.
- ii. For all participants that are not Clearing Members, party to a transaction that is accepted by the Counterparty, the guarantee and payment arrangements are in accordance with the Counterparty Mechanism Novation Agreement (Annex 4 to this procedure) in conjunction with the Counterparty's regulations on the minimum accepted risk level.
- iii. The Counterparty has the right to enforce the collateral referred to in Article 15, paragraph (1) of this procedure if a Participant, party to the transaction assigned to the Counterparty, does not supplement the level of collateral in time according to the Counterparty's rules, in which case the BRM shall retain the collateral referred to in Article 15, paragraph (1) of this procedure.

Art. 16

(1) After the fulfillment of the obligations set out in Art. 4 and 5, the collateral shall be returned to the participant, with the possibility of keeping it at the BRM, at the participant's request, in order to register future orders.

(2) Guarantees shall be returned within 3 (three) working days of the date on which a written request is submitted, indicating, in the case of those lodged by payment order, the account and bank to which the amounts are to be returned.

II. STAGES OF THE TRANSACTION SESSION

Art. 17

(1) From the opening time of the trading session brokers place orders. They are validated only if they fulfill the following cumulative conditions:

- indication of the quantity, price and validity period of the order;

- the existence on the margin account of an available amount greater than or equal to the amount of collateral required in the event of the order being traded.
- By mentioning the option to trade by one of the following methods:
 - via the BRM Standard Contract by choosing the "STANDARD" tick when placing the electronic order. This option is automatically preset by the system and can be modified, if necessary, by the participant.
 - via the Counterparty by choosing the "CCP" tick when entering the electronic order.
 - through the ANRE Contract by choosing the "GRP" checkbox when placing the electronic order. This option is available only to participants who are subject to the obligation to offer natural gas in accordance with Order no. 143/2020 on the obligation to offer natural gas on the centralized markets of natural gas producers whose annual production in the previous year exceeds 3,000,000 MWh, as subsequently amended and supplemented.

(2) The elements to be entered by the participant when launching the offer are:

- the meaning of the offer (sale/purchase);
- the specification "PARTIAL/TOTAL", for the orders that are part of the bidding obligation according to Order no. 143/2020 on the obligation to offer natural gas on the centralized markets of natural gas producers whose annual production in the previous year exceeds 3,000,000 MWh, with subsequent amendments and additions, respectively ANRE President's Order no. 144/2020 on the obligation of natural gas market participants to offer natural gas on the centralized markets;
- minimum volume of natural gas: for periods greater than or equal to one week, the minimum volume is 1 contract of 1 MWh/day multiplied by the number of days of the tradable interval. The total minimum tradable volume is automatically defined for each individual product;
- the price for products will be expressed in Lei/MWh, positive number, with maximum 2 (two) decimal places. If there is an active Δt in the market, the orders that are not subject to the bidding obligation may be placed at a minimum step of 0.1 lei/MWh;
- the validity date of the order (optional); if not filled in, the system will automatically generate the end date of the trading session;
- specifically in the case of the holders of the obligation to offer natural gas pursuant to Order no. 143/2020 on the obligation to offer natural gas on the centralized markets of natural gas producers whose annual production in the previous year exceeds 3,000,000 MWh, shall specify in the order ticket whether the order shall be taken into account or not for the fulfillment of the obligation to offer;
- Check 'STANDARD', 'GRP' or 'CCP' as appropriate.

(3) Entered orders can be maintained by brokers, except for the interval Δt for brokers managing correlated orders, as follows:

- price change with an auction step of minimum 0.01 lei/MWh, and in case of active correlation, the minimum auction step is 0.10 lei/MWh;
- change the quantity;

- modification of the validity of the order.

If the sale order in the interval Δt is of the **GRP** type (**bidding obligation according to Order no. 143/2020** on the obligation to offer natural gas on the centralized markets of natural gas producers whose annual production in the previous year exceeds 3,000,000 MWh, as amended and supplemented), then the orders in the opposite direction that cumulate the quantity equal to the sale order will not be allowed:

- cancel;
- reducing the quantity;
- price reduction.

If the sum of the quantities of the orders in the buy direction exceeds the quantity of the sell order in Δt , then the last buy order is entitled to reduce the quantity, but only up to the minimum quantity necessary for the sum of all orders in that direction to equal the quantity of the sell order.

For the sake of clarity, new orders are allowed to be entered within the range Δt , both by brokers managing correlated bids and by other participants.

(4) BRM does not assume any responsibility for the correctness of the orders of the holders of the obligation to offer *natural gas*, according to Order no. 143/2020 *on the obligation to offer natural gas on the centralized markets of natural gas producers whose annual production in the previous year exceeds 3,000,000 MWh*, with subsequent amendments and additions, respectively ANRE President's Order no. 144/2020 *on the obligation of natural gas market participants to offer on the centralized markets*, including but not limited to compliance with the obligations regarding the quantities offered, the initial offer price and/or where applicable the minimum number of orders placed as provided for by Order no. 143/2020 *on the obligation to offer natural gas on the centralized markets of natural gas producers whose annual production in the previous year exceeds 3,000,000 MWh*, as subsequently amended and supplemented, respectively ANRE President's Order no. 144/2020 *on the obligation of natural gas market participants to offer natural gas on the centralized markets*, as well as on the conclusion and execution of the ANRE standard contract, in the form provided for by Order no. 143/2020 *on the obligation of natural gas producers whose annual production in the previous year exceeds 3,000,000 MWh to offer natural gas on the centralized markets*, as subsequently amended and supplemented.

(5) Orders can only be entered via the Trading System provided by BRM.

III. Article 18.

- (1) Buy and sell orders are automatically sorted in the trading platform according to the best price. In the event of a price tie, bids will be sorted by timestamp, with the oldest bids being displayed first. The timestamp is updated whenever the broker takes any action to change the price, quantity, validity or partial execution of an order.
- (2) The buy and sell orders with the tick "CCP" are traded under the TRADING PROCEDURE ON THE CENTRALIZED NATURAL GAS EXCHANGES ADMINISTRATED BY ROMANIAN COMMODITIES EXCHANGE S.A., UNDER THE CONDITIONS OF USE OF A CLEARING/CONTRACTING BOX.
- (3) Trading is carried out by matching the orders according to the option expressed by the participant when entering the electronic order.
The sale orders subject to the obligation to offer *natural gas* in accordance with Order no. 143/2020

on the obligation to offer natural gas on the centralized markets of natural gas producers whose annual production in the previous year exceeds 3,000,000 MWh, as amended and supplemented, are traded exclusively on the basis of the ANRE contract.

Buy/Sell orders with the Counterparty Mechanism option are only traded under the Counterparty Mechanism.

The remaining buy/sell orders can be traded under the standard BRM contract.

- (4) The trading system does not correlate the following order types:
- Tick "CCP" and tick "GRP"
 - Tick 'CCP' and tick 'STANDARD' if the correlation is made following the introduction/modification of an order with tick 'CCP'.
- (5) For the sake of clarity we note that by way of exception it is allowed to link an order with a "STANDARD" tick to an order with a "CCP" tick if the linking is made as a result of a change from an order with a "STANDARD" tick to an order with a "CCP" tick at the time of the order's entry.
- (6) In the situation referred to in paragraph (5) of this article, the participants in the transaction implicitly assume the acceptance of the automatic transfer of the transaction to the Counterparty and trading according to the TRANSACTION PROCEDURE ON THE NATURAL GAS CENTRALISED MARKETS ADMINSTRATED BY SOCIETATEA BURESA ROMÂNĂĂĂĂĂĂNA DE MĂRFURI (ROMANIAN COMMODITIES EXCHANGE) S.A., UNDER THE CONDITIONS OF USING A CLEARING HOUSE/COMPARTY.
- (7) For sell orders, the sell order shall be matched with a buy order at the same or a higher price, for the maximum quantity determined by the competing quantities indicated in the two orders in opposite directions, at the best price of the buy order. Where the matching conditions are met for more than two offers in opposite directions, the order of matching shall be established in descending order starting from the best buying-in price and, in the event of a price tie, in ascending order starting from the oldest time-mark.
- (8) For buy orders, the buy order shall be matched with a sell order at the same or a lower price for the maximum quantity determined by the competing quantities indicated in the two orders in opposite directions. To the extent that the matching conditions are fulfilled for more than two opposite bids, the order of matching shall be established descending from the best selling price and, in the case of a price equality, ascending from the earliest time stamp. Operation of the interval Δt :
- From the time of matching bid and offer, the transaction takes place after a time interval of $\Delta t = 2$ minutes has elapsed or, where appropriate, extended due to the introduction of improved bids;
 - The time interval Δt is automatically extended by 2 minutes if improved bids and/or offers occur in the transaction. For the avoidance of doubt, counterparties whose bids are matched may not change their bids or the validity of their bids in any way within a time interval of $\Delta t = 2$ minutes.
 - The extension of the time interval shall be made each time from the time of the first improved price offer within the initial or extended 2-minute time interval, as applicable.
 - The trade will be executed automatically when the time interval Δt closes, irrespective of the number of extensions, if any.
 - At the start of the time interval Δt , as well as at each extension, the BRM will notify all participants in the transaction, by electronic message in the trading platform and by email, that the conditions for matching two bids have been met, thus giving all interested parties the opportunity to improve their bids and continue the auction. The electronic message will

contain the price, the quantity offered for sale and the quantity offered for purchase.

(9) Transaction and price setting at the end of the interval Δt

- After correlation performed according to par. (2) or (3) above, respectively, the transaction shall be executed only after one or more successive time intervals Δt , as appropriate.
- The transaction shall be concluded on the principle of price-time priority and subject to the possibility of obtaining improved offers as follows:
 - If there is no improved offer at the end of the first time interval Δt of 2 minutes thus:
 - i) at the buy order price, if the timestamp is prior to the sell order;
 - ii) at the price of the sell order, if the timestamp is earlier than the buy order;
 - iii) a single sell order is matched with a single buy order in a transaction,
 - iv) the transaction is carried out within the maximum limit of the quantities matched between bid and offer; for the remaining unexecuted quantity, the trading procedure is resumed in the same way as for a new unmatched order with the updating of the time stamp for the partially executed order;
 - If, during the first Δt interval, an improvement in one of the bids (due to the introduction/modification of a bid with a higher bid price or the introduction/modification of a bid with a lower offer price) is achieved, resulting in the start of one or more successive Δt intervals, the transaction is executed at the best price, determined as follows:
 - i) the highest purchase price if it was the last price offered, irrespective of whether it relates to a new order entered or to a variation of an existing order;
 - ii) the lowest selling price if it was the last price offered, regardless of whether it relates to a newly entered order or to a modification of an existing order;
 - iii) a single sell order is matched with a single buy order in a transaction;
 - iv) the transaction is carried out within the maximum limit of the quantities matched between supply and demand; for the remaining unexecuted quantity, the trading procedure is resumed in the same way as for a new order.

(10) If the transaction was carried out only for a part of the quantity mentioned in an order with the specification PARTIAL, that order will be maintained on the trading platform for the remaining quantity.

(11) At the end of the trading session, if a time interval Δt is initiated that would exceed the closing time of the session, it will be fractioned to the maximum remaining interval until the end of the trading session regardless of the duration of this interval.

(12) Parties may request the reversal of erroneous trades in accordance with the Market Participant Conduct Procedure.

(13) Transferring a transaction to the Counterparty. This article refers strictly to the situation where the transaction takes place between 2 orders of opposite direction with the "STANDARD" tick.

i. Parties may unilaterally request the transfer of a transaction to the Counterparty under the following conditions:

- ✓ If they are a Clearing Member of the Counterparty.
- ✓ At any time during the trading session, after the conclusion of a trade but no later than 15:30, by e-mail or fax during the trading day.
- ✓ Acceptance of the transaction by the other party shall take place within a maximum of 15 minutes following receipt of the transfer request, with the information being transmitted via the trading platform automatically and additionally by e-mail or fax.
- ✓ In case of non-acceptance of the transaction by the other party to the transaction, the party that requested the transfer of the transaction to the Counterparty may cancel the transaction, without any further formality, without owing any compensation to BRM or to the other party to the transaction and without owing BRM the fee for the cancellation of the transaction and without being subject to the sanctions referred to in Article 15, paragraph. 9, under the following cumulative conditions:
 - (i) Cancellation is requested within 10 minutes of the other party's refusal of the transfer request to the Counterparty;
 - (ii) the participant that has requested the cancellation has informed the BRM prior to the trading session that the other party does not justifiably meet the creditworthiness and know-your-customer requirements, as defined and monitored by the participant in accordance with its own procedures, for entering into a bilateral transaction;
 - (iii) the BRM reasonably considers that there are no other reasons why the Participant intends to terminate the transaction or that the cancellation of the transaction would adversely affect trading on the market, including without limitation the significant change in the price of the traded product from the time of matching the orders until the time of the request for cancellation;
 - (iv) the request is not unjustified or unmotivated;
 - (v) that participant has not repeatedly and unjustifiably submitted requests to cancel transactions.

If the above cumulative conditions are not met, BRM will refuse to cancel the transaction.

ii. Rejection by the Counterparty shall take place within a maximum of 24 hours from the time the transaction is concluded. All Transactions accepted by the Counterparty will be continuously maintained in the Counterparty's system until the final execution of the terms and conditions set by the executed Transaction, in accordance with the Counterparty's regulations.

iii. All rights and obligations resulting from the transaction executed in the trading system and accepted in the Counterparty's system shall be strictly observed by the parties to the transaction, with the Counterparty interposing between the buyer and the seller and guaranteeing for each party to the transaction, as buyer for the seller and seller for the buyer.

iv. All transactions refused by the Counterparty will be canceled within 24 hours from the time the transaction is concluded, as follows:

- If the price of the transaction deviates significantly from the weighted average price of the recently traded product or similar products in the absence of a recent trading history, the transaction will be canceled within 15 minutes of receipt of the transfer request from a participant, with the refusal information being transmitted via the trading platform automatically and additionally by e-mail or fax;
- If the parties to the transaction fail to provide the guarantees stipulated in Article 15, paragraph (10) of this procedure within a maximum of 24 hours from the time of the conclusion of the transaction;
- All canceled transactions will be published by the BRM, without disclosing the parties

involved in the transaction, but only the elements of the transaction (transaction ID, transaction closing date, product, total quantity, price and reason for the cancellation).

IV. TRANSACTION REPORT

Art. 19.

(1) 15 minutes after the conclusion of a trade, the trading system generates an electronic report that is sent to all brokers participating in the trading session, containing the following elements:

- i. report number,
- ii. the date of the trading session,
- iii. the name of the traded product and whether it is part of the offer obligation under Order 143/2020,
- iv. total quantity traded [MWh],
- v. delivery period (according to the traded product),
- vi. the identification number of each transaction ('ID'),
- vii. the name of the winner,
- viii. quality of the Auction Participants (Seller/Buyer),
- ix. quantity traded,
- x. auction price of each transaction [RON/MWh],
- xi. transaction timestamp.

At the end of the trading session, the trading system will provide the participants with a final report including, if applicable, the changes that occurred as a result of the registration of accepted transactions in the Counterparty's system, the identity of the winner - (point vii.) being replaced by the identity of the BRM Counterparty.

From the moment a transaction is registered in the Counterparty's system, participants will be provided with a daily post-trading report on the account status, in accordance with the Counterparty's rules.

(2) The transaction report is sent to all brokers participating in the trading session in electronic format.

The results of the trading session are published on the BRM website, according to ANRE regulations.

FEES AND CHARGES

Art. 20

(1) For the activities and services carried out, BRM shall charge **centralized market** participants fees and commissions as follows:

- a) Registration and annual maintenance fee;

b) Trading commission;

c) Administration fee (clearing - settlement fee), applicable to transactions accepted by the BRM Counterparty;

(2) Fees for additional operational activities provided by the BRM to participants.

(3) If the obligations referred to in paragraph 1 are not met by the due date, the BRM shall have the right to suspend the participant's access to trading sessions until the obligations have been met.

(4) The applicable fees and charges are published in the category dedicated to fees and charges in the section Common Natural Gas Market Documents on the BRM website at <https://brm.ro/reglementare-gaze-naturale/>.

Art. 21. The fees and commissions charged as the operator of the centralized natural gas market shall be established on the basis of the decision of the BRM's Board of Directors. The BRM is obliged to inform the Participants of the introduction and/or modification of the fees and charges at least 30 calendar days before the new fees/charges enter into force.

THE PROCEDURE FOR LODGING, ADMINISTERING AND SETTLING APPEALS

Art. 22. The interested party may lodge a written objection to the BRM within 1 (one) day from the date of the trading session; the stipulated term is considered as a limitation period. It shall be settled as follows :

(1) The BRM registers and forwards to the concerned party the lodged contestation and asks the concerned party for its views on the resolution of the lodged contestation within 1 (one) day from the date of receipt of the contestation;

(2) The party concerned has the obligation to send to the BRM, within 1 (one) day of the request, the point of view on the objection lodged;

(3) The BRM shall formulate, together with the party concerned, and transmit to the interested parties, the reply to the contestation within a maximum of 5 (five) days from the date of its registration, as well as the measures taken.

PUBLISH

Art. 23.

(1) For transactions concluded in the Standardized and Flexible Products Market on the Medium and Long-Term Products Market, BRM will publish the following information on its own website daily at the end of the trading period:

a) the volumes traded and the number of transactions concluded - for each individual product;

b) minimum daily trading price - for each individual product;

c) maximum trading price of the day - for each individual product;

- d) average price of the trading day - for each individual product, calculated as an average weighted;
- e) the updated average price - on a product-by-product basis - for tradable products within a wider time frame, calculated as a weighted average of all trades from the beginning of the trading day of the product to the end of the trading day;
- f) the change in the updated average price compared to the average/updated price of the previous day - for each individual product;
- g) the closing price of the trading day - the price of the last completed transaction for each individual product;
- h) the change in the day's closing price from the previous day's closing price - for each individual product;
- i) the number of registered market participants who have submitted at least one bid or offer on the market, irrespective of the bid or offer's direction - buy or sell.

(2) For transactions concluded within the flexible products market, the meaning of the offer, the maximum variation limit of the contracted quantity, the delivery period and the price adjustment formula will be permanently published, as soon as the trading session is published on the BRM website, in the Initiating Order and in the contract template submitted by the initiating participant.

Art. 24. The Medium and Long-Term Products Market Operator shall submit monthly to ANRE detailed information on each transaction concluded on the centralized natural gas market in each trading session by the 10th of the current month for the previous month, at the latest, in accordance with ANRE's regulations.

Art.25.

BRM reserves the right to amend and/or supplement this procedure, with the realization of the public consultation process under the conditions of ANRE Order no. 105/2018. The only version opposable to BRM is the one posted on its website.

ANNEX 1

to the procedure

**A. STANDARD PRODUCTS TRADABLE UNDER
THE STANDARD BRM
CONTRACT/COUNTERPARTY MECHANISM**

PRODUCT NAME	CODING
1. Weekend (delivery interval - Saturday - Sunday / Extended Weekend (delivery interval Saturday - Sunday, extended with public holidays on Saturday and Sunday)	BRMWWK_ zz-nn-aaaa (where <i>zz</i> is the first day of the weekend / extended weekend, <i>nn</i> is the number of the month of the year from 1 to 12 and <i>yyyy</i> - the year of delivery)
2. Week (delivery interval - week);	BRM_GAS_PHFW_nn-yyyy (<i>nn</i> is the number of the week of the year from 01 to 53 and <i>yyyy</i> - the year in which delivery starts)
3. Month (delivery interval - month);	BRM_GAS_PHFM_nn-yyyy (<i>nn</i> is the number of the month of the year from 1 to 12 and <i>yyyy</i> - the year of delivery)
4. Quarter (delivery interval - quarter)	BRM_GAS_PHFQn-aaaa (<i>n</i> represents the quarter of the year from 1

	to 4 and yyyy - year of delivery)
5. Semester (delivery interval - semester)	BRM_GAS_PHFS_Sn-yyyy (<i>n</i> is the semester number of the year from 1 to 2 and yyyy - the year of delivery)
6. Cold season (delivery interval - calendar quarters IV and I);	BRM_GAS_PHFCS-yyyy (yyyy - year of completion of delivery)
7. Warm season (delivery interval - calendar quarters II and III);	BRM_GAS_PHFWS-yyyy (yyyy - year of delivery)
8. Gas year;	BRM_GAS_PHFGY-aaaa (yyyy - year of completion of delivery)
9. Calendar year;	BRM_GAS_PHFY-yyyy (yyyy - year of delivery)
10. BALANCE OF THE MONTH (BOM) - delivery interval rest of the month	BRM_GAS_PHFBOM_zz-nn-aaaa (zz is the day on which delivery starts within the month, <i>nn</i> is the number of the month of the year from 1 to 12 and yyyy - the year of delivery)

B . TRADABLE STANDARD PRODUCTS

ON THE BASIS OF STANDARD-EFFECTIVE CONTRACTS/ PRE-AGREED CONTRACTS

PRODUCT NAME	CODING
1. WEEKEND/BRM_GAS_PHWK	BRMWWK_zz-ll-aaaa (where z is the first day of the weekend)
2. WEEK /BRM_GAS_PHFW	BRMW_ss-aaaa (ss from 01 to 53)
3. MONTH / BRM_GAS_PHFM	BRMM_monthyyyyy (name of the month)
4. QUARTER / BRM_GAS_PHFQ	BRMQ_Qn-yyyy (No 1 to 4)
5. SEMESTER /BRM_GAS_PHFS	BRMGS_Sn-yyyy (No 1 to 2)
6. COLD SEASON/BRM_GAS_PHFCS	BRMGN_CS - yyyy
7. WARM SEASON/ BRM_GAS_PHFWS	BRMGN_WS - yyyy

8. GAS YEAR / BRM_GAS_PHFGY	BRMGY-aaaa
9. CALENDAR YEAR /BRM_GAS_PHFY	BRMY - aaaa

**C. STANDARD PRODUCTS TRADABLE ON THE
BASIS OF CONTRACTS PROPOSED BY
THE PARTICIPANT INITIATING THE
TRADING ORDER**

PRODUCT NAME	CODING
1.WEEKEND/BRM_GAS_PHWK	BRMWWK_zz-ll-aaaa (where z is the first day of the weekend)
2. WEEK /BRM_GAS_PHFW	BRMW_ss-aaaa (ss from 01 to 53)

3. MONTH / BRM_GAS_PHFMM	BRMMM_monthyyyyy (name of the month)
4. QUARTER / BRM_GAS_PHFQ	BRMQ_Qn-yyyy (No 1 to 4)
5. SEMESTER /BRM_GAS_PHFS	BRMGS_Sn-yyyy (No 1 to 2)
6. COLD SEASON/BRM_GAS_PHFCS	BRMGN_CS - yyyy
7. WARM SEASON/ BRM_GAS_PHFWS	BRMGN_WS - yyyy
8. GAS YEAR / BRM_GAS_PHFGY	BRMGY-aaaa
9. CALENDAR YEAR /BRM_GAS_PHFY	BRMY - aaaa
10. MULTIPLE OF GAS DAY/	BRM_MULTIPLU-yyyyy

**D. FLEXIBLE PRODUCTS TRADABLE UNDER EFET/PREAGREED/PROPOSED CONTRACTS
BY THE PARTICIPANT INITIATING THE TRADE ORDER**

PRODUCT NAME	CODING
1. FLEXIBLE PRODUCT	BRMF-aaaa

**FRAMEWORK CONTRACT
FOR SALE - PURCHASE NATURAL GAS**
nr/.....

I. Contracting Parties

Art. 1

....., with registered office in, str. nr., postal code, jud., registered at the Trade Register under no. J...../...../....., unique registration code RO, with an account opened at bank....., IBAN number..... legally represented by, as a natural gas supplier according to the Natural Gas License no. ____ of ____ issued by ANRE, hereinafter referred to as "VENDOR".

and

....., with registered office in, str. nr., postal code, jud., registered at the Trade Register under no. J...../...../....., unique registration code RO, with an account opened at bank....., IBAN number..... legally represented by, as, hereinafter referred to as "BUYER".

The Parties, hereinafter referred to individually as the "Party" and collectively as the "Parties", have agreed to enter into this Natural Gas Purchase and Sale Agreement (the "Agreement"), subject to the following terms and conditions:

II. Subject matter of the contract

Art. 2

- (1) The object of the Contract is represented by the trading between the Seller and the Buyer of determined quantities of natural gas, related to standardized medium and long term products approved by decision of the President of ANRE, expressed in energy units ("Contracted Quantity"), quantities intended for trading on the natural gas market in accordance with the legal provisions.
- (2) The quantities, prices and products traded by the Parties during the trading sessions held on the Medium and Long-Term Standardized Products Market are in accordance with the Trading Report issued by the operator of the Centralized Natural Gas Markets and are set out in Annex no. 1, which is an integral part of this Contract.
- (3) The transfer of ownership is made in the Virtual Trading Point (VTP), based on the trading report made available to the Parties by the centralized market operator - BRM; the traded quantities of natural gas are to be delivered in the VTP, in a constant daily profile.

III. Obligation to take over/Obligation to deliver

Art. 3

- (1) The traded quantities of natural gas are firm, the Seller assuming the obligation to deliver and invoice them to the Buyer, and the Buyer assuming the obligation to take and pay for them at the price resulting from the trading session, according to the Trading Report issued and transmitted to the Parties by the BRM, in

accordance with the provisions of Chapter V of the "Procedure for the organization and operation of the medium and long-term standardized products market administered by the BRM". The Parties shall nominate to the OTS the quantities delivered and taken over, in accordance with the provisions of Annex no. 1.

- (2) Failure to deliver or to take delivery of the quantities of natural gas traded, in whole or in part, shall entitle the party at fault to invoice the party at fault for the value of the undelivered or non-taken delivery of the quantities of natural gas, as a penalty, and the right to unilaterally declare this Contract terminated, by operation of law, without the intervention of the court and without any prior formalities other than written notice of termination, in the event of repeated non-delivery or non-recovery of the traded quantities of natural gas by the other party (starting with the second infringement).
- (3) The countervalue of imbalances generated by one Party to the other Party shall be calculated in accordance with the legal provisions in force and shall be due by the Party at fault to the Party to which they were generated.

IV. Duration of the Contract

Art. 4

- (1) This Contract is concluded **for the period of the product traded on the Medium and Long-Term Standardized Products Market managed by BRM.**
- (2) The **period of validity** of the contract is the period determined in time between the time of conclusion of the transaction and the time of settlement of all obligations related to payments, natural gas deliveries/purchases and related collateral operations.
- (3) After the expiration of the Validity Period, the Parties shall no longer be bound by the terms and conditions of this Contract, except to the extent necessary for the performance of the rights and obligations of the Parties as arising out of this Contract

V. Delivery/take-off of natural gas, natural gas metering

Art. 5

- (1) The delivery/pick-up of natural gas shall be carried out in the PVT according to Annex 1 to this Contract, in a constant daily profile.
- (2) The expenses incurred for the delivery/takeover of natural gas in the PVT will be borne in accordance with the legislation in force, as follows:
 - a) Seller agrees to bear payment of all costs not limited to taxes, duties or tariffs imposed by any governmental authority on or in connection with the natural gas prior to or at the time of delivery thereof to Buyer in the PVT;
 - b) Buyer agrees to bear the payment of all costs, without limitation, taxes, duties or tariffs imposed by any governmental authority on or in connection with the Natural Gas after Buyer's takeover of the Natural Gas in PVT.

VI. Contract Price. Price payment guarantee. Conditions and methods of payment

Art. 6

- (1) The price of natural gas traded between the Parties (the "Contract Price") is the price established following trading on the Medium and Long-Term Standardized Products Market administered by BRM, in accordance with Annex 1 "Trading Annex" to this Contract;

- (2) The price referred to in paragraph (1) shall not include VAT and excise duties, which shall be added, as the case may be, in accordance with the legal provisions....
- (3) The obligations to declare and pay excise duty to the consolidated state budget for natural gas purchased under this Contract shall be established in accordance with the provisions of tax legislation. In this regard, **in the case of the Distribution Operator, at the request of the Seller**, the latter shall submit after the end of the delivery month the Declaration on its own responsibility for the purpose of non-assessment of gas excise tax.
- (4) The guarantee of payment of the value of the contracted/delivered natural gas for each contractual week/month of delivery and the risk of non-acceptance of the contracted natural gas by the Buyer shall be realized in one of the following ways:
- For the product WEEK, by:
 - **payment in advance** of the total quantity traded, at least 2 Working Days before the first day of delivery.
 - For the MONTH product, by:
 - **advance payment** of the equivalent value of the total quantity traded, at least 2 Working Days before the first day of delivery, or
 - by a **bank guarantee letter** by the Buyer for the benefit of the Seller; the bank guarantee letter shall be sent to the Seller, in original, within 5 Working Days from the date of signature of the Contract by both parties, but not less than 2 Working Days before the first day of delivery and shall cover the entire amount of the Contract Value, and may be enforced by the Seller for non-collection of the price and penalties applied in accordance with the provisions of this Contract. The term of validity of the bank guarantee letter is 35 days from the last day of the month of delivery.

The method of guarantee shall be decided by the Buyer and shall be notified to the Seller at the time of signing this Contract.

- For the QUARTER product, by:
 - the presentation of a **performance guarantee (SGB)**, no later than 5 Working Days from the date of signature of the Contract by both parties, but not less than 2 Working Days before the start of deliveries, the amount of which shall represent the Contract Value for a 30-day delivery period, followed by the **advance payment** of the equivalent of one month's delivery period of the Contract Value, at least 2 Working Days before the first day of delivery.
 - After confirmation of payment in respect of the 2nd month of delivery, the cumulative amount of the securities (through advance payment and SGB) will be reduced to the equivalent of the last month of delivery
 - or the presentation of a **performance guarantee (SGB)**, within a maximum of 5 Working Days from the date of signature of the Contract by both parties, but not less than 2 Working Days before the start of deliveries, the amount of which shall represent the Contract Value for a delivery period of 30 days, and at least 2 days before the start of the delivery period, the **bank guarantee letter** shall be **completed** with the amount of the Contract Value for a delivery period of 60 days. The letter of bank guarantee may be enforced by the Seller for non-payment of the price and penalties applied in accordance with the provisions of this Contract.

- After confirmation of payment of the 1st and 2nd months of delivery, the amount of the bank guarantee letter will be reduced accordingly, maintaining coverage only for the remaining outstanding period.

The period of validity of the bank guarantee letter is 35 days from the last day of the month of delivery for both types of guarantee.

- For SEMESTER, SEASON and YEAR products, payment will be guaranteed by:
 - the presentation of a **performance guarantee (SGB)**, within a maximum of 5 Working Days from the date of signature of the Contract by both parties, but not less than 2 Working Days before the start of deliveries, the amount of which shall represent the Contract Value for a 30-day delivery period, and, not less than 2 Working Days before the start of the delivery period, to complete the **bank letter of guarantee** with the amount representing the Contract Value for a 30-day delivery period and to make the **advance payment** of the amount representing the Contract Value for a 30-day delivery period after the end of each month of delivery or;
 - by presenting a **performance guarantee (SGB)**, within a maximum of 5 Working Days from the date of signature of the Contract by both parties, but not less than 2 Working Days before the start of deliveries, the amount of which shall represent the Contract Value for a delivery period of 30 days, and at least 2 days before the start of the delivery period, the **bank guarantee letter** shall be **completed** with the amount of the Contract Value for a delivery period of 60 days. The letter of bank guarantee may be enforced by the Seller for non-payment of the price and penalties applied in accordance with the provisions of this Contract.

In the last 3 months of delivery after confirmation of the payments for the month before last and the month before last, the cumulative amount of the bank guarantees will be reduced accordingly so that it covers only the remaining months to be delivered until the end of the contract.

The period of validity of the bank guarantee letter is 35 days from the last day of the month of delivery for both types of guarantee.

(5) The Seller shall guarantee the delivery of natural gas in one of the following ways:

- (i) For the WEEK product, the Seller is not obliged to provide a warranty.
- (ii) For the MONTH product, by constituting a **performance bond** in the form of a bank letter of guarantee by the Seller for the benefit of the Buyer, which shall be sent to the Buyer, in original, no later than 5 Business Days after the date of signature of the Contract by both parties, but not less than 2 Business Days before the start of deliveries and which shall cover the entire amount of the Contract Value, and which may be enforced by the Buyer for non-delivery and non-payment of penalties applied in accordance with the provisions of this Contract. The term of validity of the bank guarantee letter is 10 days after the last day of delivery.
- (iii) For the Products, QUARTER, by providing a **performance guarantee** in the form of a letter of guarantee to the Seller for the benefit of the Buyer, which bank guarantee letter shall be sent to the Buyer, in original, no later than 5 Working Days after the date of signature of the Contract by both parties, but not less than 2 Business Days prior to the commencement of deliveries, and which shall cover the amount representing the Contract Value for a period of 30 days of delivery, and which shall be enforceable by the Buyer for non-delivery and non-payment of penalties applied in accordance with the provisions of this Contract.

The validity period of the bank guarantee letter is 10 days after the last day of delivery.

- (iv) For the SEMESTER, SEASON and YEAR products, by the provision of a **performance guarantee by the Seller** in the form of a bank letter of guarantee for the benefit of the Buyer, which shall be sent to the Buyer, in original, no later than 5 Working Days from the date of signature of the Contract by both parties, but not less than 2 Working Days before the start of deliveries, and which shall cover the amount of the Contract Value for a period of 60 days of delivery, and which may be enforced by the Buyer for non-delivery and non-payment of penalties applied in accordance with the provisions of this Contract.
- a. Within a maximum of 5 Working Days from the beginning of the last month of delivery, the amount of the bank guarantee letter will be reduced to 30 days of the Contract Value.

The validity period of the bank guarantee letter is 10 days after the last day of delivery.

- (6) Breach of the obligation to make the advance payment or to send the bank guarantee letter on time entitles the other Party to unilaterally terminate this Contract through the fault of the other Party and to invoice the latter as a penalty the value of the undelivered or uncollected quantity.
- (7) The Party providing the bank guarantee shall be obliged to replenish the guarantee covered by the bank guarantee letter after each execution by the other Party, or to renew the bank guarantee letter, if necessary, to cover the guaranteed amount at any time. All fees related to the bank guarantee letter and its execution shall be borne by the Party providing the bank guarantee.
- (8) The Party in favor of which the bank guarantee letter is issued shall be obliged to return it to the other Party, at the latter's written request, within 2 working days from the date of full performance of the obligations it guarantees. If advance payment is used as a guarantee, the Party in whose favor the payment is made shall be obliged to return the advance payment to the other Party or, if both Parties agree, to set off the last month's payment.
- (9) **The performance guarantee** may be enforced by either Party in the event that the other Party fails to comply with any of its contractual obligations, i.e. non-acceptance/delivery and non-payment.

Art. 7

- (1) The Seller will invoice the Buyer as follows:
- At least 2 days before the start of deliveries, if the invoice is an advance payment invoice;
 - Within a maximum of 20 days after the end of each delivery month, for the other invoices issued under the Contract, with the Due Date by the 25th of the month following the delivery month.
- (2) Invoices drawn up by the Seller in accordance with the provisions of this Contract shall be sent to the Buyer by fax and/or e-mail on the date of issue. Any delay in issuing or transmitting invoices shall result in the corresponding extension of the payment terms.
- (3) Payment for natural gas shall be made by the Buyer by bank transfer on the basis of invoices issued by the Seller. Payment by bank transfer or by any other means of payment shall be deemed to have been made on the date on which the Seller's bank account is credited with the amount representing the invoiced amount. Payment shall be made to the Seller's account stated on the invoice.
- (4) The Buyer shall explicitly mention the invoice to be paid in the payment order and shall send a copy of it, at the Seller's request, to the correspondence addresses provided for in Article 14.
- (5) Failure to pay invoices issued under this article on the due date shall entitle the Seller to:

- a) non-delivery of natural gas in accordance with the Contract, without giving rise to any contractual obligation/liability on the part of the Seller in the event of non-payment of the advance invoices;
 - b) charging a rate of late payment interest equal to the level of the surcharges for failure to pay on time the obligations to the consolidated state budget, calculated for each day of delay, starting with the day immediately following the Due Date, until the full payment of the debt, including the day of payment;
 - c) limiting/stopping the supply of natural gas with prior notification to the Buyer within 24 (twenty-four) hours after a notification to this effect has been sent to the Buyer and the OTS;
 - d) unilateral termination of this Contract due to the Buyer's fault, if the delay in payment exceeds 10 days.
- (6) If an amount invoiced by the Seller is disputed in whole or in part by the Buyer, the Buyer shall submit an explanatory note to the Seller containing its objections within 5 (five) working days of receipt of the invoice by fax or e-mail and shall pay the remaining undisputed amount by the payment deadline, as set out in Article 7 paragraph. (1). The Buyer's objections to the invoiced amounts set out in the explanatory note shall be settled between the Parties within 5 (five) working days from the date of receipt of the Buyer's claims. For amounts disputed but subsequently established by amicable settlement or court judgment to be due by the Buyer, the Buyer shall pay, in addition to the amount due, a penalty calculated in accordance with the provisions of Art. 3 para. (2). In the event of a reduction in the invoiced amounts as a result of the objection, the Buyer shall be refunded any sums and penalties calculated in accordance with Art. 3 para. (2), already paid, corresponding to the respective reduction. The procedure provided for in this Art. 6 shall not prevent enforcement of the security lodged by the Purchaser in accordance with Art. 6 para. (4).

VII. Fees and taxes

Art. 8

- (1) As required by law, Seller agrees to be responsible for and to pay or cause to be paid all taxes and/or levies, imposed by any governmental authority, associated with natural gas delivered under this Contract prior to delivery to Buyer.
- (2) As required by law, Buyer agrees to be responsible for and to pay or cause to be paid all taxes and/or levies imposed upon it by any governmental authority and associated with the natural gas delivered under this Contract upon receipt thereof from Seller.

VIII. Rights and Obligations

Art. 9

- (1) The seller has the following main rights:
 - a) to invoice the Buyer for the quantity of natural gas delivered and penalties or penalty interest - where applicable - in accordance with the contractual provisions and to collect the countervalue thereof;
 - b) to charge the Buyer for the value of the imbalances created by the Buyer and to collect the countervalue;
 - c) to stop natural gas deliveries to the Buyer, subject to the provisions of Art. 7 para. (5) letter b);
 - d) to execute the letter of bank guarantee lodged by the Buyer in accordance with Art. 6 para. (4), in the event of late payment by the Buyer.
- (2) The seller has the following main obligations:
 - a) to deliver to the Buyer the quantities of natural gas determined in accordance with this Contract, on the basis of the Trading Schedule which forms an integral part of the Contract;

- b) ensure the specified parameters of the delivered natural gas, in compliance with the legislation in force;
- c) to hold and maintain in force, for the entire duration of the Contract, the necessary licenses and authorizations for the delivery/take of natural gas in the PVT and to comply with their provisions;
- d) to ensure delivery to the Buyer of the quantity of natural gas contracted under the terms of this contract;
- e) to return the performance guarantee to the Buyer within 1 (one) working day of payment of all financial debts, if the contract has been terminated;
- f) to resume the delivery of natural gas to the Buyer within a maximum of 24 (twenty-four) hours from the date of cessation of the reason for the interruption, except in cases of force majeure and necessity;
- g) to provide a performance guarantee by means of a bank letter of guarantee valid from the date of issue, having as its guaranteed value the amount referred to in Article 6 para. (5).

Art. 10

(1) The buyer has the following main rights:

- a) to request and take delivery of the quantities of natural gas in accordance with the provisions of this Contract and all the Trading Annexes which form an integral part of the Contract;
- b) to charge the Seller the value of the imbalances created by the latter and to collect the countervalue thereof;
- c) claim damages from the Seller in the event of limitations and/or interruptions in the delivery of natural gas, other than those permitted in this Contract or by applicable law, caused by the fault of the Seller, which fault shall be established on the basis of a technical expert's report. For the avoidance of doubt, fault must be proven.
- d) to execute the bank guarantee letter provided by the Seller in accordance with Article 6 para. (5) in the event of non-delivery of natural gas by the Seller.

(2) The buyer has the following main obligations:

- a) to take and/or pay for the quantities of natural gas made available by the Seller in accordance with the provisions of this Contract;
- b) to pay in full and on time the price of natural gas purchased under the terms of this Contract;
- c) to hold and maintain in force, for the entire duration of the Contract, the necessary licenses and authorizations for the delivery/take of natural gas in the PVT and to comply with their provisions;

To provide a performance guarantee by means of a bank letter of guarantee valid from the date of issue, having as guaranteed value, the amount referred to in Article 6 paragraph. (4).

IX. Confidentiality clause

Art. 11

- (1) The Parties undertake to treat all information, data and documents which come to their knowledge during and/or on the occasion of the conclusion and during the performance of this Contract as confidential information and assume responsibility for keeping them confidential.

- (2) The provisions of Art. 11 para. (1) the following data, documents and information:
 - a) those for the disclosure of which the prior written consent of the other Contracting Party has been received;
 - b) those which at the date of their disclosure are in public circulation;
 - c) those required by the authorized state bodies, based on a legal obligation.
- (3) If one of the Parties breaches the obligation of confidentiality with regard to this Contract by disclosing to unauthorized third parties information of a non-public nature, it shall be obliged to pay damages to the injured Party.
- (4) The provisions of para. (1) shall remain valid for 5 years from the date of termination of this Contract.

X. Contractual liability

Art. 12

Each Party shall be liable only for the performance and fulfillment of its contractual obligations in accordance with common law.

XI. Termination of the Contract

Art. 13

- (1) This Contract shall terminate on:
 - a) the end of the Contract Validity Period;
 - b) in the event that one of the Parties ceases to hold the authorizations/licenses necessary for the performance of the obligations under this Contract;
 - c) if events of force majeure prevent the Parties from fulfilling their contractual obligations under the Contract;
 - d) by termination by either Party under the conditions provided for in this Contract;
 - e) by legal termination in the event of bankruptcy or dissolution, as the case may be, of the contractual partner.
- (2) Termination of this Contract shall have no effect on contractual obligations assumed by the Parties and not yet performed.

XII. Notifications

Art. 14

- (1) The Parties agree that, during the performance of this Contract, all notices or communications between them shall be in writing and shall be sent by fax and/or e-mail, by registered mail with acknowledgment of receipt, or by courier to the addresses indicated below:

For the Seller:

_____, _____, no. _____, county/sector _____
Tel: +4 _____

Fax: +4 _____
E-mail general enquiries: _____
REMIT Officer: _____
GMOIS responsible: _____
Invoicing Officer: _____
Contracting Officer: _____

For the Buyer:

_____, _____, no. _____, county/sector _____
Tel: +4 _____
Fax: +4 _____
E-mail general enquiries: _____
REMIT Officer: _____
GMOIS responsible: _____
Invoicing Officer: _____
Contracting Officer: _____

- (2) Where notification is made by post, it shall be sent by registered letter with acknowledgement of receipt and shall be deemed to have been received by the addressee on the date indicated by the receiving post office on the acknowledgement of receipt.
- (3) Oral notifications shall not be taken into account by either Party unless confirmed by one of the means provided for in the preceding paragraphs.
- (4) The change of the correspondence address of either Party shall be notified in accordance with the provisions of para. (1) above at least 5 (five) calendar days before it becomes effective, failing which notifications shall be deemed to have been validly communicated even if the addressee has moved from the address or similar or if the addressee has not sent the document.

XIII. Change of circumstances

Art. 15

- (1) "Change in circumstances" means: the coming into force, modification of the text of any legal requirement, rule, methodology or recommendation of an authority which was not in force at the date of signing of this Contract.
- (2) A change of circumstances may include, but is not limited to: the introduction of new taxes or charges, a change in the manner of levying or charging, an increase/decrease in any existing taxes and charges; any amendment and supplement to the Network Code for the National Transmission System in force shall also be considered a change of circumstances for the purposes of this Contract.
- (3)

In the event of a change of circumstances affecting the provisions of this Contract, the Parties undertake to sign an additional deed reflecting such change. Changes may not concern quantity, price and/or profile in the case of standard products.

XIV. Force Majeure

Art. 16

- (1) Force majeure is a future, unforeseeable and insurmountable event, which exempts from liability the Party who invokes it, in the event of partial or total non-performance of the obligations assumed by the Contract, if it is invoked under the law.
- (2) The Party invoking a case of force majeure is obliged to notify the other Party within 48 (forty-eight) hours of the occurrence of the event, followed by the submission of supporting documents within 5 (five)

calendar days of the same date; the Party concerned is also obliged to take all possible measures to limit the consequences of such a case.

- (3) Cases of Force Majeure will be certified by the Romanian Chamber of Commerce and Industry.
- (4) If the force majeure does not cease within 30 (ten) calendar days, the Parties have the right to request the termination of the Contract, without either of them being entitled to claim damages.
- (5) The occurrence of an event of Force Majeure shall not release the Parties from the obligations due up to the date of the occurrence of the event of Force Majeure;

XV. Applicable law

Art. 17

- (1) This Contract, as well as the rights and obligations of the Parties resulting from its execution are subject to the Romanian legislation in force.
- (2) The Parties agree that all disagreements arising out of the interpretation, execution or termination of this Contract shall be settled amicably.
- (3) Otherwise, any dispute arising out of or in connection with this Contract, including its conclusion, performance or termination, shall be settled by the competent courts.

XVI. Assignment

Art. 18

Neither Party may assign to a third party, in any manner whatsoever, in whole or in part, its rights and/or obligations arising from this Contract.

XVII. Final clauses

Art. 19

In the event of a change of legal form/judicial reorganization, the Parties undertake to communicate, within a maximum of 5 (five) calendar days from this date, the manner of assumption of the mutual contractual obligations.

Art. 20

The Parties undertake, in relation to each other, to hold for the entire duration of the Contract the necessary approvals for the fulfillment of the obligations stipulated therein.

Art. 21

The provisions of this Contract are supplemented by the provisions of the Civil Code and other legal regulations in force. If any provision of the Contract is invalid or unenforceable in any respect under applicable laws and regulations, the validity, legality and enforceability of the remaining provisions of the Contract shall not be affected in any way and the Contract shall continue to have effect. Invalid or unenforceable provisions shall be deemed to have been replaced by an appropriate and fair provision which, to the extent permitted by law, comes as close as possible to the intent and purpose of the invalid or unenforceable provision, unless the Parties agree to amend/complete them by way of an additional act.

Art. 22.

The fact that one of the Parties does not avail itself, at a given time, of any of the provisions of this Contract, shall not be construed as a waiver of the right to avail itself of it later, shall not amount to a modification of this Contract and shall not give rise to any right whatsoever in favor of the other Party or a third party.

Art. 23.

The Parties declare that they have all the experience and knowledge necessary for the conclusion of this Contract, that this Contract is concluded in full knowledge of its effects, knowing and fully understanding all legal, technical and commercial aspects related to the conclusion, execution and termination of this Contract.

Art. 24.

Either Party has the right to claim payment of the amounts due under this Contract within 3 years of the due date.

Art. 25

This Agreement has been drawn up today, __.__.____, in 2 (two) original copies, one for each Party, and shall be effective as of _____

XVIII. Annexes

Art. 26

The following Annexes form an integral part of this Contract:

- Annex 1. Trading Annex
- Annex 2. Terminology

It assumes and commits the company's liability:

SELLER

BUYER

(Company name)

(Company name)

Legal representative

Legal representative

Annex 1
on contract

Trading Annex

The specific and commercial terms and conditions of trading set out below will reflect in detail the elements of the Trading Report No/..... The information set out in this Annex shall prevail over other contractual provisions covering an identical subject matter.

Vânzător: _____

Cumpărător: _____

➤ **DELIVERY PERIOD/QUANTITY OF NATURAL GAS/PRICE/DROP-OFF POINT**

Delivery period (starts and ends at 07:00 on the gas day)	Total quantity traded (MWh)	Quantity delivered daily (MWh/day)	Price (LEI /MWh)	Delivery/Pick-up in PVT

--	--	--	--	--

➤ **Total contract value** (excluding VAT and/or excise duties): _____ **LEI**

This Annex has been concluded following trading on the Centralized Medium and Long-Term Products Market administered by BRM.

Product traded (*check the appropriate product*):

- WEEKEND**
- WEEK**
- MONTH**
- FIRST QUARTER**
- SECOND QUARTER**
- THIRD QUARTER**
- FOURTH QUARTER**
- FIRST SEMESTER**
- SECOND SEMESTER**
- COLD SEASON**
- WARM SEASON**
- GAS YEAR**
- CALENDAR YEAR,**

It assumes and commits the company's liability:

SELLER

(Company name)

BUYER

(Company name)

Legal representative

Legal representative

Annex 2
on contract

Terminology

"Network Code for the National Natural Gas Transmission System" - normative act regulating the conditions and rules for the use of the National Natural Gas Transmission System in Romania;

"Competent Authority" - National Energy Regulatory Authority (ANRE);

"Contracted Quantity" - a volume of natural gas sold by the Seller to the Buyer in accordance with the Contract during the Delivery Period;

"Due Date" - the date(s) on which the payment amounts debit the Seller's account with the value of the invoices issued under the provisions of the Contract. If that date corresponds to a Non-Business Day, it shall be deemed to be the immediately following Business Day;

'Natural gas' means free gas from methane gas fields, gas dissolved in crude oil, gas from the gas field associated with crude oil fields and gas resulting from the extraction or separation of liquid hydrocarbons;

"transmission system operator (TSO)" means a natural or legal person who carries out the activity of natural gas transmission and is responsible for operating, ensuring the maintenance of, and, if necessary, developing the

transmission system in a given area and, where applicable, its interconnections with other systems, and for ensuring the long-term capacity of the system, in order to meet the demand for the transmission of natural gas;

"Delivery Period" - means the period defined by the parties for each individual transaction;

"Contract Price" - means the price of natural gas/MWh, resulting from the transaction, to be paid by the Buyer to the Seller for the natural gas contracted under the Contract;

"National Transmission System" (NTS) - the natural gas transmission system located on the territory of Romania and publicly owned by the State;

"Contractual Value"- is the value obtained by multiplying the Contracted Quantity by the Contractual Price, plus VAT in accordance with the legal provisions;

"Business Day" - means any day, other than Saturday or Sunday or any public holiday, on which banks are generally open for business in Romania;

"Non-Business Day" - means any Saturday or Sunday or any public holiday on which banks are closed for any operations in Romania.

Art. 2. The other terms used in this Procedure have the meaning provided for in the "Regulation on the organized framework for trading standardized products on the centralized natural gas markets administered by the Romanian Commodities Exchange (Bursa Română de Mărfuri) S.A.", as well as in the relevant legislation in force.

It assumes and commits the company's liability:

SELLER

BUYER

(Company name)

(Company name)

Legal representative

Legal representative

ANNEX 3

to the procedure

**INITIATOR
ORDER**

(model)

Participant	
Beneficiary	
Standard product	
Active type	
Where the gas comes from	
Quantity	
Maximum variation limit of contracted quantity*	
Order meaning : Sale/purchase	
Starting auction price	
Price adjustment formula*	
Delivery condition : PVT	
Start date of delivery	
Further details	
Proposed date and time of the meeting	

We are aware of and undertake to comply with the provisions of the Regulation on the organized framework for trading on the centralized natural gas markets administered by the Romanian Commodities Exchange S.A., approved by the Order of the President of ANRE no. 223/2018 with subsequent amendments and the trading procedures on the centralized natural gas markets administered by the Romanian Commodities Exchange S.A..

* Only valid when ordering a flexible product

Customer:

Vizat
affiliate member/shareholder member

(Name, first name)
(Authorized signature and stamp)

The procedure

Contract of novation

I. Contracting Parties

Art. 1

The parties to the novation contract (hereinafter the "Novation Contract") are, on the one hand, the Bursa Romana de Mărfuri, as counterparty (hereinafter the "Counterparty" or "BRM") and the participants in the centralized natural gas market (hereinafter, individually, the "Seller Beneficiary" or "Seller", respectively "Buyer Beneficiary" or "Buyer" and collectively "Beneficiaries"), who are not Clearing Members and MC Accepting Agreement with BRM as Counterparty and who have entered into a transaction, (hereinafter "Transaction"), on the medium and long-term product market, and has been rejected by their counterparty in the Transaction.

The above parties are hereinafter referred to individually as the "Party" and collectively as the "Parties".

II. Subject of contract

Art. 2 Acceptance of the transaction by the Counterparty

- (1) The Counterparty substitutes itself in a transaction concluded on the Medium and Long-Term Product Market of Standardized Products, as per Art. 3, paragraph 1, point A of the Medium and Long-Term Product Trading Procedure, by the Novation Agreement, becoming Buyer to the Seller and Seller to the Buyer.
- (2) The Novation Agreement is an integral part of the Procedure for the Organization and Operation of the Medium and Long-Term Standardized Products Market and is applicable to all participants in this market from the date of conclusion of a transaction. The Contract shall take effect as of the date on which the Counterparty accepts the request for novation of the concluded transaction submitted by any party to the Transaction that refuses to conclude the Standard Contract (Annex 2 to the Procedure for Medium and Long-Term Product Trading on the Medium and Long-Term Product Trading) with the Counterparty to the Transaction.
- (3) The obligations to physically deliver and take delivery of natural gas shall remain with the parties to the Transaction, with the Counterparty acting as financial guarantor for the fulfillment of all financial obligations, but without making deliveries or taking delivery of natural gas on its own behalf.
- (4) BRM as Counterparty guarantees the payment of the countervalue of the traded natural gas according to the concluded transaction. BRM as Counterparty guarantees through specific risk management mechanisms as well as through the guarantee fund the takeover and delivery of natural gas according to the concluded transaction by another supplier in case of non-compliance with the delivery/takeover conditions induced by a party to the concluded transaction.
- (5) The quantities, prices and delivery periods shall be those that have been traded by the parties during the trading sessions on the Medium and Long-Term Standardized Products Market administered by BRM; they shall be the subject of trading annexes relating to each individual transaction, identical in form and fully completed, in accordance with the model set out in Annex 1 to this Framework Agreement;
- (6) The transfer of ownership is done at the Virtual Trading Point (VTP), on the basis of the

transaction report made available to the Parties by the centralized market operator -

BRM; traded natural gas quantities to be delivered in PVT, in constant daily profile.

III. Obligation to take over/Obligation to

deliver Art. 3

- (1) The quantities of traded natural gas are firm, the Supplier as Seller assuming the obligation to deliver them in PVT and as Buyer to take them over and pay them at the price resulting from the trading session, according to the Trading Report issued and transmitted to the Parties by BRM, in accordance with the provisions of Chapter V of the "Procedure for the organization and operation of the medium and long-term standardized products market administered by BRM".
- (2) Failure by any of the Beneficiaries to perform, in whole or in part, the obligation to deliver or take delivery of the traded quantities of natural gas shall entitle the Counterparty to receive the countervalue of the quantity not delivered or, as the case may be, not taken delivery of. As a consequence, the Party whose obligation is not fulfilled shall be liable for the payment of the amount representing the countervalue of the quantity of gas for which the obligation to deliver or take delivery has not been fulfilled. In the event of non-compliance, the Counterparty shall enforce the guarantees provided by the Beneficiary, within the limits of the obligations undertaken by the latter, as set out in Art. 6.1 of this Contract.
- (3) The countervalue of imbalances generated by the Provider shall be calculated in accordance with the legal provisions in force and shall be owed by the Provider to the Central Counterparty.

IV. Duration of the

Contract Art. 4

- (1) This Agreement shall take effect from the date on which the Counterparty accepts the Beneficiary's request to assign the concluded transaction. The Contract shall subsist until all the obligations arising from the conclusion of the Transaction on the Medium and Long-Term Standardized Products Market administered by BRM are extinguished.
- (2) After the expiration of the Validity Period, the Parties shall no longer be bound by the terms and conditions of this Contract, except to the extent necessary for the performance of the rights and obligations of the Parties as they arise under this Contract prior to the end of the Validity Period.
- (3) If at any time any provision or clause of this Novation Agreement is or shall be declared illegal, void, voidable, ineffective or unenforceable in any manner under applicable law and jurisdiction, the legality, validity and enforceability of the remaining provisions of the Novation Agreement shall not be affected or impaired.

V. Delivery/take-up of natural gas, natural gas metering Art. 5

The delivery/pick-up of natural gas is executed in the PVT at the deadline set according to the trading report in a constant daily profile, based on the nominations made by the Counterparty to the OTS following the transaction concluded on the platform.

The costs incurred for the delivery/takeover of natural gas in the PVT will be borne in accordance with the legislation in force, as follows:

- a) The Seller Recipient agrees to bear the payment of all costs not limited to taxes, duties or tariffs imposed by any governmental authority on or in connection with the natural gas prior to or at the time of delivery thereof to Buyer in the PVT;
- b) Buyer Recipient agrees to bear the payment of all costs, not limited to taxes, charges or tariffs imposed by any governmental authority on or in connection with the Natural Gas after the Buyer's takeover of the Natural Gas in PVT.

VI. Contract price. Price payment guarantee. Conditions and methods of payment

Art. 6.1.

- (1) The price of natural gas subject to the transactions transferred and accepted by the Counterparty shall be the price established as a result of trading on the *Medium and Long-Term Standardized Products Market administered by BRM*.
- (2) The price referred to in paragraph (1) shall not include VAT and excise duties, which shall be added, as the case may be, in accordance with the law.
- (3) The obligations of declaration and payment of excise tax to the consolidated state budget for natural gas purchased under this Contract shall be established in accordance with the provisions of tax legislation.
- (4) The guaranteeing of payments and deliveries of traded natural gas is done for the Buyer Beneficiary and the Seller Beneficiary through the centralized risk management system of the Central Counterparty, through the margining system according to the regulations of the Central Counterparty, BRM. The Beneficiaries shall deposit collateral for this purpose up to a minimum level determined by the Counterparty on the basis of the daily report issued by the Counterparty for each participant, party to a transaction accepted by the Counterparty. The Beneficiary is obliged to deposit the requested collateral at the disposal of the Central Counterparty, on the basis of the Margin Call, in accordance with the Counterparty's regulations. The request for additional collateral under the Margin Call, if applicable, shall be made by direct debit mechanism on a daily basis.
- (5) Collections for a Payee Seller will be made on a daily basis throughout the delivery period in a constant profile as per the transaction. Collections shall be made in accordance with counterparty regulations.
- (6) Payments from a Beneficiary Buyer will be made by direct debit over the entire delivery period in constant profile as per the transaction. Payments shall be made in accordance with counterparty regulations.

Art.6.2. Specific clauses on transaction guarantee risk

- 1) If the Counterparty refuses to accept the transaction, the object of the novation agreement becomes null and void. In this case the transaction is reversed according to the

ORGANIZATION AND FUNCTIONING OF THE MEDIUM- AND LONG-TERM
STANDARDIZED PRODUCTS MARKET MANAGED BY THE ROMANIAN COMMODITIES
EXCHANGE.

Art. 7 Invoicing and performance of the Contract

7.1. The Payee/Biller complies with the Central Counterparty's regulations (*Clearing, Settlement and Risk Management Rules* and Procedure), as regards the invoicing and the performance of the Contract. The Buying/Selling Beneficiary is assimilated from the Central Counterparty's point of view to a Clearing Member in relation to the rights and obligations regarding the guarantee and payment of the transactions assigned to the Central Counterparty.

7.2. The Seller and the Counterparty will issue the invoices related to the contract on a monthly basis, by the 5th of each month at the latest.

VII. Fees and taxes

Art. 8

- 1) As required by law, Seller agrees to be responsible for and to pay or cause to be paid all taxes and/or levies, imposed by any governmental authority and associated with the natural gas delivered under this Contract, prior to delivery.
- 2) As required by law, Buyer agrees to be responsible for and to pay or cause to be paid all taxes and/or levies, imposed by any governmental authority and associated with the natural gas delivered under this Contract, upon receipt thereof.

VIII. Rights and

Obligations Art. 9

- 1) The Seller Beneficiary has the following main rights:
 - i. to invoice the Central Counterparty for the quantity of natural gas delivered and the penalties or penalty interest - where applicable - in accordance with the contractual provisions and to collect the countervalue thereof;
 - ii. to benefit from the rights assimilated to a Clearing Member on the Counterparty system.
- 2) The Seller Beneficiary has the following main obligations:
 - i. to deliver the quantities of natural gas determined in accordance with this Contract, on the basis of the Trading Report in accordance with the Medium and Long-Term Products Procedure;
 - ii. ensure the specified parameters of the delivered natural gas, in compliance with the legislation in force;
 - iii. to hold and maintain in force, for the entire duration of the Contract, the necessary licenses and authorizations for the delivery/take of natural gas in the PVT and to comply with their provisions;
 - iv. to ensure the delivery of the contracted quantity of natural gas under the terms of this Contract, including in accordance with the notification made by the Counterparty;
 - v. to provide a performance guarantee by means of a bank letter of guarantee valid from the date of issue, having as guaranteed value, the amount set out in Article 6.1.

Art. 10

1) The Purchasing Beneficiary has the following main rights:

- i. to request and take delivery of the quantities of natural gas in accordance with the provisions of this Contract and all the Trading Annexes which form an integral part of the Contract;
- ii. to benefit from the rights assimilated to a Clearing Member on the Counterparty system.

2) The Purchasing Beneficiary has the following main obligations:

- i. take over and pay for the quantities of natural gas made available by the Counterparty under the terms of this Contract, including in accordance with the notification to the OTS by the Counterparty;
- ii. to pay in full and on time the price of natural gas purchased under the terms of this Contract;
- iii. to hold and maintain in force, for the entire duration of the Contract, the necessary licenses and authorizations for the delivery/take of natural gas in the PVT and to comply with their provisions;
- iv. to provide a performance guarantee by means of a bank guarantee letter valid from the date of issue, having as guaranteed value the amount set out in Article 6.1.

IX. Confidentiality clause Art.

11

- i. The Parties undertake to treat all information, data and documentation which come to their knowledge during and/or on the occasion of the performance of this Contract as confidential information and assume responsibility for keeping it confidential.
- ii. The Parties undertake to keep strictly confidential and not to disclose Confidential Information to any third party unless expressly permitted by this Agreement or with the prior written consent of the Parties.
- iii. The provisions of Art. 11 para. (1) the following data, documents and information:
 - a. those for the disclosure of which the prior written consent of the other Contracting Party has been received;
 - b. those that are in public circulation at the time of disclosure;
 - c. those requested by authorized state bodies, based on a legal obligation.
- iv. If one of the Parties breaches the obligation of confidentiality with regard to this Contract by disclosing to unauthorized third parties information of a non-public nature, it shall be obliged to pay damages to the injured Party.
- v. The provisions of para. (1) shall remain valid for 5 years after the termination of this Contract.

X. Contractual liability Art.

12

Each Party shall be liable only for the execution and performance of its contractual obligations as stipulated in the contract, in compliance with the provisions of the applicable legislation in force. The Counterparty shall not be liable in any way for the performance of the obligations undertaken by a Participant through the transaction if the Counterparty refuses to accept the transaction.

XI. Termination of the

Contract Art. 13

- 1) This Contract shall terminate on:
 - a) By right, at the end of the Contract Validity Period;
 - b) in the event that one of the Parties ceases to hold the authorizations/licenses necessary for the performance of the obligations under this Contract. In all cases, the Party shall remain bound by the obligation under Art. 3 para. (2);
 - c) if events of force majeure prevent the Parties from fulfilling their contractual obligations under the Contract;
- 2) Termination of this Contract shall have no effect on contractual obligations assumed by the Parties and not yet performed.

XII. Notificati

ons Art. 14

- 1) The Parties agree that, during the performance of this Contract, all notices or communications between them shall be in writing and shall be sent by fax and/or e-mail, by registered post with acknowledgment of receipt, or by courier to the addresses indicated below:

For the Counterparty :

Headquarters: _____, _____, nr. _____, county/sector _____
Tel: +4 _____
Fax: +4 _____
E-mail general enquiries: _____
REMIT responsible: _____

Invoicing Responsible: _____
Responsible Contracting: _____

For the BENEFICIARY:

Headquarters: _____, _____, nr. _____, county/sector _____
Tel: +4 _____
Fax: +4 _____
E-mail general enquiries: _____
REMIT Responsible: _____
GMOIS Responsible: _____
Responsible Invoicing: _____
Responsible Contracting: _____

1. Where notification is made by post, it shall be sent by registered letter with acknowledgement of receipt and shall be deemed to have been received by the addressee on the date indicated by the receiving post office on the acknowledgement of receipt.
2. Verbal notifications shall not be taken into account by either Party unless confirmed by one of the means provided for in the preceding paragraphs.
3. The change of the correspondence address of either Party shall be notified in accordance with the provisions of para. (1) above at least 5 (five) calendar days before it becomes effective, failing which notifications shall be deemed to have been validly communicated even if the addressee has moved from the address or similar or if the addressee has not sent the document.

XIII. Change of circumstances Art.

15

1. "Change in circumstances" means: the coming into force, change in the wording or interpretation of any legal requirement, rule, standard, methodology or recommendation of an authority which was not in force at the date of signing of this Contract.
2. A change in circumstances may include, but is not limited to: the introduction of new taxes or charges, a change in the method of imposition or charging, an increase/decrease in any existing taxes and charges or a change in the methodology considered at the date of the conclusion of this Contract, regarding the rationale or recommendation and/or application of the elements used to establish the Contract Price; any amendment and addition to the Network Code for the National Transmission System in force shall also be considered a change of circumstances for the purposes of this Contract.
3. In the event of a change of circumstances affecting the provisions of this Contract, the Parties undertake to sign an additional act reflecting such change.

XIV. Force Majeure

Art. 16

- 1) Force majeure is a future, unforeseeable and insurmountable event, which exempts from liability the Party who invokes it, in the event of partial or total non-performance of the obligations assumed by the Contract, if it is invoked under the law.
- 2) The Party invoking a case of force majeure is obliged to notify the other Party within 48 (forty-eight) hours of the occurrence of the event, followed by the submission of supporting documents within 5 (five) calendar days of the same date; the Party concerned is also obliged to take all possible measures to limit the consequences of such a case.
- 3) Cases of Force Majeure will be certified by the Romanian Chamber of Commerce and Industry.
- 4) If the force majeure does not cease within 10 (ten) calendar days, the Parties have the right to request the termination of the Contract by operation of law, without either of them being entitled to claim damages.
- 5) The occurrence of an event of Force Majeure shall not release the Parties from the obligations due up to the date of the occurrence of the event of Force Majeure;

XV. Applicable law Art.

17

- 1) This Contract, as well as the rights and obligations of the Parties resulting from its execution are subject to the Romanian legislation in force.
- 2) The Parties agree that all disagreements arising out of the interpretation, execution or termination of this Contract shall be settled amicably.
- 3) Otherwise, any dispute arising out of or in connection with this Contract, including its conclusion, performance or termination, shall be settled by the competent courts.

XVI. Assign

ment Art. 18

Neither Party may assign to a third party, in any manner whatsoever, in whole or in part, its rights and/or obligations arising from this Contract.

XVII. Final clauses

Art. 19

In the event of a change of legal form/judicial reorganization, the Parties undertake to communicate, within a maximum of 5 (five) calendar days from this date, the manner of assumption of the mutual contractual obligations.

Art. 20

The Parties undertake, in relation to each other, to hold for the entire duration of the Contract the necessary approvals for the fulfillment of the obligations stipulated therein.

Art. 21

The provisions of this Contract shall be supplemented by the provisions of the Civil Code, as well as other legal regulations in force. If any provision of the Contract is invalid or unenforceable in any respect under applicable laws and regulations, the validity, legality and enforceability of the other provisions of

the Contract shall not be affected in any way thereby and the Contract shall continue to have effect. Invalid or unenforceable provisions shall be deemed to have been replaced by an appropriate and fair provision which, to the extent permitted by law, comes as close as possible to the intent and purpose of the invalid or unenforceable provision, unless the Parties agree to their replacement by an additional act.

Art. 22.

The fact that one of the Parties does not avail itself, at a given time, of any of the provisions of this Contract, shall not be construed as a waiver of the right to avail itself of it later, shall not amount to a modification of this Contract and shall not give rise to any right whatsoever in favor of the other Party or a third party.

Art. 23.

The Parties declare that they have all the experience and knowledge necessary for the conclusion of this Contract, that this Contract is concluded in full knowledge of its effects, knowing and fully understanding all legal, technical and commercial aspects related to the conclusion, execution and termination of this Contract.