

Independent Limited Assurance Report on the information included in the current reports issued by S.N.T.G.N. Transgaz S.A. in accordance with requirements of Law 24/2017, with all subsequent changes and clarifications, and with the provisions FSA Regulation no. 5/2018

To the Board of Directors of S.N.T.G.N. Transgaz S.A.

Purpose of the report

We were engaged by S.N.T.G.N. Transgaz S.A. (hereinafter "the Company") to report based on the requirements of Law 24/2017 for issuers of financial instruments and market operations, with all subsequent changes and clarifications (hereinafter referred to as "Law 24/2017") on the information included in the attached current report dated 26 January 2024 that have been prepared by the Company in accordance with the requirements Law 24/2017 and with the provisions of Regulation no. 5/2018 of Financial Supervisory Authority ("FSA") as reported to Financial Supervisory Authority and to Bucharest Stock Exchange ("BVB") during the period 1 January 2024 - 30 June 2024, subsequently amended through the current report dated 30.07.2024 (together hereinafter "Reporting Schedules"), in the form of a limited assurance conclusion.

Specific Purpose

Our report is intended solely for the purpose specified in the first paragraph above and for the Company, BVB and FSA information and will not be used for any other purpose. Our report must not be considered appropriate for use by any other party willing to rely on our work, other than the Company for any purpose and in any context.

Any party other than the Company who obtains access to our report or a copy of it and chooses to rely on it (or part of it) will do so taking their own responsibility. We performed our engagement to be able to report those matters that we must report in a limited assurance report, and not for any other purposes. The current report refers only to the Reporting Schedules and should not be associated with the Company's financial statements or other reports of the Company, individually or taken as a whole.

Responsibilities of the Management of the Company

The Company's management is responsible for the preparation of the Reporting Schedules and performing the transactions reported in accordance with the requirements of the Law 24/2017 and of FSA Regulation no. 5/2018, with subsequent changes and clarifications. In particular, the Company's management is responsible for internal controls being designed, implemented and maintained to prevent the preparation of the Reporting Schedules from being materially misstated, due to fraud or error.

In addition, the Company's management is responsible for ensuring that the supporting documents underlying the preparation of the current Reporting Schedules, as well as the evidence provided to the auditor is complete, accurate and justified.

Auditor's Responsibilities

We conducted our limited assurance engagement in accordance with International Assurance Standards, particularly ISAE 3000 (revised) *"International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information"*. These standards require that we comply with ethical standards and plan and perform our assurance engagement to obtain limited assurance about the Reporting Schedules.

We apply International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) as issued by the International Ethics Standards Board for Accountants ("IESBA Code"), which establishes the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The procedures selected depend on the auditor's judgment and our understanding of the transactions included in the Reporting Schedules and of other circumstances of the engagement, as well as our consideration of areas where material misstatements may occur. In obtaining an understanding of the reported transactions included in the Reporting Schedules, we considered the process applied by the Company to conclude the transactions and to prepare and present the Reporting Schedules in accordance with the requirements of Law 24/2017 and FSA Regulation no. 5/2018 in order to design audit procedures that are appropriate in these circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control related to concluding the reported transactions or preparation and presentation of the attached Reporting Schedules.

The procedures include, in particular, inquiry of the personnel responsible for issuing the current reports and risk management and additional procedures aimed at obtaining evidence about the information included in the Reporting Schedules.

The nature, timing and extent of procedures performed in a limited assurance engagement is limited compared with that necessary in a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is considerably lower as compared to the one obtained in a reasonable assurance engagement.

In respect of the Reporting Schedules of the Company, in order to assess correctness and justification of the transactions reported, we have performed the following procedures:

- 1) We have obtained the attached Reporting Schedules from the Company for the current period and the detail of the transactions included in these Reporting Schedules.
- 2) We observed if the approving persons of the Reporting Schedules are the authorized representatives of the Company.

- 3) For the selected transactions, on a sample basis, included in the Reporting Schedules, we have considered if their details are consistent, in all material respects, with information as per signed contracts/contractual documentation presented to us and that the presented documents have been signed by representatives of the Company that are indicated in the authorized signature schedule provided to us. As applicable, in performing our procedures we have compared information included in the Reporting Schedules to the contract/ contractual documentation for consistency of details on: the parties which signed the supporting documentation; the date when documentation was signed and its nature; the description of the type of goods/services as indicated in the documentation; the actual or estimated total value of the contract/ contractual documentation, and, as applicable, the guarantees constituted and the stipulated penalties, the terms and the method of payment; as well as the related contractual conditions.
- 4) For the selected transactions on a sample basis included in the Reporting Schedules, we have compared details disclosed for consistency with the information obtained by us based on the inquiries made to the management and other responsible personnel within the Company and based on other documents attached to the contracts, as applicable.
- 5) For the selected transactions on a sample basis, to the extent that there is a market price available for the goods delivered or services rendered between the Company and its related parties, we have discussed with the Company's management the basis for the price determination and considered if, to the extent applicable, the prices agreed are consistent with those applied in the contracts signed with third (other) parties, where similar goods or services could be provided, and if the related contracts are approved by the by the appropriate level of management or the Board of Directors or by the General Meeting of Shareholders.

To the extent that no market prices are available, we have analyzed on a sample basis if the respective transactions have been performed based on the Company's internal procedures for price determination and if the related contracts are approved by the appropriate level of management or by the Board of Directors or by the General Meeting of Shareholders of the Company in accordance with its internal procedures.

Our procedures have been performed, as described above, only on the selected transactions included in the attached Reporting Schedules, that were published during the period 1 January 2024 - 30 June 2024, as subsequently amended by the current report dated 30.07.2024. We have not performed any procedures to verify whether the Reporting Schedules include all the transactions that the Company has to report according to Law 24/2017 for the current period.

Conclusion

We formed our conclusion on the basis and considering the matters presented in the current limited assurance report.

Information included in the current report dated 26.01.2024 were not complete and contained several typing errors. These have been modified and completed through the report published on 30.07.2024.

Based on the procedures performed as described above and evidence obtained, which considered also the amendments brought through the report published on 30.07.2024 mentioned in the above paragraph, nothing has come to our attention that causes us to believe that:

- a) The information included in the Reporting Schedules attached is not, in all material respects, in accordance with the documents provided to us by the Company.
- b) The details included in the attached Reporting Schedules are not, in all material respects, consistent with the requirements of Law 24/2017 and FSA Regulation no. 5/2018 regarding the parties which signed the supporting documentation; the date when documentation was signed and its nature; the description of the type of goods/services as indicated in the documentation; the actual or estimated total value of the contract/agreement documentation, and, as applicable, the guarantees constituted and the stipulated penalties, the terms and the method of payment; as well as the related contractual conditions.
- c) The contracts related to the reported transactions were not properly authorized by representatives of the Company and were not approved by the appropriate level of management or the Board of Directors or by the General Meeting of Shareholders in line with the Company's internal procedures.
- d) The prices have not been established by mutual agreement between the parties in accordance with the type of goods/services and also by considering other terms and conditions mentioned, as applicable, in the agreements between the parties and, respectively, were not determined in accordance with the criteria mentioned at point 5) from the list of procedures detailed above.

On behalf of,
Ernst & Young Assurance Services SRL
15-17, Ion Mihalache Blvd., floor 21, Bucharest, Romania
Registered in the electronic Public Register under No. FA 77

Name of the Auditor/ Partner: Verona Cojocaru
Registered in the electronic Public Register under AF 1568

Bucharest, Romania
30 July 2024

Attachment

1. Reporting Schedules

CURRENT REPORT

according to the provisions of Article 108 of Law 24/2017 on issuers of financial instruments and market operations

Date of report: **30.07.2024**

Name of issuing entity: **SNTGN TRANSGAZ SA**

Headquarters: **Mediaș, 1 Constantin I. Motas Square, Sibiu County**

Telephone/fax number: **0269803333/0269839029**

Tax identification code: **RO 13068733**

Trade Register number: **J32/301/2000**

Subscribed and paid-up capital: **1.883.815.040,00 RON**

Regulated market on which issued securities are traded: **Bucharest Stock Exchange.**

EVENTS TO BE REPORTED – Amendment to the Current Report dated 26.01.2024

The National Gas Transmission Company Transgaz SA notifies all stakeholders of the publication of an erratum to the legal documents reported according to the provisions of Art.108 of Law 24/2017 on issuers of financial instruments and market operations, as amended, and made available to the market under the Current Report dated 26.01.2024.

The amendments thereto are specified below:

- As far as Contract no. 76 is concerned, the contract year has been revised. Please read "Contract no. 76/22.08.202 (1 October 2022 - 1 October 2023)" as "Contract no. 76/22.08.2022 (1 October 2022 - 1 October 2023)".
- As far as Contract 268L is concerned, the contract duration has been revised. Please read "Contract no. 268L/22.11.2023 (1 October 2023 - 1 October 2023)" as "Contract no. 268L/22.11.2023 (1 December 2023 - 1 January 2024)".

Moreover, in accordance with the provisions of Art.108 of Law 24/2017 on issuers of financial instruments and market operations, as amended, we have included a number of additions, as follows:

- The table below shows the total value of the contracts, as well as the value of the transactions recorded during the period of validity of the contracts through the date of the initial current report, i.e. 26.01.2024, on a contract-by-contract basis. For the ongoing contracts, the total contract value is estimated.
- For Contracts No. 24/22.08.2022 (1 October 2022 - 1 October 2023) and No. 76/22.08.2022 (1 October 2022 - 1 October 2023), the values of the transactions recorded in October, November and December 2022 have also been included as they were not included in the initially reported value.
- The contracts concluded at the end of 2023 which became effective in 2024, together with their estimated value, have also been included in the table below.

- The amount of the mutual claim/debt at the date of publication of the Initial Current Report, i.e. on 26.01.2024, in amount of **Lei 28.329.052,65** has also been inserted.

The rest of the information under the initial report mentioned above remains valid. The same amendment is made to the English version.

Please find below the detailed situation of amendments/ additions made in relation to the legal documents reported in accordance with Art.108 of Law 24/2017 on 26.01.2024:

| Contracting Party | Contract (number, date and duration) | Total contract value (LEI) | Value of recorded transactions (LEI VAT included) |
|---|---|----------------------------|---|
| S.N.G.N. ROMGAZ S.A. | Contract no. 24/22.08.2022 (1 October 2022 – 1 October 2023) | 136.800.776,58 | 136.800.776,58 |
| | Contract no. 76/22.08.2022 (1 October 2022 - 1 October 2023) | 18.241.902,31 | 18.241.902,31 |
| | Contract no. 100T/15.11.2022 (1 January 2023 - 1 April 2023) | 3.822.091,29 | 3.822.091,29 |
| | Contract no. 101T/15.11.2022 (1 January 2023 - 1 April 2023) | 100.741,94 | 100.741,94 |
| | Contract no. 332L/21.12.2022 (1 January 2023 - 1 February 2023) | 29.768,75 | 29.768,75 |
| | Contract no. 427L/18.01.2023 (1 February 2023 - 1 March 2023) | 772.054,55 | 772.054,55 |
| | Contract no. 129T/14.02.2023 (1 April 2023 - 1 July 2023) | 48.814,54 | 48.814,54 |
| | Contract no. 40Z/27.01.2023 (1 February 2023 - 1 October 2023) | 45.320,32 | 45.320,32 |
| | Contract no. 505L/22.02.2023 (1 March 2023 - 1 April 2023) | 530.747,91 | 530.747,91 |
| | Contract no. 520L/22.03.2023 (1 April 2023 - 1 May 2023) | 242.272,28 | 242.272,28 |
| | Contract no. 660L/20.04.2023 (1 May 2023 - 1 June 2023) | 235.752,70 | 235.752,70 |
| | Contract no. 695L/17.05.2023 (1 June 2023 - 1 July 2023) | 75.818,95 | 75.818,95 |
| | Contract no. 166T/10.05.2023 (1 July 2023 - 1 October 2023) | 258.808,13 | 258.808,13 |
| | Contract no. 771L/21.06.2023 (1 July 2023 - 1 August 2023) | 1.085,15 | 1.085,15 |
| | Contract no. 819L/19.07.2023 (1 August 2023 - 1 September 2023) | 5.413,44 | 5.413,44 |
| | Contract no. 863L/23.08.2023 (1 September 2023 - 1 October 2023) | 10.141,79 | 10.141,79 |
| | *Contract no. 23/28.08.2023 (1 October 2023 - 1 October 2024) | 232.562.571,68 | 68.940.472,07 |
| | *Contract no. 74/28.08.2023 (1 October 2023 - 1 October 2024) | 26.041.428,76 | 11.936.747,09 |
| | Contract no. 33T/28.08.2023 (1 October 2023 - 1 January 2024) | 4.138.575,31 | 4.138.575,31 |
| | Contract no. 34T/28.08.2023 (1 October 2023 - 1 January 2024) | 1.490.952,06 | 1.490.952,06 |
| Contract no. 55L/20.09.2023 (1 October 2023 - 1 November 2023) | 378.894,66 | 378.894,66 | |

| Contracting Party | Contract (number, date and duration) | Total contract value (LEI) | Value of recorded transactions (LEI VAT included) |
|--|---|----------------------------|---|
| | Contract no. 151L/18.01.2023 (1 November 2023 - 1 December2023) | 142.200,24 | 142.200,24 |
| | Contract no. 152L/18.01.2023 (1 November 2023 - 1 December2023) | 21.404,32 | 21.404,32 |
| | Contract no. 267L/22.11.2023 (1 December2023 - 1 January 2024) | 1.159.617,97 | 1.159.617,97 |
| | Contract no. 268L/22.11.2023 (1 October 2023 - 1 January 2024) | 102.076,56 | 102.076,56 |
| | *Contract no. 118T/14.11.2023 (1 January 2024 - 1 April 2024) | 343.772,48 | - |
| | *Contract no. 120T/14.11.2023 (1 January 2024 - 1 April 2024) | 10.410.459,15 | - |
| | *Contract no. 359L/20.12.2023 (1 January 2024 - 1 February 2024) | 1.801.180,07 | - |
| | *Contract no. 362L/20.12.2023 (1 January 2024 - 1 February 2024) | 1.743.027,35 | - |
| Total | | 441.557.671,24 | 249.532.450,89 |
| Mutual claim / debt at the date of publication of the initial current Report with S.N.G.N. ROMGAZ S.A. (LEI) | | | 28.329.052,65 |

Note: (*) The total estimated contract value related to these contracts has been inserted.

ION STERIAN
DIRECTOR-GENERAL



CURRENT REPORT

according to the provisions of Article 108 of Law 24/2017 on issuers of financial instruments and market operations

Date of report: **26.01.2024**

Name of issuing entity: **SNTGN TRANSGAZ SA**

Headquarters: **Mediaș, 1 Constantin I. Motaș Square, Sibiu County**

Telephone/fax number: **0269803333/0269839029**

Tax identification code: **RO 13068733**

Trade Register number: **J32/301/2000**

Subscribed and paid-up capital: **RON 1,883,815,040.00**

Regulated market on which issued securities are traded: **Bucharest Stock Exchange.**

REPORTING EVENTS: Transactions of the type listed in Article 108 of Law 24 of 2017 on issuers of financial instruments and market operations

The National Gas Transmission Company Transgaz SA informs all those concerned on the conclusion of NTS entry/exit points transmission contracts with SNGN ROMGAZ S.A. for 2023.

The cumulative value of the contracts concluded with SNGN ROMGAZ SA over the last 12 months exceeds 5% of the value of the net assets of SNTGN TRANSGAZ SA, as per the most recently published financial statements and in accordance with the provisions of Article 108 of Law 24/2017 as amended, the company has the obligation to report the cumulative value of these transactions if they exceed 5% of the company's net assets, according to the most recently published financial statements.

| Contract data | Contract clauses |
|-------------------------|--|
| Contract Parties | Concluded between SNTGN TRANSGAZ SA and S.N.G.N. ROMGAZ SA |
| Contract date and type | <p>Contract no. 24/22.08.2022 (1 October 2022 – 1 October 2023)</p> <p>Contract no. 76/22.08.202 (1 October 2022 - 1 October 2023)</p> <p>Contract no. 100T/15.11.2022 (1 January 2023 - 1 April 2023)</p> <p>Contract no. 101T/15.11.2022 (1 January 2023 - 1 April 2023)</p> <p>Contract no. 332L/21.12.2022 (1 January 2023 - 1 February 2023)</p> <p>Contract no. 427L/18.01.2023 (1 February 2023 - 1 March 2023)</p> <p>Contract no. 129T/14.02.2023 (1 April 2023 - 1 July 2023)</p> <p>Contract no. 40Z/27.01.2023 (1 February 2023 - 1 October 2023)</p> <p>Contract no. 505L/22.02.2023 (1 March 2023 - 1 April 2023)</p> <p>Contract no. 520L/22.03.2023 (1 April 2023 - 1 May 2023)</p> <p>Contract no. 660L/20.04.2023 (1 May 2023 - 1 June 2023)</p> <p>Contract no. 695L/17.05.2023 (1 June 2023 - 1 July 2023)</p> |

| | |
|---|---|
| | <p>Contract no. 166T/10.05.2023 (1 July 2023 - 1 October 2023)</p> <p>Contract no. 771L/21.06.2023 (1 July 2023 - 1 August 2023)</p> <p>Contract no. 819L/19.07.2023 (1 August 2023 - 1 September 2023)</p> <p>Contract no. 863L/23.08.2023 (1 September 2023 - 1 October 2023)</p> <p>Contract no. 23/28.08.2023 (1 October 2023 - 1 October 2024)</p> <p>Contract no. 74/28.08.2023 (1 October 2023 - 1 October 2024)</p> <p>Contract no. 33T/28.08.2023 (1 October 2023 - 1 January 2024)</p> <p>Contract no. 34T/28.08.2023 (1 October 2023 - 1 January 2024)</p> <p>Contract no. 55L/20.09.2023 (1 October 2023 - 1 November 2023)</p> <p>Contract no. 151L/18.01.2023 (1 November 2023 - 1 December 2023)</p> <p>Contract no. 152L/18.01.2023 (1 November 2023 - 1 December 2023)</p> <p>Contract no. 267L/22.11.2023 (1 December 2023 - 1 January 2024)</p> <p>Contract no. 268L/22.11.2023 (1 October 2023 - 1 October 2023)</p> |
| Contract scope | <p>- NTS entry points annual, quarterly, monthly, daily gas transmission services</p> <p>- NTS exit points annual, quarterly, monthly, daily gas transmission services</p> |
| Cumulative contract value | 203,434,920.68 lei (VAT included) of the legal act VAT included (lei) |
| Mutual debts | - |
| Guarantees established and penalties stipulated | <p>Guarantees:</p> <p>Art. 14</p> <p>(1) For the purpose of fulfilling their obligations under the Contract, either Party shall establish a guarantee for the other Party in accordance with the Network Code.</p> <p>(2) For fulfilling the obligation under paragraph (1), the TSO shall provide the credit rating.</p> <p>(3) The NU is exempted from the obligation to provide the payment guarantee to the TSO conditional on:</p> <p>a) the proof of a credit rating issued by one of the rating agencies agreed by the TSO or at least at the same level as that of the TSO, valid for the duration of the Contract;</p> <p>b) pays the transmission services in advance.</p> <p>(4) If, during validity of this Contract, either the NU rating or the agency agreed by the TSO changes, the NU shall notify the TSO within 3 working days from the change and shall prove the fulfillment of its guarantee obligations under this Chapter no later than 5 working days from the change.</p> <p>ART. 15</p> <p>(1) The payment guarantee shall be submitted by the NU as:</p> <p>a) a letter of bank guarantee in lei or the euro equivalent at the Central European Bank exchange rate on the guarantee issuing date (according to Annex 4); and/or</p> <p>b) a guaranteed account (collateral deposit) in lei or the euro equivalent at the Central European Bank exchange rate on the guarantee issuing date and/or</p> <p>c) an escrow account in lei or the euro equivalent at the Central European Bank exchange rate on the guarantee issuing date.</p> <p>(2) The TSO shall accept the letter of bank guarantee issued by a bank having a rating issued one of the following rating agencies: Standard&Poors, Moody's or Fitch, at least at the `investment grade` level. The equivalence between the ratings of the three agencies is published on the TSO`s website.</p> <p>ART. 16</p> <p>(1) If the NU proves the creditworthiness according to Art. 14 (3) (a), the TSO may, in certain justified cases, request the provision of a financial guarantee in accordance with Art. 15 or the advance payment of the payment obligations arising from the commercial relationship with the NU. The request for a guarantee or advance payment shall be made and explained in writing.</p> <p>(2) For the transmission services, a justified case is considered the situation when the NU has a delayed payment for an amount of at least 10% of the value of the last invoice</p> |

or of the amount of the partial payment obligations after having received a notification from the TSO in this respect.

B. Yearly and quarterly product

ART. 17

(1) The NU shall submit to the TSO the financial guarantee according to (2) at least 5 working days before the start of the transmission service.

(2) The level of the financial guarantee provided by the NU shall be equal to the average value of the estimated monthly invoice for the transmission services for the following period of use.

(3) The financial guarantee established in accordance with (2) shall be valid starting from the bank day preceding the transmission service commencement date and shall cease on the 60th calendar day following the expiry date of the Contract.

(4) The NU may waive the option of establishing a transmission service guarantee by making advance payments. In this respect, the NU shall notify the advance payment option the TSO in writing, within 7 working days after the end of the booking period.

(5) The advance payment amount shall be equal to the monthly invoice amount for the transmission services for the following period of use.

(6) The advance payment/advance payment invoice shall be compensated with the settlement invoice of the month for which the payment was made.

(7) If such advance payment does not cover the value of the settlement invoice for the respective month, the difference shall be paid by the NU on the invoice due date.

(8) The NU may renounce the advance payment option provided it establishes a financial guarantee according to Art. 14 (3) or to Art. 15.

C. Monthly product

ART. 18

(1) The NU shall submit to the TSO the financial guarantee according to (2) at least 3 working days before the start of the transmission service.

(2) The level of the financial guarantee provided by the NU shall be equal to the value of the estimated monthly invoice for the transmission services for the following period of use.

(3) The financial guarantee established in accordance with (2) shall be valid starting from the bank day preceding the transmission service commencement date and shall cease on the 60th calendar day following the expiry date of the Contract.

(4) The NU may waive the option of establishing a transmission service guarantee by making advance payments. In this respect, the NU shall notify the advance payment option the TSO in writing, within two working days after the end date of the booking period.

(5) The advance payment amount shall be equal to the monthly invoice amount for the transmission services for the following period of use.

(6) The advance payment/advance payment invoice shall be compensated with the settlement invoice of the month for which the payment was made.

(7) If such advance payment does not cover the value of the settlement invoice for the respective month, the difference shall be paid by the NU on the invoice due date.

D. Daily product

ART. 19

For the daily product, the payment shall be made in advance, within 24 hours following the acceptance and signature of the transmission contract and before the start of the transmission services in accordance with Article 7.

ART. 20

(1) The payment guarantee issued according to Art. 17 (1) shall be valid starting from the bank day preceding the transmission service commencement date and shall cease on the 60th calendar day following the expiry date of the Contract.

(2) If the level of the financial guarantee:

| | |
|-------------------------------------|---|
| | <p>a) decreases by more than 5% below the level specified in Art. 17 (2), the NU shall supplement the financial guarantee accordingly;</p> <p>b) is more than 5% above the level specified in Art. 17 (2), the TSO shall return to the NU the difference between the actual level of the guarantee and the one specified in Art. 17 (2).</p> <p>(3) The payment guarantee shall be adjusted within no more than 5 working days from the date of recording of the diminishing/increasing as compared to the level specified in Art. 17 (2).</p> <p>(4) The TSO shall be entitled to make claims against the guarantee under this Article within the limits of the damage incurred, unless the NU fulfills its contract obligations completely or partly or if it delays fulfilling such obligations.</p> <p>(5) Prior to making any claim against such guarantee, the TSO shall notify the NU on the non-fulfilled obligations.</p> <p>(6) The TSO shall send the guarantee execution notification by fax within 24 hours from the expiration of the period set at Art.23 (1) (a).</p> <p>(7) If the guarantee is executed partly or completely, the NU shall re-establish the guarantee within 5 days from execution.</p> <p>Penalties:</p> <p>ART. 23</p> <p>(1) Failure to meet the invoice payment obligation as stipulated at Art. 7 (1) shall incur:</p> <p>a) delay penalties related to the unpaid amount, equal to the delay interest due for failure to pay the budgetary obligations in due time, for each day of delay, starting with the 16th calendar day from the invoice issuing date until its full payment, the payment date included, or until the execution of the guarantee stipulated by the contract, in case of failure to meet the payment obligation within 15 calendar days from the maturity date;</p> <p>b) in case of failure to meet the payment obligation, the limitation/interruption of the gas transmission service, with a prior notice of 3 calendar days, starting with the day following the period of 15 calendar days foreseen at letter a);</p> <p>c) the limitation/interruption of the gas transmission service, with a prior notice of 3 calendar days, starting with the day following the day when the sum of the Nu imbalances exceeds the value of the balancing guarantees.</p> <p>(2) If the due date or the day following the grace period expiration is a bank holiday, the terms foreseen at paragraph (1) shall be shifted accordingly.</p> <p>ART. 24</p> <p>If, upon TSO's request, the NU does not voluntarily return/does not use the booked and not used capacity transfer facility, thus the mandatory capacity transfer being applied, NU shall pay 5% of the transferred capacity for the period between the date of mandatory capacity transfer and the date of Contract expiry.</p> <p>ART. 25</p> <p>(1) The NU shall be entitled to request and receive an amount established based on the tariff for not ensuring the booked capacity, according to the Network Code, in case TSO does not keep at NU's disposal the entire transmission capacity booked by the latter;</p> <p>(2) If the amount in paragraph (1) does not cover the entire prejudice incurred, NU shall be entitled to request and receive damages, additionally, up to full coverage of the prejudice incurred when TSO does not meet its gas transmission services obligation as well as any other obligations established by this Contract.</p> |
| <p>Payment terms and modalities</p> | <p>ART.6</p> <p>(1) The NU shall pay the TSO the value of the transmission capacity booked, calculated based on the capacity booking tariff applicable at the moment when the booked capacity may be used.</p> <p>(2) The TSO shall pay the NU the value of the transmission capacity not provided, calculated based on the capacity non-provision tariff applicable at the moment when the NU could not use the booked capacity.</p> |

(3) The NU shall pay the transmission system operator additionally, as applicable, the tariffs established under the Network Code.

(4) The tariffs referred to in paragraphs (1) and (2) are set out in Annex 1 to the Contract.

(5) Until the 15th day of the month following the month for which the transmission service was provided, the TSO shall send the NU separate invoices (hereinafter referred to as 'monthly invoices'), as follows:

- a) an invoice for the transmission services provided for the previous month;
- b) an invoice for the booked capacity exceeding tariff value, calculated in accordance with Art. 99 of the Network Code, and/or for the tariff value for not providing the capacity booked, calculated in accordance with Art. 101 of the Network Code, if applicable;
- c) an invoice for the amount of the additional capacity, calculated according to Art. 51 of the Network Code, resulting after the nomination by the NU of a gas quantity exceeding the NU capacity booked at a NTS entry point.

(6) If the NU chooses to make an advance payment, the TSO shall issue and send the NU at least 5 calendar days before the starting date of each month of provision of services, an advance payment invoice, the amount of which shall be equal to the amount of booked capacity calculated for the period of the service provision month.

- (i) an advance payment invoice the value of which is equal to the value of the capacity booked, calculated for the service provision month, at least 5 calendar days before the start date of each month of services provision, to which the volumetric component value, calculated at the contractual level of the capacity for the same period, is added;
- (ii) within 15 working days from the end of the service provision month, an adjustment invoice, based on the final allocation.

ART. 7

(1) Invoices issued according to Art. 6 (5) shall be paid within 15 calendar days from the date of issuance. If the due date is not a business day, the deadline is set on the next business day.

(2) Invoices issued according to Art. 6 (6) shall be paid until the transmission service start date, according to the advance payment invoice issued in this respect.

**DIRECTOR - GENERAL
ION STERIAN**