

Rules for carrying out the binding phase of the Open Season procedure
Annex 2. Gas Transmission Contract based on the implemented Open Season procedure

The PLINACRO Ltd. Company, Savska cesta 88a, 10000 Zagreb, CRN 080304171, OIB 69401829750, represented on the basis of the power of attorney by [position and name and surname], as the transmission system operator and the holder of the licence for performance of the energy activity of natural gas transmission number 080304171-0030-08/03-I/18, hereinafter referred to as: **Plinacro**

and

the Company [name of the Transmission System User], [street and house number], [postal code and town or settlement], CRN: [company registration number] PIN: [personal identification number], (or for the non-residents VAT number [VAT identification no.]) represented by [position and name and surname], as the Transmission System User and the holder of the licence for the performance of the energy activity of *gas supply/gas trading* [licence registration number], hereinafter referred to as: **the Transmission System User**

(hereinafter referred to as: **the Contracting Parties**)

on DD/MM/YYYY concluded this

GAS TRANSMISSION CONTRACT
based on the implemented Open Season procedure
No. [•]

(hereinafter referred to as: **the Contract**)

INTRODUCTORY PROVISIONS

Article 1

(1) The Contracting Parties mutually determine the following:

- the LNG Croatia Company, Radnička cesta 80, Zagreb (hereinafter referred to as: **LNG**) intends to construct a terminal for liquefied natural gas on the island of Krk (hereinafter referred to as: the **LNG terminal**), for which purpose the procedure for contracting the long term capacity of gasification of liquefied natural gas has been carried out;
- Plinacro intends to construct a gas pipeline which will connect the existing transmission system of the Republic of Croatia with the LNG terminal. The construction of the gas pipeline will enable offtake of gas from the LNG terminal and its transmission. For this purpose, Plinacro has carried out the Open Season procedure for contracting the capacity of the transmission system of the Republic of Croatia (hereinafter: **Open Season procedure**) at the entry into the transmission system from the LNG terminal (Omišalj entry point; hereinafter: **Omišalj entry**).

In the carried out Open Season procedure FGSZ Zrt, a transmission system operator in Hungary also participated (hereinafter: **FGSZ**). so Plinacro and FGSZ jointly offered the transmission system capacity at the Drávaszerdahely interconnection point between

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Hungary and Croatia in the direction from Croatia to Hungary (hereinafter: **Drávaszerdahely Interconnection**).

Open Season procedure was carried out in compliance with the Rules for carrying out the binding phase of the *Open Season* procedure – from 18.12.2018 (hereinafter referred to as: the **OS Rules**), which make the constituent part of this Contract;

- The Transmission System User has been informed that making available the capacity which is the subject of this Contract depends on the fulfilment of suspensive condition described in more details in article 8 hereof;
- The Contracting Parties mutually determine that the Transmission System User has submitted a binding bid in the *Open Season* procedure, in compliance with the OS Rules, and accepted all conditions, rights and obligations anticipated by the OS Rules.

(2) The Contracting Parties enter into this Contract based on the OS Rules and by it they define their rights and obligations concerning the contracting and use of the transmission system capacities that Plinacro allocated to the Transmission System User in compliance with the OS Rules.

Article 2

(1) General terms of use of the gas transmission service which make Appendix 1 of the applicable Network Code of the transmission system (hereinafter referred to as: **GT**) make a constituent part of this Contract. GT are applied only to the extent in which they are not contrary to this Contract.

(2) By concluding this Contract the Transmission System User confirms he is acquainted with and accepts all provisions of the applicable Network Code of the transmission system (hereinafter referred to as: the **Network Code**) and GT; both applicable in the relevant time during the entire period of Contract duration. The Transmission System User has been acquainted with the fact that Plinacro has the right to amend the Network Code as well as GT as their constituent part in compliance with the procedure stipulated by the Gas Market Act and that in such case the amended Network Code and GT shall apply to this Contract to the extent in which they are not contrary to this Contract.

(3) Terms used in this Contract have the meaning determined by the regulation of the Republic of Croatia regulating the gas market. Terms capitalised in this Contract have the meaning assigned to them in the following documents:

- a) this Contract,
- b) the OS Rules,
- c) GT and
- d) Network Code.

In case there are potential discrepancies between the definitions of particular terms capitalized in this Contract in the previously mentioned documents the prevailing documents shall be the documents in compliance with the order stated in this paragraph.

(4) The Contracting Parties agree that the below listed documents make the constituent part of this Contract:

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- a) Appendix 1 – the OS Rules,
- b) Appendix 2 – the OS Notice,
- c) Appendix 3 – GT- and
- d) Appendix 4 – Statement on the Payment security instrument.

In case of any discrepancies between this Contract and its constituent parts, the Contract shall be prevailing. In case of any discrepancies between the constituent parts of this Contract, documents shall be prevailing in compliance with the order listed in this paragraph.

SUBJECT OF THE CONTRACT

Article 3

(1) Allocation and contracting of transmission system capacities at Omišalj entry and at Drávaszerdahely interconnection is carried out in compliance with the provisions of the OS Rules.

(2) In the carried out Open Season procedure the Transmission System User has been allocated capacity in compliance with the OS Rules as stated in the Notice on the transmission system capacity allocation in the Open Season procedure (hereinafter referred to as: the **OS Notice**) which makes Appendix 2 of this Contract.

(3) Based on this Contract Plinacro undertakes to put at Transmission System User's disposal capacity stated in the OS Notice (hereinafter referred to as: the **Capacity**) for the period stated in the OS Notice. The Transmission System User undertakes to pay a fee for the contracted Capacity in compliance with this Contract. The Contracting Parties have also other rights and obligations anticipated by this Contract, the OS Rules, GT and the Network Code.

FEE FOR THE USE OF THE TRANSMISSION SYSTEM

Article 4

(1) The Transmission System User shall pay to Plinacro a fee for the use of the transmission system and other fees pursuant to the valid provisions of the Methodology for determining the amount of the tariff items for gas transmission (hereinafter: Methodology) and the Decision on the amount of applicable reserve price (fixed tariff) for the Open Season procedure, that is, another act that may replace the relevant Methodology, which acts are taken by the Croatian Energy Regulatory Agency (hereinafter: HERA).

(2) The Contracting Parties agree that Plinacro has taken a decision on the construction of the gas pipeline that will connect the existing transmission system of the Republic of Croatia with the LNG terminal, which will enable takeover of gas from the LNG terminal and its transport, based on capacities allocated in the Open Season Procedure and the economic test carried out in the Open Season Procedure, all for the purpose of as efficient as possible economic and/or commercial position of the Transmission System User as well as adequate security of gas supply.

(3) The Transmission System User is aware that each commercial swap of gas for the purpose of paragraph 4 hereof, which significantly changes the amounts of capacities at the

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entries and/or exits from the transmission system of the Republic of Croatia used in the calculation of the fixed payable price, results in increase in the risk premium that reflects the stated effect of the commercial gas swap. In case of commercial gas swap, Plinacro shall notify HERA thereof and request the correction of the risk premium for the remaining contracting period.

(4) Commercial gas swap for the purpose of this Contract is each gas swap based on the agreement between two or more parties at least one of which is the Transmission System User, and based on which agreement one party provides to the other party gas outside of Croatia, and the other party indemnifies the first party by gas quantity in Croatia, whereby the gas is not physically transported from Croatia to Hungary and/or from Hungary to Croatia and due to which gas swap the parties achieved direct financial benefits, whereby Plinacro has not achieved the contracting of the transmission system capacity it would have achieved if the gas had been physically transported.

(5) The users classified for the purpose of the Croatian tax regulations as the residents of the Republic of Croatia shall also pay the value added tax on the fee for the use of the transmission system as well as other applicable fees pursuant to applicable provisions of the Value Added Tax Act and the Council Directive EU 2006/112/EC on the common system of value added tax.

(6) Plinacro shall deliver the calculation and the invoice referred to in paragraph 1 or paragraph 3 hereof to the Transmission System User upon the expiry of each monthly period, and not later than the 15th day of the current month for the previous month, which shall be paid by the Transmission System User within 20 days from the last day of the accounting period for which the invoice has been issued. The payment obligation is considered executed on the day when the money is credited to the business account of Plinacro.

(7) For each day of delay in payment of the transmission system use fee referred to in paragraph 1 hereof, along with the due principal, the Transmission System User shall also pay the statutory default interest at the rate stipulated by law. The default interest is calculated as of the first day after the maturity of the invoice. The deadline for the payment of the default interest is 8 days from the receipt of the interest calculation or by the date stated on the calculation at the latest.

(8) If the maturity date of a financial obligation under paragraph 6 and/or 7 hereof is on a non-working day, the Transmission System User can make the relevant payment on the next working day. A working day has the meaning as determined in the Network code.

(9) The Transmission System User shall pay a fee for the use of the contracted transmission system capacity regardless of whether he actually used the service of gas transmission in the amount equal to the contracted capacity, a part of the contracted capacity or he did not use the service of gas transmission at all.

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PAYMENT SECURITY INSTRUMENT
Article 5

(1) For the purpose of payment security for all claims of Plinacro which occur based on or in relation to this Contract the Transmission System User shall simultaneously within the signing of this Contract deliver to Plinacro a Statement on the payment security instrument as well as the payment security instrument, in compliance with this Contract and GT.

(2) If the subject of this Contract is exclusively contracting of the capacity at Omišalj entry, then articles 7 and 8 of the GT apply in an appropriate manner in respect to the type and the amount of payment security, whereby the Transmission System User which does not have its seat in the Republic of Croatia is not entitled to submit the debenture note as the payment security instrument. Plinacro determines the applicable amount of the payment security instrument as per article 8 of GT, according to its own estimate, depending on the Transmission System User's credit rating, and shall inform the Transmission System User on the amount of the payment security instrument which the Transmission System User is obliged to submit.

(3) If the subject of this Contract is exclusively contracting of the capacity at Drávaszerdahely interconnection, then articles 7 and 9 of the GT apply in an appropriate manner in respect to the type and the amount of payment security, except for the provisions on the obligation to deliver the auction guarantee.

(4) If the subject of this Contract is contracting of the capacity at Omišalj entry as well as Drávaszerdahely interconnection, then the Transmission System User is obliged to submit two separate payment security instruments to Plinacro, namely:

(a) payment security in the type and amount as regulated in articles 7 and 8 of GT in relation to the contracted capacity at Omišalj entry; whereby Plinacro determines the applicable amount of the payment security instrument as per article 8 of GT, according to its own estimate, depending on the Transmission System User's credit rating, and shall inform the Transmission System User on the amount of the payment security instrument which the Transmission System User is obliged to submit and whereby the Transmission System User which does not have its seat in the Republic of Croatia is not entitled to submit the debenture note as the payment security instrument

and

(b) payment security in the type and amount as regulated in articles 7 and 9 of GT in relation to the contracted capacity at Drávaszerdahely interconnection.

Plinacro is entitled to use both payment security instruments, in its sole discretion, to settle all obligations of the Transmission System User arising out of or in connection with this Contract and as a result of termination of this Contract.

(5) If the Transmission System User fails to submit to Plinacro a contracted payment security instrument in compliance with this article, or both payment security instruments in case article 4 applies, Plinacro has the right to terminate this Contract unilaterally and the Transmission System User shall indemnify Plinacro for the total damage (including the loss of profit) incurred as a consequence of the Contract termination.

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(6) The Transmission System User is obliged to renew and to submit the new payment security instrument, or both payment security instruments (in case paragraph 4 of this article applies) to Plinacro within the terms and conditions as regulated in the GT, so that Plinacro has, for the entire duration of the Contract and 60 days after the expiration of the contract period, the valid payment security instruments in the amount and type pursuant to the GT and this Contract. If the Transmission System User has submitted, as a payment security instrument, the bank guarantee, then the Transmission System User is obliged to submit, for the last gas year, the bank guarantee for a duration of 60 days longer than the contract period.

(7) In the case of correction of the risk premium or other parameters applied in the fixed payable price approach, the Transmission System User shall on Plinacro's request deliver the additional payment security instrument under conditions and in the amount as regulated in GT and this Contract within 15 days at the latest.

LIQUIDATED DAMAGES
Article 6

(1) If the Transmission System User is late in fulfilling or irregularly fulfils the liability:

- to deliver the new, that is, renewed payment security instrument before the existing payment security instrument expired or the validity of the relevant payment security instrument expired, within the time frame pursuant to the GT, or
- to deliver the new payment security instrument in case of the use of the existing payment security instrument, within the time frame pursuant to the GT
- to deliver additional payment security instrument for the correction of the risk premium

the Transmission System User shall pay liquidated damages to Plinacro in the amount of 0.055% of the total amount of the fee for the use of the contracted transmission system capacity calculated for the period of 6 months for the gas year of the Contract duration for which the Transmission System User contracted the largest capacity, for each day of delay, that is, irregular fulfilment. Liquidated damages shall be calculated for the entire period until Plinacro receives due fulfilment of the Transmission System User's liability in full. The maximum amount of the liquidated damages that the Transmission System User may be obliged to pay per an individual delay is 10% of the total amount of the fee for the use of the transmission system contracted capacity calculated for the period of 6 months for the gas year of the Contract duration for which the Transmission System User contracted the largest capacity. In addition to the right to liquidated damages, Plinacro has in any case the right to terminate the Contract and the right to claim compensation from the Transmission System User.

(2) Plinacro shall inform the Transmission System User on the amount of liquidated damages as per paragraph 1 hereof, in writing, by registered post and with evidence of the receipt, or by any other means which enable Plinacro to determine with the certainty the date of the receipt of the notice by the Transmission System User.

(3) Liability to pay the liquidated damages as per this article shall be due within 15 days from the date of the receipt of the notice as per paragraph 2 hereof.

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(4) Plinacro and the Transmission System User agree that the amount of liquidated damages as per this article corresponds to the value of the protected good.

(5) Plinacro shall be entitled to charge the liquidated damages also upon receipt of the fulfilment, provided that it, without delay, informs the Transmission System User that it retains its right to liquidated damages.

(6) In cases referred to in paragraph 1 hereof, Plinacro shall be entitled to request liquidated damages from the Transmission System User even when its amount exceeds the amount of the damage suffered by Plinacro due to the Transmission System User's delay or irregular fulfilment of the liability as per paragraph 1 hereof, as well as in the case Plinacro did not suffer any damage.

(7) If the damage suffered by Plinacro due to the Transmission System User's delay or failure to fulfil the liability as per paragraph 1 hereof exceeds the amount of liquidated damages, Plinacro shall be entitled to request from the Transmission System User the balance up to full compensation.

STATEMENTS AND WARRANTIES
Article 7

(1) the Transmission System User shall obtain a valid permit for performing energy activity of gas supply or gas trade in accordance with the regulations of the Republic of Croatia no later than 7 working days before the Date of Initial Application, and it shall for the entire period of this Contract duration fulfil all conditions to be a transmission system user, foreseen by the regulations of the Republic of Croatia. At least 30 days before the expected date of the Date of Initial Application Plinacro will notify the Transmission System User on the expected date of occurrence of the Date of Initial Application.

(2) Should the Transmission System User fail to obtain a valid permit within the deadline pursuant to paragraph 1 hereof, the application of Deferred rights and obligations is postponed until the Transmission System User complies with the relevant commitment. The Transmission System User shall pay to Plinacro liquidated damages in the amount of 0.055 % of the total amount of the fee for the use of the contracted transmission system capacity calculated for the period of 6 months for the gas year of the Contract duration for which the Transmission System User contracted the largest capacity, per day of delay in the obtaining the permit pursuant to paragraph 1 hereof. The liquidated damages will be calculated from the Date of Initial Application until Plinacro receives from the Transmission System User a notice on obtaining a valid permit with a copy of the permit. On the liability to pay the liquidated damages as per this article, provisions of article 6 paragraph 2 – 7 of this Contract apply *mutatis mutandis*. In any case, Plinacro has got the right to terminate the Contract unilaterally and the right to be indemnified.

(3) The Contracting Parties declare and guarantee that the signatories and the Contracting Parties have all necessary authorities to enter into this Contract. Furthermore, the Contracting Parties guarantee that their signatories and other persons issuing any orders, statements, claims, or assuming liabilities under this Contract or in relation to it on their behalf, are duly authorized to take such actions and that their actions are binding upon the Contracting Party on whose behalf they act.

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(4) During the Contract validity the Contracting Parties shall accept in full provisions of all applicable legal regulations and by-laws of the Republic of Croatia and especially those that regulate the gas market.

SUSPENSIVE CONDITIONS FOR CONTRACT APPLICATION
Article 8

(1) This Contract is concluded when signed by the authorised representatives of the Contracting Parties, where the fulfilment of certain rights and obligations from the Contract, specifically:

a) obligation of Plinacro to offtake gas and make the Capacity contracted by this Contract available to the Transmission System User, and

b) the right of the Transmission System User to input gas, use the contracted transmission system Capacity and pay the fee for the use of the transmission system and other applicable fees based on this Contract

(items a) and b) hereinafter jointly referred to as: **Deferred rights and obligations**),

is postponed until the occurrence of the next suspensive condition: the construction of the gas pipeline pursuant to OS Rules, and obtaining permit for its use foreseen by the regulations of the Republic of Croatia.

Plinacro shall notify the Transmission System User on the fulfilment of the suspensive condition in writing within the period of 5 days from its fulfilment (hereinafter referred to as: the **Notice on the fulfilment of the condition**).

(2) Deferred rights and obligations shall apply as of 1st day in the calendar month following the calendar month in which Plinacro submitted to the Transmission System User the Notice on the fulfilment of the condition (hereinafter referred to as: the **Date of Initial Application**), on the condition that the Transmission System User previously obtained a valid permit in compliance with article 7 hereof. Plinacro expects that the Date of Initial Application could occur by 1.1.2021 at the latest

(3) Exceptionally, if by the Date of Initial Application the LNG terminal has not been constructed and permit for its use, pursuant to the regulations of the Republic of Croatia, has not been obtained, then the application of the Deferred rights and obligations is postponed until the 1st day in the calendar month following the calendar month in which the stated conditions are fulfilled. For the avoidance of doubt, the Transmission System User shall not have any claims, under any basis, against Plinacro due to the occurrence of the postponement of the application of the Deferred rights and obligations in compliance with this paragraph.

(4) If the Date of Initial Application does not occur at the latest by 1.1.2021 because Plinacro by its fault did not construct the gas pipeline by this date pursuant to OS Rules, and obtained permit for its use pursuant to the regulations; then Plinacro shall pay to the Transmission System User liquidated damages for delay in the amount of 0.055% of the amount of the fee for the use of the contracted transmission system capacity calculated for the period of the first 6 months in the first gas year for which transmission system capacity has been

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contracted pursuant to the OS Notice, for each day of delay starting from the 2.1.2021, until the day of occurrence of the Date of Initial Application. The total amount of the liquidated damages under this article shall not exceed the amount of: 10% of the amount of the fee for the use of the contracted transmission system capacity calculated for the period of the first 6 months in the first gas year for which transmission system capacity has been contracted pursuant to the OS Notice.

(5) The Transmission System User confirms that the contracted amount of liquidated damages is appropriate to the protected asset and that it shall not claim compensation for any damage from Plinacro, beyond the amount of the liquidated damages, due to delay in construction of the delivery gas pipeline and obtaining the permits for its use. The liquidated damages under this paragraph will be due for payment within 15 days from the occurrence of the Date of Initial Application.

(6) For the avoidance of doubt, paragraph 4 is not applied, and Plinacro shall not be liable to pay the liquidated damages to the Transmission System User, if the application of the Deferred rights and obligations is postponed, or if Plinacro is late with the construction of the gas pipeline and/or obtaining the permits for its use, due to any reason for which Plinacro is not responsible, e.g. due to the fact that by the stated period the LNG terminal has not been constructed and/or the required permits for its use and operation have not been obtained, accident, force majeure occurrence or a third party guilt or the Transmission System User's guilt.

CONTRACT TERMINATION
Article 9

(1) Contracting Parties are hereby authorised to terminate this Contract unilaterally in accordance with provisions of GT and this Contract.

(2) The Transmission System User is authorised to terminate the Contract unilaterally by a written notice on termination delivered to Plinacro via registered mail, without providing a subsequent term for fulfilment, if the Date of Initial Application does not occur until 1.6.2021, because until this date Plinacro by its fault has not constructed the gas pipeline, in compliance with the OS Rules, and obtained permit for its use pursuant to the legislation.

(3) The total liability of Plinacro for damage in case of Contract termination under paragraph 2 is limited to the amount of 10% of the total amount of the fee for the use of the contracted transmission system capacity calculated for the period of the first 6 months in the first gas year for which transmission system capacity has been contracted pursuant to the OS Notice. Plinacro shall not be responsible to the Transmission System User for loss of benefit or any other indirect damage that the Transmission System User may incur due to or in connection with the termination of this Contract under this paragraph. For the avoidance of doubt, the Contracting Parties agree that the limitation of liability referred to in this paragraph shall not apply to the damage that Plinacro caused to the Transmission System User by intent or gross negligence. For the avoidance of doubt, if the Contract is terminated pursuant to paragraph 2 of this article, the Transmission System User shall not be entitled to liquidated damages from article 8 paragraph 4 of the Contract, but only to indemnity pursuant to provisions of this article.

(4) Each Contracting Party is authorised to terminate this Contract unilaterally by a written notice on termination delivered to other Contracting party via registered mail, without

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providing a subsequent term for fulfilment, if the application of Deferred rights and obligations does not occur until 1.6.2021, because:

(a) until this date the LNG terminal has not been constructed and/or permit for its use, anticipated by regulations, has not been obtained, or

(b) until this date Plinacro did not build the pipeline and/or obtained the permit for its use pursuant to OS Rules or because of any other reason for which Plinacro is not responsible e.g.: force majeure, fortuitous event, third party guilt or Transmission System User's guilt, or

(c) for any other reason for which neither Plinacro nor Transmission System User are not responsible,

In case of Contract termination in accordance with this paragraph, each Contracting Party will bear its costs related to this Contract and its termination without the right to any compensation of damage.

(5) If one or several tenderers in the Open Season procedure: (a) at the invitation of Plinacro fails to sign the Gas transmission contract concluded through the Open Season procedure, or (b) fails to submit to Plinacro the contracted payment security instrument within the period anticipated in the Gas transmission contract concluded through the Open Season procedure, Plinacro has the right to re-conduct the economic test to assess the economic viability of the project of gas pipeline construction, which will enable gas transmission from the LNG terminal to the Croatian gas transmission system. If Plinacro according to its own discretion determines that the project is unprofitable, it is entitled to terminate this contract unilaterally. In this case, the Contracting Parties will not have any mutual claims. Irrespective of the above, if the Transmission System User failed to fulfil obligations under item (a) or (b) from this paragraph, then the Transmission System User shall indemnify Plinacro.

(6) The Transmission System User acknowledges that it is aware that exercising the rights and obligations under this Contract depends on the actions of three energy entities (Plinacro, LNG and FGSZ), each of which has got their obligations and responsibilities. Plinacro's responsibility has been limited exclusively to providing gas transmission service in accordance with the contracted capacity, for which purpose Plinacro is obliged to build the gas pipeline in compliance with the OS Rules. If Plinacro met its obligation of constructing the gas pipeline in compliance with the OS Rules and this Contract, and the Transmission System User cannot use the gas transmission service under this Contract due to the fact that LNG is late with the construction of the LNG terminal or with the obtaining of the use permit for LNG terminal, or it has not fulfilled its obligation, or if any delays or difficulties in the fulfilment of the rights and obligations of the Transmission System User would arise from FGSZ's actions, the Transmission System User hereby explicitly confirms that he will neither claim from Plinacro any damages nor hold it in any way responsible.

(7) If the Transmission System User terminates the Contract due to correction of the risk premium or other parameters determined in the fixed payable price approach, which were modified based on the decision by HERA, the Transmission System User shall be liable to Plinacro for all damage, including the lost profit, suffered by Plinacro due to or in relation to the termination of the Contract.

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COMMUNICATION BETWEEN THE PARTIES
Article 10

(1) For data exchange and communication under this Contract, to be conducted in writing in compliance with the provisions of the Network Code, Contracting Parties shall appoint the responsible person:

For Plinacro:

PLINACRO d.o.o.
Savska cesta 88 a
10 000 Zagreb
Attn: Director of the Capacity Sales Department
Phone: +385 1 6301 685
Fax: +385 1 6301 798
E-address: prodaja@plinacro.hr

For Transmission System User:

[name]
[street and house number]
[postal code and town]
Attn: *[position and name and surname]*
Phone: *[area code / phone number]*
Fax: *[area code / fax number]*
E-address: *[e-mail address]*

(2) The Transmission System User and Plinacro shall without delay notify the other Contracting party in writing on changes of contacts hereof.

Article 11

(1) Operative communication between the Contracting Parties and particularly communication in the period from 16:00 hours of any day to 08:00 hours of the next working day, as well as operative communication during the proclamation of a crisis situation, and other extraordinary circumstances can be oral, with mandatory subsequent delivery of a written document, to be submitted and/or mutually exchanged by the Contracting Parties in the shortest possible period.

for Plinacro:

National Dispatching Centre
Phone: 01 / 4640 604 and 01 / 6301 613
Fax: 01 / 4640 582
E-address: dispatching@plinacro.hr

for the Transmission System User:

[name and surname]
Phone: *[area code / phone number]*
Mobile phone: *[area code / mobile number]*
Fax: *[area code / fax number]*
E-address: *[e-mail address]*

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(2) The Transmission System User and Plinacro shall without delay notify the other Contracting party in writing on changes of contacts hereof.

CONTRACT DURATION
Article 12

(1) This Contract is concluded for a limited period and is valid until the expiry of the last gas year for which transmission system capacity has been contracted pursuant to the OS Notice.

(2) The Contract is concluded under the following cumulative suspensive conditions (except for the obligation of the Transmission System User to submit the payment security instrument pursuant to article 5 hereof, which is not contracted under a suspensive condition and which enters into force on the day of the Contract signing):

- (a) taking a positive *Final Investment Decision* by Plinacro, whereby Plinacro declares that it will build the gas pipeline, pursuant to OS Rules, and
- (b) positive economic test by LNG in the procedure of contracting the long term capacity of gasification of liquefied natural gas, pursuant to Rules for implementation of the procedure of contracting the long term capacity of gasification of liquefied natural gas dated [●],

whereby both suspensive conditions should be fulfilled not later than 1.4.2019. In compliance with the rules of communication pursuant to the provision of article 10 hereof, Plinacro shall without any delay notify the Transmission System User of the fulfilment of suspensive conditions.

If by 1.4.2019 at the latest suspensive conditions from this paragraph have not been fulfilled, the Transmission System User is entitled to terminate the Contract, providing a subsequent deadline for fulfilment of at least 15 days.

If Plinacro takes a negative Final Investment Decision, whereby it states it will not build the gas pipeline, then this Contract is terminated by law.

(3) In the event of termination of the Contract pursuant to paragraph 2 of this article, the Parties declare they will not have any mutual claims related to or in respect to this Contract and its termination and each Contracting party shall bear its costs incurred due to the Contract and its termination. The Transmission System User declares that he is aware of all business and legal risks of the stated suspensive conditions and waives any right to indemnity and other claims against Plinacro in case the termination of the Contract occurs pursuant to this paragraph. In the event of termination of the Contract pursuant to paragraph (2) Plinacro will in the period within 15 days from the occurrence of the termination of the Contract return to the Transmission System User the payment security instrument received under this Contract. For the avoidance of doubt, if a cash deposit has been received, Plinacro will not be obliged to pay to the Transmission System User any interest on the amount of the deposit.

(4) This Contract is made in two copies, one for each Contracting party.

(5) This Contract is governed by the Croatian law.

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(6) For the settlement of all disputes between Plinacro and the Transmission System Users arising from or related to the Contract, its breach, termination of validity, the competent court will be the court having *in rem* jurisdiction in Zagreb.

(7) The Transmission System User confirms that it has read the Contract, that it understands its content and meaning and consequences of all rights and obligations arising out of the Contract, it declares that it is aware that the Croatian version of the Contract is prevailing and expressly states that it waives contesting to any provision of the Contract due to defect of consent in this regard.

Zagreb, _____

For Plinacro:

For the Transmission System User:

[name and surname]
[position]

[name and surname]
[position]