

CONTRACT FOR THE VIRTUAL TRADING POINT (VTP) USE

No.

Today,, in Sofia,

BETWEEN:

..... with seat and registered address:, with Uniform ID Code, ID VAT No., represented by – Manager/Executive Director, hereinafter referred to as **Network User (NU)/Trader or Participant**

and

BULGARTRANGAZ EAD with seat and registered address, 1336 Sofia, 66 Pancho Vladigerov blvd., registered under company file No.16439/2006 under the inventory of Sofia City Court, with Uniform ID Code 175203478 and ID VAT No.BG175203478, represented by Vladimir Malinov – Executive Director, hereinafter referred to as **Transmission System Operator (TSO)**, together referred to as the "**Parties**",

DECLARATIONS

Bulgartransgaz EAD is an owner and operator of a gas transmission network on the territory of the Republic of Bulgaria and carries out the natural gas transmission based on licenses issued by the Energy and Water Regulatory Commission (EWRC) in line with the requirements of the Energy Act (EA), the secondary regulations and other rules adopted based on the EA.

This Contract is concluded in compliance with art. 24 (1) of the *Natural Gas Market Balancing Rules*, adopted by the Energy and Water Regulatory Commission (EWRC).

Having regard to the above, the Parties have agreed as follows:

1. CONTRACT SUBJECT

1.1. Based on this Contract the NU/Trader becomes a registered participant at the VTP via the CDP (Commercial Dispatching Platform), and is entitled to use the services related to the VTP.

1.2. Participants can purchase and sell natural gas using the VTP for the balancing zone including to minimize the imbalances under their balancing accounts.

1.3. The Contracting parties determine the manner and deadlines for settlement of the natural gas purchase and sale as well as prices of the transactions via the instruments for a bilateral trade.

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1.4. If there is a necessity for the TSO to undertake balancing actions, the TSO can also trade natural gas at the VTP.

1.5. The natural gas purchase and sale transactions at the VTP are at prices freely negotiated between the parties.

1.6. "Transaction" and "transaction for ownership transfer" under this Contract shall mean the same.

1.7. The terms, used in this Contract, shall have the same meaning as the terms, defined in article 1 of the Contract for Natural Gas Purchase and Sale for Balancing.

1.8. For outstanding clause under this contract, the national legislation and the secondary regulations shall be applied.

2. VTP STRUCTURE

2.1. The Participant can carry out natural gas transactions (purchase and sale) at the VTP, by:

2.1.1. Declaring an individual natural gas transaction between its balancing portfolio and the balancing portfolio of the other Participant;

2.1.2. Entering into a transaction for transfer of the gas ownership between its balancing portfolio and the TSO.

2.2. When using the services of the VTP, the subject of the transactions are short-term standardised products for natural gas ownership transfer for day ahead and within-day. The service for access to the VTP can be used only by participants who are a party under a *Contract for Natural Gas Purchase and Sale* signed with the TSO.

3. TRANSACTION NOTIFICATIONS. QUANTITY NOMINATION

3.1. The VTP Participant is obliged to declare a virtual point transaction to the TSO beforehand, in line with the manner and deadlines stipulated in this Contract. The TSO shall only consider transaction notifications that are made in accordance with the *Natural Gas Market Balancing Rules*, adopted by the EWRC.

3.2. The natural gas ownership transfer between two balancing portfolios of registered participants at the VTP within the Balancing Zone shall be made by submitting a transaction notification for purchase and sale submitted to the TSO for the respective gas day – for day ahead or within the gas day.

3.3 The transaction must be declared by both participants participating in the transaction. In the event that the TSO does not receive both transaction notifications, the transaction will not be considered.

3.4. Based on the aforementioned actions, the TSO registers the transaction carried out of the parties participating in it and reflects the result in their balancing portfolios.

3.5. Each registered participant at the VTP can submit a transaction notification in a gas day irrespective of the fact whether they have submitted a nomination for transmission at entry and exit points for the same gas day.

3.6. The deadline for the NU/Trader to submit and the TSO to review, match and confirm the Transaction Notification for day ahead shall be in line with the deadline for submitting a nomination for transmission in line with the *Natural Gas Market Balancing Rules*. Registered users receive a confirmation via email.

3.7. The natural gas quantity indicated in the confirmation under art.3.6. shall be included in the daily nomination or re-nomination by both participants in the transaction.

3.8. The deadlines for correction and/or withdrawal of the Transaction Notification by the NU/Traders and its processing, matching and confirmation by the TSO shall be in line with the deadlines for submitting a daily re-nomination in line with the *Natural Gas Market Balancing Rules*. The correction and/or the withdrawal shall be made with the respective daily re-nominations by both participants. If this is not met, the transaction shall not be considered.

3.9. Each transaction notification at the VTP shall contain at least the following data:

- a) transaction ID (identification number);
- b) the gas day for which the natural gas is being traded;
- c) contracting parties (codes)/the respective balancing portfolios;
- d) date and time when the transaction was carried out;
- e) transaction type (purchase/sale);
- f) quantity [....] KWh;

4. USING AN INFORMATION PLATFORM (CDP) PROVIDED BY THE TSO FOR THE VTP

4.1. The Participant shall use the information platform to submit transaction notifications and other operational communication.

4.2. The Participant shall access and use the information platform via personal identification elements (electronic certificate and password), assigned by the TSO. The Participant may not allow third parties to use the VTP through his personal identification elements.

4.3. The TSO guarantees the operation of the information platform in accordance with the due professional diligence. The TSO shall not be liable for any errors in the negotiation of the transactions resulting from errors or failure of the information platform, if this is due to reasons beyond the TSO's control.

4.4. The TSO shall perform scheduled ad maintenance operations, modernization etc. which could result in temporary unavailability to use the information platform. The TSO shall announce these operations to all participants at least eight days before they begin.

4.5. In the event of non-scheduled maintenance, the Operator shall notify the participants as soon as possible. The implementation of these operations could result in temporary unavailability to use the information platform.

4.6. In cases under art. 4.4 and art. 4.5. the alternative information channels for submitting information for transactions at the VTP (transaction notifications, nomination and re-nomination) by a NU/Trader shall be in line with Chapter 4 of the *Natural Gas Market Balancing Rules*, adopted by EWRC.

4.7. The TSO shall not be liable for temporary unavailability to use the information platform due to the implementations of the activities under art.4 and art. 4.5.

5. RESPONSIBLE PERSON

5.1. The Participant authorizes Mr./Mrs. as a responsible person for the implementation of this contract.

5.2. All written documents received by the TSO bearing the signature of the responsible person or the corresponding electronic certificate shall be binding for the Participant under this contract.

6. FEES FOR THE SERVICES

6.1. The Participant shall pay to the TSO an annual VTP participation fee.

6.2. Such annual fee shall be determined at the end of each calendar year for the next one based on Operator's planned costs for maintenance and development of the VTP information platform.

6.3. The annual fee shall be published on the TSO's website by 15 December of the previous year.

6.4. The annual fee shall be paid once within 5 days after the submission of an invoice by the TSO.

6.5. Participants newly registered on the information platform for VTP transactions shall pay a participation fee for the ongoing year proportionally to the remaining days of the year after their registration date. Such fee shall be due within five working days as of the submission of the invoice by the TSO.

6.6. In case the Participant fail to pay the due amount within the deadline under 6.4, he shall owe to the TSO a penalty, amounting to the legal interest on the delayed unpaid amount, for the entire period of the delay, including the day of the final payment.

6.7. In case the Participant fail to pay the amount due hereunder within 30 days as of the due date, following one-month notice the TSO shall have the right terminate his participation in the information platform as regards VTP transactions and the present Contract respectively.

6.8. In instances of article 6.7 the recovery of the VTP participation shall be made within a 5-day period after the repayment of all due amounts, including the interests for delay under article 6.6.

6.9. No VTP participation fee shall be charged for the calendar 2023.

7. LIABILITY

7.1. The Participant shall be responsible for the accuracy and precision of the data he enters into the electronic system.

7.2. The Participant shall be responsible for the contents of the message and the transactions carried out at the VTP, including transactions, carried out by means of access to the information platform.

7.3. The Participant shall be responsible to look after the security of personal ID elements. The Operator shall not be liable for the misuse with personal ID elements.

7.4. In case of misuse with personal ID elements, following the receipt of the notice on misuse the TSO shall immediately cancel the personal ID elements and issue new ones.

7.5. The TSO shall register the declared transaction in an appropriate manner. The TSO shall bear no responsibility for the physical supply of natural gas or the payment for the natural gas to the seller.

8. TERMINATION OF THE CONTRACT FOR THE VTP USE (VTP)

8.1. Each Party may terminate the Contract for the VTP use at any time by a written notification. The Contract shall be terminated no later than 5 working days as of the date on which the other party received the termination notification.

9. CONFIDENTIALITY

9.1. The Parties shall agree not to disclose to any third parties any information, acquired as a result hereof, except in cases, provided for in the respective regulations. The TSO may publish data on the transaction within the scope and way provided for in the applicable regulations.

10. TERM OF THE CONTRACT

10.1. This Contract has a validity term until 7.00 a.m. on 1 October 2024.

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10.2. The Contract is signed and shall enter into force as of the date of its signing by both Parties.

11. MISCELLANEOUS

11.1. The Parties shall do their best to settle any disputes by means of an amicable settlement, otherwise the dispute settlement shall be within the competence of the court of law. This Contract shall be governed and interpreted according to the Bulgarian law.

11.2. The provisions of the current Bulgarian legislation shall apply to all issues that remained unsettled by this Contract.

11.3. The Contract has been signed in 2 (two) identical copies - one for each Party hereto.

FOR THE PARTICIPANT:

FOR THE TSO: