



**SOCIETATEA NAȚIONALĂ DE TRANSPORT  
GAZE NATURALE "TRANSGAZ" SA MEDIAȘ**  
Capital social: 117 738 440,00 LEI  
ORC: J32/301/2000; C.I.F.: RO13068733  
P-ța C. I. Motăș nr. 1, cod: 551130, Mediaș, Jud. Sibiu  
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## CURRENT REPORT

according to the provisions of Article 82 of Law 24/2017

Date of report: **30.10.2018**

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

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: **RON 117,738,440**

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

## REPORTED EVENTS

**SNTGN Transgaz SA** informs all those concerned on the juridical documents concluded with companies in which the Romanian State exercises direct or indirect control and whose total value represents at least the RON equivalent of EUR 50,000:

Contract data	Contract clauses
<b>Contract Parties</b>	Concluded between <b>SNTGN Transgaz SA</b> and <b>ELECTROCENTRALE BUCUREȘTI S.A. (in insolvency)</b>
Contract date and type	<b>Contract no. 26/2018</b> (1 October 2018 – 1 October 2019)
Contract scope	NTS exit points annual transmission services
Contract value	<b>23,136,943.29 lei</b> – estimated amount of the legal act VAT included (lei)
Mutual debts	-
Guarantees established and penalties stipulated	<p><b>Guarantees:</b></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> <ul style="list-style-type: none"> <li>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;</li> <li>b) pays the transmission services in advance.</li> </ul> <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</p>

the change and shall prove the fulfillment of its guarantee obligations under this Chapter no later than 5 working days from the change.

#### ART. 15

(1) The payment guarantee shall be submitted by the NU as:

- 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
- 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
- c) an escrow account in lei or the euro equivalent at the Central European Bank exchange rate on the guarantee issuing date.

(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.

#### ART. 16

(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.

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

#### 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 invoices 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 waive the advance payment option, subject to the provision of a financial guarantee according to Art. 14 (3) or Art.15.

#### 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 60<sup>th</sup> calendar day following the expiry date of the Contract.

(2) If the level of the financial guarantee:

- a) decreases by more than 5% below the level specified in Art. 17 (2), the NU shall supplement the financial guarantee accordingly;
- 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).

(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).

(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.

(5) Prior to making any claim against such guarantee, the TSO shall notify the NU on the non-fulfilled obligations.

(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).

(7) If the guarantee is executed partly or completely, the NU shall re-establish the guarantee within 5 days from execution.

**Penalties:**

**ART. 23**

(1) Failure to meet the invoice payment obligation as stipulated at Art. 7 (1) shall incur:

- 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 16<sup>th</sup> 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;
- 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);
- 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.

(2) If the due date or the day following the warranty expiration date is a bank holiday, the terms foreseen at paragraph (1) shall be shifted accordingly.

**ART. 24**

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.

**ART. 25**

	<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>
Payment terms and modalities	<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> <p>(3) The NU shall pay the transmission system operator additionally, as applicable, the tariffs established under the Network Code.</p> <p>(4) The tariffs referred to in paragraphs (1) and (2) are set out in Annex 1 to the Contract.</p> <p>(5) Until the 15<sup>th</sup> day of the month following the month for which the transmission service was provided, the TSO shall sent the NU separate invoices (hereinafter referred to as `monthly invoices`), as follows:</p> <ul style="list-style-type: none"> <li>a) an invoice for the transmission services provided for the previous month;</li> <li>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;</li> <li>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.</li> </ul> <p>(6) If the NU choses to make an advance payment, the TSO shall issue and send the NU 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 prior to the start date of each month of services provision.</p> <p>ART. 7</p> <p>(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.</p> <p>(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.</p>
<b>Contract Parties</b>	Concluded between <b>S.N.T.G.N. Transgaz S.A.</b> and <b>ELECTROCENTRALE BUCUREȘTI S.A. (in insolvency)</b>
Contract date and type	<b>Contract no. 24T/2018</b> (Q IV 2018)
Contract scope	NTS exit points quarterly transmission services
Contract value	<b>9,682,205.37 lei</b> – estimated amount of the legal act VAT included (lei)
Mutual debts	-

Guarantees established and penalties stipulated

**Guarantees:**

**Art. 14**

(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.

(2) For fulfilling the obligation under paragraph (1), the TSO shall provide the credit rating.

(3) The NU is exempted from the obligation to provide the payment guarantee to the TSO conditional on:

- 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;
- b) pays the transmission services in advance.

(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.

**ART. 15**

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- 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
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- c) an escrow account in lei or the euro equivalent at the Central European Bank exchange rate on the guarantee issuing date.

(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.

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

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(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 invoices 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 waive the advance payment option, subject to the provision of a financial guarantee according to Art. 14 (3) or Art.15.

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(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 60<sup>th</sup> calendar day following the expiry date of the Contract.

(2) If the level of the financial guarantee:

a) decreases by more than 5% below the level specified in Art. 17 (2), the NU shall supplement the financial guarantee accordingly;

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).

(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).

(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.

(5) Prior to making any claim against such guarantee, the TSO shall notify the NU on the non-fulfilled obligations.

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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>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 warranty expiration date 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> <p>(3) The NU shall pay the transmission system operator additionally, as applicable, the tariffs established under the Network Code.</p> <p>(4) The tariffs referred to in paragraphs (1) and (2) are set out in Annex 1 to the Contract.</p> <p>(5) Until the 15<sup>th</sup> day of the month following the month for which the transmission service was provided, the TSO shall sent the NU separate invoices (hereinafter referred to as 'monthly invoices'), as follows:</p> <ul style="list-style-type: none"> <li>a) an invoice for the transmission services provided for the previous month;</li> <li>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;</li> <li>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.</li> </ul> <p>(6) If the NU choses to make an advance payment, the TSO shall issue and send the NU 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 prior to the start date of each month of services provision.</p> <p>ART. 7</p>

	<p>(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.</p> <p>(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.</p>
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**Director General  
Ion Sterian**