



RULES OF ALLOCATION FOR THE ENTRY/EXIT POINT POLAND-SLOVAKIA IN THE OPEN SEASON PROCEDURE

August 2016, Warsaw, Bratislava

Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A. (hereinafter referred to as “**GAZ-SYSTEM**”) and EUSTREAM A.S. (hereinafter referred to as “**EUSTREAM**”) plan to determine the level of market Participants’ binding demand for transmission capacity at the Entry/Exit Point Poland – Slovakia. This new interconnection point will be accessible after construction and commissioning of the Gas Interconnection Poland – Slovakia i.e. new, bi-directional pipeline connecting Slovak transmission system owned by EUSTREAM with Polish transmission system owned by GAZ – SYSTEM, with total length of approximately 158 km.

Capacity at the Entry/Exit Point Poland – Slovakia shall be made available within the rules determined in this document, during the Open Season Procedure consists only the binding phase.

1. DEFINITIONS

- 1.1. Auction - the method of Capacity allocation described in point 5.2, which is conducted on the GSA Platform in case of Overbooking;
- 1.2. Binding Bid – irrevocable capacity request of the Participant for the Offered Capacities of the Entry/Exit Point Poland – Slovakia, submitted in the form determined by the Parties for Open Season Procedure, which in case of acceptance by EUSTREAM for Slovak System and GAZ-SYSTEM for Polish System shall lead to a conclusion of Transmission Contracts, subject to the provisions of point 5.3.2;
- 1.3. Capacity – bundled firm transmission capacity of the Entry/Exit Point Poland – Slovakia, enabling gas flow in the direction from Poland to Slovakia in the amount determined in point 2.2.1.2, and from Slovakia to Poland in the amount determined in point 2.2.1.1, expressed in kWh/h and MWh/d, provided as a result of a construction of Gas Interconnection Poland - Slovakia, being a subject of the Procedure;
- 1.4. Entry/Exit Point Poland - Slovakia – interconnection point on the Gas Interconnection Poland - Slovakia, for which Capacity allocation during Open Season Procedure shall be made;
- 1.5. Final Allocation - confirmation of EUSTREAM for the Slovak System and GAZ-SYSTEM for the Polish System on allocation of the respective Capacities of the Entry-Exit Point Poland – Slovakia allocated to the Participant as a result of the Open Season Procedure pursuant to articles 5.1 - 5.2 and subject to the provisions of point 5.3.2.
- 1.6. Gas Interconnection Poland – Slovakia - cross border gas pipeline between the Gas Compressor Station Veľké Kapušany in Slovakia and the Gas Node Strachocina in Poland together with the whole infrastructure necessary for ensuring bi-directional gas transmission between the Polish System and the Slovak System, i.e. Gas Compressor Station in Strachocina and gas pipelines: Pogórska Wola – Tworzeń, Tworóg – Tworzeń

and Strachocina – Pogórska Wola;

- 1.7. Gas Day – means the period from 06:00 a.m. (CEST/CET as applicable) to 06:00 a.m. (CEST/CET as applicable) the following day;
- 1.8. Gas Month – means the period from 06:00 a.m. (CEST/CET as applicable) on the first day of a given month until 06:00 a.m.(CEST/CET as applicable) on the first day of the following month;
- 1.9. Gas Year – a period from 6 a.m. (CEST/CET as applicable) on 1 October of the previous year until 6 a.m. on 1 October of a given year;
- 1.10. GSA Platform – GAZ-SYSTEM Auctions Platform, a dedicated IT platform enabling Capacity allocation in line with point 5.2, available at: <https://aukcje.gaz-system.pl/>;
- 1.11. kWh (kilowatt hour) – a unit of energy, an equivalent of the quantity of transmitted gas, being the product of the gas transmitted in the given entry point or a given exit point in volume units and the gross calorific value which is characteristic for this point;
- 1.12. Participant – any entity that has submitted the Binding Bid during the Procedure alongside with accompanying documents;
- 1.13. Party / Parties - GAZ-SYSTEM and/or EUSTREAM referred to individually as the Party and collectively as the Parties;
- 1.14. Polish System - the gas pipeline system together with the related equipment and facilities, owned and operated by GAZ-SYSTEM and connected to the Slovak System at the Entry-Exit Point Poland - Slovakia;
- 1.15. Procedure / Open Season Procedure – binding phase of an open season conducted in order to determine market participants' demand for the Capacity of the Entry/Exit Point Poland - Slovakia of the Gas Interconnection Poland – Slovakia, in both directions of the gas flow, which rules of conducting shall be described in these Rules;
- 1.16. Project – all of the activities taken by GAZ-SYSTEM and EUSTREAM aiming at the construction of the Gas Interconnection Poland - Slovakia, conclusion of the Transmission Contracts and Capacity allocation of the Entry/Exit Point Poland - Slovakia, and the commencement of commissioning of the Gas Interconnection Poland – Slovakia;
- 1.17. Schedule – timetable described in point 3.2, namely framework plan of realization of the most important stages of the Project;
- 1.18. Slovak System - the gas pipeline system together with the related equipment and facilities, owned and operated by EUSTREAM and connected to the Polish System at the Entry-Exit Point Poland-Slovakia;
- 1.19. Business days – days from Monday to Friday, excluding public holidays, in accordance with applicable Polish or Slovakian laws;
- 1.20. Tariff of GAZ-SYSTEM – Tariff established pursuant to the applicable provisions of law

and posted on GAZ-SYSTEM's website. The Rules refer to the version of the Tariff from 1st of January 2016, as approved by the President of ERO (sign DRG-4212-59(8)/2015/6154/IX/JDo1), or to every next version of the Tariff of GAZ-SYSTEM which will replace or change the aforementioned version of the Tariff of GAZ-SYSTEM;

- 1.21. TNC of GAZ -SYSTEM – Transmission Network Code established pursuant to the applicable provisions of law and posted on the GAZ-SYSTEM's website. The Rules refer to version of the TNC of GAZ SYSTEM from 3rd February 2016, as approved by the President of ERO (sign DRR-4322-2(18)/2015/2016/AN/MP) or to every next version of the TNC of GAZ- SYSTEM which will replace or change the aforementioned version of the TNC of GAZ-SYSTEM;
- 1.22. Transmission Contract – conditional transmission service agreement for provision of gas transmission services at the Entry-Exit Point Poland-Slovakia, which templates shall be prepared and published by the Parties, enabling the Participant to access the transmission network of GAZ-SYSTEM and EUSTREAM. Transmission Contracts shall be concluded between a Participant and each of the Parties as the result of the allocation of the Capacity within the Open Season Procedure;
- 1.23. Yearly product - the Capacity, which may be requested, in a given amount, by a Participant, for all Gas Days in a particular Gas year;
- 1.24. Rules of Allocation for the Entry/Exit Point Poland-Slovakia in the Open Season Procedure ("Rules of Allocation") – a document regulating the rules of allocation of Capacity at the Entry/Exit Point Poland-Slovakia, which will be used by GAZ-SYSTEM and EUSTREAM.

2. CAPACITY AT THE ENTRY/EXIT POINT POLAND – SLOVAKIA

For the avoidance of doubt, the capacity for the Slovak system will be allocated by EUSTREAM and for the Polish system by GAZ-SYSTEM, subject to the provisions of point 5.3.2. Each of the Parties will allocate the capacity in the following way:

2.1. Technical capacity of the Gas Interconnection Poland – Slovakia

2.1.1. Gas Interconnection Poland – Slovakia shall ensure a possibility of gaseous fuel transmission in the direction of gas flow from Poland to Slovakia and from Slovakia to Poland, especially it shall ensure in the Entry/ Exit Point Poland – Slovakia technical capacities in the following amount:

2.1.1.1. in the direction of gas flow from Poland to Slovakia: 5 998 333 kWh/h,

2.1.1.2. in the direction of gas flow from Slovakia to Poland: 7 274 583 kWh/h

2.2. Total Offered Capacities in the Binding Open Season Procedure

2.2.1. The Parties offer the following transmission Capacities to be allocated to the Participants during the Open Season Procedure (hereinafter referred to as: “**Offered Capacity**”):

2.2.1.1. in the direction of gas flow from Slovakia to Poland:

Direction SK – PL			
Amount of Capacity		Type of Capacity	period
157 131 MWh/d	6 547 125 kWh/h	firm	<ul style="list-style-type: none"> starting 1st of January 2021, 06:00 am, till 1st October 2035, 06:00 am

2.2.1.2. in the direction of gas flow from Poland to Slovakia:

Direction PL – SK			
Amount of Capacity		Type of Capacity	period
128 400 MWh/d	5 350 000 kWh/h	firm	<ul style="list-style-type: none"> starting 1st of January 2021, 06:00 am, till 1st October 2035, 06:00 am

2.3. Product description

2.3.1. The Offered Capacity shall be made available to the Participants in the form of the following Capacity products:

2.3.1.1. the Capacity in the direction of gas flow from Slovakia to Poland:

2.3.1.1.1. the firm Capacity: fifteen (15) Yearly products, i.e. from the Gas year 2020/2021 until Gas year 2034/2035, however the first Gas year (2020/2021) shall cover the period from the 1st of January 2021, 06:00 am, until the 1st of October 2021, 06:00 am;

2.3.1.2. the Capacity in the direction of gas flow from Poland to Slovakia:

2.3.1.2.1. the firm Capacity: fifteen (15) Yearly products, i.e. from the Gas year 2020/2021 until Gas year 2034/2035, however the first Yearly product (2020/2021) shall cover the period from the 1st of January 2021, 06:00 am, until the 1st of October 2021, 06:00 am.

2.3.2. GAZ-SYSTEM declares that transmission services provided in the form of Yearly product (2020/2021), involving the period from 1 January 2021 6:00 am till 1 October 2021 6:00 am will be settled by GAZ-SYSTEM at the rates applicable to settle the annual products referred to in the Tariff of GAZ-SYSTEM.

2.3.3. The remaining technical capacity in the amount of 10% at the Entry/Exit Point Poland – Slovakia shall be offered by the Parties in accordance with the binding provisions of law, in particular in the form of standard capacity products, not earlier than during the annual quarterly capacity auction held in accordance with the auction calendar during the gas year preceding the start of the relevant gas year, according to art. 8 sec. 8 of the Commission Regulation No 984/2013 of 14 October 2013 establishing a Network Code on Capacity Allocation Mechanisms in Gas Transmission Systems and supplementing Regulation (EC) No 715/2009 of the European Parliament and of the Council.

3. PARTICIPATION IN THE OPEN SEASON PROCEDURE

3.1. General rules

3.1.1. All requested documents, as described further in these Rules of Allocation, shall be submitted to both Parties.

3.1.2. The entities that are interested in participating in the Open Season Procedure should proceed as follows:

3.1.2.1. Fill a form of Binding Bid with the company details and Capacity request. Return the document (original) by registered post or courier duly signed by authorized person(s) to EUSTREAM and GAZ-SYSTEM correspondence addresses listed in the point 6, not later than 16:00 CEST of the last Business day determined in line with the Schedule for the Registration process and submission of Binding Bids. Advance copies by e-mail to transmission@eustream.sk and openseason@gaz-system.pl with subject matter "PL-SK Binding Open Season 2016. The Binding Bids received by the EUSTREAM or GAZ-SYSTEM in writing after 16:00 CEST on the last Business day determined in line with the Schedule for the Registration

process and submission of Binding Bids will be rejected.

3.1.2.2. The Binding Bid submitted to EUSTREAM shall be accompanied by the following documents:

- 3.1.2.2.1. documents that confirm the legal form of business activity, including the original up to date excerpt from the appropriate court registry of companies of Participant, issued in accordance with the principles of the country of Participant residence, not earlier than 30 days before the date of Bidding Bid submission;
- 3.1.2.2.2. original and notarized signature of authorized representative(s);
- 3.1.2.2.3. evidence of equity capital of the company, e.g. annual accounts with auditor's certificate (balance sheet, profit and loss account) for the business year last ended;
- 3.1.2.2.4. evidence of actual credit rating including details about the rating agency (in case the Participant does not have a credit rating, then a statement to this effect is required);
- 3.1.2.2.5. if the Binding Bid is not signed by a statutory body of the Participant in accordance with the foregoing documents, a notarized (and apostilled, as the case may be) Power of Attorney (or similar evidence satisfactory to Parties) issued to the signatory and which contains an authority to sign the Binding Bid and all related documents (including the documents relating to financial security and Transmission Contract) on behalf of the Participant;
- 3.1.2.2.6. a proof of submitting a security for the conclusion of the Transmission Contract with EUSTREAM, if it will be required by EUSTREAM;
- 3.1.2.2.7. a power of attorney for the individuals that will represent the Participant in the course of the Auction at the GSA Platform, in accordance with draft, which shall be determined by EUSTREAM for Open Season Procedure, unless the entity submitting the Binding Bid has already submitted such power of attorney to EUSTREAM.

3.1.2.3. The Binding Bid submitted to GAZ-SYSTEM shall be accompanied by the documents specified in points 3.1.2.2.1 and 3.1.2.2.5, proof of submitting a

security for the conclusion of the Transmission Contract with GAZ-SYSTEM, if it will be required by GAZ-SYSTEM as well as a scan of the original or certified copy of the power of attorney for the individuals that will represent the Participant in the course of the Auction at the GSA Platform, in accordance with draft, which shall be determined by GAZ – SYSTEM for Open Season Procedure , unless the entity submitting the Binding Bid has already submitted such power of attorney to GAZ-SYSTEM. In addition, the Participants who do not have a framework transmission agreement concluded with GAZ-SYSTEM, along with the Bidding Bid should submit to GAZ-SYSTEM, the following documents and certificates or photocopies in the form of scans of originals as a true copy by a person authorized to represent the Participant or solicitor or a lawyer:

- 3.1.2.3.1. power of attorney or other documents confirming the right of persons representing the Participant to conclude on its behalf the framework transmission agreement with GAZ-SYSTEM,
- 3.1.2.3.2. a document confirming the assignment of a tax identification number for tax purposes of goods and services to the Participant established in European Union countries, if this information cannot be deduced from the document referred to in point 3.1.2.2.1,
- 3.1.2.3.3. Participant established in the Republic of Poland additionally submit certificate of REGON statistical number, if this information cannot be deduced from the document referred to in paragraph 3.1.2.2.1,
- 3.1.2.3.4. Participant operating in the Republic of Poland has to submit the promise of concession, a copy of the license, the decision of the appointment as an operator or a statement signed by the person authorized to represent the Participant that the operations carried out by the Participant do not require a license provided by Energy Law,
- 3.1.2.3.5. power of attorney for the people authorised to represent the Participant in the procedure of concluding the allocation of bandwidth or capacity allocation by Information Exchange System.

3.1.3. All documents submitted to EUSTREAM in accordance with point 3.1.2.2 should be

submitted in English (or translated into that language). EUSTREAM will also accept documents submitted in Slovak language. All documents submitted to the GAZ-SYSTEM in accordance with point 3.1.2.3 should be submitted in Polish. In case of translated documents, submitted to EUSTREAM or GAZ-SYSEM, the official sworn translation shall be provided. For the avoidance of any doubt only Binding Bid submitted by means of draft, which shall be determined by the Parties for Open Season Procedure , accompanied by the relevant documents specified in point 3.1.2, shall be considered as valid.

- 3.1.4. Submission of the Binding Bid by the Participant, who does not have a transmission agreement concluded with GAZ-SYSTEM, shall be equivalent to submitting an application for a conclusion of a framework transmission contract within the meaning of Section 6.2.1 of the TNC of GAZ-SYSTEM.
- 3.1.5. Each Binding Bid shall contain a commitment that the Participant accepts all terms and conditions specified in these Rules and in the Rules of Allocation without reservation. Participants may not modify or withdraw the submitted Binding Bid(s). The Binding Bid shall contain an expressed commitment that it is irrevocable, unconditional and binding for the Participant, until the conclusion of the relevant Transmission Contract or receipt of the notification from the Parties that no Capacities were allocated to the Participant as a result of the Final Allocation pursuant to point 5.1 or the Final Allocation in case of Overbooking pursuant to point 5.2.
- 3.1.6. If the Participant fails to comply with any of the commitments specified in point 3.1.2 - 3.1.5, in particular when a submitted Binding Bid is not complete or any of accompanying documents thereto misses, the respective Party shall request the Participant to complete the Binding Bid within the designated time. If the Participant fails to complete the Binding Bid within the designated time, the Binding Bid shall be rejected.
- 3.1.7. In the Binding Bid, the Participants can request the Capacity as follows:
 - 3.1.7.1. One Participant requests equivalent Capacities (for the same quantity and direction) for both Polish and Slovak systems (i.e. bundled Capacity);
 - 3.1.7.2. The Participants shall specify the direction of the requested capacity, which shall be either from Slovak system to Polish system or from Polish system to Slovak system;
 - 3.1.7.3. The minimum amount of the Capacity requested by the Participant shall be 24 MWh/d (1000 kWh/h).

- 3.1.8. In the Binding Bid, the Participant must specify:
- 3.1.8.1. the amount of Capacity and the respective Yearly product(s) for the allocation of which he applies, according to point 2.3.1.
- 3.1.9. The maximum amount of Offered Capacity for the allocation of which one Participant can apply is limited by the amount of Offered Capacity as specified in point 2.1 herein.
- 3.1.10. In case, the amount of Capacity determined by the Participant in the Binding Bid exceeds the limit of the Offered Capacity, the exceeding part of this Capacity shall not be taken into account and the Binding Bid of such Participant shall be reduced correspondingly to the level of the Offered Capacity. In such case, the Participant shall be deemed to accept the reduction of the Binding Bid to the level of Offered Capacity. The Parties shall promptly inform the Participant about the necessary reduction of the Binding Bid.
- 3.1.11. The respective Party shall reject a Binding Bid if one of the following conditions occurs:
- 3.1.11.1. it is not submitted in full, at the latest on the date specified in the Rules of Allocation;
 - 3.1.11.2. it does not comply with the terms and conditions specified in the Rules of Allocation, in particular the amount of requested Capacity is lower than set forth in 3.1.7.3;
 - 3.1.11.3. it does not contain direct reference to the binding nature of it as it is set out in point 3.1.5 and the Participant fails to complete the Binding Bid in line with point 3.1.6.
- 3.1.12. The respective Party shall notify the Participant in case its Binding Bid is rejected. If a Binding Bid is rejected by any of the Parties, then the Participant is no longer bound by it to any Party and the security for the conclusion of the Transmission Contract shall be refunded to the Participant.
- 3.1.13. Without prejudice to the required documents enlisted above in point 3.1.2, EUSTREAM may request further information from the Participant deemed necessary for acceptance of the Binding Bid.
- 3.1.14. EUSTREAM for the Slovak system and GAZ-SYSTEM for the Polish system will confirm the receipt of each Binding Bid within 3 Business days from the date of receipt of the Binding Bid.

3.2. Timeline

3.2.1. EUSTREAM and GAZ-SYSTEM intend to conduct the Procedure in accordance with the Schedule presented below.

Timeline of the directly successive phases of the Binding Open Season Procedure:

Duration of the phase of the Binding Open Season Procedure	Phase of the Binding Open Season Procedure
Ten (10) Business days from the publication on the website information on the commencement of the Open Season Procedure	Registration process and submission of Binding Bids
Three (3) Business days	Evaluation process of the Binding Bids
Fourteen (14) Business days	Final Allocation when there is no Capacity Overbooking,
Ten (10) Business days	Capacity Auction in case of Capacity Overbooking
Fourteen (14) Business days	Final Allocation based on the result of the Capacity Auction
Twenty (20) Business days	Conclusion of the Transmission Contracts

3.2.2. In case of failure to meet the deadlines set out in Schedule due to the EUSTREAM's or GAZ-SYSTEM's fault, Participants will be entitled to resign from participation in the Open Season Procedure and reimbursement of submitted financial security, if such requirement was determined by the Parties.

4. FINANCIAL SECURITY

4.1. **The Parties, may demand** from the Participants, in order to participate in the Open Season Procedure, submission of financial securities. Form and amount of such financial securities shall be determined by EUSTREAM and GAZ – SYSTEM within the Open Season Procedure in the indiscriminate manner, justified by the risk of the Parties.

5. ALLOCATION OF CAPACITY

5.1. Capacity allocation

- 5.1.1. EUSTREAM for the Slovak System and GAZ-SYSTEM for the Polish System shall analyse the obtained Binding Bids on a non-discriminatory basis. If the total Capacities requested to be booked in the same direction for a given Capacity product in accepted Binding Bids do not exceed the Offered Capacity as detailed in point 2.2.1, each Participant will be allocated the Capacity as requested in its Binding Bid.
- 5.1.2. Subject to the provisions of point 5.3.2, the Parties shall notify each of the Participants of the Final Allocation without undue delay, unless the Overbooking, as defined in point 5.2.1, occurs.

5.2. Capacity allocation rules in case of Overbooking

- 5.2.1. Shall the aggregated quantities of the total Capacities requested to be booked in the same direction for a given Capacity product in accepted Binding Bids exceed the Offered Capacity as detailed in point 2.2.1 (the "Overbooking"), the allocation of the Capacity in the form of the given Capacity product to the Participants will be made via Auction.
- 5.2.2. In case of Overbooking, each Participant who submitted a Binding Bid for a given Capacity product will obtain a notice with such information. The notice shall be sent on an e-mail address indicated by the Participant in the Binding Bid. In the aforementioned notice the Party shall also provide the information on the date of the Auction and the Capacity products made available in the Auction. The Participants who obtained the notice are obliged to take part in the Auction and submit an offer in the first round of the Auction for the amount of Capacity equal to the amount determined in the Binding Bid or determined in accordance with the provisions of paragraph 3.1.10.
- 5.2.3. The Auction shall be conducted on the GSA Platform in accordance with the applicable rules of the GSA Platform and the provisions of point 5.2 using the ascending-clock auction algorithm in accordance with Article. 17 of the Commission Regulation (EU) no. 984/2013 of 14 October 2013 establishing a a Network Code on Capacity Allocation Mechanisms in Gas Transmission Systems and supplementing Regulation (EC) No 715/2009 of the European Parliament and of the Council.
- 5.2.4. Auction will be conducted on the date determined in the notice delivered in a reasonable time in advance, not shorter than five (5) Business days before the start of the Auction, according to the point 5.2.2.

- 5.2.5. The prerequisite for the participation in the Auction is the registration and activation of the Participant on the GSA Platform, as well as approval of the Participant on the GSA Platform by EUSTREAM and GAZ-SYSTEM. For the avoidance of doubt EUSTREAM and GAZ-SYSTEM declare, that will not require any additional documents from Participants who submitted the Binding Bid and accompanying documents as stipulated in articles 3.1.2 and 3.1.3 for the Participant's approval on the GSA Platform by the GAZ – SYSTEM and EUSTREAM as the TSOs. In case of the Participants who do not have a framework transmission contract concluded with GAZ-SYSTEM, the approval of the Participant on the GSA by GAZ-SYSTEM as the TSO, shall be done before first round of the Auction, in the Business day in which the Auction shall commence, and will be valid solely for the purposes of the Auction held within the Open Season Procedure.
- 5.2.6. The currency of the Auction will be EUR, wherein the tariff rates of the Parties, if necessary, will be recalculated based on a currency conversion indicator published by the European Central Bank on the last Business day before the information about the Auction is published on the GSA Platform.
- 5.2.7. On the Auction, each Party shall apply price steps in the amount: large price step – 10% of the starting price, small price step – 2% of the starting price.
- 5.2.8. In case, when in the result of Auction, an auction margin will be achieved, it will be divided between GAZ – SYSTEM and EUSTREAM in the proportion 50/50.
- 5.2.9. For the avoidance of any doubts GAZ-SYSTEM states, that the tariff rates applied in the Auction conducted in case of Overbooking, with the exception of the auction margin, shall not be binding for the settlements of gas transmission services. Unless otherwise regulated by the Tariff of GAZ-SYSTEM or TNC of GAZ-SYSTEM applicable at a given time, the tariff rates used for the settlements in accordance with the applicable Tariff of GAZ-SYSTEM shall be increased by the part of auction margin payable to GAZ-SYSTEM established upon the completion of the relevant Auction.
- 5.2.10. In case of Overbooking the Final Allocation and notification of the results thereof to the relevant Participant, respecting confidentiality obligations, shall be done by each of the Parties without undue delay from the completion of the last Auction conducted within the Open Season Procedure, subject to the provisions of point 5.3.2. The Final Allocation shall include the Capacity products allocated to the Participant within the Auction, as well as the Capacity products for which there was no Overbooking.

5.3. Contracting

- 5.3.1. Parties offer within the Open Season Procedure jointly the Offered Capacity (i.e. the Capacity of the Entry-Exit Point Poland-Slovakia up to 90% of technical capacity of the Gas Interconnection Poland-Slovakia), described in point 2.1 to provide coverage of the implementation costs of the Gas Interconnection Poland-Slovakia.
- 5.3.2. The Final Allocation with respect to Polish System shall be subject to internal procedure of GAZ-SYSTEM for obtaining corporate approvals for conclusion of the Transmission Contracts by GAZ-SYSTEM, which object will be the transmission of gas, with the Participants selected in the framework of the Open Season Procedure. The internal procedure of GAZ-SYSTEM for obtaining corporate approvals shall be conducted after the Parties analyse the Binding Bids obtained from the Participants or, in case of Overbooking, after the Auctions are completed, before transferring to the Participants the information about the Final Allocation. If the necessary approvals are not granted, no Final Allocation will be done and the Open Season Procedure shall be cancelled by the Parties. The Participants will be no longer bound by their Binding Bids and the Parties will not be obliged to allocate Offered Capacities to the Participants. In such a case the Parties shall inform the Participants about the cancellation of the Open Season Procedure. Internal Procedure of GAZ – SYSTEM for obtaining corporate approvals shall be conducted with full respect for third party access to the transmission network stipulated in Energy Law and rules of transmission capacity allocation resulting from the Regulation (EC) No 715/2009 of the European Parliament and of the Council of 13 July 2009 on conditions for access to the natural gas transmission networks and repealing Regulation No 1775/2005/EC, in particular for rule of Participants' equal treatment.
- 5.3.3. The Capacities allocated as a result of the Open Season Procedure in adjacent transmission systems are contracted separately and each Party is only liable for contracting on its territory. Each Participant to whom the Capacities were allocated remains bound by his offer (submitted either as the Binding Bid or as a requested/bidden Capacity in the last round of the Auction) and is obliged to conclude in a written form two separate Transmission Contracts – accordingly with GAZ-SYSTEM and EUSTREAM, covering the same amount of Capacity on both sides of the Entry/Exit Point Poland – Slovakia.
- 5.3.4. Together with the notification on the Final Allocation GAZ-SYSTEM and EUSTREAM shall send to the Participants, to whom the Capacities were allocated,

drafts of Transmission Contracts. Each Participant shall be obliged to submit to the relevant TSO, a signed draft of the Transmission Contract within ten (10) Business days of the delivery date of such draft. The relevant TSO shall send to the Participant a signed Transmission Contract within ten (10) Business days of the date of delivery of the draft of the Transmission Contract signed by the Participant. Terms indicated in this point are regarded as kept, if before their expiry the project of Transmission Contract or Transmission Contract will be sent by registered mail at the post office or courier, with acknowledgment of receipt. The procedure determined in the present point shall be applied by GAZ-SYSTEM also for the conclusion of the framework transmission agreement, which template will be determined by GAZ-SYSTEM, with the Participants, who took part in the Open Season Procedure without having a framework transmission agreement concluded with GAZ-SYSTEM.

6. NOTICES AND CONTACT DATA

- 6.1. Documents and correspondence submitted in written form should be delivered in sealed envelope with notice „BINDING OPEN SEASON PROCEDURE AT THE ENTRY/EXIT POINT POLAND-SLOVAKIA” on one of the following addresses:

Operator Gazociągów Przesyłowych GAZ-SYSTEM S.A.

Sekretariat Pionu Rynku Gazu

ul. Mszczonowska 4

02-337 Warszawa

Attention: Agnieszka Ozga/Artur Gadziomski

eustream, a.s.

Votrubova 11/A

821 09 Bratislava

Attention: Marek Lendvorský

- 6.2. Any and all questions and electronic correspondence on the Procedure must be addressed to the following e-mail addresses: e-mails: openseason@gaz-system.pl; transmission@eustream.sk.
- 6.3. The leading language of correspondence is English. GAZ-SYSTEM will also accept correspondence in Polish and EUSTREAM in Slovak.