

BUSINESS RULES

that are applied at Interconnection Points (IPs) **Ananyiv; Grebeniki; Limanskoe; Kausany; Oleksiivka; VP Moldova between Ukraine and Moldova** in accordance with Interconnection Agreement concluded with the operator of the adjacent GTS

1. Matching procedure

a) The Network User shall be entitled to submit to GTS Operator of MD or GTSOU a Nomination for Gas Day D no later than the Nomination deadline on Gas Day D-1. The Nomination deadline shall be 13:00 UTC (in winter period) or 12:00 UTC (when the daylight saving is applied) on Gas Day D-1. In the absence of a valid Nomination sent by the Network User before the Nomination deadline, the Nomination of the Network User shall be deemed equal to zero (0);

The nominations submitted by Network Users to Ukrainian and Moldovan GTSs in cubic meters, for the purposes of Matching, are converted into the amount of gas in energy units using the forecasted GCV indicator. The amount of gas in energy units for the purposes of nominations and matching for each Gas Day D is calculated based on the GCV determined at the border GMS and/or GFRMU on Gas Day D-2. The forecasted GCV for the purpose of nominations is taken from the reports on daily allocations for the D-2 gas day for each IP, ensuring consistency between the allocated quantities at both sides of the IP;

b) By 13:30 UTC (in winter period) and by 12:30 UTC (when daylight saving is applied) of Gas Days D-1 GTS Operator of MD informs GTSOU on information regarding the processed nominated quantities for a Gas Day D for each Shipper Pair, including Nominations for Backhaul operations in the form of a DELORD message in accordance with the Edig@s-XML format and AS4 protocol. If information in this format cannot be sent, messages are sent in Excel format to the electronic mail. Processed Quantities are considered to be equally distributed by hours throughout the day D.

c) After receiving the DELORD message, the GTSOU shall conduct the internal feasibility assessment of the quantities from DELORD message.

Following the feasibility assessment, the GTSOU conducts the procedure of reconciling the Processed Quantities on Gas Day D using the code of each Shipper Pair, including the Processed Quantities for Backhaul.

GTSOU informs GTS Operator of MD on the results **no later than 45 minutes after receiving a DELORD message**, including Processed Quantities for Backhaul operations, in the form of a DELRES message in accordance with the Edig@s-XML format and AS4 protocol. If information in this format cannot be sent, messages are sent in Excel format to the electronic mail.

d) If, as a result of the above-mentioned verification of the Processed Quantities data, a discrepancy is found, the "Lesser Rule" is applied, and then GTSOU reports the results to GTS Operator of MD.

e) If there are no discrepancies, the approval is considered satisfactory, and GTSOU informs GTS Operator of MD of the positive results on the approval for Gas Day D;

f) It is agreed that the last applicable DELORD message that was sent before the deadline which is 13:00 UTC (in winter period) and 12:00 UTC (when the daylight saving is applied) of the Gas Day D-1, shall be taken into account. Any DELORD message sent after this deadline

shall be regarded as a request for Renomination respectively.

g) In the event that GTS Operator of MD does not issue any DELORD message in time for the deadline which is 13:00 UTC (in winter period) and 12:00 UTC (when the daylight saving is applied) of the Gas Day D-1, then GTSOU shall contact GTS Operator of MD to clarify the problem. If the problem cannot be solved within 30 minutes, then the Processed Quantity shall be deemed to be equal to zero.

h) In the event that GTS Operator of MD sends a DELORD message and GTSOU does not issue a DELRES message within the deadline which is 13:30 UTC (in winter period) and by 12:30 UTC (when daylight saving is applied) of Gas Days D-1, GTS Operator of MD shall contact GTSOU to clarify the problem. If the problem cannot be solved within 30 minutes, the quantities of the latest valid DELORD message received prior to the deadline which is 13:00 UTC (in winter period) and 12:00 UTC (when the daylight saving is applied) of the Gas Day D-1, shall be considered as the Confirmed Quantities.

i) The Renomination is possible at least two (2) hours before the expected change in gas flow from 15:00 UTC in the winter period and from 14:00 UTC if daylight saving is applied of the Gas Day D-1 until 02:00 UTC in the winter period and until 01:00 UTC if daylight saving is applied of the Gas Day D. The Renomination cycle starts every full hour of the relevant revision of the Nomination (already passed hours remain unchanged).

j) Each Party has the right to reject the Renomination on Gas Day D if its deviation from the last confirmed Nomination/Renomination in D-1 exceeds 15%.

k) In case of the Renomination in its system, GTS Operator of MD informs GTSOU by sending a DELORD message in accordance with the Edig@s-XML format and AS4 protocol, within 30 minutes after the expiration of a full hour after receiving a Renomination request from Network Users. If information in this format cannot be sent, messages are sent in Excel format to the electronic mail.

l) In case of Renomination in its system, GTSOU informs GTS Operator of MD by sending a DELRES message in accordance with the Edig@s-XML format and AS4 protocol within 30 minutes before the expiration of a full hour after receiving a Renomination request from users of the system. If information in this format cannot be sent, messages are sent in Excel format to the electronic mail.

2. Allocation procedure

The allocation of natural gas quantities obtained by the respective Network User(s) is based on confirmed quantities.

For each IP, a separate operating balancing account (OBA) is created.

3. Communication procedure in case of emergency

In case of equipment failures, emergencies or other unforeseen circumstances that occurred at the GTS facilities of one of the Parties, which may affect the parameters of the gas flow transmitted through the reception/transmission points, the relevant Dispatch Center shall immediately notify the other Party of such situation by phone and provide the following information:

- the cause of malfunctions, accident or emergency;
- the effect of malfunctions, accident and emergency on the amount of gas transported

through the relevant reception/transmission points, the expected pressure values at the reception/transmission points;

- the expected duration of the emergency, including the estimated time to eliminate it.

The above-mentioned information is subsequently confirmed in writing by fax or e-mail without any undue delay.

The Parties should immediately notify each other by telephone:

- any changes in the agreed or ongoing maintenance work;
- dates of completion of planned and preventive works at the GTS facilities, as well as unforeseen situations that occurred at the GTS facilities of one of the Parties, which led to the restriction of capacity at the IP;
- any switching on the cross-border sections of the pipeline, which may affect the transportation of gas through the IP;
- any changes in the quality parameters of the gas entering the IP;

This information should be confirmed in writing or by e-mail without undue delay.

Dispatching services shall inform each other about the progress of repair work and measures taken to eliminate malfunctions, accident or emergency at least once in every four hours, and in special cases more frequently.

In the event when an emergency may affect the outcome of the flow redistribution process or the matching procedure, the Parties shall inform their Network Users of the possible impact of the emergency on the amount of gas transported through the IP and of the expected as well as actual end of the emergency.