ANNEX A
IGB TRANSMISSION TARIFF CODE

1. EXEMPTION DECISION PROVISIONS

In order to ensure the competitiveness of the Transmission Tariff, as well as ensure transparency and predictability of the Transmission Tariff for all users of the IGB Interconnector, an exemption from the provisions of Articles 41.6, 41.8, 41.10 of the Gas Directive 2009/73/EC has been granted to ICGB for a period of twenty-five (25) Years from the Commercial Operation Date for 100% of the FFF Capacity, 100% of the IFF Capacity and 100% of IRF Capacity.

1.1 Conditions Implemented

The IGB Transmission Tariff Code have been approved by the NRAs upon implementation of the following conditions:

1.1.1 The Transmission Tariff reflects efficient costs, is transparent and non-discriminatory pursuant to article 2 set here forth;

1.1.2 The Transmission Tariff adopts an entry-exit model and defines price mechanism for all Standard Capacity Products offered by ICGB, namely Standard Capacity Products of different durations of firm and interruptible nature pursuant to article 3 set here forth;

1.1.3 The Transmission Tariff prices FRF Capacity, IRF Capacity and IFF Capacity as a percentage of the Transmission Tariff for Firm Forward Flow (FFF) pursuant to articles 3.1 to 3.4 set here forth.

1.1.4 The IGB Transmission Tariff Code defines fees to be paid based on the durations of the relevant Gas transportations, pursuant to article 3 set here forth.

1.1.5 Initial ICGB shareholders' nominal equity internal rate of return (**IRR**) will be [BUSINESS SECRET] and capped at [BUSINESS SECRET] on a time basis that includes twenty-five (25) Years from COD. Any revenues from capacity bookings that increase IRR above [BUSINESS SECRET] will be returned to the Network Users through a profit share mechanism pursuant to article 9 set here forth.

1.1.6 To the above extent, the Transmission Tariff will be adjusted at COD on the basis of total actual costs borne up to the COD and updated on the basis of actual operating costs (**OPEX**) borne.

1.1.7 After COD, the Transmission Tariff may be adjusted upon the following conditions:

1.1.7.1 During the life of the Gas Transportation Agreements, the ICGB and the NRAs are entitled to request a revision of the Transmission Tariffs in order to guarantee a fair return on investment, based, inter alia, on the following:

(a) proven and documented additional investments;

(b) proven and documented increases or decreases in the level of OPEX;

(c) proven and documented increases or decreases in the level of revenues from contracted capacity (FFF Capacity, IRF Capacity, IFF Capacity, FRF Capacity), due to unforeseeable events (including, but not limited to, bankruptcy of Network Users or

inability to upgrade the Capacity in a timely manner, or additional capacity being contracted as a result of a future market test);

(d) in case of costs incurred in respect of, or investments made necessary due to, Force Majeure Event or Change in Law.

2. IGB REFERENCE TRANSMISSION TARIFF CALCULATION

All the Transmission Tariffs are assessed on the basis of a net reference Transmission Tariff (**Net Reference Transmission Tariff**) from which all Transmission Tariffs, starting from the Transmission Tariff for Firm Forward Flow (FFF), in accordance with article 1.1.3 above.

2.1 Net Reference Transmission Tariff Formulae

The Net Reference Transmission Tariff will be assessed at COD according to the following formula:

$$\mathbf{NRT} = \frac{\mathbf{PV_{(EYR)}}}{\mathbf{PV_{(ECB)}}}$$

Where:

$PV_{(EYR)}$: present value of the Expected Yearly Revenues (as defined in article 2.2 below)

$PV_{(ECB)}$: present value of the Reserved Capacity booked on a yearly basis according the ARCA

In particular the present values are calculated according to the following formulae:

$$\mathbf{PV_{(EYR)}} = \sum_{\mathbf{1}}^{\mathbf{25}} \frac{\mathbf{EYR_i}}{\mathbf{(1+ ROIC)^i}}$$

$$\mathbf{PV_{(ECB)}} = \sum_{\mathbf{1}}^{\mathbf{25}} \frac{\mathbf{ECB_i}}{\mathbf{(1+ ROIC)^i}}$$

Where:

EYR_i: expected revenues in Year "i"

ECB_i: total Reserved Capacity booked in Year "i" according the ARCA

ROIC: return on invested capital

2.2 Expected Yearly Revenues

Expected Yearly Revenues are determined by applying the following formula:

$$\mathbf{EYR_i = ROIC \times NIC_i + OPEX_i + DEPR}$$

Where:

EYR_i: Expected Yearly Revenues

NIC_i: net invested capital in the Year "i" defined as NIC(i) = NIC(i-1) – DEPR. For the first Year "1" NIC(1) = GIC – $DEPR_1$

ROIC: return on invested capital

i.e CR_i: capital remuneration referred to Year "i" and equal to ROIC x NIC_i (**Capital Remuneration**)

$OPEX_i$ OPEX predicted in the Year "i" including the predicted inflation rate. OPEX includes all fixed and variable cost related to the performance of main activity of the ICGB and the commercial operation of the IGB Pipeline.

DEPR: yearly depreciation, set for the purposes of the Transmission Tariff calculation which equals GIC/25 where 25 are the Years of Exemption from COD according to article 1 set here above. For fraction "F" of a Year it is used DEPR x F_i. For example, if the COD falls on October 1st, F(1) = ¼.

GIC: gross invested capital that includes all investment costs capitalized at ROIC from the date of the incorporation of the ICGB up to Commercial Operation Date, netted from grant financing received

2.3 Net Reference Transmission Tariff Calculation as of 2018

Without prejudice to article 1.1.6 above, as of 2018 the ICGB has already incurred and expects to incur the following costs used for the calculation of an indicative transmission tariff upon the conditions described below and considering the relevant sensitivities.

TABLE 2.3.1

COMMERCIAL DATA AS PER ARCAs and confirmed by the Exemption Decision

Network User 1		Network User 2		Network User 3		Network User 4		Network User 5	
Quantity	Duration	Quantity	Duration	Quantity	Duration	Quantity	Duration	Quantity	Duration
bNcm/y	Y	bNcm/y	Y	bNcm/y	Y	bNcm/y	Y	bNcm/y	Y
[BUSINESS SECRET]									

Total Peak	Total Average	(calculated for Transmission Tariff purposes as PV(booked capacity)/PV (1 bNcm/Y)
bNcm/y	bNcm/y	
[BUSINESS SECRET]		

PROJECT SOURCES UP TO COD

Shareholders' Equity	Shareholders' Loan	EEPR	ESIF	TOTAL
M€	M€	M€	M€	M€
[BUSINESS SECRET]				

PROJECT USES UP TO COD

TOTAL COSTS UP TO COD	Interests During Construction	Working Capital including VAT	Cash Balance	TOTAL
M€	M€	M€	M€	M€
[BUSINESS SECRET]				

OPERATION DATA

COD	Current Avg OPEX (2018) M€/Y	YEARS OF OPERATION Y	Capacity Booked (average) bNcm/y
[BUSINESS SECRET]			

ECONOMICS

Initial	$PV_{(EYR)}$	$PV_{(ECB)}$
ROIC	M€	bNcm
[BUSINESS SECRET]		

	NRT (2018) €/kNcm
$PV_{(EYR)}$	=[BUSINESS SECRET]
$PV_{(ECB)}$	

Table 2.3.1 above shows a Net Reference Transmission Tariff as of 2018:

$NRT_{(2018)}$ = [BUSINESS SECRET] **€/kNcm.**

Pursuant to articles 1.1.1 and 1.1.5 set here above the Net Reference Transmission Tariff is calculated for reflecting the costs and for assuring an initial ICGB shareholders' equity return of [BUSINESS SECRET].

2.4 Net Reference Transmission Tariff Sensitivities

All the calculations performed for showing the sensitivities in this article 2.4 are made pursuant to articles 1.1.1 and 1.1.5 for reflecting the costs and the ICGB shareholders' initial return. Increase of return is determined pursuant to article 4 set here forth.

2.4.1 Sensitivities vs Total Costs

The following table shows sensitivities of the Net Reference Transmission Tariff vs costs, pursuant to article 1.1.6 set here above.

TABLE 2.4.1
[BUSINESS SECRET]

2.4.2 Sensitivities vs OPEX

The following table shows the Net Reference Transmission Tariff variations vs OPEX variations, pursuant to article 1.1.6 set here above.

TABLE 2.4.2
[BUSINESS SECRET]

2.5 Conversion Values

As per NRAs provisions according to the Exemption Decision, Transmission Tariff shall be offered in currency per unit of Energy, namely in €/kWh. The following conversion factors are used:

LHV = 36,87 MJ/Nm3;

1 MJ = 0,28 kWh

and therefore:

1 €/kNm^3 = 9,764 * 10^{-5} €/kWh.

3. TRANSMISSION TARIFF PER STANDARD CAPACITY PRODUCT

As per article 1.1.3 set here above, this chapter defines the Transmission Tariff per Standard Capacity Product, starting from the Net Reference Transmission Tariff.

3.1 Net Reference Transmission Tariff for Firm Forward Flow (FFF)

The Firm Forward Flow (FFF) is defined as the non-interruptible flow that will take place from the Entry Point(s) of Komotini, defined pursuant to Articles 5.2 of the INC, to the Exit Point of Stara Zagora and exit points to Distribution and/or Other System, pursuant to Article 5.2 of the INC, that has been booked pursuant the ARCA and/or may be booked pursuant to Articles 7.1, 10.1. to 10.3 of the INC.

Once the Net Reference Transmission Tariff will be assessed at COD ($NRT_{(COD)}$), the Net Transmission Tariff for Firm Forward Flow (FFF) (T_{FFF}) shall be determined according to the following formula. i.e. the Net Transmission Tariff for Firm Forward Flow shall be equal to the Net Reference Transmission Tariff:

$$\mathbf{T_{FFF} = NRT_{(COD)}}$$

3.2 **Net Transmission Tariff for Interruptible Forward Flow (IFF)**

The Interruptible Forward Flow (IFF) is defined as the interruptible flow that will take place from the Entry Point(s) of Komotini, defined pursuant to Articles 5.2 of the INC, to the Exit Point of Stara Zagora and exit points to Distribution and/or Other System pursuant article 5.2 of the INC, that may be booked pursuant to Articles 7.3, 10.1 and 10.3 of the INC.

Once the Net Reference Transmission Tariff will be assessed at COD ($NRT_{(COD)}$), the Net Reference Transmission Tariff for Interruptible Forward Flow (IFF) (T_{IFF}) shall be determined according to the following formula:

$$\mathbf{T_{IFF} = 90\% * NRT_{(COD)}}$$

3.3 **Net Transmission Tariff for Interruptible Reverse Flow (IRF)**

The Interruptible Reverse Flow (IRF) is defined as the interruptible flow that will take place from the Exit Point of Stara Zagora defined pursuant to Article 5.2 of the INC, to the Entry Point(s) of Komotini, defined pursuant to Articles 5.2 of the INC, that may be booked pursuant to Articles 7.4, 10.1 and 10.3 of the INC.

Once the Net Reference Transmission Tariff will be assessed at COD ($NRT_{(COD)}$), the Net Reference Transmission Tariff for Interruptible Reverse Flow (IRF) (T_{IRF}) shall be determined according to the following formula:

$$\mathbf{T_{IRF} = 15\% * NRT_{(COD)}}$$

3.4 **Net Transmission Tariff for Firm Reverse Flow (FRF)**

The Firm Reverse Flow (FRF) is defined as the interruptible flow that will take place from the Exit Point of Stara Zagora defined pursuant to Article 5.2 of the INC, to the Entry Point(s) of Komotini, defined pursuant to Articles 5.2 and of the INC, that may be booked pursuant to Articles 7.2, 10.1 and 10.3 of the INC.

Once the Net Reference Transmission Tariff will be assessed at COD ($NRT_{(COD)}$), the Net Reference Transmission Tariff for Firm Reverse Flow (FRF) (T_{FRF}) shall be determined according to the following formula:

$$\mathbf{T_{FRF} = 25\% * NRT_{(COD)}}$$

4. ENTRY POINT TRANSMISSION TARIFFS

As per article 1.1.2 set here above, this chapter defines the Transmission Tariff per Entry Points for Network Users at their relevant Entry Point(s) for each booked Standard Capacity product pursuant ARCA and/or pursuant to Article 10 of the INC, as the case may be.

4.1 Entry Point Transmission Tariff for Firm Forward Flow (FFF)

The Entry Point Transmission Tariff for Firm Forward Flow (FFF) is defined as the Transmission Tariff payable by the Network Users who have booked Firm Forward Flow (FFF) pursuant the ARCA or pursuant to Articles 10.1 to 10.3 of the INC, at the Entry Point(s) of Komotini in Greece, defined pursuant to Articles 5.2 of the INC. For that purpose the Entry Point(s) of Komotini shall become the Entry Point of the relevant GTA.

Once the T_{FFF} will be assessed at COD, the Entry Point Transmission Tariff for Firm Forward Flow (FFF) (ENT_{FFF}) shall be determined according to the following formula:

$$\mathbf{ENT_{FFF} = 17\% * T_{FFF}}$$

Where 17% represent the ratio 31/182 km/km, i.e. the length of the IGB Interconnector that will lay in the Greek territory with respect to its whole length.

4.2 Entry Point Transmission Tariff for Interruptible Forward Flow (IFF)

The Entry Point Transmission Tariff for Interruptible Forward Flow (IFF) shall be defined as the Transmission Tariff payable by the Network Users who has booked Interruptible Forward Flow (IFF) pursuant to Articles 10.1 and 10.3 of the INC at the Entry Point(s) of Komotini in Greece, defined pursuant to Articles 5.2. of the INC. For that purpose, the Entry Point(s) of Komotini shall become the Entry Point of the relevant GTA.

Once the T_{IFF} will be assessed at COD, the Entry Point Transmission Tariff for Interruptible Forward Flow (IFF) (ENT_{IFF}) shall be determined according to the following formula:

$$\mathbf{ENT_{IFF} = 17\% * T_{IFF}}$$

Where 17% represent the ratio 31/182 km/km, i.e. the length of the IGB Interconnector that will lay in the Greek territory with respect to its whole length.

4.3 Entry Point Transmission Tariff for Interruptible Reverse Flow (IRF)

The Entry Point Transmission Tariff for Interruptible Reverse Flow (IRF) shall be defined as the Transmission Tariff payable by the Network Users who has booked Interruptible Reverse Flow (IRF) pursuant to Articles 10.1 and 10.3 of the INC at the Exit Point of Stara Zagora defined pursuant to Article 5.2 of the INC. For that purpose, the Exit Point of Stara Zagora shall become the Entry Point of the relevant GTA.

Once the T_{IRF} will be assessed at COD, the Entry Point Transmission Tariff for Interruptible Reverse Flow (IRF) (ENT_{IRF}) shall be determined according to the following formula:

$$\mathbf{ENT_{IRF} = 83\% * T_{IRF}}$$

Where 83% represent the ratio 151/182 km/km, i.e. the length of the IGB Interconnector that will lay in the Bulgarian territory with respect to its whole length.

4.4 **Entry Point Transmission Tariff for Firm Reverse Flow (FRF)**

The Entry Point Transmission Tariff for Firm Reverse Flow (FRF) is defined as the Transmission Tariff payable by the Network Users who has booked Firm Reverse Flow (FRF) pursuant to Articles 10.1. to 10.3 of the INC at the Exit Point of Stara Zagora defined pursuant to Article 5.2 of the INC. For that purpose, the Exit Point of Stara Zagora shall become the Entry Point of the relevant GTA.

Once the T_{FRF} will be assessed at COD, the Entry Point Transmission Tariff for Firm Reverse Flow (FRF) (ENT_{FRF}) shall be determined according to the following formula:

$$\mathbf{ENT_{FRF} = 83\% * T_{FRF}}$$

Where 83% represent the ratio 151/182 km/km, i.e. the length of the IGB Interconnector that will lay in the Bulgarian territory with respect to its whole length.

5. EXIT POINT TRANSMISSION TARIFFS

As per article 1.1.2 set here above, this chapter defines the Transmission Tariff per Exit Points payable by the Network Users for each booked Standard Capacity Product pursuant ARCA and/or pursuant to Article 10 of the INC, as the case may be.

5.1 Exit Point Transmission Tariff for Firm Forward Flow (FFF)

The Exit Point Transmission Tariff for Firm Forward Flow (FFF) is defined as the Transmission Tariff payable by the Network Users who has booked Firm Forward Flow (FFF) pursuant the ARCA or pursuant to Articles 10.1. to 10.3 of the INC, at the Exit Point of Stara Zagora and exit points to Distribution and/or Other Systemin Bulgaria, defined pursuant to Articles 5.2 of the INC. For that purpose, the Exit Point of Stara Zagora and exit points to Distribution and/or Other System shall become the Exit Point of the relevant GTA.

Once the T_{FFF} will be assessed at COD, the Exit Point Transmission Tariff for Firm Forward Flow (FFF) (EXT_{FFF}) shall be determined according to the following formula:

$$\mathbf{EXT_{FFF} = 83\% * T_{FFF}}$$

Where 83% represent the ratio 151/182 km/km, i.e. the length of the IGB Interconnector that will lay in the Bulgarian territory with respect to its whole length.

5.2 Exit Point Transmission Tariff for Interruptible Forward Flow (IFF)

The Exit Point Transmission Tariff for Interruptible Forward Flow (IFF) is defined as the Transmission Tariff payable by the Network Users who has booked Interruptible Forward Flow (IFF) pursuant to Articles 10.1 and 10.3 of the INC at the Exit Point(s) of Stara Zagora and exit points to Distribution and/or Other System, defined pursuant to Articles 5.2 of the INC. For that purpose, the Exit Point of Stara Zagora and exit points to Distribution and/or Other System shall become the Exit Point of the relevant GTA.

Once the T_{IFF} will be assessed at COD the Exit Point Transmission Tariff for Interruptible Forward Flow (IFF) (EXT_{IFF}) shall be determined according to the following formula:

$$\mathbf{EXT_{IFF} = 83\% * T_{IFF}}$$

Where 83% represent the ratio 151/182 km/km, i.e. the length of the IGB Interconnector that will lay in the Bulgarian territory with respect to its whole length.

5.3 Exit Point Transmission Tariff for Interruptible Reverse Flow (IRF)

The Exit Point Transmission Tariff for Interruptible Reverse Flow (IRF) is defined as the Transmission Tariff payable by the Network Users who has booked Interruptible Reverse Flow (IRF) pursuant to Articles 10.1 and 10.3 of the INC at the Entry Point(s) of Stara Zagora defined pursuant to Articles 5.2 of the INC. For that purpose, the Exit Point(s) of Komotini shall become the Exit Point of the relevant GTA.

Once the T_{IRF} will be assessed at COD, the Exit Point Transmission Tariff for Interruptible Reverse Flow (IRF) shall be determined according to the following formula:

$$\mathbf{EXT_{IRF} = 17\% * T_{IRF}}$$

Where 17% represent the ratio 31/182 km/km, i.e. the length of the IGB Interconnector that will lay in the Greek territory with respect to the its whole length.

5.4 Exit Point Transmission Tariff for Firm Reverse Flow (FRF)

The Exit Point Transmission Tariff for Firm Reverse Flow (FRF) is defined as the Transmission Tariff payable by the Network Users who has booked Firm Reverse Flow (FRF) pursuant to Articles 10.1 to 10.3 of the INC at the Entry Point(s) of Stara Zagora defined pursuant to Articles 5.2 of the INC. For that purpose, the Exit Point(s) of Komotini shall become the Exit Point(s) of the relevant GTA.

Once the T_{FRF} will be assessed at COD, the Entry Point Transmission Tariff for Firm Reverse Flow (FRF) (EXT_{FRF}) shall be determined according to the following formula:

$$\mathbf{EXT_{FRF} = 17\% * T_{FRF}}$$

Where 17% represent the ratio 31/182 km/km, i.e. the length of the IGB Interconnector that will lay in the Greek territory with respect to its whole length.

6. FEES AND PAYMENTS

6.1 Monthly Fee

Network Users that have executed a GTA with ICGB shall be charged a Monthly Fee during the term of the relevant GTAs, as follows:

$$\mathbf{MF_n = MNC_n * (ENT_{xxx} + EXT_{xxx})* (\alpha * I_i + \beta)}$$

Where

MF_n: means the Monthly Fee in € for the Month "nt^{h}" occurring in Year "i^{th}"

i: means the Year "i^{th}" numbered progressively from 1 (COD) to 25

MNC_n: means the total Monthly Reserved Capacity and/or the total Monthly Booked Capacity in the "n^{th}" Month (expressed in kWh/D/T) according to Final Allocation set pursuant to Article 16.8 of the INC;

ENT_{xxx} and EXT_{xxx}: means the Transmission Tariffs according to articles 4.1 and 5.1 or articles 4.4 and 5.4-, respectively, set here above, as the case may be-, expressed in €/kWh/D/T.

α: means the ratio (OPEX) / (OPEX + Depreciation (as defined below) + Capital Remuneration), calculated as average during the whole lifetime of the IGB Interconnector, for the Net Reference Transmission Tariff calculation purposes,

β: means is equal to 1– α;

I_i: means the ratio between the actual OPEX ($OPEX_A$) and the predicted OPEX ($OPEX_i$) in the same Year ("i^{th}"). For the Net Reference Transmission Tariff calculation purposes, $OPEX_A$ will be subject to approval by the NRAs and declared by the ICGB at the beginning of each Year ("i^{th}")

Year (Y): means a calendar period of 12 consecutive months starting on 1st January and ending on 31st December of each calendar year;

Capital Remuneration: means the capital remuneration pursuant to definition set in article 2 here above;

Depreciation: means the depreciation pursuant to definition set in article 2 here

ICGB will publish on its website the respective entry and exit tariff for each capacity product and entry/exit point and those will include **$(\alpha * I_i + \beta)$,** for Network Users convenience.

Where T = 365 or 366 for annual product, T = 365/4 or 366/4 for quarterly product; T = 365/12 or 366/12 for monthly product, T=1 for daily products.

6.2 Capacity overrun charge.

If a Network user's flow exceeds their capacity entitlements for any given gas day for exit points to Distribution and/or Other System, Network user will incur an overrun charge. The charge will be formed as follow:

$$COCn = IOQn * ((EXTxxx * (\alpha * I_i + \beta)) * 1.2)$$

COCn means capacity overrun charge in € for the Month "nt^{h}" occurring in Year "i^{th}".

IOQn Individual overrun Quantities for Network user expressed in kWh/D/T in the "nth" Month

EXT_{xxx}: means the Exit Transmission Tariffs according to articles 4 and 7 for these exit points, expressed in €/kWh/D/.

7. RESERVE PRICE

7.1 Transmission Tariffs as set in articles 4 and 5 here above represent the Reserve Prices for yearly Standard Capacity Products for any auction set in Articles 10 and 11 of the INC.

7.2 Reserve Prices for firm capacity will reflect the different levels of commercial risk borne by Network Users in the IGB Interconnector per duration of firm capacity product.

7.3 Consequently, and without prejudice to articles 4, 5 and 6 here above, coefficients will be applied to calculate the Reserve Prices for Standard Capacity Products for firm capacity of shorter duration (i.e. duration shorter than one (1) Year).

7.4 The following coefficients will be applied to the Reserve Prices for firm Standard Capacity Products of duration shorter than one (1) year, using the respective Transmission Tariffs for entry and exit capacity, as defined in articles 4 and articles 5, as applicable, here above:

Quarterly capacity:

ENT_{xxx} * 1.1 ; EXT_{xxx} * 1.1 (i.e. Transmission Tariff per yearly firm product + 10%)

Monthly capacity:

ENT_{xxx} * 1.2 ; EXT_{xxx} * 1.2 (i.e. Transmission Tariff per yearly firm product + 20%)

Daily capacity:

ENT_{xxx} * 1.3 ; EXT_{xxx} * 1.3 (i.e. Transmission Tariff per yearly firm product + 30%)

Within-day capacity:

ENT_{xxx} * 1.4 ; EXT_{xxx} * 1.4 (i.e. Transmission Tariff per yearly firm product + 40%)

8. COMPRESSION STATION OPERATING COSTS

ICGB shall establish (at its own discretion, based on technical and safe operation criteria) if and when the Compression Station shall be used for transporting the quantities Nominated pursuant to Article 13 of the INC. The relevant costs shall be determined pursuant to Article 15 of the INC.

9. PROFIT SHARING MECHANISM

Without prejudice to article 6 set here above, ICGB shall compensate the Network Users in case there are revenues in excess with respect to the expected financial plan assessed for the Exempted Period. Such compensation is referred as a "*Profit Sharing*" for securing, on one hand, the expected return of the ICGB and, on the other, for securing the Network Users a fair compensation.

9.1 Preambles

Pursuant to the Exemption Decision ICGB shareholders are permitted to reach a nominal post tax IRR, equal to [BUSINESS SECRET] during the whole exempted period (i.e.25 years from COD), as per article 1.1.5 set here above;

9.1.1 ICGB shareholders' IRR is the rate at which cash flows distributed to the ICGB shareholders during the first twenty five (25) years from the COD equals the investment capital provided by them during the same period, including initial investments, additional investments, any possible shareholders guarantees, but not including the loan provided by Bulgarian Energy Holding AD to ICGB and backed by a bank loan covered by a Bulgarian Government sovereign guarantee (i.e. € [BUSINESS SECRET] million);

9.1.2 the EBITDA Plan (being the financial plan used by ICGB shareholders to take the final investment decision in connection with the IGB Interconnector) to be attached to each Gas Transportation Agreement will be the one assessed at COD (**COD_EBITDA**);

9.1.3 the COD_EBITDA shall be updated on a yearly basis with actual OPEX and capital expenditures (CAPEX) necessary for the operation, maintenance and management of the IGB Interconnector, as evidenced in the relevant yearly financial statements of the ICGB. The updated COD_EBITDA is **Adjusted COD_EBITDA**.

9.2 Profit Sharing Mechanism

Pursuant to article 1.1.5 set here above, the "*Profit Sharing*" shall occur as it follows:

9.2.1 Value determination

Each first (1st) semester of the Year ("i^{th}"), ICGB shall approve the financial statements based on the previous financial year ("i-1"). The COD_EBITDA shall be adjusted accordingly (to result in the Adjusted COD_EBITDA), by using the actual financial data of financial year ("i-1") and by estimating the cash flow for the remaining financial years based on events that may have permanently modified the COD_EBITDA values and based on prudent criteria.

If the Adjusted COD_EBITDA will produce a ICGB shareholders' IRR less or equal than the one set in article 9.1.1. above, it shall not determine any values to be deducted from the ICGB revenues. Adversely, a value to be deducted from the year "n-1" ICGB revenues shall be calculated for reducing the ICGB shareholders' IRR down to the one set on article 9.1.1 above.

Such a value shall be considered in the financial statement of the ICGB as a specific fund denominated "*Profit Sharing Fund*" and will be referred to the Network Users of the financial reference year in proportion the amount paid by them in such financial reference year.

9.2.2 Payments

The values deposited in the Profit Sharing Fund in the year "i" shall be paid pro rata to the Network Users, as follows:

9.2.2.1 20% of values deposited in year "i" shall be paid by the end of the financial year "i".

9.2.2.2 40% of the values deposited in the financial year "i" shall be paid by the end of the financial year "i+2";

9.2.2.3 40% of the values deposited in the financial year “i” shall be paid by the end of the financial year “i+4”.

9.2.2.4 Within the first semester of the financial year “i+2” and of the financial year “i+4”, ICGB shall check on the basis of the relevant Adjusted COD_EBITDA the ICGB shareholders’ IRR and its meeting [BUSINESS SECRET] requirement.

9.2.2.5 In case the IRR exceeds [BUSINESS SECRET], ICGB shall pay the relevant amounts respectively as per articles 9.2.2.2 and 9.2.2.3 set here above. The Network Users will be compensated based on the amount of the Reserved Capacity /Booked Capacity and the period for which capacity is booked/reserved.

9.2.2.6 In case the IRR is below [BUSINESS SECRET], ICGB shall use the amounts accrued in the Profit Sharing Fund for the purpose of keeping the ICGB shareholders’ IRR to the [BUSINESS SECRET] requirement.

9.2.2.7 The calculation of the ICGB shareholders’ IRR will be performed annually. Consequently, during the life of the IGB Interconnector, there could be several Profit Sharing Funds regarding precedent financial years (with the maximum of five (5) for each financial year). In such case, ICGB would need to withdraw an amount from the Profit Sharing Funds, with the amount withdrawn being accounted on equal basis to each financial year Profit Sharing Fund amount pro-rata on the total Profit Sharing Fund existing that financial year.