

Transmed S.p.A.
Arrangements for the management of System Critical Situations

TRANSMED informs that - starting from Monday December 16th, 2019 and until further notice or at the latest on March 31st 2020 - it intends to make available to Shippers specific arrangements in order to cope with possible System Critical Situations. The term "System Critical Situations" (or "SCS") generally refers to any situation having a possible negative impact on the safe operation of the Italian gas network, as activated for the Alert Level or higher (Emergency Level) in the Emergency Plan for the Italian natural gas system issued by the Italian Ministry of Economic Development.

In the event of a SCS and for the duration of the same, each Shipper will have the possibility to book with TRANSMED - by referring to the SCS and no later than a day before the day the transportation service is rendered - an additional capacity for the transportation of quantities exceeding each Shipper's Committed Flow Rate. TRANSMED shall endeavour to provide such additional transportation service, subject to technical feasibility.

For such additional transportation service, Shipper shall pay to TRANSMED on a Ship or Pay basis an Additional Monthly Fee ("AMF"), calculated at the end of each calendar month as follows:

$$\mathbf{AMF} = \mathbf{UST} \cdot \sum_{i=1}^n \mathbf{ACFR}_i \$/\text{month} \quad \text{where}$$

- UST is the Unit SCS Tariff, equal to 0,127 (zero point one two seven) \$ for each Cm³/h of Additional Committed Flow Rate, and
- ACFR_i is the Additional Committed Flow Rate (expressed in Cm³/h) for each day i of the calendar month.

The above mentioned arrangement will be proposed to all TRANSMED Shippers, detailed as an addendum to the prevailing Gas Transportation Agreement, under the heading of "*Arrangements for the management of System Critical Situations*".

Please be informed that TRANSMED has reached an understanding with Trans Tunisian Pipeline Company S.p.A. ("TTPC") whereby corresponding arrangements will be made available on the entire transportation system.

Milano, December 16th, 2019