

**BOARD DECISION**

9 April 2018 No 5.1
Vilnius

AB Amber Grid (company code 303090867) Board, acting in accordance with the Republic of Lithuania Civil Code Art. 2.90 Part 4, the Company's Articles of Association Paragraph 7.11, the Republic of Lithuania Company Law Art. 25 Part 4, hereby decides as follows:

1. On the approval of material provisions of the Contract on the Construction of Gas Interconnection between Lithuania and Poland to be concluded between GAZ-SYSTEM S.A. and AB Amber Grid

1.1. To approve the material provisions of the Contract to be concluded between GAZ-SYSTEM S.A. and AB Amber Grid regarding the construction of a Gas Interconnection between Lithuania and Poland (hereinafter referred to as the GIPL):

- i) The Scope the Contract:* an agreement on the construction of the GIPL and the terms of cooperation between the countries in the construction of the said gas pipeline interconnection;
- ii) The Object of the Contract:* a gas pipeline interconnection between Lithuania and Poland consisting of a gas pipeline between the gas compressor station in Holowczyce, Poland and the gas compressor station in Jauniunai, Lithuania, together with any necessary infrastructure facilities required for bidirectional gas supplies including the construction of a new gas compressor station in Gustorzyn, Poland;
Parties to the Contract: GAZ-SYSTEM S.A. and AB Amber Grid;
- iii) Cost and / or Pricing:* each Party will cover its own costs of the GIPL construction up to the border;
- iv) Obligations Time Period:* the Parties undertake to achieve that the GIPL is put into operation by the end of 2021.
- v) Extraordinary Obligations of the Company:*
 - In case where a Party is behind the schedule in the implementation of its contractual obligation due to its fault and where this results in the postponement of the date of the putting into operation of the GIPL as planned in the current schedule, any such Party will be charged a fine of EUR 350,000 per month of delay, but not more than EUR 10,000,000 and no more than the actual loss amount (OPEX / Maintenance Costs and Capital Costs). This is the only remedy available to the victim party for any late performance of its contractual obligations, except for cases of delay due to intentional or gross negligence;
 - Where the Company is more than 5 years late in completing its GIPL part after the full completion of the last element by GAZ-SYSTEM S.A., the Company will have to pay to GAZ-SYSTEM S.A. the Estonian, Latvian and Lithuanian Transmission System Operators'

compensations payable under the Agency for the Cooperation of Energy Regulators ACER Decision as of 11 August 2014 No 01/2014 Implementation Agreement.

vi) *Other Contractual Provisions*

- Any of the Parties shall be entitled to postpone the date of the putting into operation of the GIPL for 8 quarters for important reasons upon issuing a respective notification to the Innovation and Networks Executive Agency (INEA).

- There is an arbitration provision stipulating for the resolution of any disputes in Vienna, at the Vienna International Arbitration Centre in accordance with the Rules of this Arbitration Centre.

- The Contract shall be subject to Austrian law.

1.2. To authorize the Company's CEO or another person authorized by him to reconcile other terms with GAZ-SYSTEM S.A. and to conclude a contract for the construction of a gas pipeline interconnection between Lithuania and Poland.

Board Chairman

Nemunas Biknius /signature/

Board Members:

Saulius Bilys /signature/

Nerijus Datkunas /signature/

Vytautas Ruolia /signature/

Rimvydas Stilinis /signature/

The extract is true.

AB Amber Grid

Board Secretary

Tomas Suslavicius _____

10 April 2018