**Beneficiary:**

**GASTRANS d.o.o. Novi Sad**

**Address: Narodnog fronta 12**

**21000 Novi Sad**

**Republic of Serbia**

Date:

**PAYMENT BANK GUARANTEE № \_\_\_\_\_\_\_\_\_\_**

We have been informed that between \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereinafter **«the Principal»**, and GASTRANS doo Novi Sad, hereinafter **«the Beneficiary»**, was concluded an Agreement on Access to the System and Transportation of Natural Gas No. \_\_\_\_\_\_\_\_\_ dated \_\_\_\_ \_\_\_\_ \_\_\_\_\_, hereinafter **«the Agreement»**, for providing the right of Principal to access the transmission system and right of Principal to use all gas transmission services which are standardized by its duration, manner and direction of transport so to represent determinable commercial conditions of the gas transmission service offered to the Principal on all interconnection points as capacity products determined by the Network Code of the Beneficiary number: 05-42 dated 03 April 2020, as amended from time to time (hereinafter **«the Network Code»**).

According to the conditions of the Agreement (article 7) and the Network Code (article 5), a bank guarantee is required as security of fulfilment of Principal’s obligation to pay transmission fee for the capacity product contracted by Principal in auctions held in accordance with the Article 7 of Network Code and all other payment obligations undertaken by execution of the Agreement (hereinafter **«the Underlying obligation»)**, whereby providing the Beneficiary with the subject Payment Bank Guarantee serves also as a precondition for the participation in the auctions in accordance with the Article 7 of Network Code.

In consideration of the above, we, [*name of the bank or financial institution*] , having our registered office at: [•] ID No. [•], hereinafter referred to as **«the Guarantor»**, at the first demand of the Beneficiary hereby irrevocably and unconditionally undertake to pay to the Beneficiary any sum or sums not exceeding in aggregate amount [•] EUR (payable in RSD in accordance with middle exchange rate of National Bank of Serbia on the date of payment)**\*** or [•] RSD\* providedthe Principalfailed tofulfillthe Underlying obligation (or part of it) upon receipt by the Guarantor of the Beneficiary’s written demand for payment, signed by the Beneficiary’s authorized representative(s).

* The Beneficiary’s demand for payment should specify that the Principal is in breach of his obligation(s) under the Agreement and the Network Code,
* and the Article (s) of the Agreement and the Network Code in respect to which the Principal is in breach of.

For the purpose of identification the Beneficiary’s demand for payment should be made in writing in English or Serbian language**\*\*** and presented to the Guarantor through the Beneficiary’s bank confirming, by authenticated SWIFT-message MT799 (Guarantor’s SWIFT code: [•]), that the signature(s) on the demand is/are legally binding upon the Beneficiary and that the original demand has been sent to the Guarantor’s address by courier service.

We will effect the payment according to the Beneficiary’s payment instructions within 5 (five) working days upon receipt of the original demand of the Beneficiary, in conformity with the Guarantee conditions, at the Guarantor’s address specified in this Guarantee.

The responsibility of the Guarantor under this Guarantee is limited to [•] EUR\* payable in RSD in accordance with middle exchange rate of National Bank of Serbia on the date of payment, or in [•] RSD and will be automatically reduced by any payment effected by the Guarantor thereunder.

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This Guarantee is valid\*\*\* from [ ]. [ ]. [ ] [ *please refer to the Notes below and put validity period of guarantee accordingly*] until [ ]. [ ]. [ ] **inclusive** and expires in full and automatically after that date irrespective of whether this document is returned to the Guarantor or not. The Beneficiary’s demand, if any has to be received by the Guarantor at the Guarantor’s address not later than the above expiry date. If the Beneficiary’s demand is not received by the Guarantor on or before that date at the above address, this Guarantee becomes null and void.

This Guarantee shall be governed by the Serbian Law.

Except to the extent it is inconsistent with the express terms of this Guarantee, this Guarantee is subject to the ICC Uniform Rules for Demand Guarantees, 2010 revision, ICC Publication No. 758.

Any dispute arising out of or in connection with this Guarantee, including a dispute regarding its existence, validity or termination or any non-contractual obligation arising out of or in connection with this Guarantee shall be referred to and finally resolved by the arbitration organized in accordance with Rules of the Belgrade Arbitration Centre (Belgrade Rules), which are deemed to be incorporated by reference into this Clause. The number of arbitrators shall be one. The place of arbitration shall be in Belgrade. The language to be used in the arbitral proceedings shall be the Serbian language.

**Notes:**

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If the guarantee is issued by the foreign bank or international financial institution it will be issued and payable in EUR.

If the guarantee is issued by the bank that is licensed by the National Bank of Serbia it can be issued in RSD or EUR. If it is issued in EUR it is payable in RSD in accordance with the middle exchange rate of RSD of National Bank of Serbia on the date of payment.

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If the guarantee is issued by the foreign bank or international financial institution it shall be issued in English language.

If the guarantee is issued by the bank that is licensed by the National Bank of Serbia it can be issued in Serbian or English language.

\*\* Validity of bank guarantee

If the User is applying for within day or day ahead capacity products the validity of the bank guarantee has to cover at least the period starting 5 working days before the scheduled auction and ending two months after the end of the month for which the capacity product was auctioned.

If the User is applying for monthly capacity product the validity of the bank guarantee has to cover at least the period starting 5 working days before the scheduled auction and ending two months after the end of the gas month for which the capacity product was auctioned.

If the User is applying for quarterly capacity products the validity of the bank guarantee has to cover at least the period starting 5 working days before the scheduled auction and ending two months after the end of the last month of the quarter for which the capacity product was auctioned.

If the User is applying for yearly capacity product the validity of the bank guarantee has to cover at least the period starting 5 working days before the scheduled auction and ending two months after the end of the gas year for which the capacity product was auctioned.