Code of Conduct

of

the organised market place for natural gas

of

Bulgarian Energy Trading Platform AD

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1. General positions.

1.1. In accordance with the Rules for operation of the organised market place of BETP (Market Rules) the provisions of the Code of Conduct (Code) are mandatory for BETP AD and for the BETP Market Members.

1.2. This Code of Conduct is based on the principle of joint responsibility of BETP AD and the BETP Market Members for achieving and realizing a fair and transparent natural gas market.

1.3. The provisions of the Code actively contribute to the development of international trade in natural gas and aim to meet the needs of the market for a single and harmonized control system.

1.4. The provisions of the Code aim to strengthen public confidence in the BETP market, its pricing mechanisms and the reference nature of BETP market prices.

2. Scope of application.

2.1. The Code of Conduct is applicable to BETP AD, all BETP Market Members and their Traders authorized to trade on the BETP market. It is binding on all stakeholders.

2.2. The Code of Conduct is part of the Rules for operation of the organised market place of BETP.

2.3. The Code of Conduct does not release the BETP Market Members from the obligation to comply with the other rules and regulations governing the activity of the BETP market, such as the Membership Agreement, the BETP Market Rules and their annexes, as well as the market announcements issued by BETP AD in accordance with the Rules of the BETP market.

3. Definitions.

3.1. For the purposes of this Code of Conduct, the following definitions apply:

- *"inside information"* means information of an accurate nature which has not been made public and which relates directly or indirectly to one or more natural gas supply trades and which could have a significant effect on the prices of those trades.

- *"market manipulation"* means the conclusion of any trade or the submission of an Order which:

- gives or is likely to give false or misleading signals about the supply, demand or prices of the BETP market;

- provides or attempts to secure to a person or persons acting in cooperation the price of one or more contracts for the physical supply of natural gas on an artificial level, unless the person who concluded the transaction or submitted the order and / or on whose behalf is concluded trade and/or submitted order establishes that the reasons for this are justified and that this trade or trading order corresponds to the accepted market practices;

- uses or attempts to use a fictitious device or any other form of fraud or method that gives or is likely to give false or misleading signals regarding the supply, demand or price of contracts for the physical supply of natural gas;

- by disseminating information through the media, including the Internet, or in any other way that gives or is likely to give false or misleading signals about the supply, demand or price of natural gas supply contracts, including the spread of rumors and false or misleading news when the person disseminating it knew or should have known that the information was false or misleading.

4. Rules of conduct in trading on the BETP market.

4.1. Principles.

(1) Prohibition of market manipulation.

Any participation or attempt to participate in market manipulation under a contract for physical supply of natural gas is prohibited. This prohibition includes, but is not limited to:

- any false or misleading conduct;

- any kind of arrangement or secret cooperation of the BETP Market Members between them or with third parties;

- any price positioning behavior.

BETP Market Members undertake to act fairly towards the BETP Market and other members. They enter into trades on the BETP market only in accordance with the usual commercial practices and the principles of professional traders on the market.

All orders placed on the BETP market must have a proper economic justification. BETP AD has the right to seek such justification by requesting explanations from the person who benefits from the order (beneficiary).

(2) Prohibition of false and misleading conduct.

To BETP Market Members is prohibited:

- order entry without proper economic justification;
- to submit orders without the intention to execute them;
- give false or misleading signals about the supply, demand or price of contracts for the physical supply of natural gas;
- the use of a fictitious device or any other form of fraud which gives or is likely to give false or misleading signals as to the supply, demand or price of contracts for the physical supply of natural gas;
- disseminate false or misleading market information through the media, including the media, the Internet or in any other way.

(3) Prohibition of collusion or secret cooperation.

To BETP Market Members is prohibited to:

- place purchase or sale orders at the same time (or almost at the same time) for the same price and quantity (ie pre-negotiated trades);
- enter into contracts for the sale or purchase of contracts for the physical supply of natural gas, where there is no change in the benefits to the beneficiary or the market risk or agreements where the transfer of rights or market risk is only between parties acting in concert.

(4) Prohibition of price positioning.

To BETP Market Members is prohibited:

- guarantee the price of one or more contracts for the physical supply of natural gas on an artificial level, unless the person who concluded the trade and/or submitted the order or on whose behalf the trade was concluded and/or the order was established finds that the reasons for this are justified and that this trade and/or order is in line with accepted market practices;
- artificially create a price level that does not correspond to market supply and demand.

(5) Prohibition of trade with inside information.

BETP market members or their traders who have inside information in connection with existing natural gas supply contracts shall not be entitled to:

- use this information for the acquisition or disposal, directly or indirectly, for their own account or for the account of a third party, of contracts for the physical supply of natural gas traded on the BETP market to which this information relate;
- disclose this information to any third party, unless such disclosure is made in the normal course of their work, profession or duties;
- to encourage or compel another person, on the basis of inside information, to acquire or dispose of contracts for the physical supply of natural gas traded on the BETP market to which this information relates.

4.2. Commitment to transparency.

BETP Market Members assist BETP AD in its efforts to develop and maintain a transparent BETP market.

4.3. Qualification and behavior of traders.

BETP Market Members shall ensure that their traders are sufficiently qualified and comply with the BETP market rules and regulations, including this Code of Conduct.

4.4. Conduct of BETP market members towards their clients.

4.4.1. Principle and scope of application.

The provisions of this section apply to BETP Market Members and their tradrs who directly or indirectly execute the orders of their clients on the BETP market.

BETP Market Members are obliged to treat their clients with the necessary professionalism and loyalty and to resolve the conflicts that have arisen, taking into account and the interests of the client.

4.4.2. General rules of conduct.

Each BETP Market Member is obliged to provide its services in connection with the trade with the necessary expertise, care and good faith in the interest of its clients at any times, to strive to avoid conflicts of interest and to inform in advance to his clients what the conflict of interests is and in what circumstances a conflict of interests will occur.

All information that the BETP market member provides to its customers must be clear, unambiguous and unchangeable.

In principle, any submission of an intermediary orders must serve the interests of the client and must have the same result as if the order was placed on the BETP market directly by the client.

4.4.3. Order processing.

When executing intermediary orders, the BETP Market Member must ensure that the client's orders are executed on the BETP market immediately, without priority being given to other intermediary orders or BETP Market Members' own interests. Intermediary orders are executed in the order of their receipt by the BETP Market Members or are forwarded in accordance with the sequence in which they are received. The interests of all participating clients remain by combining intermediary orders, and no misuse of information in connection with intermediary orders that have not yet been executed.

4.4.4. Instructions.

BETP Market Members and traders who trade on the BETP market are obliged to follow the instructions and rules of the respective supervisory authorities, as well as of BETP AD and in particular of the BETP Market surveillance.

In case that the BETP Market Members and their traders, violate existing regulations or do not follow instructions, their access to the trading system may be suspended, in accordance with the more detailed provisions of the BETP Market Rules, or they may be prohibited from working with customer orders.

4.4.5. Right to information.

The relevant supervisory authorities and the BETP Market Surveillance shall have the right to request information and documents from each member of the BETP market and to carry out inspections to the extent necessary for the performance of their duties.

The relevant supervisory authorities and the BETP Market Surveillance may request information and presentation of documents and information from persons in case there are indications confirming the presumption that legal provisions or instructions applicable to trade on the market have been violated or that there are other

complaints that could affect the proper conduct of trade on the market or the execution of trade traded on the BETP market or the setting of prices.

4.4.6. Sanctions.

In case BETP Market Members and/or trader authorized to trade on the BETP market violate the existing rules, do not comply with the instructions of BETP AD or the request for information from the Market Surveillance or the relevant supervisory authority, their access to the trading system may be temporary suspended, in accordance with the provisions of the BETP Market Rules.

This provision shall not preclude the imposition of penalties provided for in other provisions.