

**MINUTES OF THE BOARD'S MEETING OF
LITGRID AB**

26 April 2019 No. 10
Vilnius

The Board's meeting of LITGRID AB, code of legal entity 302564383, registered address at 13, A. Juozapavičiaus str., Vilnius, Republic of Lithuania, the data are collected and stored in the Register of Legal Entities (hereinafter - Company), was held on 26 April 2019 from 7:30 until 12"10 (duration – 4 h 40 min.). The meeting's place – 13, A. Juozapavičiaus str., Vilnius, meeting hall 226 (Pirklių/ Merchants).

The Board's meeting was convened on the ground of clauses 23.7, 32, 35-36, 48-50 of the Regulation of LITGRID AB Board's Work approved by the decision No. 3.1 of the Board of LITGRID AB of 23 September 2016 (minutes No. 44), where convening of extraordinary Board's meeting and voting procedures are established.

The Board's members confirmed that the Board's meeting had been convened properly, according to the established procedures and having notified all the Board's members thereof in advance.

All the members of the Company's Board (hereinafter - Board) were present in the meeting:

1. *Algirdas Juozaponis*, Financial Director of UAB "EPSO-G";
2. *Domas Sidaravičius*, CEO and Board's member of ERGO Invest SIA;
3. *Nemunas Biknius*, Director of Strategy and Development of UAB "EPSO-G";
4. *Rimvydas Štilinis*, Director of Infrastructure of UAB "EPSO-G";
5. *Šarūnas Nedzinskas*, independent member of LITGRID AB Board.

5 (five) from 5 (five) elected and currently operating Board members were present in the meeting. According to clause 49 of the Company's Articles of Association, the quorum was present and the Board could pass decisions (when the quorum is established, it is considered to remain in the course of the whole meeting).

Meeting's chairman – chairman of the Board of LITGRID AB, Director of Infrastructure of UAB "EPSO-G", *Rimvydas Štilinis*.

Meeting's secretary – secretary of the Board of LITGRID AB, assistant of Managing Director, *Sigita Ropienė*.

The persons invited to the meeting are indicated by each issue of the agenda.

The following issues of the **AGENDA** were discussed in the Board's meeting. They were submitted in accordance with the Regulation of LITGRID AB Board's Work:

No.	Discussed issues	Type	Initiator/ Speaker	Other participants
1.	<...>			
2.	<...>			
3.	<...>			
4.	<...>			
5.	Regarding signing of the Contract on Future Conditions for Synchronous Merger of Electric Energy Systems of the	For decision	<i>Rimantas Redecki</i> , Head of the Department of System's Reliability of LITGRID AB	<i>Davys Virbickas</i> , CEO of LITGRID AB

	Baltic States and Continental Europe			<i>Rūta Ramanauskaitė</i> , Head at interim of Legal Department of LITGRID AB <i>Gintautas Monkevičius</i> , Head of Power System Control Centre of LITGRID AB <i>Valdemar Kačanovskij</i> , Senior Lawyer of UAB “EPSO-G”
6.	<...>			
7.	<...>			
8.	<...>			
9.	<...>			

<...>

5. IT WAS DISCUSSED. Signing of the Contract on Future Conditions for Synchronous Merger of Electric Energy Systems of the Baltic States and Continental Europe.

Information on this issue of the agenda is enclosed as *Annex 6*.

<...>

VOTING: 5 (five) votes “for”, 0 (zero) votes “against”. The Board’s members voted unanimously “for” adoption of the suggested decision.

5. IT WAS DECIDED:

5.1. To agree with signing of the Contract on Future Conditions for Synchronous Merger of Electric Energy Systems of the Baltic States and Continental Europe (Contract) under the following essential conditions:

- The Contract’s parties are Baltic operators, supporting party - PSE, and at least two operators of Regional Group Continental Europe (RGCE).
- The purpose of the Contract is to safeguard that the Baltic electricity transmission system would satisfy the requirements defined in the Continental Europe Synchronous Area Framework Agreement (SAFA).
- The Contract defines rights and obligations of the operators of electricity transmission networks of the Baltic States and continental Europe in implementation of the tools regarding connection of the Baltic electricity transmission system to the Continental Europe Synchronous Area.
- The Contract is valid until 31 Dec 2025. The Baltic operators have a right to extend the Contract for 3 more years.
- In order to guarantee compliance with SAFA, the Contract states that the Baltic States have to fulfil certain technical requirements specified in the Catalogue of Measures.
- Synchronization with CEN also demands for the following actions:
 - To disconnect the Baltic electric energy systems from the network IPS/UPS, to cancel the BRELL agreement if it is agreed to enter into an agreement on asynchronous work with IPS/UPS synchronous area.
 - To test isolated work of the Baltic transmission system;
 - To test synchronous work of the Baltic transmission system with the system of continental Europe.
- Financing - the operators from the Baltic States agree to finance the measures specified in the Catalogue of Measures and other obligations undertaken hereby for their own

account and/or using the funds of other organizations that are providing financial support to the operators of the Baltic transmission system.

- No fines for non-implementation/improper implementation of contractual obligations are provided. Only direct losses caused by violation of the Contract's provisions shall be reimbursed. They shall be limited to 5 million euros per year for each party of the Contract;
- The Contract may be terminated by the initiative of RGCE countries if the violation makes the Contract's implementation impossible and/or damage exceeds 5 million euros and is not covered by the country at default;
- The Belgian law shall be applicable to the Contract.

5.2. This decision comes into effect when the regional work group of ENTSO-E Continental Europe approves the signing of the Contract on Future Conditions for Synchronous Merger of Electric Energy Systems of the Baltic States and Continental Europe and the aforementioned essential conditions.

<...>

<...>

Meeting's Chairman

Rimvydas Štilinis

Meeting's Secretary

Sigita Ropienė