

BASIC TERMS OF THE
DRAFT AGREEMENT BETWEEN PPC-DEPA

1. Scope: The settlement of outstanding matters between PPC and DEPA that arose during the execution of the Natural Gas Supply Contract dated as of 9.6.1994.
2. Acceptance by the Parties of and compliance with the following Arbitration Awards:
 - 2.1. No. 42/2011 on Article 25 of the Contract between PPC-DEPA dated as of 9.6.1994 concerning the return of part of DEPA's profits to PPC.
 - 2.2. No. 3/2012 on the pricing of natural gas by DEPA to PPC.

DEPA waives all its petitions and rights deriving from its appeals dated 15.3.2012 and 26.4.2012 to the Athens Court of Appeal for the annulment of the above Arbitration Awards.
3. Settlement of outstanding financial issues between PPC and DEPA up to 31.12.2011:
 - 3.1. Total outstanding debt of DEPA to PPC amounting to €120.5 million, deriving from the execution of the Arbitration Award 42/2011 for the years 2008 to 2011.
 - 3.2. Total outstanding debt of PPC to DEPA amounting to €26.4 million, deriving from the execution of the Arbitration Award 3/2012 for the period 1.12.2007 – 31.12.2011 and the implementation of the take-or-pay clause for the year 2010.

The final net amount to be returned to PPC based on the above is €94.091 million.
4. Settlement of outstanding financial issues between PPC-DEPA after 1.1.2012:
 - 4.1. Outstanding debt of PPC to DEPA, deriving from the settlement of invoicing of natural gas over the period January-July 2012 on the basis of the tariff provided for by the new Contract between PPC and DEPA against PPC's past payments of 85% of the Invoices issued by DEPA (by virtue of the Agreement dated as of 9.6.1994) for the same period.
 - 4.2. Final settlement of invoicing for contractual year 2012, according to the provisions of the new Contract, at the end of the year.

5. Guarantee from PPC to DEPA against payments: Instead of the Letter of Guarantee to be provided by PPC to DEPA according to the provisions of the Natural Gas Supply Contract, DEPA shall detain from the outstanding balance of its debt to PPC an amount equal to the amount of said Letter of Guarantee for the year 2013.
6. DEPA shall have the obligation to promptly pay to PPC –against its debt- an amount equal to the Letter of Guarantee, upon PPC’s submission of such to DEPA.
7. Settlement of outstanding financial issues: Payment shall be effected in five installments (from 31.10.2012 to 28.2.2013) by DEPA and as a single lump-sum payment by PPC on 28.2.2013, in a way that the outstanding balance of DEPA to PPC on 28.2.2013 shall be equal to the amount of the Letter of Guarantee required for the year 2013 under the Contract.

In the event that the Hellenic Republic loses its majority share in the share capital of DEPA before 28.2.2013, both Parties shall pay off their debts in total within 20 days, whereas PPC shall provide at the same time the required Letter of Guarantee for the respective year under the Contract.