General Terms and Conditions Forward Flow as of January 2018

between

BBL Company

and

Shipper
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Exhibit A: Operating Manual Forward Flow
Exhibit B: Credit Control Protocol
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Exhibit G: Capacity Allocation Mechanisms (CAM) and Congestion Management Procedures (CMP)
Article 1  DEFINITIONS

For the purposes of these Conditions, except where it expressly provides otherwise, the following expressions shall have the meanings ascribed to them in this Article 1 and shall include the plural as well as the singular:

1.1 “Affiliated Company” shall mean a company
(a) of which fifty percent (50%) or more of the outstanding voting stock or rights is directly or indirectly owned by a Party, or
(b) which directly or indirectly owns fifty percent (50%) or more of the outstanding voting stock or rights of a Party, or
(c) of which fifty percent (50%) or more of the outstanding voting stock or rights is directly or indirectly owned by one and the same company which also directly or indirectly owns fifty percent (50%) or more of the outstanding voting stock of a Party.

1.2 “Agreement” shall mean the agreement as specified in the confirmation of the contracted booking of Transmission Capacity at an Interconnection Point, as submitted by PRISMA, between BBL Company and Shipper, specifying the rights and obligations of Parties.

1.3 “Allocation Rules” shall mean the allocation rules as provided for in Article 6.2.

1.4 “BBL Company” shall mean the BBL Company V.O.F., registered at the ‘Kamer van Koophandel’ number 02085020, owning and operating the BBL-Facilities.

1.5 “BBL-Facilities” shall mean the pipelines and other equipment which are used to fulfil BBL Company’s obligations under the Agreement.

1.6 “BBL-Shipper” shall have the meaning ascribed to it in Article 3.

1.7 “Balancing Portfolio” shall mean the GTS portfolio linked to the BBL Shipper transport portfolio. Imbalances that occur at TTF will be allocated to this GTS portfolio by the Trading Zone Manager. This process is described in the Operating Manual.

1.8 “Booking Procedure” shall mean Exhibit C of the Conditions.

1.9 “Business Day” shall mean a day, not being a Saturday, a Sunday or a day on which Dutch banks are closed for business, and refers for communication purposes to the time frame between 8.30 hours LET and 17.00 hours LET.

1.10 “Capacity Restriction” shall mean any physical limitation of the available transmission capacity in the Forward Flow Direction which is not caused by planned maintenance or by the situation that Gas at the Connection Point does not comply with the quality and/or pressure specifications of the Conditions or by NNO restrictions.

1.11 “CMP” shall mean the Congestion Management Procedures as per the decision of the European Commission, dated August 24, 2012 (2012/490/EU).

1.12 “Competent Authority” shall mean any local, national or supra-national agency, authority, department, inspectorate, minister, official, court, tribunal or public or statutory person (whether autonomous or not) of the United Kingdom or the Netherlands (or the governments...
thereof) or the European Communities which has jurisdiction over either Party or the subject matter of the Agreement.

1.13 “Conditions” shall mean this document, including the exhibits thereto and any amendments thereof.

1.14 “Confirmation” shall mean the message from either BBL Company or the TZM to Shipper as described in the Operating Manual containing among other things the Hourly Quantities of Gas to be made available by Shipper at TTF or the Hourly Quantities of Exit Gas to be made available by BBL Company to Shipper at the Exit Point based on Shipper’s (Re)Nomination.

1.15 “Connection Point” shall mean the physical point where the BBL-Facilities are connected to the facilities of GTS.

1.16 “Contract Period” shall mean the period of time commencing at the Start Date at 06.00 hours LET and expiring at the End Date at 06.00 hours LET.

1.17 “Corrected Allocation” shall mean the allocation which is corrected for the invoicing of the variable fee (component T2), as described in Article 11.1.

1.18 “Credit Control Protocol” shall mean Exhibit B of the Conditions.

1.19 “End Date” shall mean the date designated as such in the Agreement.

1.20 “Transfer Gas” shall mean Gas made available or deemed to be made available by Shipper to BBL Company at the TTF under the Agreement.

1.21 “EURIBOR” shall mean the one-month Euro Interbank Offered Rates as set by the European Central Bank and as published in Het Financieele Dagblad on the second Business Day of each calendar month and published on Bloomberg (EUR001M <index>).

1.22 “Euro” or “€” shall mean the European currency Euro (€).

1.23 “Exit Gas” shall mean Gas made available or deemed to be made available by BBL Company to Shipper at the Exit Point under the Agreement.

1.24 “Exit Point” or “Interconnection Point Bacton” shall mean the point where the flanges of the BBL-Facilities are connected to the flanges of the National Grid facilities near Bacton and where Gas leaves the BBL-Facilities and enters the National Grid system.

1.25 “Expansion Capacity” shall mean additional Firm transmission capacity in the Forward Flow Direction (to be 3,594,625 kWh/h) made available per 1 December 2010 as a result of the expansion of the BBL-Facilities by installing a fourth compressor at Anna Paulowna.

1.26 “Expert” means a person appointed as such under, and subject to, Article 19.

1.27 “Firm” shall mean, if used in expressions referring to capacity, capacity which use can not be interrupted by BBL Company by issuing an Interruption Notice.

1.28 “Force Majeure”
shall mean any event or circumstance or combination of events and/or circumstances, which is beyond the control of Shipper or beyond the control of BBL Company, acting and having acted as a Reasonable and Prudent operator, including events and/or circumstances affecting the BBL-Facilities and/or the use thereof, including without limitation, acts of God and the public enemy, state of war, revolution, the elements, explosions, fire, accidents, breakdowns, breakage or accident to the BBL-Facilities, inability to obtain permits necessary to fulfil any material obligation under the Agreement or impossibility to obtain materials, supplies or labour (necessary to fulfil any material obligation under the Agreement), strikes and any other industrial, civil, or public disturbance, and any law, order, rule, regulation, act, or restraint of any governmental body or authority, civil or military, and which prevents or restricts a Party from performing (or procuring the performance of) any obligation under that Agreement.

1.29 "Forward Flow (Direction)"
shall refer to the flow from the Netherlands to the UK.

1.30 "Gas"
shall mean natural gas (any hydrocarbons or mixture of hydrocarbons and non-combustible gases, consisting primarily of methane, which, when extracted from the subsoil of the earth in its natural state, separately or together with liquid hydrocarbons, is in the gaseous state) to be delivered, transported and made available in accordance with these Conditions.

1.31 "Gas Balance"
shall mean the difference between the allocated Quantity of Transfer Gas at TTF and the allocated Quantity of Exit Gas.

1.32 "Gas Day"
shall mean a period (or a reference to a period) commencing at 06.00 hours LET on any calendar day and ending at 06.00 hours LET on the following calendar day, and the date of any Gas Day shall be the date of its beginning as herein defined.

1.33 "Gasunie Transport Services" or “GTS”
shall mean Gasunie Transport Services B.V., domiciled in Groningen, the Netherlands.

1.34 "Grid Connection Agreement" or “GCA”
shall mean an agreement between BBL Company and an NNO regarding several aspects of a connection between the BBL-Facilities and the neighbouring network concerned, which may include measurement, allocation, operational balancing, conditions to operation, arrangements with regard to installations and/or operational safety.

1.35 "Hour" or "Hourly"
shall mean a period of time commencing at a whole hour and expiring at the next whole hour.

1.36 "Interconnection Point"
shall mean a physical or virtual point connecting adjacent entry-exit systems or connecting an entry-exit system with an interconnector, in so far as these points are subject to booking procedures by network users.

1.37 "Interrupted Quantity of Gas"
shall mean the difference between the Transmission Capacity and the capacity available to Shipper for each Hour of the duration of a reduction.

1.38 "Interruptible"
shall mean, if used in expressions referring to capacity, capacity which use can be interrupted by BBL Company according to Article 4.2.2.

1.39 " Interruption Notice" 
shall mean the notice from BBL Company to Shipper, informing Shipper of the interruption of Interruptible Transmission Capacity. An Interruption Notice can be incorporated in a Confirmation.

1.40 "kWh"
shall mean three decimal six (3.6) million Joules.
1.41 "Local European Time" or "LET" shall mean Local European Time, including daylight saving, being equal to UTC + 1 outside the daylight saving period and equal to UTC + 2 during the daylight saving period. For the avoidance of doubt, the daylight saving period starts at UTC 01:00 hours on the last Sunday in March and ends at UTC 01:00 hours on the last Sunday in October, and UTC is Coordinated Universal Time, according to ISO 8601: 1988 (E).

1.42 "m³(n)" shall mean a volume of Gas which under normal conditions (as specified in the definition of Wobbe-index) occupies a volume of one (1) m³.

1.43 "Month" or "Monthly" shall mean a period commencing at 06:00 hours LET on the first day of a calendar month and ending at 06:00 hours LET on the first day of the following calendar month.

1.44 "Measurement Deviation Balance" shall be the Shipper's cumulative Measurement Deviation Quantity corrected with the cumulative part that already been taken out of respectively supplied into the pipeline by Shipper.

1.45 "Measurement Deviation Quantity" shall mean the difference between the accountable measurements of the flows and the real flows at the Connection Point and/or at the Exit Point, caused by the accepted uncertainty inherent to the measuring equipment.

1.46 "National Grid" shall mean National Grid Gas plc, domiciled in Warwick, the United Kingdom or its legal successor.

1.47 "Neighbouring Network Operator" or "NNO" shall mean the operator of the gas transmission pipeline(s) connected to the BBL-Facilities, being Gasunie Transport Services in the Netherlands and National Grid in the United Kingdom.

1.48 "Network Code on CAM" or "CAM" shall mean the European Network Code on Capacity Allocation Mechanisms as per Commission Regulation 984-2013 (dated October 15, 2013).

1.49 "Nomination" or "Renomination" shall mean a message from Shipper to BBL Company (specifically BBL Company’s dispatching centre) stating, among other things, the Hourly Quantities of Exit Gas to be made available by BBL Company to Shipper at the Exit Point.

1.50 "Non Usus" shall have the meaning ascribed to it in Article 4.1.2.

1.51 "Operating Manual" shall mean Exhibit A of the Conditions.

1.52 "Operational Balancing Agreement" or "OBA" shall mean the contractual arrangements between BBL Company and an NNO in which they agree that, subject to certain conditions and within certain limits, the quantities properly nominated will be allocated to the respective BBL-Shipper and differences between the sum of all confirmations and the measured volumes which are attributable to operational constraints on the network operators, may be allocated to a balancing account of the network operators.

1.53 "Original BBL Capacity" shall mean the Firm transmission capacity in the Forward Flow Direction of 17,005,375 kWh/h which was made available per 1 December 2006 by building the BBL-Facilities.

1.54 "Pa", "J", "K" and "m"
shall be the units of pressure (Pascal), energy (Joule), thermodynamic temperature (Kelvin) and length (metre) respectively and shall have the meanings ascribed to them in the publication International Standard ISO 1000-1992-11 00 (E), SI units and recommendations for the use of their multiples and certain other units. The prefix “G” shall be equal to one billion (1,000,000,000), “M” shall be equal to one million (1,000,000) and the prefix “k” shall be equal to one thousand (1,000). A “bar” shall be equal to one hundred thousand (100,000) Pa. A “°C” means degree Celsius, and x °C = x + 273.15 K.

1.55 “Party” shall mean Shipper or BBL Company individually. “Parties” shall mean both Shipper and BBL Company.

1.56 “PRISMA” shall mean the internet booking and trading platform PRISMA Capacity Platform, at www.prisma-capacity.eu operated by PRISMA European Capacity Platform GmbH, on which primary entry and exit capacities of the European transmission system operators (TSO’s) are marketed and secondary entry and exit capacities can be traded.

1.57 “Properly Nominated” shall mean a Nomination or Renomination by Shipper or by a third party on behalf of Shipper, for the taking of a Quantity of Exit Gas, which is in accordance with Shipper’s rights under the Agreement and is made in the manner and within the time limits as set out in the Conditions.

1.58 “Quantity of Gas” shall mean a quantity of Gas, expressed in kWh.

1.59 “Reasonable and Prudent” shall mean Parties fulfilling their obligations under the Agreement with that degree of diligence, skill, prudence and foresight as reasonably and ordinarily exercised by parties engaged in the same line of business under the same or similar circumstances and conditions and in accordance with good practice.

1.60 “Reduced Delivery Day” shall mean a Gas Day during which the capacity available for transmission for Shipper is less than the Transmission Capacity with a minimum of zero (0).

1.61 “Reserve Price” shall mean the tariff for a capacity product, set by BBL Company, GTS or National Grid which shall be the starting tariff in the auction of such capacity product on PRISMA. The Reserve Price of a bundled capacity product will be the sum of the Reserve Prices of the capacities in the bundled capacity product.

1.62 “Reverse Flow (Direction)” shall refer to flow from the UK to the Netherlands.

1.63 “Shipper” refers to the party to which services are rendered by BBL Company under the Agreement.

1.64 “Shipper Code” shall mean the unique code, assigned to Shipper by BBL Company, used for the identification of (Re)Nominations and Confirmations.

1.65 “Shortage Gas” shall mean, taking into account the accountable measurements at the Connection Point and the Exit Point, that the real amount of Gas leaving the pipeline at the Exit Point is higher than the amount of Gas entering the pipeline at the Connection Point.

1.66 “Start Date” shall mean the date designated as such in the Agreement.

1.67 “Surplus Gas”
shall mean, taking into account the accountable measurements at the Connection Point and the Exit Point, that the real amount of Gas leaving the pipeline at the Exit Point is lower than the amount of Gas entering the pipeline at the Connection Point.

1.68  “Tax” shall mean all present and future taxes, duties, levies, assessments, charges, fees, deductions and withholdings in all relevant jurisdictions imposed by a Competent Authority on the contracted services performed by BBL Company under the Agreement.

1.69  “TZM” or “Trading Zone Manager” shall mean the operator of TTF.

1.70  “Transmission Capacity” shall mean the maximum possible Hourly flow rate of Gas under the Agreement, expressed in kWh per Hour.

1.71  “TTF” shall mean the virtual transfer point where Gas is made available by BBL Shipper to BBL Company and where BBL Shipper can trade Gas.

1.72  “Web Site” shall mean the official web site of BBL Company (www.bblcompany.com).

1.73  “Wobbe-index” shall mean the superior calorific value divided by the square root of the relative density under normal conditions, in which

(i)  “superior calorific value” means the amount of energy, expressed in kWh, released by the complete combustion in air of one (1) m³(n) of Gas in such a way that the pressure of 101.325 kPa (1.01325 bar) at which the reaction takes place remains constant and all the products of combustion are returned to the same temperature of 298.15 K as the temperature of the reactants, all of these products being in the gaseous state except for water formed by combustion which is condensed to the liquid state at a temperature of 298.15 K, and

(ii) “relative density” means the density of Gas divided by the density of dry air (meaning air composed according to ISO 6976 annex B), and

(iii) “normal conditions” are the conditions determined by a temperature of 273.15 K (0 °C) and an absolute pressure of 101.325 kPa (1.01325 bar).

1.74  “Year” shall mean a period (or a reference to a period) commencing at 06:00 hours LET on January 1st and ending at 06:00 hours LET on the following January 1st.
Article 2  WARRANTIES AND RISK

2.1  Warranties

2.1.1  BBL Company warrants to Shipper that it shall use its reasonable endeavours to have in place at the Start Date and to maintain throughout the Contract Period in full force and effect all such agreements, licenses, permissions, consents and authorisations as are necessary so as to enable it to observe and perform its obligations under the Agreement.

2.1.2  Shipper warrants to BBL Company that it (or in the case of Transmission Capacity transfer as provided for in Article 4.3, its transferee) shall have good and unencumbered title to all Gas which it (or in the case of Transmission Capacity transfer as provided for in Article 4.3, its transferee) delivers or makes available, or which it (or, in the case of Transmission Capacity transfer as provided for in Article 4.3, its transferee) causes to be delivered or made available at TTF, and that it shall not grant third parties any rights, including ownership, nor create any lien, encumbrance or similar right with regard to any Transfer Gas, if such right will or could hamper and/or obstruct the exercise of rights and performance of obligations. In the event of any conflict between the Agreement and the rights of third parties with regard to Shipper's Transfer Gas, BBL Company shall not be liable for any damage and/or claims resulting there from and Shipper shall indemnify and hold BBL Company harmless from any damage and claims in respect thereof.

2.2  Risk

The risk to the Transfer Gas made available by Shipper to BBL Company in accordance with the Agreement shall pass from Shipper to BBL Company at TTF. The risk attached to the Exit Gas made available by BBL Company to Shipper in accordance with the Agreement shall pass from BBL Company to Shipper at the Exit Point.
Article 3  BBL-SHIPPER

3.1 A BBL-Shipper is any party that:

(a) has accepted these Conditions in writing, and
(b) has received one or more Shipper Codes after having passed a communication test as described in the Operating Manual, and
(c) has provided a valid Balancing Portfolio, and
(d) shall prove to the satisfaction of BBL Company to be sufficiently creditworthy or shall provide satisfying surety, to cover the exposure resulting from the Agreement(s) with BBL Company, all according to the principles stated in the Credit Control Protocol, and
(e) will otherwise in every respect perform as a Reasonable and Prudent BBL-Shipper with due regard to the integrity of the BBL-Facilities and the interests of other BBL-Shippers.

3.2 BBL Company may waive in writing the applicability of one or more of the elements in part or in whole, of Article 3.1 (a), Article 3.1 (b) and Article 3.1 (c) for a specified period of time. BBL Company may accept a third party authorised by Shipper that has passed the communication test as described in the Operating Manual to perform on behalf of Shipper all operational communications.

3.3 BBL Company is entitled to terminate Shipper’s status as a BBL-Shipper by giving notice of termination by registered letter to Shipper, without any liability towards Shipper, stating that Shipper with effect from any specific Gas Day, appointed in said letter, no longer qualifies as a BBL-Shipper, if one or more of the following situations occurs:

(a) Shipper is declared bankrupt (Dutch: in staat van faillissement verklaard) or is granted (provisional) suspension of payment (Dutch: surseance van betaling) or is declared in a similar legal status affecting the rights of creditors generally, from the moment foresaid bankruptcy, suspension or similar status is legally effective, or
(b) Shipper no longer meets one or more of the conditions stated in Article 3.1, or
(c) Shipper fails to fulfil any other material obligation under these Conditions and/or under the General Terms and Conditions of PRISMA as amended from time to time.

3.4 If one or more of the situations as mentioned in article 3.3 occurs, BBL Company is also entitled to postpone Shipper’s status as a BBL-Shipper, as an alternative to the right to terminate Shipper’s status as a BBL-Shipper.

3.5 Shipper is entitled to terminate Shipper’s status as a BBL-Shipper by giving notice of termination six (6) Months in advance by registered letter to BBL Company. For avoidance of doubt in case the Agreement has an End Date later than six (6) Months from the date of giving said notice, the termination of Shipper’s status will take effect after that specific End Date.

3.6 From the moment at which the temporary or permanent loss by Shipper of the status of BBL-Shipper takes effect, BBL Company is under no obligation whatsoever to perform any services to Shipper. BBL Company will inform PRISMA of the Shipper’s temporary or permanent loss of BBL-Shipper status and PRISMA will immediately deactivate the Shipper from the market functionalities of BBL Company on PRISMA. All amounts that would have been payable during the Contract Period under the Agreement in place at the Gas Day as referred to in Article 3.3 will be immediately recoverable from Shipper and bear interest as provided for in Article 12.2 from the day immediately following the date of the notice of BBL Company by which the Agreement with Shipper is terminated, until but excluding the actual date of payment.
Article 4 SERVICES

4.1 Firm Transmission Capacity

4.1.1 With respect to Firm Transmission Capacity the following will apply. During each Hour BBL Company shall (i) take Quantities of Transfer Gas provided that they are Properly Nominated and/or (ii) make available to Shipper at the Exit Point Quantities of Exit Gas provided that they are Properly Nominated and taken by Shipper at the Exit Point. Shipper is responsible for taking the Exit Gas at the Exit Point.

4.2 Interruptible Transmission Capacity

4.2.1 With respect to Interruptible Transmission Capacity the following will apply. During each Hour BBL Company shall (i) take Quantities of Transfer Gas provided that they are Properly Nominated and/or (ii) make available to Shipper at the Exit Point Quantities of Exit Gas provided that they are Properly Nominated and taken by Shipper at the Exit Point to the extent the Transmission Capacity will not be interrupted according to an Interruption Notice. Shipper is responsible for taking the Exit Gas at the Exit Point.

4.2.2 Interruptible Transmission Capacity will be interrupted if the level of the nominations related to Firm capacity is such that not all nominations related to Interruptible capacity can be accommodated.

4.2.3 In case of an interruption of Interruptible Transmission Capacity, Shipper will be notified by means of an Interruption Notice. When sending an Interruption Notice, BBL Company will apply the priority principles as described in the Operating Manual.

4.2.4 In case of an interruption of Interruptible Transmission Capacity, BBL Company will on an Hourly basis rebate the Reserve Price increased with an auction premium (if applicable) of the interrupted capacity to Shipper. The rebate amount in a certain Hour is calculated by multiplying the interrupted amount in kWh in that Hour with the Reserve Price increased with an auction premium (if applicable) per Hour according to the Agreement.

4.3 Transfer of Transmission Capacity (transfer of usage rights)

4.3.1 PRISMA secondary supports the transfer of Transmission Capacity (on PRISMA defined as: transfer of use).

4.3.2 Transmission Capacity originally allocated as bundled capacity can only be resold as bundled capacity on the secondary market.
5.1 Exit point

5.1.1 BBL Company shall make available Exit Gas complying with the quality specifications as provided for in the Operating Manual, provided the Entry Gas delivered at the Entry Point complies with the quality specifications as provided for in the Operating Manual.

5.1.2 The Exit Gas shall comply with the pressure specifications as provided for in the Operating Manual.

5.1.3 It is understood between Parties that Gas delivered under agreements with other BBL-Shippers or transmission contracts between BBL Company and other parties and the Exit Gas may be measured and delivered at the Exit Point in common.

5.1.4 If the quality and pressure of the Exit Gas complies with the quality specifications and the pressure specifications as provided for in the Operating Manual, the Exit Gas shall be accepted for delivery by Shipper.

If the pressure of the Exit Gas does not comply with the pressure specifications as provided for in the Operating Manual, Shipper has the right to decide that all or part of the Exit Gas shall not be accepted for delivery.

If the quality of the Exit Gas fails to conform to the quality specifications as provided for in the Operating Manual, Shipper shall by giving notice to BBL Company not later than one (1) Hour after

(a) BBL Company’s notice (or the notice of a third party on behalf of BBL Company) informing Shipper of any such failure in quality, or

(b) Shipper’s notice informing BBL Company of any such failure in quality,

whichever occurs the first, either

(i) refuse to accept delivery of all or any part of the Exit Gas until the deficiency of the quality of the Exit Gas has been remedied, or

(ii) accept delivery of all or any part of the Exit Gas notwithstanding the deficiency in quality of the Exit Gas until Shipper informs BBL Company otherwise,

provided further that Shipper shall not be permitted to refuse acceptance of the Exit Gas if the NNO concerned and Shipper’s counter party at the Exit Point unconditionally accept the Exit Gas for delivery.

Shipper shall give notice, observing a one (1) Hour notice period, to BBL Company of Shipper’s decision to cease accepting Exit Gas which fails to conform to the quality specifications as provided for in the Operating Manual.

Each Party shall as soon as possible after it has detected such failure in quality and/or pressure of the Exit Gas notify the other Party of same. Each Party will with all possible diligence and speed investigate the cause(s) of the deficiency and shall as soon as possible thereafter notify the other Party of the nature of the failure and take those actions within Party’s control to expeditiously remedy the cause and resulting situation.

In case the Exit Gas does not comply with the quality specifications as provided for in the Operating Manual, BBL Company shall to the extent required as Reasonable and Prudent operator perform such control and/or carry out such remedial work as may be practicable and reasonable under the circumstances to bring the Exit Gas within said specifications.
5.1.5 Provided BBL Company has complied with its obligations under Article 5.1.4 and except with respect to such quality deficient Exit Gas which may have been delivered to Shipper prior to the notice under Article 5.1.4 of such failure in quality, Shipper shall have no rights or remedies in connection with quality deficient Exit Gas except to refuse or to accept it in accordance with Article 5.1.4. BBL Company’s liability shall be limited as set out in Article 9.

5.1.6 If Shipper refuses to accept the Exit Gas in whole or in part in accordance with Article 5.1.4 then such Exit Gas not taken shall be deemed not to have been made available by BBL Company in accordance with Article 4.1.1 or Article 4.2.1. If Shipper refuses acceptance of the Exit Gas in whole or in part in accordance with Article 5.1.4, BBL Company and Shipper shall settle such Quantities of Gas via the Gas Balance in accordance with Article 7.2.
Article 6  MEASUREMENT AND ALLOCATION

6.1  Measuring station and measurement manual

6.1.1  *BBL Company* shall take accurate measurements of *Exit Gas* consistent with industry standards and in accordance with the relevant regulations and as provided for in the *Operating Manual* and taking into account that the total uncertainty of the amount of energy on an *Hourly* basis shall not exceed zero decimal seven five (0.75) percent.

6.1.2  Any disputes regarding measurement will be settled by an *Expert* as provided for in Article 19.

6.2  Allocation

6.2.1  For the *Exit Point* *BBL Company* has concluded an *OBA* and the allocated *Quantities of Gas* shall be deemed to be equal to the *Quantities of Gas* according to the confirmations, unless this is not feasible under the *OBA* assuming *BBL Company* and the *NNO* concerned are maintaining the standard of *Reasonable and Prudent* operator, in which case the allocation shall then be made on a pro rata basis.

The allocation may, with the consent of *BBL Company* and with observance of the *Allocation Rules* set out in this Article 6.2, be performed by a *NNO* or other third party.

6.2.2  *BBL Company* will provide or cause to be provided to *Shipper* by electronic transmission all allocation data, relevant to *Shipper*, used for invoicing.

*BBL Company* shall with regard to allocations keep auditable record of all underlying data on an *Hourly* basis per meter run which are used for the determination of the invoices and allocations for the period legally required. *Parties* acknowledge the confidential nature of the underlying data in a situation of commingled stream and the restrictions this imposes on *Shipper's* access to such underlying data.

6.2.3  Any dispute regarding allocations shall be resolved by an *Expert* as provided for in Article 19.

6.3  Incorrect operation of measuring equipment

In the event that incorrect operation of the measuring equipment is ascertained, the procedure as described in Article 5.2 of the *Operating Manual* shall be applicable.
Article 7  BALANCING

7.1 Principles of hourly balancing and matching

7.1.1 Shipper shall nominate for any Hour Quantities of Gas as Exit Gas and will use its best endeavours to make available Transfer Gas and take Exit Gas at a uniform rate within any Hour in conformity with the Exit Confirmations for that Hour. BBL Company shall apply a matching procedure to ensure that the Properly Nominated Quantity of Exit Gas and the confirmed Quantity of Transfer Gas are the same.

7.1.2 Nominations at the Exit Point will be checked by BBL Company against the contracted Transmission Capacity.

7.1.3 If possible after consultation with Shipper, BBL Company has the right to make available the Hourly Quantities of Exit Gas in such a way that the sum of the Hourly Confirmations during the relevant Gas Day is met, provided the NNO concerned agrees and Shipper meets its volume entry requirements with the NNO concerned.

7.2 The Gas Balance

7.2.1 For any Hour during a Gas Day the difference between the allocated Quantity of Transfer Gas and the allocated Quantity of Exit Gas will be allocated to the Gas Balance for that Gas Day. The Gas Balance is negative if the allocated Quantity of Exit Gas is higher than the allocated Quantity of Transfer Gas. The Gas Balance is positive if the allocated Quantity of Exit Gas is lower than the allocated Quantity of Transfer Gas. BBL Company shall endeavour to minimise the Gas Balance at the end of the Gas Day.

7.2.2 The maximum positive and negative Gas Balance shall be laid down in the Operating Manual.

7.2.3 BBL Company and Shipper will settle Quantities of Gas in the Gas Balance in kind by means of the appropriate Nominations and Confirmations for the Quantities of Gas to be settled at the Exit Point. During such settlement the matching procedure and the checking against the contracted Transmission Capacity regarding the Nominations at the Exit Point will take into account any such settlement of the Gas Balance.

7.2.4 Timing of a settlement of Quantities of Gas in the Gas Balance will be at any convenient moment to be decided by BBL Company, taking into account a notice period to be provided for in the Operating Manual, operational issues with regard to Shipper's position and the position of Shipper with regard to transmission agreements with the relevant NNO's. The date at which this withdrawal or supply has to be made, will be agreed upon between Parties. A settlement of Quantities of Gas in the Gas Balance by Shipper shall always be executed via Nominations on the Shipper's inventory portfolio, which portfolio shall not be used for other purposes.

7.2.5 At the termination of the Agreement, the Gas Balance will be settled as follows.

The price used for settlement of the Gas Balance will be the TTF + 1 (Euros/MWh) index or the NBP + 1 (p/th) index as published by Heren Energy Ltd. in its issue European Spot Gas Markets for the first day of the month following the date of termination on which the indexes are published.

The NBP + 1 index will be converted to Euro/MWh by applying the arithmetic average for the corresponding day of the mean between the buying and selling rate between Euro and British Pound (GBP) as established daily at the currency exchange of Amsterdam and as published by the ABN-Amro Bank.

In case of a negative Gas Balance the highest price will apply, in case of a positive Gas Balance the lowest price will apply.

Amounts chargeable related to the settlement of the Gas Balance will be invoiced in accordance with Article 12.
7.3 **Imbalances**

7.3.1 It is recognised between *Parties* that the refusal of *Shipper* to take *Exit Gas* as a consequence of Article 5.2.4 and the consequent cessation of taking *Quantities of Exit Gas* and the consequent cessation of delivering equivalent *Quantities of Transfer Gas* by *Shipper* take time to be implemented operationally and are likely to lead to the occurrence of imbalances.

7.3.2 *Parties* will use reasonable endeavours to restore any such imbalance as soon as reasonably practicable. After the occurrence of the event described in Article 7.3.1 *Parties* shall inform each other if possible at least two (2) *Hours* before normal operations are to be resumed. Any differences between the *Quantities of Transfer Gas* delivered by *Shipper* and *Quantities of Exit Gas* taken by *Shipper* during such periods will be settled via the *Gas Balance*. 
Article 8  OPERATION

8.1  Operating Manual

Parties shall apply the Operating Manual. It is understood between Parties that the Operating Manual takes into account the possibility of transmission agreements between BBL Company and BBL-shippers concerning interruptible gas transmission from the UK to the Netherlands.

BBL Company has the right to reject a Nomination or a Renomination if this (Re)Nomination is not given according to the Operating Manual.

8.2  Capacity restrictions due to planned maintenance

For the purpose of maintenance of, or any other activities affecting the BBL-Facilities, BBL Company shall have the right to have up to fifteen (15) Reduced Delivery Days in each Year. All such Reduced Delivery Days shall be between April 1 and October 1 in any Year and shall be determined by BBL Company as follows:

(1) During the month of September prior to the commencement of a Year BBL Company shall, besides announcement on its Web Site, notify Shipper of a period of thirty (30) consecutive Gas Days during the period between April 1, 06.00 Hours LET and October 1, 06.00 Hours LET in the following Year within which period BBL Company will nominate the fifteen (15) Reduced Delivery Days it is entitled to take in that Year in accordance with this Article 8, and

(2) during the month of November prior to the Year it concerns BBL Company shall, besides announcement on its Web Site, notify Shipper of a single period of up to fifteen (15) consecutive Gas Days falling within the period nominated by BBL Company under Article 8.2 (1) during which BBL Company will carry out the proposed planned maintenance.

BBL Company shall use reasonable endeavours to minimise the disruption caused to Shipper as a result of maintenance and use reasonable endeavours to coordinate maintenance with the NNO’s.

BBL Company shall give an indication to BBL-Shippers of the available Transmission Capacity on a Reduced Delivery Day as soon as reasonably possible.

Shipper shall not be entitled to any reduction in the fixed capacity fee (component T1), nor shall Shipper have any other entitlement(s) against BBL Company, in respect of any reduction in Transmission Capacity related to this Article 8.2.

8.3  Capacity restrictions due to quality and pressure

If the quality and/or pressure of Gas at the Connection Point and/or the Exit Point fails to conform to the quality and/or pressure specifications, as described in the Operating Manual, BBL Company has the right to reduce the Transmission Capacity, thereby giving priority according to the priority principles as described in the Operating Manual to a reduction of interruptible transmission capacities.

BBL Company shall inform Shipper as soon as reasonably possible whenever such a reduction of the Transmission Capacity occurs. Such information shall contain the amount of the capacity reduction, the expected duration and reasons for such reduction.

8.4  Capacity restrictions due to NNO restrictions

If an NNO reduces the transmission capacities to offtake or deliver Gas from or to BBL Company, BBL Company has the right to reduce the Transmission Capacity, thereby giving priority according to the priority principles as described in the Operating Manual to a reduction of interruptible transmission capacities.
BBL Company shall inform Shipper as soon as reasonably possible whenever a reduction of the Transmission Capacity due to NNO restrictions occurs. Such information shall contain the amount of the capacity reduction, the expected duration and the cause of such reduction at the NNO.

8.5 Other capacity restrictions

8.5.1 Notwithstanding the provisions of Article 8.2, 8.3 and 8.4, BBL Company shall inform Shipper as soon as reasonably possible whenever a reduction of the Transmission Capacity occurs, provided such reduction is not related to the possible interruption of Interruptible Transmission Capacity due to the use of Firm transmission capacities. Such information shall contain the amount of the capacity reduction, the expected duration and reasons for such reduction. If it is necessary to reduce or part or all of the services, BBL Company shall be authorised to reduce for operational purposes the relevant Transmission Capacity, thereby giving priority according to the priority principles as described in the Operating Manual to a reduction of interruptible transmission capacities. For the avoidance of doubt, Shipper's rights and remedies shall remain unaffected.

8.5.2 When reducing the Firm Transmission Capacity under these Conditions and the Firm Transmission Capacity contracted by other BBL-Shippers, the Firm Transmission Capacity remaining for the Shipper shall be calculated by BBL Company by multiplying the remaining Firm Transmission Capacity for all BBL-Shippers with the ratio of the Firm Transmission Capacity and the sum of all Firm Transmission Capacities.

8.5.3 Notwithstanding the above, if BBL Company establishes that the cause of the interruption or reduction of Transmission Capacity in the BBL-Facilities can be related to any particular agreement(s) between BBL Company and one or more BBL-Shippers (including Shipper), then BBL Company shall – within the limits of its technical possibilities and contractual obligations – reduce or interrupt the transmission capacity booked under such agreement(s) before reducing Transmission Capacity on a pro rata basis as provided for in this Article 8.5.

8.5.4 In case of a reduction of the Transmission Capacity as specified in Article 8.5.1 (Other capacity restrictions), the amount chargeable with respect to the Reserve Price increased with an auction premium (if applicable) shall be reduced on an Hourly basis pro rata to the reduction. The reduction amount in a certain Hour is calculated by multiplying the reduction in kWh in that Hour with the Reserve Price increased with an auction premium (if applicable).
Article 9 LIABILITY

9.1 Liability of Shipper

9.1.1 Shipper shall not be liable to BBL Company under any circumstances, for any direct, indirect or consequential loss or damage incurred by BBL Company arising out of or in connection with the Agreement, including, without limitation, loss of profits, loss of business expectations or opportunities, loss of contract or any damage to third parties, except
(i) with regard to direct loss or damage to BBL-Facilities, and
(ii) with regard to all loss or damage caused by Shipper’s wilful misconduct or gross negligence as defined in Article 9.3, and
(iii) with respect to breach by Shipper of any warranty under the Agreement.

9.2 Liability of BBL Company

9.2.1 BBL Company shall not be liable to Shipper under any circumstances, for any direct, indirect or consequential loss or damage incurred by Shipper and arising out of it or in connection with the Agreement, including, without limitation, loss of profits, loss of business expectations or opportunities, loss of contract or any damage to third parties, except
(i) with regard to direct loss or damage to facilities at or near the Exit Point including the reasonable costs of cleaning such facilities as defined in Article 9.2.2, and
(ii) all loss or damages caused by BBL Company’s wilful misconduct or gross negligence as defined in Article 9.3, and
(iii) with respect to breach by BBL Company of any warranty under the Agreement.

9.2.2 BBL Company shall be liable to Shipper for direct loss or damage to the facilities at or near the Exit Point (which the Shipper is liable for towards third parties), including the reasonable costs of cleaning, to the extent such loss or damage is caused by and is a consequence of an identified deviation in quality from the quality specifications mentioned in Article 5.1.1 and/or an identified deviation in pressure from the pressure specification mentioned in Article 5.1.2 of the Exit Gas delivered to Shipper:

(i) during the period before Shipper has given notice to BBL Company that Shipper either refuses or accepts the delivery of said pressure deficient or quality deficient Exit Gas, as provided for in Article 5.1.4, and
(ii) during a period of one (1) Hour from Shipper’s receipt of the notice of BBL Company or of a third party on behalf of BBL Company as specified in Article 5.1.4 has lapsed, whichever notice occurs first.

In the event BBL Company is not liable to Shipper for damage to the facilities pursuant to this Article 9.2.2, Shipper shall hold harmless and indemnify BBL Company from and against all claims by third parties concerning loss or damage to these facilities.
9.3 Wilful misconduct or gross negligence
For the purpose of these Conditions "wilful misconduct or gross negligence" means an intentional and conscious or reckless disregard by a Party or any of its Affiliated Companies (acting for and on behalf of a Party) and/or its (or such Affiliated Company's) officers, directors or employees of managerial or supervisory status of any provisions of the Agreement or, generally, of the obligations of a Reasonable and Prudent party.

9.4 Limitation of liability
In the event a Party is liable under the provisions of the Agreement, all liability to the other Party for whatever kind of damage will per event be limited to the amount of two million and five hundred thousand (2,500,000) Euro (€) or, if higher, to the fee for the Transmission Capacity, with a maximum of the fee for one (1) Year except in case of wilful misconduct or gross negligence.
Article 10  FORCE MAJEURE

10.1 If a Party is unable, wholly or in part, to fulfil any obligation under the Agreement due to Force Majeure, such Party will, by giving written notice and reasonably full particulars to the other Party promptly after the occurrence of such Force Majeure, be relieved of its obligations under the Agreement to the extent that the fulfilment of these obligations is rendered impossible by such Force Majeure.

The Party claiming Force Majeure shall, when giving the particulars of such Force Majeure, also notify the other Party if possible of the period of time which said Party estimates it will require to remedy the Force Majeure situation and shall keep the other Party regularly informed as to the progress of such remedy. However, there shall be no obligation of the Party claiming Force Majeure (i) to settle any labour dispute, except in such a manner as it shall deem fit in its own judgement, and (ii) to negotiate, arrange or agree alternative transportation for Gas.

The Party claiming Force Majeure shall use reasonable endeavours to mitigate the effects of such Force Majeure and to rectify the circumstances causing the failure.

10.2 Any failure to timely pay amounts which are owed under the Agreement shall not be excused by Force Majeure, unless the payment procedure itself is affected by Force Majeure, the payment concerned is obstructed by law or is forbidden by any governmental authority.

10.3 If any Party claims Force Majeure, no Party shall be entitled to terminate the Agreement or to terminate the obligation to perform services under the Agreement on the grounds of such Force Majeure provided however, that if,

(a) in case of a Contract Period of three hundred and sixty five (365) Days or less, a Force Majeure situation lasts for a period of more than twenty five (25) percent of the Contract period, the Party who did not claim Force Majeure shall be entitled to terminate the Agreement, provided that the Force Majeure situation still exists at the time of the termination; and

(b) in case of a Contract Period of more than three hundred and sixty five (365) Days, a Force Majeure situation (i) lasts for a period of more than three hundred and sixty five (365) Days, or (ii) Force Majeure has occurred on three hundred and sixty five (365) Days in a period of one thousand four hundred and sixty (1460) consecutive Days, the Party who did not claim Force Majeure shall be entitled to terminate this Agreement, provided that in the event of (i) the Force Majeure situation still exists at the time of the termination.

Such a termination shall be made by registered letter.

10.4 Amounts that are due and payable by Shipper can not be withheld on the grounds of Force Majeure affecting BBL Company to the extent those amounts are chargeable for services that were performed by BBL Company prior to the occurrence of the event qualifying as Force Majeure or for services that are unaffected by such Force Majeure event.
Article 11  FEES AND TAXES

11.1 The consideration for the services to be paid by Shipper to BBL Company shall exist of the following components; the capacity charge, consisting of the Reserve price increased with an auction premium (if applicable) and the commodity charge.

The Reserve price increased with an auction premium (if applicable) is mentioned in the Agreement.

The commodity charge is a variable fee related to the costs of electricity for Gas compression at the Connection Point and Gas heating at the Exit Point. Each year before the first of January of a calendar year BBL Company will determine and publish on its Web Site the commodity charge applicable to transmission service agreements in such calendar year. This commodity charge will be invoiced after the month based on allocations (pay as used).

11.2 If at any time during the term of the Agreement the reference calendar year or the basis of computation of an index is discontinued or changed, if applicable, Parties shall adapt the definition of or agree on a substitute for such index in such a way that as much as possible the same effect is achieved as if such index had remained unchanged.

11.3 Whenever any of the indices or components of the indices to be used in a tariff calculation have

(1) not been published and are unlikely to be published for a period of twelve (12) months or any shorter period to be agreed upon between Parties, or

(2) in the opinion of one Party been wrongly computed or published, or

(3) in the opinion of one Party changed the basis of the calculation so that its validity for the purpose of calculating the tariffs will be materially affected over a period of at least twelve (12) months,

then either Party may notify the other Party within three (3) months after the occurrence of such circumstances and Parties shall endeavour to agree upon an appropriate amendment to or a replacement of such indices. If, however, within six (6) months from the date of said notice no such agreement has been reached, then the matter shall forthwith be referred to an Expert for such amendment or replacement, in accordance with the provisions of Article 19.

11.4 All calculations made with respect to tariffs shall be made to four (4) decimal places. A figure of five (5) or more in the fifth (5th) decimal place shall cause a rounding up of the fourth (4th) decimal place. The amounts payable so determined shall be rounded to two (2) decimal places for application.

11.5 All amounts due by Shipper under the Agreement are exclusive of any Tax. BBL Company is entitled to add to such amounts due by Shipper all Tax lawfully imposed on BBL Company by any Competent Authority with respect to the services performed by BBL Company under the Agreement to the extent that BBL Company is actually economically affected by such Tax and subject to Shipper’s right to verify, at its expense, by means of a certified auditor’s statement that such Tax has been duly paid or will have to be paid. For the avoidance of doubt, the Tax referred to in this Article 11.5 does not include BBL Company corporate income tax and the like.

11.6 Shipper will be responsible for making such declarations as are required by the Dutch and/or the United Kingdom authorities in respect of Intrastat declarations or customs declarations covering the Gas entering the United Kingdom as goods acquired or imported by Shipper and leaving the Netherlands as goods disposed of or exported by Shipper.
Article 12    INVOICING, PAYMENT AND CREDITWORTHINESS

12.1 Within ten (10) Business Days after the first day of a calendar month BBL Company shall submit to Shipper a fixed invoice. This fixed invoice shall show, if and in so far as applicable the amounts chargeable in accordance with the Reserve Price increased with an auction premium (if applicable).

As soon as possible after the first day of a calendar month BBL Company shall submit to Shipper one or more variable invoices. These variable invoices shall show, if and in so far as applicable,

- the reduction of the amounts chargeable that have already been invoiced in accordance with the first paragraph above and
- the Quantities of Gas allocated to Shipper at the Exit Point for the applicable Month, and
- the amounts chargeable in accordance with the for such applicable Month variable costs, and
- in case of termination of the Agreement the amounts chargeable as a result of that termination, e.g. settlement of the Gas Balance.

Amounts chargeable can be provisional, for example in case of the lack of timely availability of the required metering data and/or final allocation figures, and will in that case be labelled as such.

12.2 Settlement of amounts undercharged or overcharged because of a provisional calculation or as a result of recalculation in case of early termination of services or settlement of a dispute or measurement errors will be made with interest. The basis for the calculation of interest will be the difference on a Monthly basis between the Monthly amounts provisionally charged and the final Monthly amounts calculated. The interest period with respect to said difference will commence on the ultimate date of payment (determined according to Article 12.3) of the original Monthly invoice to which the adjustment relates if the difference results in an additional payment from Shipper to BBL Company and will commence at the date of payment of the original invoice if the difference results in a refund from BBL Company to Shipper. The interest rate to be applied shall be the arithmetic mean of EURIBOR for the calendar months to which the calculation of interest relates plus two percent (2%) per annum and rounded to two (2) decimal places.

12.3 An invoice shall be paid by the debtor in such a manner that the creditor will have the money at its free disposal at an account specified by the creditor within fourteen (14) days of the invoice date.

If a Party disputes the correctness of an invoice this shall not affect the obligation to pay within the specified period, except in the case of an obvious error. Such issues must be raised as soon as possible, but in any event within a period of two (2) years after the invoice date. After the end of this period an invoice can no longer be disputed. In case of an obvious error, the undisputed part of the invoice should be paid anyhow within the specified period.

If all or any part of an invoice is not paid by the due date, interest shall be payable at a rate that shall be the arithmetic mean of EURIBOR for the calendar months to which the calculation of interest relates plus four percent (4%) per annum and rounded to two (2) decimal places.

12.4 If in respect of any Month amounts of money are due by BBL Company to Shipper as well as by Shipper to BBL Company, the net amount due for such Month shall be payable by Shipper to BBL Company or by BBL Company to Shipper as the case may be.

12.5 Notwithstanding the credit control provisions in the Credit Control Protocol, if during the term of the Agreement(s) there is, in the reasonable opinion of BBL Company, a material deterioration in the financial resources, creditworthiness or a material adverse change in the financial standing of Shipper, its guarantor and/or an Affiliated Company of Shipper, including but not limited to a downgrading of the public credit rating by Moody's and/or
Standard & Poor’s, when compared to its financial standing as at the date of the Agreement(s), which change in BBL Company’s reasonable opinion may adversely affect Shipper’s ability to perform its financial obligations under the Agreement(s), BBL Company may request Shipper in a duly motivated written notice to provide to BBL Company reasonable security for the performance of its financial obligations under the Agreement(s) within five (5) Business Days of the request therefore. For this purpose BBL Company may inter alia require advance payment or the deposition of a security or the provision of a parent company guarantee, a bank guarantee or a Letter of Credit in a form reasonably acceptable by BBL Company. If Shipper has provided security and it is later established between Parties that BBL Company had no reasonable grounds for requesting such security, BBL Company shall reimburse Shipper the reasonable costs of providing the security, provided that prior to providing the security, Shipper has given BBL Company duly substantiated written notice stating that the reasonable grounds were lacking.

12.6 The invoices and statements referred to in Article 12.1 may be rendered during the normal office hours of BBL Company by any secure (electronic) data communication system agreed between Parties, in which event the receipt by Shipper of such invoice or statement shall be confirmed by Shipper as soon as possible by letter or by fax. Each such statement shall be accompanied by such documents as may be reasonably necessary for verifying the same. Said documents shall be deemed to be part of such statement.
Article 13  TERM, SUSPENSION AND TERMINATION OF THE AGREEMENT

13.1 The obligation of BBL Company to perform any service under the Agreement shall enter into force and become effective after the Agreement has been signed by the Parties and shall remain in force up to the End Date.

13.2 Without prejudice to Article 3 of these Conditions and the right to claim damages each Party shall be entitled without judicial intervention to terminate the Agreement and/or to suspend fulfilling any obligations under the Agreement if the other Party:

(a) is declared bankrupt (Dutch: ‘in staat van faillissement verklaard’) or is granted a (provisional) suspension of payment (Dutch: ‘surséance van betaling’) or is declared in a similar legal status affecting the rights of creditors generally, or

(b) fails to fulfil its payment obligations, or

(c) fails to fulfil any other material obligation under the Agreement, or

(d) does not in time furnish the security mentioned in Article 12.5, or

(e) claims Force Majeure as provided for in the Agreement, or

with regard to Shipper,

(f) Shipper no longer meets one or more of the criteria stated in Article 3.1,

all without prejudice to that other Party’s obligation to pay judicial and extra judicial costs as prescribed by law, damages within the framework of Article 9 and interest.

With regard to Article 13.2 (b), (c), (d) and (f) a termination of the Agreement can only take place after the expiry of fifteen (15) days after sending the notice of termination.

For the avoidance of doubt, Article 13.2 (b) does not apply in case the payment obligation concerned is the subject of a bona fide dispute between the Parties.

13.3 Without prejudice to Article 12.5, in the case referred to under Article 13.2 (a) a Party shall be entitled to immediately suspend the performance of services under the Agreement or to terminate the Agreement. In the cases mentioned in Article 13.2 (b), Article 13.2 (c) and Article 13.2 (d) a Party shall only exercise these rights after it has summoned the other Party in writing to remedy its default within a reasonable period and that other Party has not so remedied its default, unless it is apparent that such summons will be of no avail. In the case referred to under Article 13.2 (d) the defaulting Party will have a period of five (5) Business Days to remedy the default. Where payment obligations are concerned the defaulting Party will have a period of ten (10) Business Days to remedy the default.

13.4 A Party shall notify the other Party by registered letter if that Party exercises its right to terminate the Agreement. All amounts which may be owed by a Party to the other Party shall be immediately due and payable from the day of receipt of the notification. For the avoidance of doubt, Article 15 will remain in full force after termination of the Agreement.
Article 14  ASSIGNMENT

14.1 Unless stated otherwise a Party may assign the whole of its rights and obligations under the Agreement (on PRISMA defined as assignment), with the prior written consent from the other Party, which consent shall not be unreasonably withheld or delayed. Consent shall be deemed to be reasonably withheld if in the case of any proposed assignment of obligations the Party making the assignment is unable to demonstrate to the reasonable satisfaction of the other Party that the proposed assignee has the ability to perform the obligations assigned to it, and, with respect to a proposed assignment by Shipper, if the assignee does not qualify as BBL-Shipper in accordance with Article 3.

14.2 No assignment pursuant to Article 14.1 shall be effective unless and until assignor has ensured that the proposed assignee provides to the other Party a direct covenant in favour of and in a form reasonably satisfactory to the other Party that the assignee will observe and perform the obligations to be assigned to it.
Article 15 CONFIDENTIALITY

15.1 Parties agree that the content of the Agreement, credit control related documents and all information obtained under these Conditions by a Party from the other, including all engineering and operational data, shall be held strictly confidential by the receiving Party during the term of the Agreement and for a period of three (3) years from the End Date or the date of early termination. Parties declare that neither they nor their legal successors shall make or have made public any information with regard to the contents of the aforementioned documents under these Conditions without prior written consent of the other Party.

However, a Party may make available said contents or information without such prior written consent to

(a) its employees or employees of Affiliated Companies or shareholders or members of corporate bodies of an Affiliated Company to the extent reasonably necessary for the approval and performance of the Agreement, provided that such employees, shareholders and members shall be bound to preserve the secrecy of such information, or

(b) any governmental authority or recognised security exchange, where such disclosure is required by law, order or regulation; in such case the disclosing Party shall inform the other Party in advance of such disclosure and of its extent, or

(c) banking and financial institutions and their consultants, where such disclosure is necessary in connection with financing arrangements, provided that such Party shall first obtain a written undertaking of confidentiality from such banking and financial institutions and their consultants, that is similar to the undertaking of confidentiality that is set forth in this Article 15, or

(d) independent consultants or contractors nominated by a Party for the purpose or in connection with the Agreement, provided that such Party shall first obtain a written undertaking of confidentiality from each consultant or contractor, that is similar to the undertaking of confidentiality that is set forth in this Article 15, or

(e) any person or legal entity to which pursuant to Article 14 any right or obligation under the Agreement has been or will be assigned or any legal successor of a Party, provided that the Party assigning or to be legally succeeded shall first obtain a written undertaking of confidentiality from such assignee or legal successor, that is similar to the undertaking of confidentiality that is set forth in this Article 15, or

(f) the NNO and/or the Trading Zone Manager, where the disclosure of Nominations, Confirmations, metering data and/or allocations, on a confidential basis, is necessary in connection with gas flow procedures at the Transfer Point, the connection between the BBL-Facilities and the GTS facilities respectively the Exit Point.

15.2 Notwithstanding the provisions of Article 15.1, the Party receiving information may disclose such information without the other Party’s prior written consent if and to the extent that such information

(a) is already lawfully known to the Party receiving the information, or

(b) is already in or enters the public domain other than through the act or omission of the Party receiving the information, or

(c) is acquired independently from a third party that is entitled to disseminate such information at the time it is acquired by the Party receiving the information.

15.3 BBL Company is entitled to publish on its Web Site data to provide third parties insight in the quantity of transmission capacity available for booking and in aggregate form the level of the past usage of Transmission Capacity insofar this aggregate information can be published without jeopardising confidentiality, and does not harm the commercial position of Shipper.
Article 16  INTERPRETATION, MODIFICATION AND SUPPLEMENTS, SUNDRIES

16.1 The failure at any time of either Party to require performance by the other Party of any provision under the Agreement, shall in no way affect the right of a Party to require any performance which may be due thereafter pursuant to such provision, nor shall the waiver by either Party of any breach of any provision under the Agreement be held to be a waiver of any subsequent breach of such provision.

16.2 Any and all modifications and supplements to these Conditions shall, with the exception of the provisions of Article 16.5, not be valid unless drawn up in writing, labelled as subsequent amendment and signed by Parties or their assigns or successors. In case of any conflict between the provisions of a Grid Connection Agreement and/or an Operational Balancing Agreement and these Conditions, these Conditions will prevail unless explicitly agreed otherwise. Also in case of any conflict between the provisions of Exhibit A and/or Exhibit B of these Conditions and the main text of these Conditions, the main text of these Conditions will prevail unless explicitly agreed otherwise.

16.3 If one or more of the provisions of these Conditions should be totally or partially void or ineffective, this shall not affect the legal status of the other provisions. Parties undertake to cooperate in agreeing as soon as possible on an effective new provision, which approaches the economic purpose and any other effect of the ineffective or void provision as closely as possible. Until such new provision has been agreed upon, in case legal proceedings are pending in which the ineffective provision(s) are of any significance, each Party may request the Court for the application of article 3:42 of the Dutch Civil code, if such application is legally possible.

16.4 Parties will at all times give to each other all such information as each may have available and as may be necessary or useful to enable Parties to carry out their obligations under the Agreement (to the extent that each Party is entitled to disclose such information to the other). Either Party shall have the right, at its own cost and by notice to the other Party, to nominate independent public accountants, who may be assisted by a technical specialist, that are acceptable to the other Party, such acceptance not to be unreasonably withheld or delayed, which accountants shall have the right at reasonable hours to examine the books, records and charts of the other Party only to the extent necessary to verify the accuracy of any statement, charge or computation made pursuant to any of the provisions under the Agreement and to the extent that the auditing Party cannot verify such accuracy through the prudent exercise of its own internal controls. Such books, records and charts shall be preserved for a period of at least two (2) years from the End Date or the date of early termination of the Agreement, provided that if such books, records or charts are related to any facts which are disputed between Parties within the aforementioned period, then such books, records or charts shall be preserved until such dispute is settled.

In case the public accountant discovers errors or mistakes in the books, records, statements, charges or computations of the other Party made pursuant to any of the provisions under the Agreement the other Party shall bear the relevant costs of the public accountant.

16.5 BBL Company is entitled to amend the content of these Conditions including its Exhibits if and when in the reasonable opinion of BBL Company such amendment is necessary due to changes in applicable law or, due to changes in the operational scope or, to improve the operation of the BBL-Facilities, to improve the operation of the Agreement or to ensure the compatibility of the Agreement with the conditions of the NNO’s for transmission of Gas and related services.

16.6 BBL Company will inform Shipper expeditiously of any material change pursuant to Article 16.5.
16.7 It is acknowledged by Parties that changes to the terms and conditions for transport of gas in the networks of the NNO’s may necessarily require consequential amendments to be made to these Conditions (in particular, but without limitation, those changes relating to the making of and the timing of Nominations and changes to balancing periods) and in these circumstances either Party may give notice to the other whereupon the Parties shall negotiate, in good faith, and seek to agree such consequential amendments in such a manner and on such basis as will restore the purpose and intended effect of these Conditions as at the date of the Agreement.

16.8 All written or oral understandings between Parties prior of the date of the Agreement concerning the matters treated therein are superseded by the contents of the Agreement.
Article 17    COMMUNICATION, ADMINISTRATION AND COOPERATION

17.1 For the communication of data SI-units shall be used whenever possible. All notices shall be given in the English language.

17.2 Unless otherwise stipulated in these Conditions any notice to be given herein shall be in writing and shall be deemed given and effective

(a) upon receipt by the Party addressed, or

(b) if posted in the Netherlands, postage prepaid, to an address in the Netherlands on the next Business Day subsequent to posting, or

(c) if posted outside the Netherlands or to an address outside the Netherlands, via airmail and postage prepaid, on the fifth (5th) Business Day subsequent to posting, or

(d) if given by telex, telefax or (encrypted) electronic mail on the next Business Day after the dispatch thereof, with charges prepaid, unless in the case of telex the time of receipt is acknowledged on the telex, in which case the telex shall be deemed given and effective at that time and unless in case of a telex in which case the telex shall be deemed to have been received upon confirmation of receipt by the recipient and unless in case of (encrypted) electronic mail in which case the notice shall be deemed to have been received upon confirmation of receipt by the recipient.

17.3 Parties undertake to co-operate in good faith with any third parties, in so far as involvement of those parties is directly or indirectly necessary for the fulfilment by BBL Company or Shipper of any obligation under the Agreement.

17.4 BBL Company will provide Information Services BBL (ISB) to BBL Shipper. The terms and conditions for ISB are set out in Exhibit E (General Conditions for Information Services BBL) and Exhibit F (Certificate Practice Statement BBL Company).
Article 18 APPLICABLE LAW AND DISPUTE RESOLUTION

18.1 The Agreement shall be governed by and interpreted and applied in accordance with the laws of the Netherlands. The application of the Convention on the International Purchase of Goods and the Conclusion of International Purchase Contracts is explicitly excluded.

18.2 Any disputes arising out of or in connection with the Agreement, which is not to be referred to an Expert pursuant to these Conditions or a subsequent agreement between Parties resulting thereof, shall be finally settled in accordance with the Arbitration Rules of the Netherlands Arbitration Institute ("Nederlands Arbitrage Instituut").

The arbitral tribunal shall be composed of three arbitrators. Unless otherwise agreed each Party shall appoint one (1) arbitrator and the third arbitrator will be selected by the first two arbitrators within thirty (30) days after the appointment of the second arbitrator. Article 14 ("List Procedure") of the Rules of the Netherlands Arbitration Institute shall only apply for the appointment of the second arbitrator, if not in time nominated by the Party, or the appointment of the third arbitrator, if not selected by the first two arbitrators within thirty (30) days. The third arbitrator shall act as chairman of the board of arbitration and shall be fully educated and trained as a lawyer.

The place of arbitration shall be Amsterdam. The arbitral procedure shall be conducted in the English language. The arbitral tribunal shall decide in accordance with the rules of law ("regelen des rechts").
Article 19  EXPERT PROCEDURE

19.1 Whenever, in these Conditions, any person is to be appointed as an Expert or any matter is to be referred to an Expert or whenever, during the term of the Agreement, the Parties agree that a dispute between them shall be resolved by an Expert, the provisions of Article 19 shall apply.

19.2 Expert
The language of the Expert procedure shall be English. Any matter to be referred to an Expert shall be resolved by applying the following procedure.

19.3 Appointment
The Party wishing the appointment to be made, shall give notice in writing to that effect to the other Party and with such notice shall give details of the matter which is proposed to be resolved by the Expert.

Parties shall meet in an endeavour to agree upon a single Expert to whom the matter in dispute shall be referred for determination.

If within twenty-one (21) days from the service of the said notice Parties have either failed to meet or failed to agree upon an Expert, then the matter may forthwith be referred by the Party wishing the appointment to be made to the President of the 'International Chamber of Commerce' in Paris which shall be requested to make the appointment of the said Expert within thirty (30) days and in so doing may take such independent advice as it thinks fit.

Upon an Expert being agreed or selected under the foregoing provisions of this Article 19 Parties shall forthwith notify such Expert of his selection and shall request him within fourteen (14) days to intimate whether or not he is willing and able to accept the appointment.

If such Expert shall be either unwilling or unable to accept such appointment or shall not have intimated his willingness and ability to accept such appointment within the said period of fourteen (14) days, then (unless Parties are able to agree upon the appointment of another Expert) the matter shall again be referred (by either Party) in the aforesaid manner to the President of the 'International Chamber of Commerce' in Paris which shall be requested to make a further appointment and the process shall be repeated until an Expert is found who accepts appointment.

19.4 Qualification
No person shall be appointed to act as the Expert under this Article 19 unless he shall be qualified by education, experience and training to determine the matter in dispute.

Any person appointed as the Expert shall be entitled to act as such Expert, provided he shall before accepting such appointment fully disclose to Parties any interest or duty and any conflict of interest or potential conflict of interest, including all particulars thereof. If such disclosure has been made, any Party may require within five (5) Business Days from such disclosure removal of the Expert, stating the reasons for such removal and such Expert shall be replaced in accordance with this Article 19.

If at any time prior to the Expert rendering a decision on any matter, a conflict or potential conflict of interest arises, then the Expert will fully disclose the particulars of such fact to Parties. In that event any Party may within five (5) Business Days from such disclosure require the removal of the Expert and a new Expert shall be appointed in accordance with the terms of this Article 19. No person shall be appointed as an Expert who at the time of appointment is an employee of either Party or of any Affiliated Company.
19.5 **Decision**

The **Expert** appointed shall make his decision based on data, information and submissions supplied and made to him by **Parties** not later than thirty (30) days after his acceptance of appointment and he shall ignore data, information and submissions supplied and made after such thirty (30) days unless the same are furnished in response to a specific request from him.

If within a reasonable period (which shall not exceed ninety (90) days after the acceptance by the **Expert** of his appointment) such **Expert** shall not have rendered a decision then (at the request of either **Party**) a new **Expert** shall be appointed under the provisions of this Article 19 and upon the acceptance by such new **Expert** of his appointment the appointment of the previous **Expert** shall cease. However, if the previous **Expert** shall have rendered a decision prior to the date upon which the new **Expert** accepts his appointment, such decision shall be binding upon **Parties** and the instructions to the new **Expert** shall be withdrawn.

The **Expert** shall be deemed not to be an arbitrator, but shall render his decision as an **Expert** and the law or legislation relating to arbitrations shall not apply to such **Expert** or his determinations or the procedure by which he reaches his determination.

The determination of the **Expert** shall be final and binding upon **Parties**, save in the event of fraud, manifest material error or failure by the **Expert** to disclose any relevant interest or duty in accordance with Article 19.4 under 'Qualification'.

Each **Party** shall bear the cost and expenses of all counsel, witnesses and employees retained by it in connection with the Expert procedure, but the cost and expenses of the **Expert** shall be apportioned equally between **BBL Company** and **Shipper**.