

Credit control protocol

GENERAL

Terms defined in the *Conditions* shall have the same meaning when used herein. This protocol shall form part of the *Conditions* as amended from time to time and where it modifies provisions in or conflicts with the *Conditions*, the *Conditions* shall govern and take precedent.

INFORMATION

The contracted entity (hereafter mentioned as "*BBL-Shipper*") will provide information about the corporate structure of the group. In addition to the overview, the *BBL-Shipper* should indicate if there is an affiliated company and/or parent(s) of the *BBL-Shipper* that is liable (hereafter mentioned as "guarantors") for the *BBL-Shipper* obligations. The *BBL-Shipper* will provide recent certified financial information (contains: annual report including profit and loss statement, balance sheet, cash flow statement and notes) of the *BBL-Shipper* or, from the guarantor, if applicable.

In case another entity assumes the *BBL-Shipper's* liability then this should be confirmed by either a Parent Company Guarantee (PCG) or, if applicable, by a 403-declaration letter together with a 403 awareness letter. All PCG's or 403 declarations/awareness letters will have to be validated by *BBL-Company*.

If this information is not provided or is not available, *BBL-Shipper* will be classified in risk category high.

RISK CATEGORY

The creditworthiness of each *party* will be analysed. *Parties* will never be analysed on a stand-alone basis; links to parent companies or affiliates are important considerations.

The classification in risk categories is based on the published long term credit rating of this party and the parent companies or affiliates. In case no public credit rating is available, an implied credit rating will be determined based on an analysis of the certified financial accounts. Important aspects of this analysis are amongst others tangible net worth, leverage, coverage ratios, net income, cash flow from operations and current ratio.

Reference is made to table 1 for credit ratings and risk categories. The lowest of the credit ratings provided by Moody's or Standard & Poors is applicable.

Table 1: Credit ratings and risk category

<u>Credit rating Moody's (or equivalent implied rating)</u>	<u>Credit rating Standard & Poors (or equivalent implied rating)</u>	<u>Risk category</u>
Aaa, Aa, A	AAA, AA, A	Low
Baa1, Baa2	BBB+, BBB	Medium
Baa3 or worse	BBB- or worse	High

In special circumstances, such as a negative outlook from Moody's or Standard & Poors, large off balance commitments or liabilities, special developments within the company or industry, or if

one of the financial ratios has an extreme outcome, *BBL Company* is entitled to apply another risk category.

CREDIT LIMITS

After classification in a risk category, the financial information provided by party is used to determine an appropriate credit limit. Risk category "medium" results in a lower credit limit than risk category "low".

Table 2: Credit limits and risk category

Risk category	Credit limit
Low	→ → The credit limit equals 6% of adjusted equity.* If the exposure exceeds the credit limit other securities will be required.
Medium	→ The credit limit equals 3% of adjusted equity.* If the exposure exceeds the credit limit other securities will be required.
High	→ No credit limit. Adequate securities are required.

* Actual credit limit might vary depending on company cash flow and net results. Adjusted equity equals equity as stated on the balance sheet, adjusted (subtracted) for intangible fixed assets and unrealised gains and losses.

BBL Company only accepts parties to become a *BBL-Shipper* without additional securities if risk category medium or low applies and if the credit limit is enough to cover the exposure of all contracts of *BBL-Shipper*, in the *Forward Flow Direction* as well as in the *Reverse Flow Direction*.. If the credit limit is not enough to cover the exposure *BBL-Shipper* has to provide additional security for the difference between the exposure and the applicable credit limit. If *BBL-Shipper* is classified in risk category high, additional security is always required covering the entire exposure.

In all cases the assumed exposure will be six (6) times the expected *Monthly* invoice (VAT included) for the fixed fee or the remaining contract value, whichever is the lowest.

Any security should be valid from the date that the *Agreement* is signed and until all services charges due under the *Agreement* have been paid in full.

The security provided can either be in the form of:

1. The surety agreement enclosed to this protocol. This is a parent guarantee of a parent company with a *BBL Company* classification in risk category medium or low with a sufficient credit limit to cover the exposure as presented in this Exhibit B.
2. The 403-liability declaration of an *Affiliated Company* with a *BBL-Company* classification in the risk category "low" or "middle". In addition to sending the 403-liability declaration letter, the affiliated company must also sign a Letter of Awareness in which it declares that it will not revoke the 403-liability statement without explicitly informing *BBL-Company* at least 4 weeks in advance. The format for this Letter of Awareness which the *Affiliated Company* is requested to sign, can be found in this Exhibit B.
3. Lodgement of an irrevocable letter of credit, bank guarantee ('bankgarantie') or escrow account issued by a financial institution with a long term credit rating of not less than A3 (Moody's) or A- (Standard & Poors). The lowest credit rating is applicable. The terms and conditions must be acceptable for *BBL Company*.
4. Lodgement of a security deposit on the account of *BBL Company*. This security deposit will be accompanied by a security deposit agreement between *BBL-Shipper* and *BBL*

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Company, see this Exhibit B. *BBL Company* will refund the accrued interest on the deposit to *BBL-Shipper* during the term of the deposit.

VALIDITY OF A CREDITWORTHINESS ANALYSIS

If a *BBL-Shipper* is classified in risk category low, a new credit analysis will be performed after 3 years. If a *BBL-Shipper* is classified in risk category medium, a new credit analysis will be performed after 2 years. If a *BBL-Shipper* is classified in risk category high, a new credit analysis will be performed after 1 year. Furthermore every change in the *Agreement* can lead to a new credit analysis. If however, significant developments within the company occur which may give rise to a change in risk category then a new credit analysis may be conducted as well.

A new credit analysis can result in another risk category and/or another credit limit.

SURETY AGREEMENT BBL

1. In this Surety Agreement "Debtor" is <company name> incorporated in <place>, <country>, "Guarantor" is <parent name>, incorporated in <place>, <country>, and "Creditor" is BBL Company V.O.F., incorporated in Groningen, The Netherlands. With "Surety" the Dutch word "borgtocht" as described in article 7:850 of the Dutch Civil Code (Burgerlijk Wetboek) is meant.
2. Guarantor takes on the Surety for all obligations of Debtor towards Creditor, arising from or related to any existing or future transmission contract between Creditor and Debtor. The Surety is limited to an amount of € <insert euro amount> Debtor undertakes and warrants that Debtor will not expand the aforementioned transmission contracts beyond the point that the amount of the aforementioned surety will no longer cover for at least six (6) times the monthly fee under said transmission contracts without raising this amount. If at any time it is required by law to make any deduction or withholding in respect of any taxes, duties or other charges the sum shall be increased by the same amount.
3. Guarantor can only be obliged to the payment of money.
4. Guarantor is obliged to fulfill Debtor's obligations towards Creditor within three days after Creditor gives written notice to Guarantor that Debtor has not performed its contractual obligations towards Creditor.
5. Guarantor may end this Surety Agreement by giving written notice to Creditor, but only in the case there is no longer any valid transmission contract between Creditor and Debtor and if all dues have been paid. Creditor shall confirm in writing to Guarantor the date of receipt of such termination notice within five working days after receipt.
6. In case of termination by Guarantor according to article 5, this Surety Agreement will apply to any claim from Creditor towards Debtor that has arisen before or on the day of receipt of the termination notice by Creditor, as well as to any claim that has arisen after the day of receipt of the termination notice by Creditor, provided that such claim is related to any transmission contract between Creditor and Debtor that was entered into before or on the day of receipt of the termination notice by Creditor.
7. This Surety Agreement is subject to Dutch law. Nevertheless, the United Nations Convention on Contracts for the International Sale of Goods (Vienna Sales Convention) is excluded.
8. The courts at the seat of Creditor have exclusive jurisdiction.
9. This agreement has been signed by the duly-authorized officer(s) of the companies, and all required corporate and other formalities have been complied with.

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Place	Groningen
Date
Name
Position
Signature
<Parent name> Guarantor	<Debtor name> Debtor	BBL Company V.O.F. Creditor	

LETTER OF AWARENESS

<Guarantor> is aware that *BBL-Company* has entered or intends to enter into an Agreement with <Debtor> ("the Subsidiary"). In connection therewith, we hereby confirm *BBL-Company* that:

- (a) <Guarantor> has on <Date> (the "Filing Date") filed a declaration (verklaring van hoofdelijke aansprakelijkheid, "the Declaration") with the Trade Register of the Chamber of Commerce of <City> whereby, in accordance with the provisions of Article 2:403(1)(f) of the Netherlands Civil Code, <Guarantor> has declared itself to be jointly and severally liable for all debts resulting from legal acts ("rechtshandelingen") performed by the Subsidiary;
- (b) <Guarantor> has not since the Filing Date revoked the Declaration;
- (c) <Guarantor> will not withdraw or revoke the Declaration, unless <Guarantor> has informed *BBL-Company* four (4) weeks in advance in writing about the intention to withdraw or revoke the Declaration and shall provide sufficient alternative security upon withdrawing or revoking the Declaration.
- (d) In case <Guarantor> has not, or not timely informed *BBL-Company* about the intention to withdraw or revoke the Declaration, <Guarantor> will guarantee the performance of all obligations of the Subsidiary towards *BBL-Company* for four (4) weeks after the moment *BBL-Company* has (eventually) received the written notification of such withdrawal or revocation.
- (e) No withdrawal or revocation of the Declaration shall affect any indebtedness (whether actual, conditional or contingent) outstanding or contracted or committed for at the time of revocation, and the Declaration shall remain in full force and effect with respect to such indebtedness until finally and irrevocably paid in full.
- (f) This Letter of Awareness shall be governed by and construed in accordance with the laws of the Netherlands.

Yours faithfully,

<Guarantor>

Name:

Date:

SECURITY DEPOSIT AGREEMENT

1. In this Agreement "Debtor" is name, incorporated in place, country, and "Creditor" is *BBL-Company.*, incorporated in Groningen, The Netherlands.
2. As security for the General Terms and Conditions between Creditor and Debtor, dated date, Debtor will deposit an amount of € amount (*Euro*) to the bank account of the Creditor:
Bank: ABN Amro
Swift: ABNANL2A
IBAN: NL93 ABNA 0544 8121 90
3. An expansion of this *Agreement* or any new agreement or the conclusion of any financial obligation relating to a new agreement will lead to a new Security Deposit Agreement to be concluded and an additional amount to be deposited under the same terms and conditions as specified in this Security Deposit Agreement.
4. 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 this specified term of payment is exceeded, Creditor is entitled to use the deposit to settle the invoiced amount.
5. Creditor will refund the accrued interest on the deposit within four TARGET Banking Days after each period of twelve (12) months if all payment obligations have been met. If the deposit is used to settle the invoiced amount or if the deposit is refunded earlier, the days of interest to be refunded will be adjusted accordingly.
6. The interest rate is EURIBOR twelve (12) month quotation minus 20 basis points (0.2%) (depends on the end date of the contract, maximum is twelve (12) months). The calculation of interest will take place on the actual/360 basis. Debtor notifies Creditor three days in advance, by electronic mail or facsimile, at which date the deposit will be received. The first fixing will take place two TARGET Banking Days before the day the deposit is received on the specified bank account of the Creditor. The following fixings will take place two TARGET Settlement Days preceding the reset date.
7. If and when Debtor supplies another kind of security (e.g. a bank guarantee or a Surety Agreement), to be agreed with Creditor, Debtor notifies Creditor at least 10 *Business Days* before the twelve (12) months deposit matures. The Security Deposit Agreement will end at the next date of maturity of the twelve (12) months deposit.
8. Each period for this security deposit lasts twelve (12) months. The Security Deposit Agreement will end at the next date of maturity of the twelve (12) months deposit after Debtor has met all financial obligations arising from the contract(s) mentioned in article 2 towards Creditor or if and when article 7 has come into effect. Creditor will refund the deposit and the accrued interest which has not been refunded earlier, to a specified bank account of the Debtor within two TARGET Banking Days after the date of maturity of the twelve (12) months deposit.
9. This Agreement is subject to Dutch law. The statutory rules governing international purchase (*Weens Koopverdrag*) are excluded.
10. The courts at the seat of Creditor have exclusive jurisdiction.

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Place	Groningen
Date
Name
Position
Signature

Company

BBL-Company

Debtor

Creditor