LNG SALE AND PURCHASE AGREEMENT

between

NIGERIA LNG LIMITED

as Seller

and

DISTRIGAS CORPORATION

as Buyer

Dated 15th June 1992
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LNG SALE AND PURCHASE AGREEMENT, dated 15th June, 1992, between NIGERIA LNG LIMITED, a company incorporated under the laws of Nigeria ("Seller") whose registered office is at Stallion House, 2 Ajose Adeogun Street, Victoria Island, Lagos, Nigeria and DISTRIGAS CORPORATION ("Buyer"), a company incorporated in the state of Delaware, of 200 State Street, Boston, Massachusetts.

The Parties hereto agree as follows:

**CLAUSE 1 – INTERPRETATION**

The terms or expressions below shall have the following meanings in this Agreement:

"Accelerated Expiry Interim Payment": As defined in Clause 7.13(b).

"Accelerated Expiry Interim Payment Price": As defined in Clause 6.11(e).

"Additional Surplus Capacity Production": As defined in Clause 4.5(c)(i)(bb).

"Affiliate": Buyer’s Affiliate or Seller’s Affiliate, as the context may require.

"Annual Buyer’s Sales Price": As defined in Clause 6.6(a)(ii).

"ACQ" or "Annual Contract Quantity": As defined in Clause 4.2(d).

"Annual Nominated Quantity": As defined in Clause 4.2(b).

"Annual Reconciliation": As defined in Clause 7.6.
"Annual Reconciliation Amount": As defined in Clause 6.6(c).

"Annual Reference Price": As defined in Clause 6.6(a)(i).


"Applicable Price": As defined in Clause 6.3.

"Arbitration Agreement": The Arbitration Agreement in the form of the document which is annexed to this Agreement as Attachment E which has been executed by Seller and Buyer on the same date as this Agreement and which is to be entered into by the Guarantor and Cabot LNG Shipping Corporation hereafter by way of the execution of the Accession Agreement forming the Schedule thereto.

"Arbitration Tribunal": An Arbitration Tribunal in an arbitration pursuant to Clause 17.

"Basic Term": The period described in Clause 2.2.

"British Thermal Unit" or "Btu": 1 (one) Btu equals 1,055.056 (one thousand and fifty five point zero five six) Joules.

"Build-up Period": The whole of the period described in Clause 4.1, consisting of the consecutive Build-up Stages as described therein.

"Build-up Stage": Any of the individual periods within the Build-up Period as described in Clause 4.1.

"Business Day": As defined in Clause 7.1(d).

"Buyer’s Affiliate": The Ultimate Parent Company for the time being of Buyer or any company (other than Buyer) which is
directly or indirectly majority owned by such Ultimate Parent Company. For the purposes of the foregoing, a particular company is directly majority owned by another company which beneficially owns at least 50% (fifty per cent) of the shares carrying votes exercisable at a general meeting of the particular company; and a particular company is indirectly majority owned by a company if a series of companies can be specified, beginning with the Ultimate Parent Company and ending with the particular company, so related that each company of the series, except the Ultimate Parent Company, is directly majority owned by a company earlier in the series.

"Buyer's Liability Period": As defined in Clause 13.5.

"Buyer's Notice of Termination": As defined in Clause 13.3(b).

"Buyer's Volume Adjustment": As defined in Clause 4.2(e).

"Carry Forward Quantity": As defined in Clause 4.8.

"Carry Forward Right": As defined in Clause 4.8.

"Carrier": The ultimate charterer of, or, if no charterparty exists, the owner of an LNG Tanker.

"Charter": The Charter in the form of Appendix One of the Guarantee to be executed between Cabot LNG Shipping Corporation and Seller in the circumstances described in the Guarantee.

"Clause 4.3 Quantity": As defined in Clause 4.3(a)(i).

"Contracted Quantity": In relation to Buyer, the quantity of 28,000,000 (twenty eight million) MMBtus referred to in Clause 4.2(a), (ignoring for this purpose Seller's flexibility of plus or minus 5% (five per cent)) and in relation to other Primary
Customers the corresponding quantity in the relevant contract between Seller and such Primary Customer.

"Contract Price": As defined in Clause 6.2.

"Contract Year":

(a) Except as specified in sub-paragraph (b) of this definition, a period beginning on the first Day of October and ending:-

(i) save as provided in (ii) of this definition on the next following thirtieth Day of September;

(ii) if the Basic Term comes to an end on a Day other than the next following thirtieth Day of September, the Day on which the Basic Term comes to an end.

(b) If there is a Make-up Period, a period beginning on the Day such Make-up Period begins and ending on the 364th Day thereafter.

"Date of Initial Supply": The date of commencement of loading of the first cargo of LNG from Seller's Facilities to be sold hereunder to Buyer.

"Date of First Commercial Supply": The Day on which Seller notifies Buyer that the Initial Supply Period has ended, such notice not to be given before Seller’s Facilities have loaded for shipment (whether for eventual sale under this Agreement, or other agreements) a total quantity of at least 45,000,000 (forty five million) MMBtus of LNG during a period of 180 (one hundred and eighty) consecutive Days.

"Day": A period of 24 (twenty four) consecutive hours, commencing at 00.00 (zero zero point zero zero) hours GMT.
"Default Notice": As defined in Clause 7.7(b).

"Deferred Primary Customers": As defined in Clause 4.6(f).

"Delivery Programme": As defined in Clause 11.2(g).

"DOMAC": As defined in Clause 6.1(d).

"Due Date": As defined in Clause 7.2.

"End User Affiliate": As defined in Clause 6.8.

"Essential Requirements": The requirements defined as such in Clause 14.

"Excess Capacity": As defined in Clause 4.6(a)(i).

"Excess Equivalent": As defined in Clause 4.5(c)(i)(bb).

"Excess Quantity": As defined in Clause 4.6.

"Final Notice": As defined in Clause 7.7(e) and referred to in Clause 3.02 of the Guarantee.

"Final Reconciled Payment": As defined in Clause 7.6(a)(ii).

"First Material Default Notice": As defined in Clause 7.6(a)(ii).

"Force Majeure": As defined in Clause 9.1.

"48 (forty eight) Hour Arrival Period": As defined in Clause 10.5.

"GMT": Greenwich Mean Time.
"Gross Heating Value (Volumetric)" : The quantity of heat measured in Joules produced by complete combustion in air of 1 (one) cubic metre of anhydrous ideal gas taken at a temperature of 15 (fifteen) degrees Celsius and at a pressure of 101,325 (one hundred and one thousand three hundred and twenty five) Pascal, the air being at the same temperature and pressure as the gas, after cooling the products of the combustion to the initial temperature of the gas and air, and after condensation of the water formed by combustion.

"Gross Heating Value (Mass)" : The quantity of heat measured in Joules produced by complete combustion in air of 1 (one) kilogram of anhydrous gas taken at a temperature of 15 (fifteen) degrees Celsius and at a pressure of 101,325 (one hundred and one thousand three hundred and twenty five) Pascal, the air being at the same temperature and pressure as the gas, after cooling the products of the combustion to the initial temperature of the gas and air, and after condensation of the water formed by combustion.

"Guarantee" : The Deed of Guarantee and of Undertaking to be executed as a deed between Cabot Corporation and Seller and between Cabot LNG Shipping Corporation and Seller in the form of the document which is annexed to this Agreement as Attachment D.

"Guarantor" : The Guarantor as defined in the Guarantee.

"Initial Supply Period" : The period commencing with the Date of Initial Supply and continuing up to and including the Date of First Commercial Supply.

"Interest Accrual Date" : As defined in Clause 7.6(b).

"Interim Clause 4.3 Quantity Payment" : As defined in Clause 7.4(b).
"Interim Clause 4.3 Quantity Payment Price": As defined in Clause 6.11(e).

"Interim Make-up Payment Amount": As defined in Clause 4.3(b)(ii).

"Joule": The definition of the derived "SI unit of quantity of heat J" as defined in ISO 1000 SI units and recommendations for the use of their multiples and certain other units.

"Liquefied Natural Gas" or "LNG": Natural Gas which has been liquefied by cooling and is in a liquid state at or near a pressure of 101,325 (one hundred and one thousand three hundred and twenty five) Pascal having been produced (unless the context otherwise clearly indicates) at Seller’s Facilities.

"lift": In respect of LNG to receive on an LNG Tanker the LNG loaded by Seller for Buyer hereunder.

"Letter of Credit": As defined in Clause 7.9.

"LNG Tanker": An LNG vessel provided by Buyer in accordance with Clause 10.1 for the transportation of LNG sold under this Agreement.

"Loading Points": The flanges located at the connection of the permanent loading pipe system of the LNG Tanker with the loading arms of the Seller’s Facilities.

"Long Term Contract": As defined in Clause 6.1(c)(i).

"Make-up Equivalent": As defined in Clause 4.5(b)(ii)(I).

"Make-up LNG": LNG which Buyer has the right to be allocated and supplied in accordance with Clause 4.5 in an amount corresponding to the amount of any LNG which in the exercise of its rights
under Clause 4.2(b)(ii) Buyer has not lifted but in respect of which a payment has been made by Buyer in accordance with Clause 7 or by the Guarantor pursuant to the Guarantee.

"Make-up Period": The period (if any) following the end of the Basic Term during which Seller and Buyer have rights and obligations relating to loading and lifting of Make-up LNG as set out in Clause 2.

"Marketing Affiliate": As defined in Clause 6.1(d).

"Material Default": As defined in Clause 7.7(c).

"MMBtu": 1,000,000 (one million) Btus.

"Megajoule" or "MJ": 1,000,000 (one million) Joules.

"Month": A calendar month.

"Monthly Buyer's Sales Price": As defined in Clause 6.4.

"Monthly Reference Price": As defined in Clause 6.5.

"Monthly Reference Price Formula": The formula set forth in Clause 6.5.

"Monthly Statement": As defined in Clause 7.3.

"Natural Gas": Any hydrocarbon with or without other substances or a mixture of hydrocarbons with or without other substances, all of which are substantially in the gaseous phase at a pressure of 101,325 (one hundred and one thousand, three hundred and twenty-five) Pascal and at a temperature of 15 (fifteen) degrees Celsius and consisting principally of methane.

"Net Back Fraction or "NBF": As defined in Clause 6.3.
"New England Market Area": As defined in Clause 6.1(b).

"Nigeria LNG Project": The business and enterprise in all its branches of acquiring and liquefying Nigerian Natural Gas in the Seller’s Facilities and selling by export from Nigeria the resultant LNG.

"NOR": As defined in Clause 10.5.

"PBS": The customary pilot boarding station for the port serving Seller’s Facilities or alternative waiting area designated by the port authorities.

"Parties": Seller and Buyer.

"Party": Seller or Buyer.

"Pascal": The meaning given to the derived "SI unit of pressure Pa" as defined in ISO 1000 SI units and recommendations for the use of their multiples and of certain other units.

"Payment Date": As defined in Clause 7.9(a).

"Price for Clause 4.3 Quantity": As defined in Clause 6.11(a).

"Price Review": As defined in Clause 6.10(a).

"Primary Customers": Buyer and those other customers which contract for the initial output of Seller’s Facilities (all such contracts having a duration of at least 20 (twenty) years) or their permitted assignees, or any other customer (or its permitted assignee) to which the Contracted Quantity of a Primary Customer has by subsequent contract been re-allocated (otherwise than on a spot sale basis) in whole or in part.
"Receiving Facilities": All facilities at Everett, Massachusetts for receiving, storing and regasifying LNG and for truck (lorry) loading of LNG and for delivering Regasified LNG to a pipeline system.

"Regasified LNG": Natural Gas derived from LNG.

"Regular Price Review": As defined in Clause 6.10(b).

"Review Date": As defined in Clause 6.10(b).

"Sales Period": Any of the Build-Up Stages referred to in Clause 4.1 and any Contract Year thereafter (but excluding any Make-up Period) during the term of this Agreement.

"Seller's Affiliate": The Ultimate Parent Company for the time being of Seller or any company (other than Seller) which is directly or indirectly majority owned by such Ultimate Parent Company. For the purposes of the foregoing, a particular company is directly majority owned by another company which beneficially owns at least 50% (fifty per cent) of the shares carrying votes exercisable at a general meeting of the particular company; and a particular company is indirectly majority owned by a company if a series of companies can be specified, beginning with the Ultimate Parent Company and ending with the particular company, so related that each company of the series, except the Ultimate Parent Company, is directly majority owned by a company earlier in the series.

"Seller's Current Firm Obligation": As defined in Clause 4.5(c)(i)(bb).

"Seller's Facilities": The Liquefied Natural Gas plant to be constructed, owned and operated by Seller at Bonny Island in the Federal Republic of Nigeria together with all its associated facilities, both within and outside the plant, having in total a
planned production capacity into Seller’s storage, at the date hereof, of about 0.71 (zero point seventy one) trillion Btus of LNG per Day of continuous normal operation, including:

(a) Natural gas transmission and receiving facilities;
(b) Natural gas metering and pressure control facilities;
(c) Two LNG trains, each consisting of gas treating units, a precooling cycle, refrigerant make-up facilities and a liquefaction unit;
(d) LNG storage and loading facilities;
(e) General plant facilities, consisting of fuelgas handling, power station, water supply and water treatment facilities, and two stabilising knock-out hydrocarbons facilities;
(f) Plant general systems;
(g) Marine terminal.

All references herein to Seller’s Facilities shall be to the first 2 (two) LNG trains and the plant associated therewith and shall not include facilities resulting from any expansion of such plant.

"Service Speeds": The average speed (or speeds if there is a seasonal difference) which an LNG Tanker can be expected to achieve over a voyage between 2 (two) pilot boarding stations when in ballast and the average speed (or speeds if there is a seasonal difference) which an LNG Tanker can be expected to achieve over a voyage between 2 (two) pilot boarding stations when laden.

"Short Term Contract": As defined in Clause 6.1(c)(ii).

"Special Price Review": As defined in Clause 6.10(d).

"Special Review Date": As defined in Clause 6.10(d).

"Special Review Notice": As defined in Clause 6.10(d).
"Special Supplemental Invoice": As defined in Clause 7.13(a).

"Specific Delivery Schedule": As defined in Clause 11.3.

"Specified Service Speed": As the context shall require, the Service Speed as agreed or as determined pursuant to Clause 10.8 for the Vessel when in ballast or when laden.

"Spot Sale Contract": As defined in Clause 6.1(c)(iii).

"Standard Cubic Metre" or "m³st": The mass of gas contained in a volume of 1 (one) cubic metre at a temperature of 15 (fifteen) degrees Celsius and at a pressure of 101,325 (one hundred and one thousand three hundred and twenty-five) Pascal, the gas being assumed to be an ideal gas.

"Stand-alone Long Term Contract Allotment": As defined in Clause 6.9(a).

"Stand-alone Long Term Contract Price": As defined in Clause 6.9(c).

"Subsequent Make-up Date": As defined in Clause 4.3(b)(ii)(bb).

"Surplus Capacity Production": As defined in Clause 4.5(b).

"Target Quantity": As defined in Clause 7.4(b).

"Threshold Event": The meaning given to such expression in the Guarantee.

"Transportation Costs": As defined in Clause 6.4(b).

"Ultimate Parent Company": in relation to either Seller or Buyer means the company in the series referred to in the definition of
its Affiliate which is not directly or indirectly majority owned by any other company for the purpose of said definition.

"Vessel": The liquified natural gas tanker "GAMMA" Official No. 598730 duly documented in the name of Cabot LNG Shipping under the laws and flag of the United States having its home port in Boston Massachusetts.

"Vessel Sale Agreement": The Vessel Sale Agreement in the form of Appendix Two of the Guarantee to be executed between Cabot LNG Shipping Corporation and Seller in the circumstances described in the Guarantee.

Any term appearing in ISO 1000 which is used in this Agreement and is not expressly defined herein shall be given the meaning ascribed to such term in ISO 1000.

Any term or expression which is defined in Clause 1.01 of the Guarantee or in the Vessel Sale Agreement which is used in this Agreement shall have the same meaning, when used in this Agreement, as that given to it in Clause 1.01 of the Guarantee or (as the case may be) the Vessel Sale Agreement.

Wherever in this Agreement a matter is stated to be in the "sole opinion" "sole judgement" or "sole discretion" of a party, it is acknowledged that such opinion, judgement or discretion may not be challenged in any legal or arbitral proceeding whatsoever.

Wherever in this Agreement reference is made to payment by Buyer pursuant to or in accordance with Clause 7 it shall be deemed to include subject always to the provisions of Clause 2 and Clause 7.13 payment by Buyer in the circumstance contemplated by subparagraph (b) of the definition "Make Up Replenishment Amount" as defined in the Guarantee.

References in this Agreement to Clauses or Attachments are to Clauses and the Attachments of this Agreement. Headings of Clauses, sub-clauses and the Attachments are for convenience only and shall not affect the construction of this Agreement.
CLAUSE 2 - DURATION

2.1 Commencement and Continuation.

This Agreement shall enter into force on the date on which it is duly executed by the Parties and shall continue, unless it is terminated prior to such date, until its expiry at the end of the Basic Term or, if there is a Make-up Period, at the end of the Make-up Period.

2.2 Basic Term.

(a) The Basic Term will be the period beginning on the date of this Agreement and ending (subject to Clause 7.7(g)) on whichever is the earliest of the following dates:—

(i) the end of the twentieth full Contract Year beginning with the first full Contract Year occurring after the expiry of 130 (one hundred and thirty) weeks from the Date of Initial Supply;

(ii) the date on which it is brought to an end in accordance with Clause 6.13;

(iii) the date of service of a Final Notice;

(iv) the date on which a Buyer's Notice of Termination takes effect;

(v) the date on which it is brought to an end pursuant to a notice given in accordance with Clause 9.5.

(b) The period of 20 (twenty) full Contract Years described in Clause 2.2(a)(i) may be extended by agreement in writing for a further period or periods of 5 (five) years in which case
there shall be substituted for the date set out in Clause 2.2(a)(i) the date which is the end of such period as so extended.

(c) With effect from the date of the end of the Basic Term the rights and obligations of the Parties with regard to the loading and lifting of LNG after such date shall be limited to those rights and obligations with respect to Make-up LNG which are set out in Clauses 2.3 to 2.6.

2.3 Make-up Period following the End of the Full Basic Term.

(a) If the Basic Term ends on the date set out in Clause 2.2(a)(i) or any date which is substituted for such date in accordance with Clause 2.2(b) (such date being referred to herein as "the End of the Full Basic Term") and Buyer has accrued a right to Make-up LNG but LNG has not been loaded in satisfaction of such right at the End of the Full Basic Term then provided that Buyer shall have used reasonable endeavours to lift available Make-up LNG before the End of the Full Basic Term during those periods when Buyer has notified Seller pursuant to Clause 4.5(1) that it has shipping capacity available, a Make-up Period shall begin at the End of the Full Basic Term.

(b) If at the End of the Full Basic Term Buyer has no accrued right to Make-up LNG but Buyer accrues such a right by reason of payment pursuant to Clause 7 made within the time for such payment specified in Clause 7 or by reason of a payment or a deemed payment by the Guarantor pursuant to a Notice of Claim given in accordance with the Guarantee made on or before the fortieth day after the End of the Full Basic Term, a Make-up Period shall begin 40 (forty) days from the End of the Full Basic Term, provided that Buyer shall accrue no right to Make-up LNG pursuant to any payment
made by Guarantor after the commencement of such Make-up Period.

2.4 Make-up Period in the Event of Expiry of the Basic Term other than at the End of the Full Basic Term.

If the Basic Term comes to an end on a date which is prior to the End of the Full Basic Term other than as a result of the service of a notice pursuant to Clause 9.5 on grounds of Force Majeure then:-

(a) if on or prior to such date Buyer has accrued a right to Make-up LNG but LNG has not been loaded in satisfaction of such right by such date, a Make-up Period shall begin on such date; or

(b) if at such date Buyer has no right to Make-up LNG but Buyer accrues such a right by reason of a payment pursuant to Clause 7.13 or by reason of a payment or deemed payment by the Guarantor pursuant to a Notice of Final Demand given in accordance with the Guarantee, made, in either case, by a time no later than the time for payment set out in Clause 7.13(c) of the amount due in accordance with Clause 7.13, a Make-up Period shall begin on the date of such payment or deemed payment.

2.5 Make-up Period following Termination by Seller pursuant to Clause 9.5.

If the Basic Term comes to an end by reason of the service by Seller of a notice pursuant to Clause 9.5 on grounds of Force Majeure in Nigeria, then if such Force Majeure ceases to exist before what would but for such expiry have been the End of the Full Basic Term, Seller shall use reasonable endeavours to make Make-up LNG available to Buyer:-
(i) if such Force Majeure ceases to exist before 1st April in any Contract Year, during a Make-up Period commencing at the start of the next following Contract Year; or

(ii) if such Force Majeure ceases to exist on or after 1st April in any Contract Year, during a Make-up Period commencing at the start of the next-but-one following Contract Year.

2.6 Quantity During Make-up Period

(a) Any Make-up Period shall last for a period of 1 (one) year. During any Make-up Period (subject, in respect of any part of any Make-up Period which occurs after the End of the Full Basic Term, to the proviso that Seller will then be supplying LNG to at least one customer other than Buyer and Buyer is able to lift LNG after such date) Seller shall load for Buyer in full cargo lots, and Buyer shall lift in full cargo lots, such quantity of LNG as:-

(i) can be loaded and lifted in full cargo lots; and

(ii) when loaded and lifted will not exceed the lesser of:-

(aa) 28,000,000 (twenty eight million) MMBtus of LNG;

(bb) the Make-up LNG Quantity described in Clause 2.6(b).

Such cargoes shall be loaded and lifted in accordance with the schedule for loading established pursuant to Clause 11.5.
(b) The Make-up LNG Quantity ("Make-up LNG Quantity") for the purpose of Clause 2.6(a) shall be the sum of:-

(i) the quantity of Make-up LNG (if any) to which prior to the end of the Basic Term Buyer had accrued a right but in satisfaction of which right LNG had not been loaded at the end of the Basic Term whether the Basic Term ends at or prior to the End of the Full Basic Term; and

(ii) either:-

(aa) if the Basic Term comes to an end at the End of the Full Basic Term or by reason of the service by Seller of a notice pursuant to Clause 9.5 on grounds of Force Majeure in Nigeria the quantity of Make-up LNG (if any) to which Buyer has accrued the right after the end of the Basic Term by reason of a payment pursuant to Clause 7 or by reason of a payment(s) or a deemed payment by the Guarantor pursuant to a Notice of Claim given in accordance with the Guarantee, made, in either case, in the time periods specified in Clause 2.3(b); or

(bb) if the Basic Term comes to an end other than as described in paragraph (aa) of this Clause 2.6(b) the quantity of Make-up LNG (if any) to which Buyer has accrued the right after the end of the Basic Term by reason of a payment pursuant to Clause 7.13 or by reason of a payment(s) or deemed payment by the Guarantor pursuant to a Notice of Claim or Notice of Final Demand given in accordance with the Guarantee made, in either case, by a time no later than the time for payment
set out in Clause 7.13(c) of the amount due in accordance with Clause 7.13.

2.7 **Effect of expiry or termination.**

The expiry of the Basic Term or the expiry or termination of this Agreement shall not relieve either Party hereto from any unperformed obligations (including the obligation to pay for LNG which Buyer has lifted or in accordance with Clauses 4.2 and 4.3 has elected not to lift) to the other Party incurred or arising prior to or upon the date of such expiry or termination.
CLAUSE 3 - DATE OF INITIAL SUPPLY AND INITIAL SUPPLY PERIOD

3.1 Date of Initial Supply.

At the date hereof the planned Date of Initial Supply is 1st April 1997 but it may occur at any time in the period from 1st January 1997 to 31st December 1997 (the "First Specified Period"), subject further to the following provisions of this Clause 3.1:-

(a) Seller shall, no later than 1st January 1995, notify Buyer that the Date of Initial Supply shall occur within a specified period of 183 (one hundred and eighty three) Days being within the First Specified Period (the "Second Specified Period");

(b) Seller shall, no later than 365 (three hundred and sixty five) Days before the commencement of the Second Specified Period, notify Buyer that the Date of Initial Supply shall occur within a specified period of 90 (ninety) Days being within the Second Specified Period (the "Third Specified Period");

(c) Seller shall, no later than 183 (one hundred and eighty three) Days before the commencement of the Third Specified Period, notify Buyer that the Date of Initial Supply shall occur within a specified period of 45 (forty five) Days being within the Third Specified Period (the "Fourth Specified Period");

(d) Seller shall, no later than 30 (thirty) Days before the commencement of the Fourth Specified Period, notify Buyer of the actual Date of Initial Supply, which shall occur within the Fourth Specified Period.
Each notification pursuant to Clause 3.1(a), Clause 3.1(b) and Clause 3.1(c) shall be accompanied by Seller's non-binding good faith estimate of the Day in the specified period which is expected to be the actual Date of Initial Supply, and each such notification, and the notification pursuant to Clause 3.1(d) above shall be accompanied by Seller's non-binding good faith estimate of the Day which is expected to be Date of First Commercial Supply.

3.2 **Quantities during the Initial Supply Period.**

(a) Subject to the provisions of this Agreement, during the Initial Supply Period Seller shall use reasonable endeavours to load for Buyer, and Buyer shall use reasonable endeavours to lift, an amount (the "Initial Supply Quantity") equal to 12.3% (twelve point three per cent) (plus or minus 1 (one) full cargo lot) of all the quantities of LNG produced into storage from Seller's Facilities. Promptly following the end of each Month in the Initial Supply Period, Seller shall notify Buyer in writing of the quantities of LNG loaded for all Primary Customers during such Month and of Seller's good faith estimate of planned LNG loadings in the 3 (three) subsequent Months.

(b) All payments in respect of the Initial Supply Quantity shall be made in accordance with Clause 7.

(c) If Seller notifies Buyer in writing that quantities in excess of the Initial Supply Quantity are available for sale to Buyer during the Initial Supply Period, and if Buyer accepts in writing Seller's offer to sell such quantities, then the Initial Supply Quantity shall be adjusted accordingly.

(d) Seller's notices pursuant to Clause 3.2(a) above shall be accompanied by Seller's non-binding good faith estimate of
the Date of First Commercial Supply, provided that such date may not be earlier than any Date of First Commercial Supply previously notified pursuant to Clause 3.2(a). Seller shall promptly notify Buyer in writing of the actual occurrence of such Date and of the quantities of LNG loaded for shipment from Seller’s Facilities in the Initial Supply Period.

3.3 Limitation of Quantities.

Seller shall not without Buyer’s consent load for Buyer more than 1 (one) full cargo lot in any Month of the Initial Supply Period. Nothing in this Agreement shall require Seller to make available for loading or Buyer to lift LNG in quantities less than 1 (one) full cargo lot, whether during or after the Initial Supply Period.
CLAUSE 4 - QUANTITIES

4.1 Build-up Period.

Commencing on the Day after the Date of First Commercial Supply there shall be a Build-up Period consisting of separate Build-up Stages as described below, during each of which Build-up Stages the rights and obligations of the Parties shall be as described in Clause 4.2 and the other provisions of this Agreement as they apply to any Contract Year after the Build-up Period, except that during such Build-up Stages the following quantities shall be substituted for the quantity of 28,000,000 (twenty eight million) MMBtus referred to in Clause 4.2:-

(a) 10,080,000 (ten million and eighty thousand) MMBtus during the period of 26 (twenty six) weeks following the end of the Initial Supply Period (the "First Build-up Stage");

(b) 12,600,000 (twelve million six hundred thousand) MMBtus during the period of 26 (twenty six) weeks after the end of the First Build-up Stage (the "Second Build-up Stage");

(c) 13,440,000 (thirteen million four hundred and forty thousand) MMBtus during the period of 26 (twenty six) weeks following the end of the Second Build-up Stage (the "Third Build-up Stage");

(d) during the period (if any) from the end of the Third Build-up Stage until the beginning of the next Contract Year (the "Fourth Build-up Stage") 28,000,000 (twenty eight million) MMBtus multiplied by a fraction of which the numerator shall be the number of Days in such period and the denominator shall be 365 (three hundred and sixty five).

If Seller elects to increase the quantities referred to in Clause 4.1(a) to Clause 4.1(d) inclusive, having satisfied itself that
this will not prejudice Seller's obligations hereunder or to its other LNG customers, it shall so inform Buyer, and the Parties shall use reasonable endeavours to agree to substitute higher quantities for those contained in Clause 4.1(a) to Clause 4.1(d) inclusive.

4.2 Quantity Obligations.

(a) Not less than 100 (one hundred) Days before the beginning of each Sales Period Seller shall notify Buyer of a quantity of LNG within the range of 28,000,000 (twenty eight million) MMBtus (or during the Build-up Period such lesser amount as is provided in Clause 4.1) plus or minus 5% (five per cent) (the "Seller's Nominated Quantity")

(b) Buyer shall in respect of any Sales Period have the right either:-

(i) (save to the extent that Buyer exercises its right in accordance with paragraph (ii) below to accrue Make-up LNG) to lift and purchase the Seller's Nominated Quantity less the quantities specified in Clause 4.2(c)(i) and Clause 4.2(c)(ii) (such net quantity being referred to herein as "the Annual Nominated Quantity") during that Sales Period; or

(ii) to accrue a right in accordance with Clause 4.3 to be allocated Make-up LNG in accordance with Clause 4.5.

(c) Buyer shall in respect of each Sales Period make payments in accordance with Clause 7 for quantities of LNG in aggregate equal to the Seller's Nominated Quantity less:

(i) the Buyer's Volume Adjustment (if any) for such Sales Period; and
(ii) the Carry Forward Quantity (if any) for such Sales Period; and

(iii) any quantity of LNG in respect of which Buyer has no obligation to pay by reason of the provisions of Clause 9.2(b)(ii) and which Buyer does not lift which Seller would have been obliged to load pursuant to the provisions of Clause 4.2 but for the reference to this Clause 4.2(c)(iii) in Clause 4.2(d)(i); and

(iv) any quantity of LNG which by reason of the provisions of Clause 9.2(a) Seller is not obliged to load and does not load which Seller would but for the provisions of Clause 9.2(a) have been obliged to load pursuant to the provisions of Clause 4.2; and

(v) any quantity of LNG which Seller was required to load pursuant to the provisions of Clause 4.2 but Buyer is entitled to reject pursuant to Clause 5.2 and does so reject pursuant to Clause 5.2; and

(vi) any quantity of LNG which Seller was required to load pursuant to the provisions of Clause 4.2, but for any other reason Seller fails in breach of the terms of this Agreement to load (including any cargo which Buyer does not attempt to lift after being notified by Seller that Seller cannot fulfil its obligations under Clause 4.2(c) in respect of such cargo); and

(vii) any quantity which in accordance with the provisions of the final proviso to Clause 7.7(d)(i) Buyer has no obligation to pay for;

(such net quantity being referred to herein as the "Payment Quantity" for such Sales Period).
(d) Subject always, for the avoidance of doubt, to the provisions of Clause 9.2(a) Seller shall in any Sales Period make available for loading and sale to Buyer at the Loading Points at the times and in the manner determined in accordance with Clause 11 and load a quantity of LNG in aggregate equal to the Seller's Nominated Quantity less:-

(i) the quantities specified in Clause 4.2(c)(i), (ii) and (iii);

(ii) any quantities which pursuant to the provisions of Clause 7.7(d) Seller is entitled to refuse to load; and

(iii) any quantities which pursuant to the provisions of Clause 4.2(b)(ii) and Clause 4.3(a) Buyer does not lift;

(such net quantity, less any part of the Seller's Nominated Quantity which Seller is not obliged to load by reason of the provisions of Clause 9.2(a) and which Seller does not load, being referred to herein as the "Annual Contract Quantity" or "ACQ" for such Sales Period).

(e) (i) Buyer shall in respect of each non-overlapping period of 2 (two) consecutive Sales Periods ("Volume Adjustment Period") beginning with the first Sales Period after the Build-up Period, have the right, without payment, to designate a portion of the Seller's Nominated Quantity as "Buyer's Volume Adjustment", for either or both of the 2 (two) Sales Periods in the Volume Adjustment Period by giving Seller notice, no later than 95 (ninety-five) Days before the commencement of the Sales Period in respect of which Buyer's Volume Adjustment is to have effect specifying the quantity concerned. In accordance with Clause 4.2(c)(i) Buyer shall have no obligation to pay for the
quantity so specified and designated as Buyer's Volume Adjustment.

(ii) Buyer's Volume Adjustment shall not exceed in aggregate:-

(aa) in respect of the first Volume Adjustment Period 3,000,000 (three million) MMBtus;

(bb) in respect of any subsequent Volume Adjustment Period a quantity calculated in accordance with the following formula:-

\[(A \times B) - C.\]

Where:-

A equals 3,000,000 (three million) MMBtus;

B equals the number of Volume Adjustment Periods which have occurred up to and including the Volume Adjustment Period in respect of which the calculation is made;

C equals the aggregate of all Buyer's Volume Adjustments made in respect of Sales Periods prior to the Volume Adjustment Period in respect of which the calculation is made.

and no Buyer's Volume Adjustment shall exceed in respect of any Sales Period 6,000,000 (six million) MMBtus.

(iii) By way of example, if Buyer has made a Buyer's Volume Adjustment of 1,000,000 (one million) MMBtus in respect of the first Volume Adjustment Period but there is no Buyer's Volume Adjustment made in respect of the second such Period, Buyer shall have a right to Buyer's Volume Adjustment.
Adjustments of up to 8,000,000 (eight million) MMBtus in aggregate in respect of the third Volume Adjustment Period and up to 6,000,000 (six million) MMBtus in respect of one or other Sales Period in such third Volume Adjustment Period.

(iv) Time shall be of the essence in relation to Buyer's rights pursuant to this Clause 4.2(e) without prejudice however to Buyer's right to give notice that it is not going to lift a quantity or cargo pursuant to Clause 4.3.

(f) For the avoidance of doubt the rights and obligations of the Parties in respect of Make-up LNG and Excess Quantities as set out in Clauses 4.5 and Clause 4.6 are in addition to and shall not limit the rights and obligations of the Parties in respect of this Clause 4.2.

4.3 Accrual of Make-up Rights.

(a) (i) In respect of any Sales Period Buyer shall accrue the right to be allocated and supplied Make-up LNG in accordance with Clause 4.5 provided that a quantity of LNG ("the Clause 4.3 Quantity") equal to the difference between the Payment Quantity and the amount actually lifted by Buyer in such Sales Period shall be the subject of a payment by Buyer to Seller in accordance with Clause 7 (each of such payments being in respect of a right to be allocated Make-up LNG to the extent provided for in Clause 4.5).

(ii) Buyer shall notify Seller in detail of the relevant quantity or cargo(es) which Buyer is not going to lift prior to the establishment of the Delivery Programme for the Sales Period concerned, or, if this is not possible for any reason, then Buyer shall so notify
Seller in detail of the relevant quantity or cargo(es) which Buyer is not going to lift as early as possible and in any event prior to the commencement of loading of a particular cargo, provided that any failure by Buyer to notify Seller prior to the commencement of loading shall not affect the other rights and obligations of the Parties pursuant to this Clause 4 including Buyer's right to be allocated Make-up LNG in accordance with Clause 4.5.

(b) (i) Buyer shall also have the right to give a notice in the same manner as is set out in Clause 4.3(a)(ii) in respect of LNG which is to be made available for loading as Make-up LNG that it is not going to lift such LNG. Such notice shall be given as early as possible and in any event prior to the commencement of loading of the relevant cargo.

(ii) If pursuant to Clause 4.3(b)(i) Buyer does not lift any Make-up LNG which was scheduled to be loaded in any Sales Period then, provided that:—

(aa) Clause 4.3(b)(iii) does not apply; and

(bb) if there is an Interim Make-up Payment Amount applicable to such Make-up LNG Buyer makes payment thereof in accordance with Clause 7.6 (or failing such payment Guarantor makes a payment in respect thereof under the Guarantee) (the Interim Make-up Payment Amount being the difference between the amount, if higher, determined pursuant to Clause 6 which would have been due in respect of such Make-up LNG if it had been loaded on the last Day ("Subsequent Make-up Date") of the Sales Period during which such Make-up LNG was scheduled to be loaded, and the amount which was paid by Buyer in
accordance with Clause 7.6 for the corresponding quantity(ies) not lifted in respect of which Buyer accrued the right to such Make-up LNG);

Buyer’s right to be allocated such Make-up LNG in accordance with Clause 4.5 shall be fully restored effective as of the date of commencement of the next following Sales Period, save that if an Interim Make-up Payment Amount was payable in respect thereof such right shall be deemed to have accrued not as of the date of payment for such corresponding quantity(ies), but as of midnight on the Subsequent Make-up Date.

(iii) If, as a result of the exercise of Buyer’s rights pursuant to Clause 4.3(b)(i), any Make-up LNG which was scheduled to be loaded is not in fact loaded, being Make-up LNG which corresponds to Make-up LNG which Buyer has already on a previous occasion not lifted in the exercise of its rights pursuant to Clause 4.3(b)(i), then Clause 4.3(b)(ii) shall not apply, but Buyer’s right to such Make-up LNG shall be extinguished.

(c) Unless Buyer is obliged to do so by Force Majeure, or is acting pursuant to Clause 5.2, Buyer shall not be entitled to require Seller to discontinue loading of a cargo after commencement of loading.

(d) For the avoidance of doubt Seller shall have no obligation to load for Buyer any quantity of LNG which is the subject of a notification by Buyer pursuant to this Clause 4.3, without prejudice however to Buyer’s rights and Seller’s obligations in respect of the corresponding quantity of Make-up LNG.
4.4 **Fractional Quantities.**

It is recognised that, due to the need for LNG to be supplied in full cargo lots, it will be impracticable for Seller to load an aggregate quantity which is precisely equal to the sum of:-

(a) the ACQ; and

(b) any Make-up LNG which has been allocated to Buyer pursuant to Clause 4.5 and which Seller is obliged to load; and

(c) any Excess Quantity(ies) which has (have) been allocated to Buyer pursuant to Clause 4.6 and which Seller is obliged to load;

in any particular Sales Period ("Seller's Aggregate Loading Obligation"). Accordingly the following provisions shall have effect.

(i) If, in any Sales Period, the quantity loaded as the last cargo in such Sales Period is greater than is required to complete the loading for Buyer of Seller's Aggregate Loading Obligation, then Buyer may by giving notice to Seller no later than 5 (five) Days after the end of the Sales Period in which such surplus quantity was loaded, treat such surplus quantity in any of the following ways:-

(aa) as Make-up LNG (to the extent that Buyer has accrued rights under Clause 4.3(a) to be allocated Make-up LNG but such Make-up LNG has not been allocated to Buyer in such Sales Period under Clause 4.5);

(bb) as part of the loading of the ACQ for the following Sales Period;

(cc) as if it were an Excess Quantity; or

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(dd) as a combination (to be specified in Buyer's notice) of any or all of the methods set out in this Clause 4.4(i).

If Buyer fails to give timely notice as aforesaid, Seller shall have the right by notice to Buyer to treat such surplus quantity in any of the above mentioned ways.

Such surplus quantity shall be paid for in the same way as the balance of such cargo, except to the extent that such surplus quantity is treated as Make-up LNG, in which case payment shall be made in the same manner as provided in Clause 4.5(e).

(ii) If, in any Sales Period the quantity loaded for Buyer is less than is required to complete the loading for Buyer of Seller's Aggregate Loading Obligation (except to the extent to which such shortfall arises solely because of the exercise by Seller of its rights under Clause 7.7(d)), then the first cargo in the following Sales Period, up to the amount of such shortfall, but not exceeding 1 (one) full cargo lot, shall be deemed to have been loaded in the first mentioned Sales Period.

(iii) For the avoidance of doubt the deemed attribution of LNG to a Sales Period other than the Sales Period of loading, pursuant to Clause 4.4(a) or Clause 4.4(b), shall not affect calculation of prices and payments pursuant to Clause 6 and Clause 7.

4.5 Make-up LNG.

(a) Buyer shall accrue a right to be allocated Make-up LNG in accordance with this Clause 4.5, effective as of the date of payment (together with interest in the case of late payment) for the corresponding quantity not lifted but in respect of
which payment is made, as provided in Clause 4.3 and Clause 7 or, failing payment by Buyer, in respect of which payment is made by the Guarantor.

(b) (i) In respect of each Sales Period (and from time to time during such Period), Seller shall estimate in good faith whether Seller's Facilities can in such Period reasonably be expected to produce a quantity of LNG ("Surplus Capacity Production") in excess of the aggregate of the ACQ and the comparable quantity entitlements of other Primary Customers (including any quantities of Make-up Equivalent to which any such Primary Customer has a firm entitlement in any period comparable to a Make-up Period) ("Equivalent Annual Contract Quantities").

(ii) At least 90 (ninety) Days before the start of each Sales Period, Seller shall either:-

(aa) if there is no Surplus Capacity Production, so notify Buyer; or

(bb) if there is Surplus Capacity Production, notify Buyer (and if shipping capacity is available for the purpose of deliveries to other Primary Customers, its other Primary Customers) of the amount of such Surplus Capacity Production.

If Seller gives a notice in accordance with Clause 4.5(b)(ii)(bb) Buyer may by notice within 15 (fifteen) Days after the giving of such notice request that Make-up LNG, in a quantity specified in Buyer's notice, be allocated to and supplied to Buyer out of such Surplus Capacity Production to the extent that Buyer at
the time of its notice has rights to Make-up LNG. Seller shall, subject always to its obligations in that Sales Period to make available the ACQ and the Equivalent Annual Contract Quantities of other Primary Customers, incorporate Buyer's requirements for Make-up LNG (as specified in Buyer's notice) in the relevant Delivery Programme, and provide Make-up LNG from the first 2 (two) trains of Seller's Facilities, to the extent that this is possible, on the basis (where shipping capacity is also available for deliveries to other Primary Customers) of the following rules as to priority:

(1) cargoes comprising the ACQ and the Equivalent Annual Contract Quantities of other Primary Customers shall be programmed for delivery in priority to Make-up LNG and the equivalent to Make-up LNG under Seller's contracts with its other Primary Customers ("Make-up Equivalent");

(2) Make-up LNG and Make-up Equivalent shall be programmed in an order of priority corresponding to the length of the period which has elapsed since the date of payment for the relevant cargo or quantity not taken by Buyer or (as the case may be) other Primary Customer; and

(3) where 2 (two) or more Primary Customers have an entitlement to Make-up LNG or Make-up Equivalent of equal duration, priority for Make-up LNG or Make-up Equivalent shall be given to such Primary Customers in an order of priority corresponding to the respective sizes of their respective Contracted Quantities with first priority being given to the Customer with the larger or (as the case may be) largest Contracted Quantity.
Upon Buyer's request in writing, Seller shall inform Buyer of its priority entitlement from time to time pursuant to this Clause 4.5 and shall also, without incurring any liability therefor, provide Buyer with good faith estimates of the quantities of Make-up LNG which Seller estimates may be available to Buyer in the current and the following Sales Period.

(c) (i) If at a time less than 90 (ninety) Days before any Sales Period (or after the commencement of any such Period but before the beginning of the Month preceding the Month in which such Surplus Capacity Production or Additional or further Additional Surplus Capacity Production (as defined below) is expected to be available) Seller estimates in good faith either:-

(aa) (having previously estimated in respect of such Sales Period that there was no Surplus Capacity Production) that Surplus Capacity Production has subsequently become and will be available; or

(bb) (having already given notification of the existence of Surplus Capacity Production in respect of such Sales Period in accordance with Clause 4.5(b)(ii) to Buyer and/or its other Primary Customers) that Seller's Facilities can in such Sales Period reasonably be expected to produce a quantity of LNG ("Additional Surplus Capacity Production") which will be in excess of the quantity of LNG which Seller estimates will be needed to meet the aggregate of the ACQ, the Equivalent Annual Contracted Quantities of Seller's other Primary Customers, and any Make-up LNG, Make-up Equivalent, Excess Quantity(ies) and the equivalent of Excess Quantities under contracts with other Primary Customers ("Excess
Equivalent") which Seller has already become (and remains) obliged to supply to Buyer or any of Seller's other Primary Customers in such Period ("Seller's Current Firm Obligation");

then Seller shall notify Buyer and (if shipping capacity is also available for deliveries to other Primary Customers) its other Primary Customers of the amount of such Surplus Capacity Production or such Additional Surplus Capacity Production and of the estimated time or times of production of such quantities and of loading of the relevant cargoes in accordance with the notification and other procedures (other than in relation to the timing of such notification) set out in Clause 4.5(b)(ii).

(ii) The provisions of Clause 4.5(b)(ii) shall then have effect save that:-

(aa) in the case of Additional Surplus Capacity Production Seller's obligation to provide any further Make-up LNG shall be subject to Seller's first being able to provide Seller's Current Firm Obligation; and

(bb) Seller's obligation to provide any further Make-up LNG shall be subject to Seller's ability to make such adjustments as may be required to the Delivery Programme and Specific Delivery Schedule of Buyer and (as may be relevant) the equivalent programmes and schedules of Seller's other Primary Customers.

(d) If Surplus Capacity Production or Additional or further Additional Surplus Capacity Production becomes available during any such Sales Period, at a time later than that
specified in Clause 4.5(c) for any reason, including without limitation because of the inability or unwillingness of Seller's other customers to receive LNG, Seller shall endeavour to offer such Surplus Capacity Production, Additional or further Additional Surplus Capacity Production in the manner described in Clause 4.5(c) if in Seller's reasonable opinion it is practicable in the circumstances to do so, provided that if a Primary Customer other than Buyer cancels or otherwise declines to accept a cargo after loading has already commenced or been completed at the time such cargo becomes available as Surplus Capacity Production, then Seller shall be free to dispose of such cargo in its sole discretion.

(e) If the amount due for Make-up LNG, determined pursuant to Clause 6, differs from the amount paid by Buyer in accordance with Clause 7 for corresponding quantities not lifted in respect of which Buyer accrued the right to be allocated such Make-up LNG, the difference will be paid by one Party making payment to or crediting the other Party in accordance with the provisions of Clause 7.

(f) For the purpose of this Agreement, Buyer's rights to Make-up LNG shall be deemed to be used up in the same order as they were accrued.

(g) If any portion of Make-up LNG cannot be supplied as a full cargo lot (other than in the circumstances described in Clause 4.4), and if Seller offers and Buyer elects to take such portion under the provisions of this Clause 4.5, then Buyer shall pay for any LNG necessary to complete the cargo lot at the price prevailing as at the date of completion of loading of such cargo determined pursuant to Clause 6.

(h) At any time Buyer may by notice require Seller, without Seller incurring any liability in respect of such notice, to
notify Buyer of the amount of Surplus Capacity Production which Seller estimates may be available to Buyer in any Sales Period in the remainder of the Basic Term.

(i) Nothing in this Clause 4.5 shall prevent Seller from supplying LNG to other Primary Customers in circumstances similar to those applicable to Buyer in Clause 4.4 or Clause 4.5(g).

(j) To the extent that any Make-up LNG which was scheduled to be loaded in any Sales Period is not in fact loaded for reasons of Force Majeure, Buyer’s rights to such Make-up LNG shall be fully restored effective as of the date of commencement of the next following Sales Period, and the date of accrual of such right for the purposes of Clause 4.5(a) shall be unaffected.

(k) Seller shall promptly following Buyer’s written request notify Buyer of the identity of other Primary Customers from time to time, of the amount of each such Primary Customer’s Contracted Quantity and of the duration of Seller’s contract with each such Primary Customer.

(l) Buyer shall at least 100 (one hundred) Days before each Sales Period inform Seller in writing of Buyer’s good faith estimate of any shipping capacity which Buyer may have available to transport Surplus Capacity Production and any Additional or further Additional Surplus Capacity Production to the Receiving Facilities in LNG Tanker(s) during such Sales Period, together with such supporting details and explanations as Seller may reasonably require in relation to such shipping capacity. Thereafter Buyer shall promptly and in good faith notify Seller of any changes in relation to the information so supplied by Buyer (including where Buyer may have previously notified Seller that it has no such shipping capacity that it has subsequently obtained such

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shipping capacity). Buyer shall not incur any liability to Seller in respect of such good faith estimate, without prejudice however to Buyer's obligation to make payment in respect of Make-up LNG which Buyer has by notice requested, and Seller has made available, pursuant to this Clause 4.5.

(m) For the avoidance of doubt nothing herein shall prevent Seller offering Surplus, Additional, or further Additional Surplus Capacity Production under Clause 4.5(b), Clause 4.5(c) or Clause 4.5(d) even though a different offer may previously have been made under the same sub-clause for the same Sales Period.

(n) If and for so long as shipping capacity to transport such LNG to other Primary Customers is not available, but Buyer has available capacity to transport such Surplus, Additional Surplus or further Additional Surplus Capacity Production to the Receiving Facilities on LNG Tanker(s) as notified to Seller as described in Clause 4.5(1), such Surplus, Additional Surplus or further Additional Surplus Capacity Production shall be offered to Buyer as described above to the exclusion of Seller's other Primary Customers.

(o) Seller shall not offer Surplus, Additional Surplus or further Additional Surplus Capacity Production to any of its other customers (save as is set out in the proviso to Clause 4.5(d)) unless it also offers such Production to Buyer, if, at the time of such offer, Buyer has an accrued right or rights to Make-up LNG.

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4.6 **Excess Quantity.**

(a) For the purpose of this Clause 4.6:-

(i) Excess Capacity shall mean a quantity equal to the difference between:-

(aa) the quantity which Seller estimates in good faith to be that quantity which Seller’s Facilities can in a Sales Period reasonably be expected to produce; and

(bb) Seller’s Current Firm Obligation at the date of Seller’s notice given in accordance with Clause 4.6(b);

(ii) Excess Quantity shall mean a portion of Excess Capacity which is allocated to Buyer pursuant to this Clause 4.6.

(b) If in respect of any Sales Period it appears that Seller will have Excess Capacity, then Seller shall also indicate this in Seller’s notice to Buyer and (where shipping capacity is also available for deliveries to other Primary Customers) other Primary Customers pursuant to Clause 4.5(b)(ii)(bb) and Buyer shall have the right to request, in Buyer’s notice pursuant to Clause 4.5(b)(ii), that such Excess Capacity be made available to Buyer hereunder in a quantity corresponding to one or more full cargo lots specified by Buyer in such notice on the terms and conditions as provided in this Agreement, provided that (where shipping capacity is also available for deliveries to other Primary Customers) the supply to Buyer of any LNG forming all or part of such Excess Capacity shall be conditional upon each cargo lot of such LNG being made available to Buyer and other Primary Customers in rotation.
Such rotation shall be by reference to a list of Primary Customers ranked in accordance with Attachment A ("the Rotation List").

(c) If when Seller gives a notice in accordance with Clause 4.5(c) Seller estimates that there will be Excess Capacity then Seller shall indicate this in Seller's notice to Buyer and (where shipping capacity is also available for deliveries to other Primary Customers) its other Primary Customers pursuant to Clause 4.5(c) and provided that Buyer has, prior to such time notified Seller in accordance with Clause 4.5(l) that it will have shipping capacity, the provisions of Clause 4.5(c)(ii) shall have effect as if LNG forming such Excess Capacity was there referred to instead of Make-up LNG save that:-

(i) Clause 4.5(c)(ii)(aa) shall be read as if in addition to Seller's Current Firm Obligation Buyer's and each other Primary Customer's rights then outstanding to Make-up LNG and Make-Up Equivalent which do not already form part of Seller's Current Firm Obligation were also there referred to; and

(ii) the Excess Capacity shall be made available to Buyer and (where Seller has available shipping capacity) other Primary Customers in accordance with the Rotation List.

(d) If Excess Capacity becomes available at a time later than that specified in Clause 4.6(c), Seller shall endeavour to offer such Excess Capacity in the manner described in Clause 4.6(c) if in Seller's reasonable opinion it is practicable in the circumstances to do so, provided that, if loading of the relevant cargo for a customer other than Buyer has already commenced or been completed at the time such cargo
becomes available as Excess Capacity, then Seller shall be free to dispose of such cargo in its sole discretion.

(e) If one or more Excess Quantities allocated to Buyer pursuant to this Clause 4.6 is included in a Delivery Programme or Specific Delivery Schedule for any Sales Period in accordance with Clause 11, or otherwise becomes subject to a written commitment from Buyer, such Excess Quantity(ies) shall be subject to the same rights and to the same obligations as a quantity forming part of the Annual Nominated Quantity and for the purpose of determining the Clause 4.3 Quantity (if any) for such Sales Period and the amount of any payment pursuant to Clause 7 the Payment Quantity shall be calculated by deducting the aggregate of the quantities referred to in Clause 4.2(c)(i) to Clause 4.2(c)(vi) from the sum of the Seller's Nominated Quantity and of each such Excess Quantity.

(f) If and for so long as there are more than 7 (seven) Primary Customers, Seller shall by notice to Buyer designate the eighth and any subsequent Primary Customers ("Deferred Primary Customers") as having a lower priority to any Excess Capacity in the sense that any such Deferred Primary Customers shall be excluded from the Rotation List. Accordingly Seller shall only be entitled to make an Excess Capacity available to a Deferred Primary Customer if Buyer (whatever its position on the Rotation List) has not requested that such Excess Capacity be made available to Buyer.

(g) Whenever the Contracted Quantity of a Primary Customer is re-allocated to more than 1 (one) new Primary Customer, Seller shall, subject to Clause 4.6(e), notify Buyer not only of the identity of such new Primary Customers and the Contracted Quantity applicable to each such new Primary Customer, but also the order in which such new Primary Customers are to receive the re-allocated Contracted Quantity.
Customers replace the original Primary Customer for the purpose of Rotation List. By way of illustration, if there were 4 (four) Primary Customers who were ranked 1 (one), 2 (two), 3 (three) and 4 (four) for the purposes of the Rotation List, and the Contracted Quantity of Primary Customer 3 (three) is reallocated amongst new Primary Customers 5 (five) and 6 (six), Seller could notify Buyer that the revised ranking for the purposes of the Rotation List shall be 1 (one), 2 (two), 6 (six), 5 (five), 4 (four). Any Contracted Quantity re-allocated to one or more other Primary Customers shall not constitute Surplus Capacity Production.

(h) For the avoidance of doubt, if Buyer has accrued rights to Make-up LNG which are then outstanding, save in the circumstances described in Clause 4.5(d) and in Clause 4.6(d), Seller may not offer Excess Capacity to any of its customers unless it offers the Surplus Capacity Production Additional Surplus Capacity Production or further Additional Surplus Capacity Production arising at the same time as such Excess Capacity to Buyer, whether or not Buyer has previously notified Seller pursuant to Clause 4.5(1) that it has available shipping capacity but without prejudice to Seller's rights in respect of any breach by Buyer of its obligations pursuant to Clause 4.5(1).

4.7 Attribution of LNG.

Subject to any express provision of this Agreement to the contrary, the quantity of LNG loaded in each Sales Period shall be attributed in the following order:-

(a) first, to the ACQ;
(b) second, to any entitlement to Make-up LNG;
(c) third, to any Excess Quantity.
4.8 Carry Forward.

(a) In respect of any Sales Period, Buyer may, by notice to Seller as provided in Clause 4.8(b), designate a quantity corresponding to the whole or part of any Excess Quantity lifted in the immediately preceding Sales Period and paid for as the "Carry Forward Quantity" (the right to so designate being referred to as "Carry Forward Right" and the quantity being referred to as the "Carry Forward Quantity"), provided that:

(i) the Carry Forward Quantity in respect of any Sales Period shall not exceed 3,000,000 (three million) MMBtus; and

(ii) the Carry Forward Right may not be exercised for any Sales Period if in respect of the immediately preceding Sales Period Buyer has exercised its right to Buyer's Volume Adjustment.

As provided in Clause 4.2(c)(ii) Buyer shall have no obligation to pay for the Carry Forward Quantity.

(b) The Carry Forward Right shall be exercised by Buyer by giving a notice to Seller at least 95 (ninety five) Days before the commencement of the Sales Period in respect of which the Carry Forward Quantity is so designated for such Sales Period provided that such notice shall be null and void if the Excess Quantity is not in fact lifted in the Sales Period immediately preceding the Sales Period for which the Carry Forward Right is sought.

4.9 Maintenance.

It is recognised by the Parties that throughout the term of this Agreement planned maintenance and planned shut-downs of
facilities will be required. Allowing for such maintenance and shutdowns and subject to the scheduling provisions in Clause 11, the quantities loaded for shipment to the Receiving Facilities shall so far as is reasonably practicable be scheduled to be loaded and lifted at an approximately even rate over each Sales Period. Seller and Buyer shall consult so as to ensure that any planned maintenance or planned shutdown of the respective facilities can take place at a time(s) which are suitable to both of them, recognising the climatic constraints applicable to each of them, but also a time(s) which will not prevent the due performance by either Party of its obligations hereunder.

Seller and Buyer shall notify each other of schedules of any anticipated planned maintenance or shutdowns at least 90 (ninety) Days prior to the commencement of the Sales Period and re-confirm such periods 90 (ninety) Days prior to their commencement.

4.10 Delay of Date of First Commercial Supply.

If the Date of First Commercial Supply has not been achieved by a date 36 (thirty six) Months after the Date of Initial Supply then the Parties shall consult and endeavour to agree upon the quantities of LNG to be loaded hereunder and the scheduling thereof until the Date of First Commercial Supply has occurred, provided that in the absence of such agreement the annual quantity for each Contract Year after the expiry of the said 36 (thirty six) Month Period shall never be less than the quantity loaded in the previous Contract Year.

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5.1 Quality on Loading.

The LNG when loaded by Seller for Buyer at the Loading Points shall in its gaseous state:-

(a) have a Gross Heating Value (Volumetric) between 39.9 (thirty-nine point nine) and 42.5 (forty two point five) megajoules per Standard Cubic Metre (MJ/m$^3$st) as determined in accordance with Attachment C;

(b) comprise not less than 88% (eighty eight per cent) in molecular percentage of Methane ($C_1$) and not more than the following molecular percentages of the following additional constituent elements:-

<table>
<thead>
<tr>
<th>Element</th>
<th>Molecular Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nitrogen</td>
<td>(N$_2$) 0.5 (zero point five)</td>
</tr>
<tr>
<td>Ethane</td>
<td>(C$_2$) 5.5 (five point five)</td>
</tr>
<tr>
<td>Propane</td>
<td>(C$_3$) 4.0 (four point zero)</td>
</tr>
<tr>
<td>Iso-butane</td>
<td>(iC$_4$) 1.0 (one point zero)</td>
</tr>
<tr>
<td>Normal butane</td>
<td>(nC$_4$) 1.5 (one point five)</td>
</tr>
<tr>
<td>Pentanes plus</td>
<td>(C$_5^+$) 0.1 (zero point one)</td>
</tr>
</tbody>
</table>

(c) not contain more than the following amounts of the following impurities:-

(i) Hydrogen sulphide: 5 (five) milligrams per Standard Cubic Metre

(ii) Total sulphur including mercaptans: 150 (one hundred and fifty) milligrams per Standard Cubic Metre;

(d) have no harmful contaminants such as but not limited to $O_2$, $H_2O$, $CO_2$ and Hg in such quantities as can reasonably be expected to adversely affect the receipt of LNG or the use
of Regasified LNG for power generation, interstate pipeline or local distribution company supply, or as will harm equipment in either the Receiving Facilities or an LNG Tanker.

5.2 Right of Rejection.

(a) If any LNG is outside the specification stated in Clause 5.1 when loaded then Seller shall notify Buyer as to the extent of such variance and Buyer may, without prejudice to Buyer's other rights and remedies, suspend loading of and reject the cargo concerned within 24 (twenty four) hours of being so notified by Seller or, if earlier, within 24 (twenty four) hours of Buyer becoming aware of the failure to meet specification. However, upon Seller's request, Buyer shall use reasonable endeavours to accept a cargo which it is entitled to reject and if Buyer, being entitled to reject a cargo, by using its reasonable endeavours is able to, and does, accept such cargo, Seller shall reimburse Buyer for any necessary costs incurred (over and above those normally incurred) in receiving and treating the Regasified LNG from such cargo by such means as is appropriate including, but not limited to, mixing with lower calorific value natural gas or injecting nitrogen.

(b) If LNG is rejected after loading and if it is not possible for the LNG safely to be unloaded again at Seller's Facilities, then Buyer shall not unreasonably withhold its consent (and shall so instruct the Carrier) to any reasonable proposals made by Seller in relation to the disposal of such LNG. Without prejudice to Buyer's other rights and remedies, it is recognized that such proposals would have to compensate Buyer for any incremental costs incurred in such disposal.