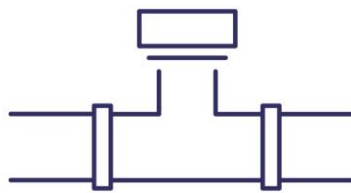




NATURAL GAS TRANSMISSION CONTRACT

GENERAL TERMS AND CONDITIONS



Version dated [01/12/2019]

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CHAPTER I

INTRODUCTORY PROVISIONS

1 ARTICLE 1: DEFINITIONS

The following definitions apply in both the singular and plural.

A

Interruptibility Agreement: agreement between the Interruptible Industrial Consumer, the Shipper and the Transmission System Operator, defining the procedures for reducing the Interruptible Daily Delivery Capacities and Interruptible Hourly Delivery Capacities of the Industrial Consumer in question.

Advance Payment of Balancing Outstanding Amount: partial payment of the financial amount of the Balancing Outstanding, at the Shipper's initiative, as described in Article 7.

Year: period of twelve (12) consecutive Months.

Appendix: all the documents supplementing the General Terms and Conditions or the Sections.

B

Bar: unit of pressure as defined by ISO 1000 "SI Units and recommendations for the use of their multiples and or certain other units".

Daily Assessment: summary statement, determined by the Transport System Operator and communicated to the Shipper according to the procedures set out in section 3 "Access and scheduling in the PEG, access to the PEG and all operational points management" for a given Day. There is a provisional Daily Assessment and a definitive Daily Assessment.

Connection: pipeline and equipment connecting the Main Network or the Regional Network, as applicable, to the Delivery Station of an Industrial Consumer or a Distribution System Operator and intended exclusively or principally for their service.

C

Firm Capacity: Capacity whose use is contractually guaranteed by Teréga in Normal Network Operating Conditions, especially excluding work or events of Force Majeure.

Climatic Firm Capacity: Gas transmission capacity which the TSO contractually guarantees, depending on domestic consumption, will be non-interruptible. This definition particularly applies to injection and draw-off capacities at the PITS.

Bundled capacity: entry (respectively exit capacity) and corresponding exit (respectively entry) capacity, commercially connected on either side of a Network Interconnection Point

Hourly Delivery Capacity: Maximum Quantity of Energy which the Shipper may take off, every Hour, at a Consumer Interface Point. Its value is equivalent on any D-Day to the sum of the Firm Hourly Delivery Capacity and the Interruptible Hourly Delivery Capacity at the Consumer Interface Point in question.

Firm Hourly Delivery Capacity: Hourly Delivery Capacity guaranteed by the TSO in P2 Climatic Conditions. For every Consumer Interface Point, the value of one Firm Hourly Delivery Capacity is defined in the Special Terms and Conditions.

Interruptible Hourly Delivery Capacity: Hourly Delivery Capacity that the Transmission System Operator may partially or totally reduce at any time, subject to a short notice period. For every Consumer Interface Point, the value of one Interruptible Hourly Delivery Capacity is defined in the Special Terms and Conditions.

Subscribed Hourly Capacity: any of the Hourly Delivery Capacities subscribed by the Shipper, during a Period of Validity.

Basic Hourly Capacity: Capacity equal to one twentieth (1/20th) of the subscribed Daily Capacity corresponding to the Consumer Interface Point.

Interruptible Capacity: Capacity whose use is not guaranteed by Teréga.

Daily Capacity: any of the Daily Entry, Daily Exit or Daily Delivery Capacities.

Daily Entry Capacity: Maximum Quantity of Energy which the Shipper is able to make available to the Transmission System Operator on an Entry Point on any given Day; its value is equivalent on any D-Day to the sum of the Firm Daily Entry Capacity and the Interruptible Daily Entry Capacity at that Delivery Point.

Firm Daily Entry Capacity: Daily Entry Capacity guaranteed in P2 Climatic Conditions.

Interruptible Daily Entry Capacity: Daily Entry Capacity that the Transmission System Operator may partially or totally reduce at any time, subject to a short notice period.

Daily Delivery Capacity: Maximum Quantity of Energy which the Shipper may take off at a Delivery Point, on any given Day. Its value is equivalent on any D-Day to the sum of the Firm Daily Delivery Capacity and the Interruptible Daily Delivery Capacity at the Delivery Point in question.

Firm Daily Delivery Capacity: Daily Delivery Capacity guaranteed in P2 Climatic Conditions.

Interruptible Daily Delivery Capacity: Daily Delivery Capacity that the Transmission System Operator may partially or totally reduce at any time, subject to a short notice period.

Daily Exit Capacity: Maximum Quantity of Energy which the Shipper may take off at an Exit Point or a Network Interconnection Point or a Transport Storage/Delivery Interface Point, on any given Day. Its value is equivalent on any D-Day to the sum of the Firm Daily Subscribed Exit Capacities and the Interruptible Daily Subscribed Exit Capacities.

Firm Daily Exit Capacity: Daily Exit Capacity guaranteed in P2 Climatic Conditions. Its value is equivalent on any D-Day to the sum of the Daily Subscribed Capacities at Exit Points or Network Interconnection Points or Transport Storage/Delivery Interface Point in question.

Interruptible Daily Exit Capacity: Daily Exit Capacity that the Transmission System Operator may partially or totally reduce at any time, subject to a short notice period. Its value is equivalent on any D-Day to the sum of the Daily Subscribed Capacities at the Network Interconnection Point in question.

Subscribed Daily Capacity: Any of the Firm Daily Entry Capacities, Interruptible Daily Entry Capacities, Firm Daily Exit Capacities, Interruptible Daily Exit Capacities, Firm Daily Delivery Capacities, Interruptible Daily Delivery Capacities subscribed by the Shipper, during a Period of Validity.

Unbundled capacity: entry (respectively exit capacity) not commercially connected to a corresponding exit (respectively entry) capacity on either side of a Network Interconnection Point

Returned capacity: Firm capacity returned by a shipper under the return procedure as defined in section 1 "Rules for subscription and allocation on the Main Network".

Subscribed Capacity: Any of the Daily Subscribed Capacities, Hourly Subscribed Capacities. Its value and period of validity are defined in the Special Terms and Conditions.

Interruptible subscribed capacity: Capacity for which the TSO is unable to guarantee the use at any time during the subscription period. Interruptible Subscribed Capacities may be partially or totally reduced by the TSO, without the Shipper being able to claim any compensation.

Nominal Technical Capacity or CTN: This corresponds to the nominal physical capacity at a contractual location.

Effective Technical Capacity or CTE: This is the overall real technical capacity at the interface point between GRTgaz and Teréga that the two TSOs can effectively guarantee to all Shippers for a given day It differs from the CTN in the event of restrictions.

Events of Force Majeure: An event of Force Majeure as defined in article 14 of the General Terms and Conditions.

Energy Regulation Commission (CRE): independent administrative authority responsible for overseeing the correct operation of the natural gas market in France in application of the provisions of the Energy Code.

P2 Climatic Conditions:

- cold winter as statistically occurs every fifty years; or
- extremely low temperature for a period of three (3) days at most as statistically occurs every fifty years.

General Terms and Conditions: Section of the Contract that in particular sets forth the obligations of the Parties and the principles governing the supply of the transmission which is the subject of the Contract.

Normal Network Operating Conditions (CNER): conditions for use of the firm Capacities covered by the transmission network structures, excluding maintenance or event of Force Majeure. They are delimited by the Operational Limits of the Network.

Special Terms and Conditions: Part of the Contract setting out in particular the Sections chosen by the Customer; the entry points, exit points, delivery points, gas exchange points, as well as the values of the Capacities Subscribed to by the Shipper at each of these points and the Contract Price. These Special Terms and Conditions are intended to supplement and specify the General Terms and Conditions.

Final Consumer or Final Customer or Industrial Consumer: Private individual or legal entity purchasing natural gas from a Supplier for its/their own use.

Gas-heavy consumer: Private individual or legal entity purchasing natural gas from a Supplier or a Shipper for its/their own use and benefiting, in accordance with the provisions of the

Energy Code, from special terms and conditions of supply and access to the natural gas transmission and distribution network.

Interruptible Industrial Consumer: Industrial Consumer for which the Transmission System Operator has accepted an Interruptible Subscribed Capacity at the Delivery Point in question. The Interruptible Industrial Consumer has substitute fuel available and is capable of interrupting at any time and without any financial consideration a part of its removals, at short notice, up to the Daily Interruptible Delivery Capacity and Hourly Interruptible Delivery Capacity, at the request of the Transmission System Operator.

Contract: Set of contractual documents governing the relationship between the Transmission System Operator and the Shipper in connection with the performance of the natural gas transport services as described in the Special Terms and Conditions.

The Contract comprises, in descending order of priority:

1. The Special Terms and Conditions
2. The Sections and the Appendices
3. The General Terms and Conditions

Interface Contract: Contract made between the Transmission System Operator and a Distribution Network Operator, which deals mainly with the gas delivery conditions and the characteristics of the equipment related to the connection of the delivery stations.

Connection Contract: Contract made between the Transmission System Operator and a Final Consumer relating to a given Delivery Point.

Supply Contract: Contract for the sale of natural gas from a Supplier to a Final Consumer.

D

Validity Start Date: The Validity Start Date for every Subscribed Capacity is defined in the Special Terms and Conditions.

Validity End Date: The Validity End Date for every Subscribed Capacity is defined in the Special Terms and Conditions.

Contract Anniversary Date: the Contract Anniversary Date is defined each year by the day and the month when the contract takes effect, as defined in the Special Terms and Conditions.

Joint Declaration: refers to an agreement made:

- either between an Industrial Consumer and the Transport Shipper in charge of their natural gas transport in order to allocate to this Transport Shipper the gas delivered to the relevant Consumer Interface Point (PIC).
- or between a Distribution Shipper and one or more Transport Shippers in order to allocate to these Transport Shippers the gas delivered to the Transmission and Distribution Interface Point (PITD) corresponding to the declaration.

Exceeding of Hourly Delivery Capacity: Quantity of Energy as defined in Appendix A in MWh/d.

Exceeding of Daily Delivery Capacity: Quantity of Energy as defined in Appendix A in MWh/d.

Exceeding of Daily Exit Capacity: Quantity of Energy as defined in Appendix A in MWh/d

E

Auctions: Mechanism for marketing transmission capacities.

Balancing Outstanding Amount: Indicator of the level of commencement of the financial guarantee of the Shipper, expressed as a percentage, calculation of which, daily, is based on the ratio between:

- the cumulative sum owed by the Shipper to the TSO for the daily imbalances multiplied by the settlement price of the imbalances of the day, taken as an absolute value
- the level of bank guarantee, as calculated in Article 8 of the General Terms and Conditions.

The calculation of Balancing Outstanding for Shippers benefiting from the waiver under Article 8.2.3 is based on their Theoretical Guarantee.

Distribution Shipper: Signatory of a distribution contract with a Distribution System Operator.

Transport Shipper (Shipper): Signatory of a Transmission Contract with the Transmission System Operator.

Inactive Transport Shipper: Transport Shipper classified as inactive by the TSO on statement of 0 kWh subscribed and 0 kWh notified during the twelve (12) months preceding a request for renewal of Guarantee made in the months of April and November.

Summer: Period of seven calendar months comprising the months of April, May, June, July, August, September and October.

Flow Commitment: The Flow Commitment service is a service requested by Teréga in a call for tenders to one or more suppliers to emit (reduce) a gas volume per day at the Pirineos point over a 7-day period.

F

Balancing Outstanding Amount Billing: full payment of the financial amount, at the request of the TSO, corresponding to the Balancing Outstanding Amount described in Article 7.

Supplier: Legal entity, holder of an authorisation to Supply issued by the ministry in charge of energy, which carries out the supply of natural gas within the framework of a Supply Contract.

G

Guarantee: Payment guarantee supplied by the Shipper to Teréga as defined in article 8.

Theoretical Guarantee: Corresponds to the Guarantee or cash deposit that the Shipper would have had to pay if it did not benefit from a waiver due to its financial rating, calculation of which is defined in article 8.2.1.

Distribution System Operator (DSO): Legal entity responsible for the design, construction, commissioning, operating, maintenance and development of a Distribution Network.

Transmission System Operator (TSO): Legal entity responsible for the design, construction, commissioning, operating, maintenance and development of a Transmission Network.

Storage Operator (SO): Any private individual or legal entity responsible for the operation, maintenance and development of the Storage and/or holder of administrative authorisations and/or owner of the Storage and signatory of the Contract.

Gas: Natural gas taken off, transported and made available to the Shipper by the Transmission System Operator under the Contract.

Glossary: All definitions applicable to the Contract.

H

Hour: Period of sixty (60) minutes, starting at (x) o'clock and 0 (zero) minutes and ending at (x+1) o'clock and 0 (zero) minutes, with (x) being a whole number between zero (0) and twenty-three (23).

Winter: Period of five (5) calendar months comprising the months of November, December, January, February and March.

I

Measuring instruments: Measurement and calculation instruments located on a Delivery Station, at the interface with an Adjacent Operator, or at other points in the network, and used to determine the volumes of gas delivered at each Delivery Point and exchanged at the interfaces.

J

Day or Gas Day: Period of twenty-four (24) consecutive hours starting at six (6) a.m. at the legal time system in France, on a given calendar day, and ending at six (6) a.m. on the calendar day that immediately follows.

By way of exception, this period may last twenty-five (25) or twenty-three (23) hours respectively when the clocks change from summer- to wintertime and vice versa.

In UTC (Coordinated Universal Time), from 5:00 to 5:00 UTC on day D for winter time and from 4:00 to 4:00 UTC on day D when summertime is applied.

L

Network Operational Limit(s): conditions that express the maximum or minimum uses of sets of contractual points which lead to physical saturation of the structures of the Transmission Network. The Network Operational Limits are regularly updated by Teréga and published on its website.

M

Quality Assurance Manual: Document prepared by the Transmission System Operator, approved by the authorities in charge of legal metrology in France, defining the rules for verification of Measuring Instruments.

Normal Cubic Metre or m3(n): Quantity of Gas without water vapour which, at a temperature of zero (0) degrees Celsius and at an absolute pressure of 1.01325 Bar, fills up a volume of one (1) cubic metre.

Month: period beginning at 6 a.m. on the first day of a calendar month and ending at 6 a.m. on the first calendar day of the following calendar month.

N

Nature: Property of a Subscribed Capacity, that is to say, firm or interruptible.

Daily Notification: All the Daily Quantities Notified by the Shipper to the Transmission System Operator in accordance with the procedures provided in Appendix 3A.

O

Adjacent Operator: The entity responsible for managing any transmission, distribution, storage or production facilities that are directly connected to the Transmission Network, either upstream or downstream.

Prudent and Reasonable Operator: A person acting in good faith for the purpose of fulfilling his contractual obligations, and employing the skills, the care and the foresight that are reasonably and usually implemented by a competent and experienced operator involved in similar activities and acting in accordance with the laws and regulations in similar circumstances and conditions.

Load shedding order: Operational instructions with which Consumers must comply, accompanied by a notice of force majeure, which may be sent by Teréga to the Shipper or the Consumer even before the activation of the Gas Emergency Plan, in accordance with the provisions of the Order of 28 November 2013 on adoption of the Gas Emergency Plan.

P

PEG: virtual point in the TRF Scope where the Shipper exchanges daily quantities of energy with other shippers or one or more Transmission System Operators.

Penalty: Element of the Price defined in Appendix A.

Periodicity: Periodicity of a Subscribed Capacity, that is to say, annual, quarterly, monthly or daily.

Period of Validity: Period commencing on the Validity Start Date and terminating on the Validity End Date of any given Subscribed Capacity.

Pirineos: Virtual Interconnection Point (VIP), Transport Transport Interface Point (PITTE and PITTLL) between the Teréga and Enagas networks.

Gas Emergency Plan: plan and measures prepared in implementation of Regulation (EU) No. 994/2010 on the safety of supply, which is the subject of the Order of 28 November 2013.

Entry Point (PE) or Entry Interface Point (PIE): Point on the Transmission Network, determined in the Special Terms and Conditions, where the Shipper makes all or part of the Gas available to

the Transmission System Operator in performance of the Contract. An Entry Point can be a Transport Entry Transport Interface Point, a Transport Entry Storage Interface Point or a Transport Entry Production Interface Point.

Delivery Point (PL) / station: Point on the Transmission Network, determined in the Special Terms and Conditions, where the Transmission System Operator makes all or part of the Gas available to the Shipper, with a view to delivery to an Industrial Consumer or a Transport Shipper. It is located at the outlet flange of the corresponding Delivery Station or Stations. The Delivery Point can be a Consumer Delivery Point (PIC) or Transport Distribution Interface Point (PITD).

Installation located at the downstream limit (delivery) or upstream (injection) of the transmission grid ensuring the function of: pressure regulation (delivery only), filtration, measurements of gas volume and physical characteristics (injection only). The station is part of the transmission grid.

Exit Point (PS): Point on the Transmission Network that is a junction between the Main Network and the Regional Network.

Network Interconnection Point: Transport Transport Delivery Interface Point.

Consumer Interface Point (PIC): Point on the Transmission Network, determined in the Special Terms and Conditions, where the Transmission System Operator makes all or part of the Gas available to the Shipper, with a view to delivery to a Consumer. It is located at the outlet flange of the corresponding Delivery Station or Stations.

Transport Distribution Interface Point (PITD): Crossing point on the Transmission Network, determined in the Special Terms and Conditions, where the Transmission System Operator makes all or part of the Gas available to the Shipper, with PDL

a view to delivery to a Distribution Shipper. It is located at the outlet flange of the corresponding Delivery Station or Stations.

Transport Transport Interface Entry Point (PITTE): Crossing point between the Transmission Network and an adjacent Transmission Network, determined in the Special Terms and Conditions, where the Shipper makes all or part of the Gas available to the Transmission System Operator in performance of the Contract.

Transport Transport Interface Delivery Point (PITTL) or Network Interconnection Point (PIR): Crossing point between the Transmission Network and an adjacent Transmission Network, determined in the Special Terms and Conditions, where the Transmission System Operator makes all or part of the Gas available to the Shipper in performance of the Contract.

Transport-Storage Interface Point ((PITS): Storage Transport Interface Entry Point or Storage Transport Interface Delivery Point.

Transport Storage Interface Entry Point (PITSE): Crossing point between the Transmission Network and adjacent storage facilities, determined in the Special Terms and Conditions, where the Shipper makes all or part of the Gas available to the Transmission System Operator in performance of the Contract.

Storage Transport Interface Delivery Point (PITSL): Crossing point between the Transmission Network and adjacent storage facilities, determined in the Special Terms and Conditions, where the Transmission System Operator makes all or part of the Gas available to the Shipper in performance of the Contract.

Transport Production Interface Entry Point (PITPE): Crossing point between the Transmission Network and adjacent natural gas production facilities, determined in the Special Terms and

Conditions, where the Shipper makes all or part of the Gas available to the Transmission System Operator in performance of the Contract.

Delivery station: Facility located at the downstream end of the Transmission Network, mainly fulfilling the functions of pressure regulation and metering volumes of Gas at a Delivery Point. The delivery station is part of the Transmission Network.

Higher Calorific Value (PCS): Quantity of heat, expressed in kWh, released by the complete combustion of one (1) Normal Cubic Metre of dry gas in air at a constant absolute pressure of 1.01325 Bar, when the gas and air have an initial temperature of zero (0) degrees Celsius, all products of the combustion being reduced to a temperature of zero (0) degrees Celsius, the water formed during the combustion being condensed into liquid form and other products being in gaseous form.

Preliminary request: request from an End Consumer or a shipper consisting in declaring a maximum capacity threshold which could be booked on a daily basis at a Delivery Point (PIC).

Premium: Part of the unit price of the subscribed capacity at the Auctions on PRISMA above the Reserve Price.

PRISMA: Electronic tool for marketing transport capacities at the cross-border interconnection points by auction (<https://platform.prisma-capacity.eu/>)

Price or Transmission Price: All the elements of the Contract Price, defined in Appendix "Price Schedule".

Price of imbalance payments: Average Price and Marginal Price as defined in paragraph 3.2 of Appendix A "Price Schedules".

Daily Reference Price: Price on any Day D, as defined in Appendix A, in euro/MWh/d.

Reserve Price: Minimum unit price of sale of a capacity for subscription at the Auctions on PRISMA. The Reserve Price is fixed by Terēga before the start of the Auction.

Procedures for applying for a subscription and the allocation of Transmission Capacities: procedures defining the procedures for applying for a subscription of Daily Capacities and Hourly Capacities and rules applied by the Transmission System Operator for allocating the Daily Capacities and Hourly Capacities. These procedures are in section 1 of this Contract.

Daily Schedule: All the Scheduled Daily Quantities for a given Day, determined by the Transmission System Operator and sent to the Shipper in accordance with the procedures provided in the Operating Conditions.

Q

Quantity of Energy: The energy content of a quantity of Gas, calculated in accordance with the Higher Calorific Value (HCV) of the Gas.

Daily Quantity of Energy: The energy content of a quantity of Gas, calculated in accordance with the Higher Calorific Value (HCV) of the Gas.

Hourly Quantity Allocated: Quantity of Energy delivered to a Delivery Point by the Transmission System Operator at any given Time and determined in accordance with the procedures provided in the Operating Conditions.

Daily Quantity Allocated: Quantity of Energy allocated to a shipper in its provisional or definitive Assessment according to the procedures set out in the operating terms in Appendix 3A.

Daily Quantity Notified: Daily Quantity of Energy notified by the Shipper on a given day, as defined in Section 3.

Scheduled Daily Quantity: Daily Quantity of Energy scheduled by the Transmission System Operator on a given Day, such as defined at Section 3.

R

Distribution Network: All structures, managed by a Distribution System Operator, consisting of medium- and low-pressure pipelines, generally of small diameter, and associated facilities, to which the consumers and, possibly, other Distribution Networks are connected.

Main Network or RP: Part of the Transmission Network which connects the Entry Points, Exit Points, Network Interconnection Points, Transport Storage Delivery Interface Points and the Production Interface Entry Points to one another, and which is mainly composed of structures exceeding 600 mm in diameter.

Regional Network or RR: Part of the Transmission Network which carries the Gas between the Exit Points and the Delivery Points. The Regional Network is generally made up of structures with a smaller diameter than those in the Main Network.

Transmission Network: All facilities controlled by the Transmission System Operator that allow quantities of Gas to be transported on behalf of the Shipper. The Transmission Network comprises the Main Network, the Regional Network, the Connections and the Delivery Stations.

Pooled restriction: last-resort mechanism in the event of reaching a network Operational Limit, which can be activated by TSOs with respect to the Shipper during a given period. This mechanism corresponds to a reduction in the Shipper's Operational Capacity in proportion to its subscribed capacities on one or a set of Delivery Points or Entry Points (PITS, PITM, PIR).

S

Section: Part of the contract describing the services provided by the TSO to the Shipper. Subscription by the Shipper to all or part of these services is formalised in the Special Terms and Conditions.

Week: Period of seven days beginning at 6 a.m. on a Monday and ending at 6 a.m. on the following Monday.

Transport Balancing Service (SET): Flexibility service based on the stock in pipelines offered by Teréga. It allows any Shipper who requests it, on the condition that it holds on a given Month M at least a Daily Delivery Capacity relating to a Consumer Interface Point or a Transport Distribution Interface Point, not to be exposed to the Marginal Purchase or Sale Price for all Days when this service is applicable to the Teréga balancing zone.

TSO website: Tetra is the official private website dedicated to Shippers, administered and managed by the TSO. This website allows Shippers to manage their Contract (capacities, invoices, contract documents). The characteristics of the website are stated in article 28 of the Contract.

Targeted Spread: market mechanism consisting of carrying out two simultaneous operations on the gas exchange market:

- a purchase focused on the points located downstream of a network Operational Limit
- a sale focused on the points upstream of a network Operational Limit.

By doing this, the cost of the product is based on the price difference (or "spread") between these two operations.

Dormant Status: Status of an Inactive Transport Shipper validated by the TSO giving the right to an exemption from renewal of Guarantee. This status involves the blocking of any right to notification and/or subscription to the TSO.

Storage: Set of structures, facilities and technical or computer systems operated by or under the responsibility of the Storage Operator, particularly made up of the underground structures in the aquifer of Izaute and Lussagnet. Storage is connected to the Transmission Network at the Storage Transport Interface Point.

T

Tetra: Secure website made available to the Shipper by Teréga allowing subscription of capacities, transfer of capacities and displaying of invoices.

Storage Price Term: Unit price term aimed at recovering part of the revenue of the natural gas underground storage operators, applicable to shippers who have been allocated firm capacity at a PITD and depending on the winter modulation of their customers connected to a public distribution network.

TRF: group comprising the GRTgaz Balancing Zone, the Téregga Balancing Zone and the Gas Exchange Point in which the Shipper has to carry out its balancing obligation.

Quarter: capacity product with a 3-month duration as defined in the CAM network code

U

UBI (Use It and Buy It): at the Pirineos VIP, daily offer of availability of capacities subscribed but not used by the holders of the capacity.

Long-Term Use-It-Or-Lose-It (Long-Term UIOLI): procedure for the purpose of re-allocating unused subscribed capacities to the Pirineos point.

2 ARTICLE 2: SCOPE OF APPLICATION OF THE GENERAL TERMS AND CONDITIONS

These General Terms and Conditions apply to all natural gas transmission services marketed by Teréga and prevail over any signature of Special Terms and Conditions by the Shipper.

It is understood between the Parties that the gas transmission services marketed by Teréga are:

- Capacity booking service on the Main Network
- Capacity booking service on the Regional Network
- Access Service to PEG OTC Market

These services, described in the Sections, are chosen by the Shipper via the Special Terms and Conditions.

These General Terms and Conditions prevail over any general or special terms and conditions of the Shipper.

3 ARTICLE 3: ENTRY INTO FORCE OF THE TRANSMISSION CONTRACT

The date on which this Contract comes into force is established in the Special Terms and Conditions, subject to fulfilment of the conditions precedent referred to in article 4 below.

4 ARTICLE 4: CONDITIONS PRIOR TO THE ENTRY INTO FORCE OF THE TRANSMISSION CONTRACT

The entry into effect of the Contract is subject to the following conditions precedent being fulfilled:

4.6. Network access rights

The Shipper justifies its right of access to the TSO in accordance with the regulations in force.

4.7. Connection Contract

A Connection Contract is in force for every Consumer Delivery Point referred to in the Contract.

4.8. Shipper's Guarantees

The Shipper has produced the Guarantee provided for in article 8 of the General Terms and Conditions.

5 ARTICLE 5: CONTRACT TERM

The Contract term corresponds, except in the event of early termination of the Contract under the conditions set out in article 22 of these General Terms and Conditions, to the period of validity of subscriptions to capacity or the subscription period of the PEG access service set out in the Special Terms and Conditions and any successive amendments to them.

CHAPTER II: FINANCIAL PROVISIONS

6 ARTICLE 6: PRICE OF TRANSMISSION

6.1. - Tariffs for using the transmission network

The price references for the Teréga Transmission Network are listed in Appendix A of the General Terms and Conditions. The capacity terms, quantity terms, fixed terms and their associated unit prices are defined by the tariffs for use of the natural gas transport networks in effect, published in the Official Journal of the French Republic.

6.2. Price Revision

The price for use of the Transmission Network is fixed according to the legislative and regulatory provisions in force, by deliberation of the CRE. Accordingly, any decision to modify the Transmission Price taken pursuant to these provisions will be substituted as a matter of law for the Transmission Price with effect from the planned date of entry into effect, without the Shipper being entitled to claim any compensation and/or indemnity of any nature whatsoever.

6.3. Act of the Transport System Operator

If and to the sole extent that a purchase/sale arises exclusively from an act by the TSO, including by virtue of application of article 13 of the General Terms & Conditions, but except for the cases covered in the following paragraph, the TSO agrees to cancel the effect of purchase/sale penalties.

In the event of reduction of the Daily Capacities and the Hourly Capacities by the TSO in application of articles 10, 12 or 14 of the General Terms and Conditions, the Shipper's balancing obligation remains in place as well as the payment corresponding to the Daily Quantities Allocated to the Purchase/Sale.

6.4. Figures for billing

The figures used for billing by the TSO will be expressed in the invoices for calculation and display with five (5) decimal places for the price, with three (3) decimal places for the quantity and with two (2) decimal places for the amount.

7 ARTICLE 7: BILLING AND PAYMENT TERMS

7.1. Monthly billing

The TSO sends the Shipper, with reference to the prices determined in Appendix A "Price Schedule":

No later than the fifteenth (15) of Month M+1, the invoice for Month M, corresponding to:

- Basic price
- Price of PEG access service (if applicable)
- As the case may be, the quantities allocated in UBI
- As the case may be, the price of the Transmission Balancing Service

- As the case may be, the amount of the late performance fine pursuant to article 7.5 of the General Terms and Conditions
- As the case may be, the amount of the fine for failure to respect the methods for participating in the Targeted Spread
- As the case may be, the amount of the fine for failure to respect the methods for participating in the Flow Commitment

As the case may be, no later than the fifteenth (15) of Month M+1, the invoice for the Storage Price Term.

No later than the fifteenth (15) of Month M+2, the invoice or Purchase Sheet for Month M, corresponding to:

- The Balancing terms
- The fines for exceeding capacities
- As the case may be, the amount of the late performance penalty pursuant to article 7.5 of the General Terms and Conditions

7.2. Billing of the Balancing Outstanding Amount

When the Balancing Outstanding Amount is strictly greater than ninety per cent (90%), Teréga has the right to issue an Invoice for the Balancing Outstanding Amount to the Shipper.

Subject to the Balancing Outstanding Amount being strictly greater than fifty per cent (50%), the Shipper may also, at its own initiative make an Advance payment of the Balancing Outstanding Amount to Teréga.

The Shipper should inform Teréga of the amount of the advance payment made and its payment date. In return, Teréga will draft a confirmation of receipt of the amount and will deduct the amount or amounts paid in advance from the amount of the next invoice, up to the limit of the amount of said invoice.

In the case where the Balancing Outstanding Amount is strictly greater than fifty per cent (50%), the amount of the Guarantee can also be revised upwards by the Shipper in order to lower the relative level of the Outstanding Amount, in compliance with the conditions described in article 8.

7.3. Payment terms

The payment of the full amount of any invoice relating to a delivery month M must be made no later than the twentieth (20) of the month following the month in question or the tenth (10th) calendar day following its date of issue if this second date is later.

If the payment date as defined above is a non-working day in France, it is postponed to the next working day.

Payment will be deemed made when the TSO's bank account has been credited with the full amount billed.

7.4. Premature Billing

The TSO reserves the right to bill early for any sums due by the Shipper under the Contract if these exceed an amount equivalent to twice (2) the amount of the Guarantee provided in article 8 of the General Terms and Conditions.

7.5. Late payment penalty

Any delay in payment of an invoice related to any Month M within the time limits set out in article 7.3 of the General Terms and Conditions, gives rise to late payment charges payable to Teréga, corresponding to three times the legal rate of interest in France and of a flat-rate recovery handling charge of EUR 40. The late payment is calculated on the exact number of days elapsed between the payment due date and the actual payment date.

Teréga will invoice any fines specific to failure to comply with the terms and conditions of participation in the Targeted Spread and/or the Flow Commitment on the terms fixed in M+1 for M of this transmission contract.

7.6. Contesting a bill

The Operator must be informed of any claim relating to an invoice for any Month M within ninety (90) calendar days from the date on which the TSO issued the bill. After this time, no claims relating to this bill will be accepted. The Shipper sends the TSO any elements that will substantiate its claim. This claim does not exempt the Shipper from its obligation to pay the full value of the contested bill, under the conditions established above.

7.7. Payment method

Payment of the amounts billed is made by bank transfer.

8 ARTICLE 8: PAYMENT GUARANTEE

8.1. Form of the payment guarantee

8.1.1. CHOICE OF FORM OF THE PAYMENT GUARANTEE

The Shipper provides the TSO with a payment guarantee in the form of:

- (i) a guarantee deposit
- or
- (ii) a first demand autonomous guarantee.

By way of exception to the rule provided above, where the Shipper's parent company is a company having its registered office in a European Union country and it enjoys a long-term credit rating equivalent or higher than A+ (Standard & Poor's or Fitch) or A1 (Moody's) and subject expressly to the Transmission System Operator's prior written agreement:

- (i) Twenty per cent (20%) of the guarantee must be the subject of:
 - o A security deposit with the Transmission System Operator

or else

- o A first demand guarantee issued by a first rate French banking institution enjoying a long-term credit rating equivalent to or higher than A (Standard & Poor's or Fitch) or A2 (Moody's).
- (ii) Eighty per cent (80%) of the guarantee may be the subject of a first demand guarantee issued by the Shipper's parent company.

8.1.2. GUARANTEE DEPOSIT

If the guarantee is constituted in the form of a security deposit, this does not bear interest. It is returned by the TSO on expiration of the Contract, as the case may be, after any sums remaining due by the Shipper to the TSO have been deducted.

8.1.3. FIRST DEMAND GUARANTEE

The first demand guarantee shall be issued by a bank that has its registered office in a European Union country, provided that the latter has, for the entire duration of the Contract, a long-term credit rating equal to or higher than "A" issued by the rating agencies Standard & Pooors or Fitch or "A2" issued by the rating agency Moody's.

In the case of multi-annual subscriptions, where the first demand guarantee is issued either by a banking institution or by the Shipper's parent company for a one-year period, the Shipper agrees that no less than thirty (30) days before the expiration of this one-year period, it will ask the banking institution or its parent company to renew its Guarantee, taking account of any possible adjustments provided for in the Contract.

If within the thirty (30) days preceding the date of expiration of the Guarantee its renewal has not been transmitted to the Transmission System Operator, the latter may call in the Guarantee and retain the amount as security until the end of the Contract.

8.2. **Amount of the guarantee**

8.2.1. DETERMINATION OF THE INITIAL AMOUNT OF THE PAYMENT GUARANTEE

The initial amount of the Guarantee for Month M, corresponding to the first month of entry into force of the Contract, is equal to the minimum amount of the Guarantee, namely:

- one hundred thousand (100,000) euros

or

- twenty thousand (20,000) euros if the Shipper has a gas supply authorisation allowing it to carry out occasional natural gas sale and purchase operations at the PEG in order to cover the needs related to the activities of its own industrial sites.

8.2.2. ADJUSTING THE AMOUNT OF THE GUARANTEE

The amount of the Guarantee, revised in April and October, is the equal to the highest amount between the following two (2) values:

- The sum of the highest two (2) invoice amounts between Months M-12 and M-1, excluding settlements of imbalances

or

- Two (2) times the Price of Transport for the first Month of execution of the Contract.

However, the adjustment will only be made where the modifications to the Transmission Price lead to an adjustment of the amount of the guarantee greater in absolute value than twenty per cent (20%) of the amount of the guarantee previously in force.

The amount of the Guarantee may also be revised at the sole initiative of the Shipper as long as the new amount is higher than the one calculated by these provisions or in the conditions of article 7.2 in the case where the Balancing Outstanding Amount is strictly greater than fifty per cent (50%)

In the case of a first demand guarantee, it should be issued in accordance with the template in Appendix G.

8.2.3. DEROGATION RELATING TO AMOUNT OF THE GUARANTEE

By way of exception to the rule provided in article 8.1.1, where the Shipper's parent company is a company having its registered office in a European Union country and it enjoys a long-term credit rating equivalent or higher than A+ (Standard & Poor's or Fitch) or A1 (Moody's), the amount of the guarantee that has to be produced by the Shipper is equivalent to the Transmission Price for the first month.

The same Shipper may not benefit from the exception referred to in article 8.1.1 and that referred to in article 8.2.3.

8.2.4. EXEMPTION FROM RENEWAL OF GUARANTEE DUE TO DORMANT STATUS

A Shipper, who is already the holder of a Transmission Contract with the TSO, may make a written request for a change to Dormant Status when the TSO calls for renewal of the guarantee, as referred to in article 8.

Following validation by the TSO, the Shipper will then be considered as an Inactive Transport Shipper, which gives it the possibility of not renewing the Guarantee and automatically leads to blocking of notification and subscription rights.

This request is made according to the procedures described in Appendix G.

8.2.5. CHANGE OF RATING

If, during the performance of the Contract, the Shipper, its parent company or the bank that issued a Guarantee has its rating downgraded to below the thresholds defined in this article 8, the Shipper should produce a new Guarantee in compliance with the Contract requirements in the month following this downgrading. If not, the TSO may call in the Guarantee and retain the amount as security until the end of the Contract or the transmission of the new Guarantee.

CHAPTER III: GENERAL OPERATING PROVISIONS

9 ARTICLE 9: CONNECTION

9.1. Connection Contracts

As the case may be, the TSO installs, operates and maintains the Connections and Delivery Stations in respect of the following contracts relating to connection:

- For Industrial Consumers: Connection Contracts
- For Distribution System Operators: Interface Contracts

The obligations of the TSO stipulated in the contracts mentioned above do not open up any right in favour of the Shipper.

The Shipper waives all recourse against the TSO and/or its insurers by virtue of the latter's non-compliance with its obligations under one of these contracts.

The TSO guarantees the Shipper against any recourse from an Industrial Consumer caused by a breach by the TSO of its obligations under its contract related to connection.

9.2. Request for interruption or limitation of delivery to an Industrial Consumer

The Shipper may ask the TSO, by registered letter with acknowledgement of receipt, to interrupt or limit the delivery of gas to the Consumer Interface Point supplied. In order to guarantee the safety of people and property, the TSO will only be able to execute this request after the Industrial Consumer has first of all secured any equipment that uses natural gas.

The Shipper who has asked the TSO to limit or even interrupt the delivery of Gas at the Consumer Interface Point must first of all ensure that the Industrial Consumer has taken all the necessary precautions to ensure that this operation can be carried out safely, and confirm it to the TSO by registered letter with acknowledgement of receipt.

On receipt of the confirmation by the Shipper of the safety of the equipment of the Industrial Consumer supplied, the TSO will inform the Industrial Consumer in advance and, subject to notice of five (5) calendar days, will take any measure that it considers relevant to effectively interrupt or limit, in the name and on behalf of the Shipper, the delivery of Gas at the Consumer Interface Point of the Industrial Consumer in question.

If the TSO considers it necessary, it will take these measures under the control of a bailiff whose intervention cost will remain the responsibility of the Shipper, after it has been notified of this.

It is understood that the Shipper will ensure the continuity of the natural gas transmission for the benefit of its Industrial Consumer until the effective date of interruption or limitation of deliveries, of which the TSO will notify it.

The Shipper may in no case claim any compensation whatsoever from the TSO and/or its insurers in respect of the possible consequences of any interruption or limitation in the quantities delivered by the TSO because of the conditions set forth in this article.

10 ARTICLE 10: GENERAL CHARACTERISTICS OF THE GAS

10.1. Shipper's Obligations

10.1.1. AT ENTRY POINTS, NETWORK INTERCONNECTION POINTS AND THE STORAGE TRANSPORT INTERFACE DELIVERY POINT

The Shipper agrees that the gas made available to the TSO at each Entry Point will comply with the specifications and conditions of pressure defined in the Special Terms and Conditions of the Contract for the Entry Point under consideration.

10.1.2. CONSEQUENCES OF NOT COMPLYING WITH THE GAS SPECIFICATIONS AT AN ENTRY POINT, NETWORK INTERCONNECTION POINT AND STORAGE TRANSPORT INTERFACE DELIVERY POINT

The TSO is not bound to take off, at any Entry Point whatsoever, a Quantity of Energy that does not comply with the specifications stipulated in the Contract.

The Shipper and the TSO, acting as Prudent and Reasonable Operator, keep one another informed as soon as they are aware thereof and in accordance with the procedures provided in Appendix 3A, of any compliance defect in the Quantities of Energy supplied to any Entry Point whatsoever.

The TSO may take any measure it judges necessary to avoid taking off a Quantity of Energy not complying with the specifications defined in the Special Terms & Conditions of the Contract, without the Shipper being entitled to assert any claim of loss by this fact. In particular, the TSO reserves the right to make reductions in the Quantities of Energy Scheduled at the Entry Point, Exit Point, Network Interconnection Point and Transport Storage Interface Delivery Point.

If Quantities of Energy not complying with the specifications stipulated in the Contract are taken off by the TSO at any Entry Point whatsoever, the Shipper will hold the TSO harmless against all charges and financial consequences which the latter has to bear because of this non-compliance, specifically any penalties, damages or other compensation of any nature which the TSO has to pay to third parties, as well as the costs borne by the latter, as the case may be, to bring the Quantities of Energy into compliance with the specifications stipulated in the Contract, within the limit of the upper limits defined in article 15.2.3 of the General Terms and Conditions.

10.1.3. TO DELIVERY POINTS

The characteristics and pressure of the Gas delivered at any Delivery Point whatsoever are defined in the Connection Contract relating to the said Delivery Point.

10.2. Rights over the gas

The Shipper certifies that it is the holder of the rights enabling it to supply the Quantities of Energy at each Entry Point and warrants to hold the TSO harmless against the pecuniary consequences of any recourse by third parties availing themselves of rights relating to the Quantities of Energy which it has supplied to the TSO.

11 ARTICLE 11: MEASUREMENT

11.1. Measuring methods

The measurements of the Quantities of Energy delivered to the Delivery Stations in performance of the Contract are determined by the TSO.

The calibration, periodic verification and adjustment of the Measuring Instruments of a Delivery Station serviced under the Contract are carried out by an approved verification organisation in accordance with the TSO's Quality Assurance Manual currently in force.

The Shipper may be informed of the provisions of this manual, on request, and attend on-site verifications of the Measuring Instruments.

11.2. Rules applying in case of failure of Measuring Instruments

In the event of a lack of conformity of any Measuring Instrument with the tolerances defined by the regulations in force:

i) For PIC Delivery Points:

An adjustment is made by the TSO until sixty (60) days before the date on which the non-conformity of any Measuring Instrument was detected.

This adjustment will be based on all evaluation elements available to the TSO, who will inform the Shipper of the adjustment made. Subject to its confidentiality obligations, the TSO will provide the Shipper with documentation in support of the adjustment made. Failing the Shipper's agreement on this procedure, the adjustment is made on the basis of the difference in measurement noted on verification up to the sixtieth day preceding the date on which the compliance defect of any Measuring Instrument was detected.

In the event of stoppage or defective operation of the Measuring Instruments on any given day D, the Quantities of Energy delivered that Day D are estimated by the TSO on the basis of all the elements of appraisal at its disposal. As the case may be, the TSO approaches the Final Consumer or its representative, or the DSO concerned and the Shipper to prepare the replacement values.

Subject to its confidentiality obligations, the TSO will provide the Shipper with the values determined accordingly and documentation in support of the adjustment made.

ii) For PTID Delivery Points:

When agreements (in particular, an agreement ensuring the management of a TSO-DSO Inter-Operator Imbalance Account for PITDs) are signed between the TSO and the DSOs, the provisions of these agreements apply.

Apart from the signing of an agreement between TSO and DSO, the provisions defined above and relating to PIC apply.

11.3. Inspecting the Measuring Instruments

The Shipper may at any time request that the TSO carries out a further verification in the presence of all parties, of the Measuring Instruments located on the Delivery Stations serviced under the Contract. The costs of verification are borne by the TSO if the Measuring Instruments verified do not comply with current regulations in force; they are borne by the Shipper in the contrary case.

11.4. Operating the measurements

The TSO may freely use the measurements it has taken within the framework of Contract, subject to complying with its confidentiality obligations.

The TSO may send the Final Consumer in question the values of the Quantities of Energy delivered to a Delivery Point.

11.5. Rules related to Units of Quantities of Energy

A Quantity of Energy expressed in kWh (PCS 25°C) is converted into a Quantity of Energy expressed in MWh (PCS 0°C) by multiplying this Quantity of Energy by 1.0026 (one point zero zero twenty-six), in accordance with the requirements of standard NF ISO 6976, and dividing the product of this multiplication by 1000 (one thousand).

A Quantity of Energy expressed in MWh (PCS 0°C) is converted into a Quantity of Energy expressed in kWh (PCS 25°C) by multiplying this Quantity of Energy by 1000 and dividing the product of this multiplication by 1.0026 (one point zero zero twenty-six), in accordance with the requirements of standard NF ISO 6976.

Any Quantity of Energy expressed in MWh (PCS 0°C) is rounded off to 3 (three) significant decimal places according to the rules described below. Any Quantity of Energy expressed in kWh (PCS 25°C) is rounded off to 0 (zero) significant decimal places according to the following rules:

- A non-significant decimal place above 3 (respectively 0) decimal places is equal to 0 (zero), 1 (one), 2 (two), 3 (three) or 4 (four). Such a decimal place does not increment the previous significant decimal place;
- A non-significant decimal above 3 (respectively 0) decimal places equals 5 (five), 6 (six), 7 (seven), 8 (eight) or 9 (nine) and increments the previous significant decimal place.

In the event of a dispute over the quantities of energy, only the Quantity of Energy expressed in kWh (PCS 25°C) is valid. In the event of a dispute over capacities, only the capacity calculated on the basis of energy expressed in MWh (PCS 0°C) is valid.

12 ARTICLE 12: MAINTAINING THE TRANSMISSION NETWORK

The TSO may reduce the Capacities Subscribed to by the Shipper during the time required for work to be carried out on its facilities and part of the GRTgaz installations, to ensure maintenance, testing, renewal or development operations on the Transmission Network.

In the case where such operations would be likely to impact on performance of the Contract, the TSO agrees to use its best efforts to minimise the consequences of these operations, specifically by taking account of the forecasts communicated by the Shipper under point 6.1 on quantity of energy forecasts in section 3 "Access to PEG Scheduling, access to the PEG and all operational points management and to inform the Shippers thereof as early as possible and no later than two (2) months before the planned start of such operations. No later than five (5) days before the start of the operations in question, the TSO notifies the Shipper of the reductions in Daily and Hourly Delivery Capacity and their estimated duration.

During the period in which the aforementioned operations are carried out, the obligations of the TSO shall be suspended for the duration and within the limit of the effects of these operations on its obligations.

The Shipper may in no case claim any compensation whatsoever from the TSO and/or its insurers in respect of the possible consequences of a reduction in the Daily and the Hourly Delivery Capacity carried out by the TSO because of the conditions set forth in this article.

The procedures for publication of scheduled maintenance and calculation of the reduction rates are available on the TSO website:

<https://www.Teréga.fr/nos-publications/publications-transport/taux-de-reduction-et-maintenances-programmees.html>

13 ARTICLE 13: SECURITY AND OPERATING INSTRUCTIONS

The TSO, acting as a Prudent and Reasonable Operator, may at any moment take any action to protect the safety of property or people, preserving the integrity of the Transmission Network as a whole, guaranteeing the performance of its legal and/or regulatory obligations and/or protecting the environment from serious harm, including any action having as a consequence a reduction in the Shipper's Daily and Hourly Delivery Capacities.

The TSO may in particular notify the Shipper by all means of the operating instructions which the Shipper agrees to comply with or, as the case may be, ensure that the Final Customers or Distribution Network Operators in question do so.

The TSO agrees to use its best efforts to minimise the consequences of such actions.

The implementation of such actions may lead to a reduction in Daily Capacity and Hourly Delivery Capacity by the TSO, in accordance with the procedures provided in the Operating Conditions.

The Shipper may in no case claim any compensation whatsoever from the TSO and/or its insurers in respect of the possible consequences of a reduction in the Daily and the Hourly Delivery Capacity carried out by the TSO because of the conditions set forth in this article, without prejudice however to application of article 15 for those cases only where the safety actions and operating instructions specified herein are the consequence of a direct fault by the TSO.

CHAPTER IV: GENERAL LEGAL PROVISIONS

14 ARTICLE 14: FORCE MAJEURE

14.1. Events of Force Majeure

The following events, facts and circumstances will be considered cases of Force Majeure under this article:

- a) Any event beyond the control of the TSO or the Shipper, which cannot be reasonably foreseen at the conclusion of the Contract and whose effects cannot be avoided by appropriate measures, preventing the execution of its obligation.
- b) Any of the circumstances listed below, for which it is not necessary for the criteria detailed in paragraph (i) above to be met, insofar as the occurrence of the circumstance affects one Party and prevents it from performing all or part of any of its obligations under this Contract:
 - o Strike or lock-out by the employees of one Party
 - o An operating accident at one of the Parties' sites, such as the breakage of a machine, equipment or pipeline, which was not caused by a maintenance fault or improper use of the facilities
 - o Event or circumstance preventing the Transmission System Operator from carrying out its obligations under a Connection Contract, including in case of suspension or termination of the said Connection Contract, regardless of the cause
 - o Failure of an Adjacent Operator
 - o Measures imposed by public authorities related to defence, security or public service
 - o Carrying out Public Service Obligations
 - o Natural disaster status, confirmed by a decree from the relevant administrative authorities, under law 82-600 of 13 July 1982.
 - o Event leading Teréga to launch Load Shedding Orders, pursuant to the provisions of article 2 of the Order of 28 November 2013 on adoption of the Gas Emergency Plan.

It is expressly agreed that implementing reasonable measures to which the TSO is bound under this article does not include the TSO's own resources which are at its disposal in its capacity of Transmission System Operator, to the exclusion of all recourse to services for the storage, purchase or sale of natural gas.

14.2. Suspension of obligations

The respective contractual obligations of the Parties under the Contract will be suspended and no Party will be held liable for their non-performance in the Cases of Force Majeure listed above, for the duration and within the limits of the effects that said Cases of Force Majeure have on these obligations, with the exception of the Shipper's obligation to make payment of the Transmission Price stipulated at article 6.

In the Cases of Force Majeure listed in article 14.1 above, the TSO may take any measures that it deems necessary, in particular the reduction of Daily Capacities and Hourly Capacities or the closure of the Delivery Station or Stations affected, to avoid taking off or delivering any Quantity of Energy, without the Shipper being entitled to invoke any prejudice whatsoever due to this fact.

14.3. Obligations of the Party during events of Force Majeure

Any Party wishing to evoke an event of Force Majeure must inform the other Party as soon as possible, explaining the circumstances and causes of the Case of Force Majeure.

Suspension of the obligations takes effect from the day on which the Case of Force Majeure occurs or, if notification by the Party relying on the said Case of Force Majeure is not served in good time, from the time at which the notification is given. Failure to send this notification means the defaulting Party will be liable for damages and interests that otherwise may have been avoided.

Whilst the obligations are suspended and as soon as possible, the Party that evoked the event of Force Majeure will inform the other Party of the effects that the event of Force Majeure has on the performance of its obligations under the Contract, the measures that it intends to take in order to limit these effects, the progression of these measures, the estimated timeframe for resuming normal performance of its obligations under the Contract and the estimated date on which the event of Force Majeure will terminate.

Acting as a Prudent and Reasonable Operator, the Party that evoked the event of Force Majeure must take all possible measures to minimise the effects and to resume performance of its obligations under this Contract as soon as possible.

As from the date of cessation of the Case of Force Majeure, the Shipper remains bound by its balancing obligation covered in Section 3.

14.4. Long-term force majeure

On the assumption that a Case of Force Majeure were to prevent one of the Parties from performing all or part of its obligations under the Contract for a period in excess of thirty (30) days, the Parties will meet one another in order to examine the adaptations to be made to their respective obligations under the Contract to take account of this new situation.

If the prevention is definitive, the TSO and the Shipper may then terminate the Contract and each party will thus be released from its obligations.

14.5. Effect of force majeure on term of the Contract

The suspension of one Party's obligations as the result of a Case of Force Majeure has no effect on the term of the Contract.

15 ARTICLE 15: LIABILITY

15.1. Third-party liability

Insofar as each of them is affected, the TSO and the Shipper will each bear all the financial consequences of any tort liability that they incur under ordinary law as a result of personal, material or immaterial damage caused to third parties when performing their respective obligations within the framework of the Contract.

In this respect, the TSO undertakes to guarantee the Shipper against any claims that may be made directly to the Shipper if they result from the non-performance or unsatisfactory performance by the TSO of its obligations under this Contract and if the TSO has been able to participate, in effective time, in the preparation of the defence and in the negotiations relating to these claims. Reciprocally, the Shipper undertakes to hold the TSO harmless

against any claims that may be made directly to the TSO inasmuch as they result from the non-performance or unsatisfactory performance by the Shipper of its obligations under this Contract and in which the Shipper may have been able to participate, in due time, in the preparation of the defence and in the negotiations relating to these claims.

15.2. Liability between the Parties

15.2.1. PERSONAL INJURY

Each Party will bear liability for any personal injury that it, its staff, its subcontractors, suppliers or service providers may cause either to the other Party in performing its obligations under this Contract.

15.2.2. DAMAGE TO PROPERTY AND CONSEQUENTIAL LOSSES

Each Party will bear liability for any property damage caused to facilities, installations and equipment belonging to the other Party or which this Party is responsible for, as well as any consequential losses, such as loss of profit, and more generally any damage other than personal injury and material damage suffered by the other Party, inasmuch as this results from the non-performance or unsatisfactory performance of its respective obligations under the Contract and provided that the injured Party can provide proof of the fault, the existence and cause of the damages and justify their quantification, without involving any speculative factors.

However, the liability of each Party towards the other under this Article is subject to the limits established in article 15.2.3 below; therefore, each Party waives any right to recourse against the other Party and/or its insurers for any damage exceeding said limits. In addition, each Party promises and guarantees to obtain a waiver from its own insurers regarding any recourse under the same terms and limits.

15.2.3. LIMITS OF LIABILITY

The liability of the TSO and that of the Shipper is limited cumulatively to:

- per event, to One million (1,000,000) euro;
- per calendar year, to Two million (2,000,000) euro.

These limits of liability do not apply to articles 22.2 and 22.4.

16 ARTICLE 16: INSURANCE

The Parties must, at their own expense and each accordingly, take out and maintain for the whole term of the Contract the necessary insurance policies to cover all risks that they may incur as a result of the non-performance or unsatisfactory performance of their respective obligations under the Contract.

Each Party undertakes to obtain from its insurers, in this respect, any statements or certificates issued by the insurance companies certifying that the insurance policies taken out by the Parties have limits at least equal to the contractual limits established in article 15.2.3 of the General Terms and Conditions.

17 ARTICLE 17: ADAPTATION AND REVISION OF THE CONTRACT

17.1. Modifications to the Contract resulting from new legislative or regulatory provisions or originating from an administrative authority

In the event of legislative or regulatory provisions or a decision of a competent authority or the CRE under the Energy Code, which is to be applied to the General Terms and Conditions during their execution period, these will apply as a matter of law from the effective date of entry into force and will automatically replace or adjust to these General Terms and Conditions from the date of entry into force without any compensation of any kind, provided that they have been published on the TSO's website.

If the Shipper informs the TSO in writing and demonstrates to it, within fifteen (15) days of the date of publication of the new General Terms and Conditions, that they constitute a change of direction that was unforeseeable when the Contract was entered into making its execution excessively costly and that it did not agree to assume such a risk on entering into the Contract, the Parties will meet to jointly define the adaptations that may be made to the Contract in accordance with the principle of non-discrimination between network users. If the Parties fail to reach an agreement within forty-five (45) days of the date of publication of the new general terms and conditions, the Shipper may submit the dispute to the Dispute Settlement and Sanctions Committee of the CRE or the competent courts under the Contract or may terminate the Contract, subject to fifteen (15) days' notice, in accordance with Article 22.4 of the General Terms and Conditions.

17.2. Revision of the Contract on reasonable grounds

In the case where the TSO would have to modify the Contract except for the assumptions described in point 17.1 above, in particular any restructuring or reformulation necessary at the initiative of the TSO or resulting from consultation work at the initiative of the CRE, the new General Terms and Conditions will take effect on the date of publication on the TSO public website, without compensation of any kind, provided that they have been notified in writing and made known to the Shipper at least thirty (30) days before their publication date.

If within fifteen (15) days of the publication of the new General Terms and Conditions, the Shipper informs the TSO in writing and shows that they lead to a significant imbalance between the obligations of the Parties, they will meet and make their best efforts to define together the adaptations that can be made to the Contract in accordance with the principle of non-discrimination between users of the network. In the case of agreement between the Parties these adaptations will be included in the contract by means of a supplementary agreement.

If the Parties fail to reach an agreement within forty-five (45) days of the date of publication of the new general terms and conditions, the Shipper may submit the dispute to the Dispute Settlement and Sanctions Committee of the CRE or the competent courts under the Contract or may terminate the Contract, subject to fifteen (15) days' notice, in accordance with Article 22.4 of the General Terms and Conditions.

18 ARTICLE 18: TAXES AND DUTIES

Each Party, accordingly, will bear all taxes, duties, contributions or withholdings for which they are liable under legislation in force.

The Price stipulated in the Contract is exclusive of all taxes, duties, contributions and withholdings of similar nature. The amounts owed by the Shipper under this contract will be increased by the value of any tax, contribution or withholding of similar nature owing by the Shipper under legislation in force.

19 ARTICLE 19: ADMINISTRATIVE FORMALITIES

The Shipper will deal personally, as the case may be, with all administrative and customs formalities relating to the Quantities of Energy supplied to the TSO within the framework of Contract.

20 ARTICLE 20: EXCHANGING INFORMATION AND NOTICES

In accordance with the procedures appearing in Appendix 3A, the Parties will keep one another informed promptly and at all times of any event, circumstance or information of any kind whatsoever that is likely to have a significant impact on the performance of the Contract.

Subject to the provisions set out in Appendix 3A, all notifications under the Contract should be made in writing and will be considered as having been given and received:

- i) On the same working day when they were delivered by hand
- ii) On the next working day when they were sent by fax or email
- iii) On the third working day after sending if sent by special international courier service;
or
- iv) On the fifth working day after sending if sent by registered letter with acknowledgement of receipt.

All notices must be sent to the respective representatives of the Parties, as indicated in the Special Terms and Conditions.

21 ARTICLE 21: CONFIDENTIALITY

In accordance with current regulations, the TOS agrees not to make any improper use of any commercially sensitive information of which it had knowledge in giving access to the Transmission Network or in negotiating access to the Transmission Network.

For the term of this Contract and after it has ended for any reason whatsoever, each Party undertakes to preserve confidentiality regarding all economic, commercial, industrial, financial or technical information, regardless of the nature or format thereof, which it may have received from the other Party for the preparation and performance of the Contract.

The recipient of Information may only use it for the purposes of performing the Contract and is forbidden from disclosing it to any third party (other than its agents, employees, sub-contractors or directly involved agents, advisors, statutory auditors) without prior written authorisation from the other Party. The recipient of Information undertakes to take all necessary measures to ensure its agents, employees, subcontractors, directly involved agents, advisors and statutory auditors comply with this confidentiality clause.

However, the following do not fall within the scope of the confidentiality obligation:

- a) Information which was already known by the receiving Party before the signature of this Contract; or
- b) Information that was already in the public domain at the time it was communicated or that was to fall into the public domain thereafter with no negligence on the part of the receiving Party; or
- c) Information obtained lawfully from other sources who are not bound by a confidentiality obligation towards the other Party to the Contract and who disclosed the Information concerned; or
- d) Information that must be disclosed to a third party, in particular a regulatory authority, as required by law, a court decision or a decision issued by a competent Community, French or Foreign public authority; or
- e) Information that can or should be disclosed to Industrial Consumers or Adjacent Operators involved under the Contract.

Subject to the Shipper's agreement, stipulated in the Special Terms and Conditions, the latter's contact details are published by the TSO on its Website.

22 ARTICLE 22: TERMINATION ANDT SUSPENSION

22.1. Cases for termination

Should either of the Parties fail to perform any of its obligations defined in the sub-paragraph below, under this Contract, and without prejudice to the application of other penalties provided in the Contract as a result of such failure or of the suspension of its own obligations, the other Party put the defaulting Party on notice, by letter in recorded delivery with acknowledgement of receipt, to remedy the said established breach(es). If this notice remains without effect after a period of fifteen (15) days, the Party having issued the notice may give notice of termination of the Contract, as a matter of law and without any legal formality, by registered letter with acknowledgement of receipt.

Is treated as amounting to a serious breach of this article:

- o For the TSO:
 - Breach of its obligations stipulated in Section 3 "PEG Access and Scheduling, PEG access and all operational points management".
- o For the Shipper:
 - Breach of its obligations stipulated in article 7 of the General Terms and Conditions.
 - Repeated breach of its obligations stipulated in Section 3 "PEG Access and Scheduling, PEG access and all operational points management".

22.2. Termination on grounds of Shipper's fault

The Transmission Price corresponding to the Subscribed Capacities which still have a Period of Validity to run at the time the Contract is terminated will be deposited into a bank account opened specifically for this purpose by the TSO.

During the remaining term of the Period of Validity for the Subscribed Capacities, the TSO agrees to make the Capacities Subscribed to by the Shipper available to third parties. The TSO will refund the Shipper up to one hundred per cent (100%) of the time-apportioned cumulative total of the Transmission Price corresponding to the Subscribed Capacities thus marketed and sold. The Transmission Price corresponding to any Subscribed Capacities that have not been marketed and sold, as well as the whole of the interest produced, will remain accrued to the TSO on the same date.

22.3. Termination on grounds of Transmission System Operator's fault

The Shipper is exempt from payment of the Transmission Price corresponding to the Subscribed Capacities which still have a Period of Validity to run at the time the Contract is terminated.

22.4. Termination following a revision of the Contract

In case the Contract is terminated pursuant to article 17, the sums corresponding to the cumulated Transmission Prices corresponding to the Subscribed Capacities which still have a Period of Validity to run at the time the Contract is terminated, will be deposited into a bank account opened specifically for this purpose by the TSO.

During the remaining term of the Period of Validity for the Subscribed Capacities, the TSO agrees to make the Capacities Subscribed to by the Shipper available to third parties. The TSO will refund the Shipper up to one hundred per cent (100%) of the time-apportioned cumulative total of the Transmission Price corresponding to the Subscribed Capacities thus marketed and sold. The sums corresponding to any Subscribed Capacities that have not been marketed and sold, as well as the whole of the interest produced, will remain accrued to the TSO on the same date.

22.5. Suspension

In the case of Balancing Outstanding Amounts greater than one hundred per cent (100%) for at least three (3) consecutive days, and if the quantities of Gas missing cannot be the consequence of a Force Majeure Event as mentioned in article 14 of these General Terms and Conditions, and provided that Teréga has correctly made available to the Shipper the values of the Daily Quantities taken off and delivered on the Days in question by the usual means of communication, Teréga may suspend the Contract as a matter of law without notice or compensation of any kind to be paid to the Shipper, after a formal notice sent to the Shipper to pay the amount due under article 7.2 of the General Terms and Conditions has remained without effect for a period of two (2) days from its notification.

The suspension of the contract prohibits the Shipper from subscribing to new Capacities and nominating any Quantity on Teréga's networks but does not release it from its contractual obligations and in particular that of paying any invoices that it owes. It is applied without prejudice to the exercise of the other rights open to Teréga under the Contract.

Teréga may terminate the suspension of the Contract, within five (5) working Days, once the Shipper's Balancing Outstanding Amount is once again less than one hundred per cent (100%).

23 ARTICLE 23: ASSIGNMENT

The Shipper may only transfer all of part of its rights and obligations under the Contract with the prior written agreement of the TSO. The TSO undertakes to accept this transfer, unless it has reasonable justification for refusal. If this clause is breached, the TSO will have full right to terminate the Contract, without giving notice or compensation.

If the TSO agrees to the transfer of the Contract, this will only become valid upon signature of an addendum to the Contract and to the transferee constituting the guarantees provided in article 8.1 of the General Terms and Conditions.

24 ARTICLE 24: DIVISIBILITY

If any one of the provisions of the Contract is declared fully or partially void, the validity of the other provisions of the Contract will not be affected. In this case, the Parties must where possible replace the void provision by a valid provision corresponding to the spirit and purpose of the Contract.

25 ARTICLE 25: ENTIRE AGREEMENT CLAUSE

The Contract, as defined in article 1 of the General Terms and Conditions, constitutes the entire agreement between the Parties. It supersedes any prior written or verbal contract between the Parties relating to this subject.

26 ARTICLE 26: TOLERANCE

Should one Party tolerate any failure by the other Party to perform its contractual obligations this will in no event be interpreted as a tacit waiver to the benefit of these obligations.

27 ARTICLE 27: GOVERNING LAW AND SETTLEMENT OF DISPUTES

27.1. Governing law

This Contract is governed by French law.

27.2. Settlement of disputes

If any dispute arises between the Parties regarding the interpretation or performance of the Contract, the Parties agree to meet in order to seek an amicable solution. The claimant Party will send the other Party a recorded delivery letter notifying them of the subject of its claim.

Should no agreement be reached within thirty (30) calendar days from the notification mentioned above, each Party may refer to the courts or relevant organisations stated in article 27.3 below.

27.3. Competent Courts

For all disputes relating to the Contract and in particular its validity, interpretation, performance, termination and related issues, the Parties grant exclusive jurisdiction to the Commercial Court of Paris and/or the Dispute Settlement and Sanctions Committee of the CRE (CoRDIS).

27.4. Language of the Contract

Notwithstanding any translations that might have been made, whether or not signed, the authentic language for the interpretation and performance of this Contract is French.

28 ARTICLE 28: OFFICIAL WEBSITE OF THE TSO

The TSO provides the Shipper with a secure website, called Teréga ESPACE TRANSPORT (TETRA), which allows it to:

- View the Transmission Contracts and their supplementary agreements
- View invoices (duplicates)
- View credit notes (duplicates) and slips (duplicates) billable to the TSO
- Subscribe to capacity
- Subscribe to the Transmission Balancing Service
- Submit joint declarations
- Transfer capacity in accordance with the provisions of Section 2
- View consumptions at the PIC and PITD during the day
- View the consumption of remotely-read customers connected to GrdF and Regaz networks during the day
- View the consumption forecasts of non-remotely-read customers connected to GrdF and Regaz networks the day before and during the day
- View normalised capacities at the PITD and related PS
- View the successive schedules and allocation.

Confidentiality is ensured by encrypting the data exchanged between the Shipper's web browser and GRTgaz's Internet server, relying on a certificate that can be verified by contacting the relevant international bodies.

Any request for transport capacity made by the Shipper via the Website is considered, with respect to the TSO, to have been made by duly authorised persons, i.e. with the powers to bind the Shipper financially as well as computer security rights. Consequently, the Shipper nominates to the TSO by name the natural person(s) authorised by it to make these requests.

The TSO sends to the Shipper, for each authorised person, their login credentials.

On no account may the TSO be held liable for the consequences of disclosure or use of personal passwords and identifiers to any person whomsoever, third party or not. The Shipper keeps an up-to-date list of the duly authorised persons and takes every measure to manage changes in such persons during staff movements.

The Shipper shall make all relevant provisions, especially contractual ones, with respect to any subcontractors to ensure that they respect the confidentiality of data that may come to their knowledge in the context of the performance of the Contract and in particular through access to the TSO's Website.

The TSO makes its best efforts to ensure that Shippers have continuous access to the Website. It shall not be held liable for any delay or impediment in meeting its contractual obligations if the site is rendered inoperative by computer hacking, or due to temporary or permanent loss, suppression or prohibition of access to the Internet, for any reason whatsoever and, in particular, due to crashes or any unavailability inherent in the host server or any information system required for data transmission.

The Shipper shall take all appropriate measures to protect its computer hardware, data and software, in particular against contamination by any viruses circulating on the Internet or against their use by unauthorised third parties.

The TSO informs the Shipper that the data and functionalities accessible on its Website may change as and when the site is developed. In this context, the TSO will be able to offer new features, which may be free of charge or paid for.

Any transaction that has generated electronic notifications of acceptance by the TSO constitutes an electronic signature having the same value between the parties as a handwritten signature and constitutes proof of the transactions and their acceptance by the TSO.