**Agreement for the provision of a service OF**

**Regasification, Storage and Transmission of Liquefied Natural Gas**

**between**

**BULGARGAZ PLC**

**and**

............................................

**DATED**

**[............, 2024 г. ]**

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This LNG Regasification, Storage and Transmission Service Agreement (the "**Agreement")** is entered into on [....] 2024 by and between:

**Bulgargaz PLC,** acompany incorporated and existing under the laws of the Republic of Bulgaria, with seat and management address at 47, Petar Parchevich Str., Sofia (hereinafter referred to as "**Bulgargaz**" and/or the "**Service Provider")**

**.......................................,** acompany incorporated and existing under the laws of the Republic of ..............., with seat and management address at ......................................., (hereinafter **"................."** and/or **"Service User**");

.............. and Bulgargaz may hereinafter be referred to individually as a "**Party"** andcollectively as the "**Parties"**.

**Whereas**:

In May 2024, Bulgargaz PLC has conducted a tender procedure for the selection of a user of service for regasification, storage and transmission of LNG to VTP Bulgaria and ....................... submitted a binding offer for using the proposed services and has been selected by Bulgargaz PLC as the qualified participant with which to conclude this Agreement.

As part of the performance of the obligations under the Agreement, the Parties agree as follows:

**CLAUSE 1**

## DEFINITIONS

In this Agreement, unless the context otherwise requires, references in the singular include references in the plural and vice versa.

"**ACQ**" or "**Annual Contract Quantity"** has the meaning set forth in Clause 3.1.

"**ADP**" or "**Annual Delivery Plan**" has the meaning set forth in Clause 11.1.

**"Virtual Trading Point Bulgaria (VTP)"** - a non-physical point through which registered users of VTP Bulgaria can transfer the ownership of natural gas between themselves.

"**Adverse Weather Conditions**" means actual weather and/or sea conditions that are severe enough to prevent the LNG Vessel from proceeding to berthing and/or unloading in accordance with the weather standards prescribed in the published rules in effect at the port of discharge or as directed by the appropriate Port Director.

"**Allowed laytime**" has the meaning given in Clause 14.1.

"**Banking Day**" means any day on which banks are open for business in the Republic of Bulgaria.

"**Confidential Information**" means any terms in this Agreement, or any other information designated by a Party as "confidential" at the time of disclosure.

"**Contract Quantity**" has the meaning given in Clause 2.1

"**Consumer Price Index**" or "**CPI"** means the Consumer Price Index for the United States of America published by the Bureau of Labor Statistics of the United States Department of Labor.

"**Daily Contract Quantity**" or "**DCQ"** means the applicable quantity of gas determined in accordance with Clause 3.2.

**"Contract Interest Rate"** shall mean an interest rate equal to two (2) percent above the 3-month SOFR ("Secured Overnight Financing Rate"), as published by the Federal Reserve Bank of New York on the Bank's website on the New York banking day, immediately preceding the date on which payment is due.

"**Service** **fee**" has the meaning set out in Clause 7.

"**Day**" or "**Gas Day"** means the 24-hour period beginning at 7:00 a.m. and ending at 7:00 a.m. on the next day in official local time in Bulgaria.

"**Delivery Window**" means, with respect to any delivery of LNG pursuant to this Agreement, the time range specified in Clause 11.3 for such delivery.

"**Delivery Year**" means the full Gregorian calendar year that begins at 7:00 a.m. official local time in Bulgaria on January 1 and ends at 7:00 a.m. on January 1 of the following calendar year.

"**DES**" has the meaning given in Incoterms 2000 as amended from time to time.

"**Gas**" or "**natural gas**"means a combustible mixture of hydrocarbon gases, with or without inert gases and/or impurities, of which the principal component is methane.

"**Force Majeure**" has the meaning set out in Clause 19.

"**ICC**" means the International Chamber of Commerce.

"**LNG**" or "**liquefied natural gas**"means natural gas in a liquid state at or below its boiling point and at or near atmospheric pressure.

"**LNG Cargo**" means a cargo of LNG to be delivered by the Service User to Bulgargaz pursuant to the Agreement.

"**LNG receiving facilities**" means the facilities located at or near the port of discharge, which include (i) LNG ship berthing facilities and the port of discharge, (ii) unloading facilities, receiving, storage, processing (if necessary) and regasification of LNG, (iii) natural gas (and LNG, if applicable) processing and delivery facilities, and (iv) all ancillary equipment, regardless of ownership. Such facilities include the pipeline that extends from the tailgate of the regasification terminal to the point of connection with the downstream primary gas transmission facilities.

"**LNG vessel**" means an ocean-going vessel that is suitable for the transportation of LNG and is used for such delivery.

"**Loss or Damage**" means any loss, expense, damage, liability, obligation, cost (including interest, penalties, attorneys' fees and costs), litigation, proceeding, claim, charge, penalty or damage suffered or incurred by a person.

"**Monthly Delivery Statement**" means the monthly statement issued by the Parties for the quantity of Gas pursuant to Clause 3.4.

"**Nominated Quantity**" means the quantity of Gas for each day to be nominated by the Service User in accordance with Clause 6.1.

"**Notification of Readiness**" means the notification when the LNG vessel has arrived at the PBS and the LNG carrier is in all respects ready to berth and load LNG, except for purging and cool-down.

"**Official Local Time**" or "**OLT**" means the local time in Bulgaria.

"**Operating Agreement**" has the meaning set out in Clause 9.

"**PBS**" means the usual pilot boarding point, or the usual alternative temporary anchorage area designated by the competent port authorities at the port of discharge.

"**Person**" means any individual, corporation, company, partnership (general or limited), limited liability company, business trust, governmental authority, or other entity or association.

"**Port Charges**" means all fees, charges or levies imposed for the use of any port or offshore facility, including port charges, tonnage charges, wharfage charges, charges relating to immigration matters exempting the LNG Vessel and its crew, and charges to the Port Director, in each case as established by the Competent Authority, the owner or operator of the relevant Port of Discharge or LNG Receiving Facility, or any other person having jurisdiction over the LNG vessel at the respective port of discharge or LNG Receiving Facility.

"**Specifications**" has the meaning set forth in Clause 12.1.

"**Terminal Rules**" means all rules and regulations for the delivery of LNG to the port of discharge issued by the relevant port authorities and/or the operator of the LNG receiving facilities.

"**Third Party**" means any person other than a Party.

"**Transporter**" means any person who owns, operates and/or contracts with the Service User to provide or operate any LNG Vessel.

"**TTF FM**" means the TTF Front Month Index, published by Argus Media in the "Argus European Natural Gas - Daily Natural Gas Market Prices" report in the "Indexes" column for the TTF (Title Transfer Facility) on the last business day of the month preceding the Delivery Month, in Euro per MWh.

"**USD**" means the lawful currency of the United States of America.

"**Laytime**" has the meaning set forth in Clause 14.1.

"**Wilful Misconduct and Gross Negligence**" means a wilful, knowing or reckless act or omission that disregards good industry practice or any of the terms of this Agreement.

**CLAUSE 2**

## SUBJECT OF THE AGREEMENT

* 1. The Service Provider agrees to ensure the transport and delivery of the agreed quantities of LNG to the Service User to VTP Bulgaria and the Service User agrees to accept such quantities of natural gas at the VTP Bulgaria Delivery Point and pay remuneration for such service in accordance with the order and under the terms and conditions set forth in this Agreement (“Contract Quantity”).
  2. The Contract Quantity of natural gas to be transported and delivered pursuant to clause 2.1 by the Service Provider shall be in exchange for the quantities of LNG that Service Provider receives from the Service User ("Quantities of Liquefied Natural Gas /LNG"). The Service User shall be responsible for the delivery of the LNG Quantities to Service Provider and, notwithstanding any other provision of this Agreement, under no circumstances shall the Service Provider be obligated to deliver Contract Quantity greater than the total quantity of LNG it has received under this Agreement.

**CLAUSE 3**

## DELIVERY OF CONTRACT QUANTITIES TO VTP BULGARIA

### Annual Contract Quantity

In each Delivery Year, the Service Provider shall make available at the Delivery Point VTP Bulgaria the Contract Quantities and the Service User shall be obliged to accept the Annual Contract Quantity ("ACQ"), which is equal to the total quantity of LNG delivered by the Service User to the Service Provider in that Delivery Year.

The number of LNG cargoes to be made available by the Service User to the Service Provider in ...... year are ................. ( ).

### VTP Bulgaria daily contract quantities

**3.2.1.** During each Delivery Day, the Service Provider shall provide at the Delivery Point the Daily Contract Quantities up to a maximum of ............. ("DCQ") as the Service User shall be entitled to nominate not less than 1000 MWh per day of the Daily Contract Quantities for receipt at VTP Bulgaria.

**3.2.3.** Upon the relevant nomination of the Service User, the Service Provider, subject to technical feasibility, may deliver quantities in excess of the DCQ within one day. The Service User agrees that the Service Provider shall not be liable for the inability to deliver quantities in excess of the DCO.

### Unaccepted annual quantities

In case the Service User accepts less than the ACQ quantity during the Delivery Year, the Service User shall be entitled to carry forward up to 10% of the unaccepted quantity for acceptance in the period from 1st April to 31st December of the following calendar year, after agreeing monthly programme/s for acceptance of such quantities with the Service Provider. Unaccepted quantities in excess of 10% of the ACQ shall become the property of the Service Provider. Transferred quantities (up to 10% of the ACQ) not received by 31st December of the following calendar year become the property of the Service Provider.

### Monthly delivery statement

After the end of each calendar month the Service Provider shall issue and send to the Service User a Monthly Delivery Statement, which shall be signed by both Parties and which shall indicate the Contract Quantities delivered daily during that month to VTP Bulgaria.

### Annual Final Accounting

The Service Provider shall submit to the Service User no later than thirty (30) days after the end of each Delivery Year an annual final accounting statement which shall state:

1. The ACQ of LNG delivered by the Service User for the relevant delivery year,
2. The contract quantities accepted at VTP Bulgaria
3. The contract quantities not accepted at VTP Bulgaria
4. Quantities accepted at VTP Bulgaria in the excess of the ACQ, if any
5. The portion of the unaccepted annual quantity scheduled for delivery in the following year, if any,
6. The part of the unaccepted annual quantity for which the right of acceptance of VTP Bulgaria is lost and which remains property of the Service Provider, if any.

The annual final accounting may be disputed by the Service User only within twenty (20) banking days of receipt. After the expiration of such twenty (20) banking day period, the Annual Final Accounting statement shall be deemed accepted by the Parties.

**CLAUSE 4**

## DELIVERY POINTS

### Point of delivery of contract quantities

The delivery point of the Contract Quantities shall be the Virtual Trading Point of the Bulgarian Gas Transmission Network (VTP Bulgaria).

### Point of delivery of LNG quantities

The point of delivery of LNG quantities for each cargo is the point at the applicable port of discharge where the outlet flanges of the LNG ship's unloading lines connect to the inlet flanges of the LNG receiving facilities' receiving lines.

### Ownership and risk of delivered LNG quantities

Following the delivery of the LNG quantities at the Delivery Point under clause 4.2, the Service Provider shall be deemed to have full control and title and possession of the gas until the time of delivery to the Service User at the Delivery Point under clause 4.1. Following the delivery at the Point of Delivery under clause 4.1 of the Contract Quantities, title, control and possession of the gas delivered shall pass to the Service User free and clear of all collaterals and proprietary claims of any kind and from such time the Service User shall bear all risk of loss or damage relating to such natural gas.

The Service User shall not be liable in any way with respect to LNG already delivered and offtaken by the Service Provider at the point of delivery pursuant to clause 4.2, nor for any loss or damage that may occur with respect to such natural gas until the Contract Quantity is delivered to the Service User at the point of delivery of the quantities agreed upon pursuant to clause 4.1.

Service Provider shall not be liable in respect of the natural gas transported pursuant hereunder nor for any loss or damage which may occur to such natural gas after being delivered to the Service User at the delivery point of under clause 4.1.

### Ownership and Risk of LNG Quantities before item 4.2.

Title and risk of loss of the LNG shall remain with the Service User until transferred to the Service Provider upon delivery of the LNG by the Service User at the point of delivery under clause 4.2. Title and risk of loss arising from the natural gas vapour returned to the LNG Vessel during the unloading of such LNG shall not pass to the Service Provider upon passing the point at which the LNG Receiving Facility's vapor return line outlet flange connects to the LNG Vessel's vapor return line inlet flange.

**CLAUSE 5**

## COMMENCEMENT DATE

The respective rights and obligations of Service Provider and the Service User relating to the delivery of the quantities under this Agreement shall commence from ....................ddmmyyyy. All other rights and obligations of the Parties shall commence on the date of execution of this Agreement.

**CLAUSE 6**

## NOMINATION AND CONFIRMATION

1. Each Gas Day, no later than 14:00 official local time, the Service Provider shall submit to the Service Provider its nomination for acceptance of the daily contracted quantity for the following gas day. This nomination may be between 1000 MWh and ......... MWh. The Service Provider shall send its confirmation of this nomination to the Service User no later than 18:00 official local time. Upon confirmation by the Service Provider, this nomination shall be final and binding on the Parties.
2. If the Service User does not submit to Service Provider its nomination for the next gas day by 14:00 official local time, then the nomination for that gas day shall be considered as 1000 MWh.

**CLAUSE 7**

## DAILY PAYMENT AMOUNT

1. Regardless of LNG deliveries made or quantities received at the point of delivery of the Contract Quantities, Service User shall pay a daily service fee ("Daily Service Fee") for each day of delivery during the term of the Agreement. The daily payment amount in United States Dollars (USD) is equal to (......)\* .......

The applicable fee ("Daily Service Fee") shall be recalculated on the first day of each Delivery Year after January 1, 2025, as follows:

SF=SFbase\* (CPI/CPIbase)

SFbase = (........)\* ........ USD

Where:

CPIbase: is 297,711, which is the CPI value for November 2022.

CPI: is the Consumer Price Index for the United States, All Items, All Urban Consumers (CPI-U), on a period basis, covering calendar years 1982 through 1984, as published by the U.S. Department of Labour, Bureau of Labor Statistics, in the Detailed Producer Price Index Report for November of the preceding delivery year.

1. If, as stated in clause 3.2.3, the Service Provider delivers quantities in excess of the DCQ in a day, the daily payment fee shall be calculated based on the quantity actually delivered instead of ............ MWh.
2. For the quantities under clause 3.3. which the Service User shall transfer for receipt in a subsequent year, a daily fee on the DCQ shall be paid, according to the monthly programme/s in case that according to this agreement no quantities shall be allocated for delivery in such subsequent year.

In case there were allocated quantities hereunder also for the subsequent year, the quantities under clause 3.3 shall be delivered within the Contract Quantities for such year.

**CLAUSE 8**

## INVOICING AND PAYMENT

### Monthly invoice for daily service fee

After the end of each calendar month Service Provider shall issue and send to the Service User a monthly invoice for the due fee by e-mail. Subject to the provisions of clause 7.2 and 7.3, the amount of the Monthly Invoice shall be equal to the product of the daily fee for the service as provided and the number of days in the relevant month, irrespective of the supplies provided or quantities taken during that month.

The Service User shall pay a monthly invoice within five (5) banking days of receipt by email.

### Invoices for purchase and sale of LNG

The Parties shall issue respectively identical and counter invoices and monthly protocols for LNG purchased and LNG sold to VTP Bulgaria (quantities expressed in MWh) pursuant to this Agreement. These invoices shall not be construed as creating any payment obligations for the Parties under any circumstances and shall be of equal value.

### Guarantee for payment of service fee

The payment guarantee can only be in the form of a cash deposit. Service User shall pay to Service Provider an amount equal to the expected total daily payment amount for the next ninety (90) days ("Cash Deposit"), which shall be paid within ten (10) banking days after execution of this Agreement.

In the event of non-payment by the Service User of any amount due and payable by the Service User to the Service Provider, the latter shall be entitled to draw any such unpaid amount from the Cash Deposit at any time after the due date of the relevant amount. Service Provider shall duly inform the Service User of the drawdown.

If at any time during the term of this Agreement, the existing prepayment amount does not cover the expected total daily payment amounts for the next ninety (90) days, Service User shall immediately refund the amount of the cash deposit.

Notwithstanding any other provision of this Agreement, Service Provider shall not be obligated to deliver any quantities not secured by the Cash Deposit. In the event that the Cash Deposit does not cover the total daily payment for the next ninety (90) days, Service Provider may send notification to the Service User and suspend all or any part of its obligations until the Service User reimburses the Cash Deposit in full. For the avoidance of doubt, the Service User shall pay the daily amount of the Service Charge and for the time during which it was suspended. Following Service User's repayment in full of the amount of the Cash Deposit, the Service Provider shall immediately resume performance of its obligations under this Agreement.

### Accounts of the Parties for payment

Bulgargaz account in USD for the Cash Deposit and payments under the Agreement

The name and location of Bulgargaz' bank and Bulgargaz' account details are as follows:

Bank:

Account number:

IBAN NO:

Swift code:

Service User's account in USD for receiving payments

The name and location of the Service User's bank and the Service User's account details are as follows:

Bank:

Account Number:

IBAN NO:

Swift code:

### Late payment

In the event the Service User fails to pay any amount due under this Agreement on the due date, it shall pay such amount to Service Provider together with default interest at the agreed rate calculated from the due date to the date of payment.

### Disputed invoice

In the event that the Service User disputes any amount related to an invoice, the Service User must notify Service Provider in writing, stating the reasons for doing so. However, the Service User shall pay the invoice amount in full, and upon settlement of the dispute the relevant amount shall be credited or debited, as the case may be, with the first subsequent monthly invoice.

**CLAUSE 9**

## LNG RECEIVING FACILITIES

The Service User shall be responsible for delivering the LNG cargoes to a discharge port at the LNG receiving facilities. The Service User shall ensure that each LNG cargo delivery vessel is compatible with the LNG receiving facilities.

The LNG facilities are located in Turkiye . No later than 15 days before each delivery window, Service Provider may designate alternative LNG receiving facilities. Such alternative LNG receiving facilities may be any LNG terminal located in the Republic of Turkey or the Hellenic Republic. In the event that the Service Provider specifies an alternative Terminal, the Service Provider reserves the right to make appropriate changes to the LNG specification referred to in Article 12.1..

Deliveries of LNG by the Service User and receipt of LNG by the Service Provider shall be made in accordance with all regulations and safety requirements applicable in the Country of the port of discharge.

The determination of the quantity and quality of LNG delivered under this Agreement shall be made in accordance with the procedures set forth in the Rules of the relevant receiving terminal.

**CLAUSE 10**

## DELIVERY AND UNLOADING SCHEDULE

### Annual Delivery Plan

11.1.1. For the ............. year, the Service User is entitled to deliver ............... cargoes of LNG. The quantity of 1 LNG cargo shall be in the range of 950,000 MWh (3,230,000 MMBtu) to 1,050,000 MWh (3,570,000 MMBtu).

**11.1.2.** For each Delivery Year, the Service Provider and the Service User shall mutually agree on the Annual Delivery Plan ("ADP") no later than 1 September of the preceding year. The allocation of the total number of LNG Cargoes by month in the relevant Delivery Year shall be determined in accordance with the ADP on a reasonable basis. The ADP shall be subject to the following conditions:

1. The Service User shall not deliver more LNG cargoes during the period April through November than during the months of January, February and December.
2. The number of LNG cargoes as delivered in any month other than January, February and December shall not exceed one (1).

### Terms of delivery

Deliveries of LNG shall be made on a DES (Delivered Ex Ship) basis. All port charges payable by or in respect of an LNG cargo shall be paid by the Service User. The Service User shall pay, indemnify and hold harmless the Service Provider from and against and shall not receive any reimbursement for tolls, port charges, duties, fees, royalties, assessments and any other fees or charges associated with the LNG Vessel's use of the Port of Discharge (and canal and straits charges, if applicable).

### Delivery window

The delivery window for each LNG cargo shall be defined as follows:

1. For each cargo of LNG, except those to be delivered in January and February, the Service User shall specify a 15-day delivery window by notice to the Service Provider, which shall be sent no later than 150 days before the first day of the relevant month in accordance with the ADP. The 15-day delivery windows for January and February shall be specified in the ADP. If the Service User does not make such a nomination in time, the Service Provider shall be entitled to set the 15-day delivery window.
2. For each LNG cargo, the Service User shall specify a 10-day delivery window by notification to the Service Provider, which shall be sent no later than 90 days before the first day of the 15-day delivery window. If the Service User fails to make such a nomination in a timely manner, the Service Provider shall have the right to determine the 10-day delivery window.
3. For each cargo of LNG the Service Provider shall set a 5-day delivery window by notification to the Service User sent not later than 45 days before the first day of the 5-day delivery window.
4. For each cargo of LNG the Service Provider shall set a two-day delivery window by notification to the Service User sent not later than 20 days before the first day of the two-day delivery window.

Notwithstanding any other provision of this Agreement, the Service Provider shall not be obligated to receive any LNG cargo that does not comply with the requirements of the ADP or the Delivery Window pursuant to this Clause.

### Delivery notifications

The Service User shall submit notifications for transmission as specified in the Terminal Rules.

**CLAUSE 12**

## QUALITY

1. Specifications

The Service User undertakes that all LNG delivered to the Service Provider at the LNG receiving facilities, when converted to gaseous form, shall meet the quality specifications set out in this Agreement.

LNG specifications are as follows:

The Gross Calorific Value of each standard cubic metre of gas (on a dry gas basis) shall be not less than 8750 kcal (eight thousand seven hundred and fifty kcal) and not more than 10 427 kcal (ten thousand four hundred and twenty-seven kcal).

The components should be between the following lower and upper limits (as mole percentages) [Reference conditions: 150C/150C/ideal gas]:

|  |  |  |
| --- | --- | --- |
| **Chemical composition** | **Min. %** | **Max. %** |
| Methane CH4 | 84.79 % | 100.00 % |
| Ethane C H26 | 0.00 % | 10.00 % |
| Propane C H38 | 0.00 % | 4.00 % |
| iC H410 | 0.00 % | 1.00 % |
| nC H410 | 0.00 % | 1.50 % |
| C H512 | 0.00 % | 0.23 % |
| N2 | 0.00 % | 1.40 % |
| Gross calorific value | 8,900 Kcal/Sm3 | 10,427 Kcal/Sm3 |
| Wobbe index | 47,30 Mj/m3 | 53,95 Mj/m3 |
| H S2 | - | 5,0 mg/Nm3 |
| Mercaptan Sulphur | - | 5,0 mg/Nm3 |
| Total sulphur, including mercaptans | - | 50 mg/Nm3 |

Hydrocarbon dew point: shall not be higher than -5°C in the range of 1 to 80 barg.

Water dew point: shall not be higher than -80 C at 80 barg pressure

LNG shall not include particles of a size that does not pass through a 0.0098 inch sieve.

LNG does not include water, oxygen and carbon dioxide.

There shall be no active bacteria or bacteria coating materials in the LNG, including but not limited to bacteria that reduce sulphate or produce acid.

LNG should be free of poisonous and hazardous materials.

### Determination of quality

The quality of the LNG that has been or will be unloaded at the LNG receiving facilities for each cargo shall be determined by the operator of the relevant terminal. The Parties shall jointly appoint a surveyor at the discharge port who shall be an independent, suitably qualified and competent third Party to witness and verify the measurement, sampling and testing of LNG ("Independent Surveyor"). The costs associated with the Independent Surveyor shall be paid by the Service User.

### Off-specification LNG

If the LNG to be delivered does not meet the Specifications ("Off-Specification LNG"), the Service User shall notify the Service Provider as soon as possible. the Service Provider shall be entitled to reject the offtake of such off-Specification LNG.

If off-specification LNG is delivered to the Service Provider, the Service User shall reimburse the Service Provider for all reasonable costs incurred by the Service Provider in connection with the receipt, processing or disposal of the off-specification LNG, and/or shall compensate in full the Service Provider for any liability incurred by the Service Provider to a third Party as a result of the regasification of such off-specification LNG.

**CLAUSE 13**

## Failure to deliver LNG

13.1. If the Service User fails to deliver the quantity of LNG scheduled under the ADP for any reason other than Force Majeure, then the Service User shall pay to the Service Provider a penalty of 0.20 \* (the undelivered quantity \* TTF FM for the month in which the delivery of the cargo should have been made) for each such undelivered LNG.

13.2. Notwithstanding of liability under clause 13.1., the Service User shall also pay the Service Supplier for the quantities already delivered by Service Provider to VTP Bulgaria in excess of the quantities of LNG delivered by the Service User under clause 4.2, at the TTF fm unit price for the month of delivery to VTP Bulgaria plus a surcharge of USD 11/MWh. In the event that the unit price so paid does not cover the actual costs incurred by Bulgargaz for the purchase and making available of the quantities to the Service User at VTP Bulgaria, the Service User shall also pay this difference.

13.3. In the event that the damage suffered by the Service Provider due to the Service User failure to deliver were of greater amount than the penalty under clause 13.1 and the price the natural gas already delivered under clause 13.2, then the Service User shall reimburse the Service Provider for this difference.

**CLAUSE 14**

## LAYTIME

1. The maximum laytime permitted for each LNG Vessel to unloading ("Permitted Laytime") at the Port of Discharge shall be forty-eight (48) consecutive hours. The Laytime used to unloading an LNG Vessel ("Used Laytime") shall commence upon the earlier of: (i) the LNG Vessel is all fast at the berth, (ii) six (6) hours after a Notice of Readiness is given (provided the LNG Vessel gives a Notice of Readiness within the applicable Delivery Window) and ends when the last Unloading Arm is disconnected and the LNG Vessel is cleared for departure and may depart.
2. For the calculation of Demurrage, any time lost as a result of any of the following circumstances shall be added to the authorised Laytime:

(a) causes attributable to the fault of the Service User, the Transporter, the LNG Vessel or its master, crew, owner or operator;

(b) Force Majeure;

(c) Adverse weather conditions;

(d) the time during which the normal operation of the port of unloading is prohibited by law, ordinance or regulation.

1. In the event that the Laytime used exceeds the allowed Laytime, the Service Provider shall refund the documented demurrage costs incurred by the Service User as a direct result of such delay. The Parties agree that this reimbursement shall be the sole and exclusive compensation payable in the event that unloading of an LNG Vessel is not completed within the Permitted Laytime. The demurrage rate to be used to calculate the Service User's demurrage costs shall in no event be higher than the market rate for the LNG Vessel and pro rata for each part thereof. "Market Rate" refers to the "Atlantic Daily Rate" in the "Ship Rates" section of the McGraw-Hill Companies' Platts LNG Daily, which is published on the date on which actual unloading of the relevant LNG cargo commences. If Platts LNG Daily is not published, the demurrage rate per day shall be the nearest current pro rata market rate published prior to the date on which actual unloading of each LNG cargo begins, plus boil-off.
2. If the unloading of an LNG Vessel is not completed within the Permitted Laytime and such delay is the fault of the Service User or the Transporter resulting in another LNG Vessel being prevented or delayed in unloading, then the Service User shall be liable for such delay, including demurrage payable in respect of such LNG Vessel.

**CLAUSE 16**

## AGREED MAINTENANCE AND REPAIRS

1. The LNG Terminal Operators and Gas Transmission Operators shall operate, maintain and repair their facilities necessary for the supply of gas under this Agreement.
2. During planned repairs and/or maintenance works announced by the gas transmission network operators , the Service Provider shall have no obligation to deliver the quantities at the point of delivery referred to in clause 4.1., and the Service User shall not be obliged to deliver quantities of LNG to the delivery point under clause 4.2. The Parties shall use their best endeavours to minimise the impact of the repairs on the service provided under this Agreement.

**CLAUSE 17**

## EARLY TERMINATION

1. If at any time during the term of this Agreement, Service User fails to meet any of its payment obligations under this Agreement (including one to replenish the Cash Deposit) and such failure continues or is not remedied within thirty (30) consecutive days, then the Service Provider shall have the right to immediately terminate the Agreement by giving written notice to Service User ("Early Termination"). In the event of Early Termination, the Service User shall pay to Service Provider a penalty equal to the product of the daily payment amount at the time of Early Termination and the Days remaining in the term of the Agreement.

17.2 If, at any time during the term of this Agreement, the Service User fails to perform any of its LNG supply obligations, notwithstanding its right to suspend its obligations under this Agreement, the Service Provider shall have the right to terminate the Agreement at any time by giving written notice to the Service User. In the event of early termination, the Service User shall pay to the Service Provider a penalty equal to the product of the daily payment amount at the time of early termination and the remaining Days of the term of the Agreement.

**CLAUSE 18**

## LIMITATION OF LIABILITY

1. Except as expressly provided in this Agreement, and except in the case of wilful misconduct or gross negligence, neither Party (including its Affiliates) shall be liable to the other Party, in contractual liability, tort (including negligence) or otherwise, for or in respect of any loss or damage, deferral or loss of revenue or profits or business opportunity, loss of goodwill and any claim, demands or actions, made or brought against the other Party by a third Party as a result of an act or omission in the course of or in connection with the performance of this Agreement.
2. As of the Effective Date of this Agreement, the total accrued liability of Service Provider to the Service User arising out of or relating to the performance of this Agreement shall not exceed the sum for a total of ninety (90) days of the then applicable Daily Service Fee. Any limitation or exclusion of liability under this Agreement excludes or limits such liability not only in contract, but also in tort, including negligence, or otherwise at law.

**CLAUSE 19**

## FORCE MAJEURE

1. Force Majeure shall mean any event or circumstance (or any combination of events and/or circumstances) which are not within the reasonable control of the affected Party (the "Claiming Party") and which, notwithstanding the Claiming Party acts and has acted as a reasonable and prudent trader and notwithstanding the exercise of reasonable care and the taking of all reasonable precautions, due diligence and reasonable alternative measures to avoid the consequences of such circumstance, cannot be prevented, avoided or remedied by such Party, and which result in or cause the Claiming Party to fail to perform its obligations under this Agreement. For the avoidance of doubt, any circumstance resulting from a Party's failure to perform any of its obligations under this Agreement shall not constitute a Force Majeure Event for that Party.
2. For the avoidance of doubt; the inability to make payment, alleged changes in market conditions including but not limited to demand and prices, revocation of permits, licenses and other documents related to the Service User's business assets shall not constitute a Force Majeure for the Parties.
3. In the event of Force Majeure, the Parties shall be temporarily released, in whole or in part, from their obligations.

**CLAUSE 20**

## CONFIDENTIALITY

Each Party shall maintain the confidentiality of this Agreement and shall not make any disclosures to third Parties except as such disclosures are reasonably necessary in connection with the performance of this Agreement. The Parties may disclose other Party’s Confidential Information to their employees, officers, agents or advisors on a need-to-know basis, and as may be required by law, by a court of competent jurisdiction or by a governmental or regulatory authority.

**CLAUSE 21**

## APPLICABLE LAW AND ARBITRATION

1. The Agreement and this Clause shall be governed by Swiss law.
2. Disputes shall be referred to a binding ad hoc arbitration by a tribunal consisting of three arbitrators (one appointed by each Party and a Presiding Arbitrator appointed in accordance with the applicable rules), seated in Geneva, Switzerland, in accordance with the Rules of Arbitration of the International Court of Arbitration of the International Court of Arbitration of the ICC. The relevant procedure shall be conducted in English and the arbitral award shall be rendered in English.

**CLAUSE 22**

## ASSIGNMENT

Neither Party may assign this Agreement or any of its rights or obligations hereunder to any third Party without the prior written consent of the other Party.

**CLAUSE 23**

## TAX

1. The Parties agree that Service Provider shall not be liable for the payment of any taxes, duties, royalties, levies, fees, or any other charges of any kind related to the supply of natural gas under this Agreement occurring at or after the delivery point VTP Bulgaria, and in the event Service Provider incurs such liability, the User shall indemnify Service Provider and pay any tax incurred.
2. The parties agree that the Service User shall not be responsible for the payment of any taxes, duties, royalties, levies, fees or any other charges of any kind, related to the supply of natural gas under this Agreement arising prior to the entry into the Bulgarian gas transmission network, and in the event that the Service User incurs such liability, Service Provider shall indemnify the Service User and pay any taxes incurred.
3. With respect to LNG deliveries, the Service User shall be responsible for all taxes, duties, royalties, levies, fees and any other charges of any kind associated with the LNG cargoes to the LNG receiving facilities.

**CLAUSE 24**

## ENTIRE AGREEMENT

1. This Agreement, together with its integral parts, constitutes the entire Agreement between the Parties with respect to its subject matter and supersedes all agreements, contracts, representations and understandings, oral or written, made prior to or upon the execution of this Agreement.
2. Each of the Parties agrees and acknowledges that it has not relied upon or been induced to enter into this Agreement by any warranty, representation, statement or undertaking not expressly incorporated into this Agreement.
3. Neither Party shall have any claim or remedy with respect to any warranty, representation, misrepresentation or undertaking made to it by or on behalf of the other Party in connection with the subject matter of this Agreement and not expressly incorporated into this Agreement.
4. Nothing in this Clause 24 shall limit or exclude liability arising out of fraud or wilful misconduct and gross negligence.

**CLAUSE 25**

## GENERAL TERMS AND CONDITIONS

### Each of the Parties warrants that during the term of this Agreement it has the right, power and authority to enter into and perform its obligations hereunder. Each Party shall indemnify the other Party against any direct and documented losses, damages, costs or liabilities which the other Party may incur or suffer in the event that this warranty was not true and accurate.

### Additional assurances

Each of the Parties shall execute and deliver such other instruments and documents and take such other actions, including obtaining all appropriate consents, as may be reasonably required from time to time to ensure the full and proper observance or performance of the terms of this Agreement. The Parties will cooperate in obtaining all such consents.

### Successors and Assigns

This Agreement shall be legally binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

### Reference publications

If any of the reference publications used in this Agreement is discontinued, suspended or otherwise modified so that it no longer reflects the price developments in the market for the commodities to which it relates in the manner originally contemplated by the Parties, then the Parties shall mutually agree on other publications with the originally contemplated effect.

### No partnership

Each of the Service Provider and the Service User is an independent Party. Nothing in this Agreement shall be deemed to constitute a partnership, association or trust between the Parties, nor to appoint either Party as agent of the other Party for any purpose, nor to make either Party liable for the debts of the other Party.

**CLAUSE 26**

## NOTIFICATIONS

1. Any notification, request, demand, statement or invoice provided for herein (a "Notification"), or any other notice that either Party may wish to give to the other, shall be in writing and all notices shall be in the English language.
2. If any notice by e-mail or hand delivery is received outside the normal business hours of the receiving Party, it shall be deemed to have been received on the next day on which the office of the receiving Party is normally open for business after the day on which it was received.
3. A notice sent by post or courier shall be deemed to have been received upon acknowledgement of receipt by the Party to whom it is addressed. A Party may change its address by giving written notice thereof to the other Party.
4. Address of the Parties:

Service Provider: Bulgargaz PLC

47, Petar Parchevich Street, Sofia, Bulgaria

Phone : 02/939

Email : hq@bulgargaz.bg

Service User:

Phone :

Email :

**CLAUSE 27**

## TERM OF THE AGREEMENT

This Agreement shall become effective once it has been duly executed by the authorized representatives of both Parties and shall terminate on ......................... unless terminated earlier pursuant to Clause 17.2.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first written above.

**BULGARGAZ PLC**

By:

Name:

Position:

**..................................**

By:

Name:

Position: