

This document and the annexes constitute a courtesy English translation of the official Italian version issued on the Adriatic LNG website. Therefore, the Italian version shall be regarded as the sole authoritative and official text to be referred to for the purposes of construing and interpreting its content.

AUCTION RULES LNG IN-TANK AND ANCILLARY REGASIFICATION SERVICE SALE

Preamble: To provide regasification service, Terminale GNL Adriatico S.r.l. ("**Adriatic LNG**") retains, to the extent permitted by applicable law, a certain amount of each LNG delivery for its own use.

Periodically, actual terminal consumption may be less than the inventory retained: therefore, Adriatic LNG is selling, on a non discriminatory and transparent basis, LNG in-tank and the ancillary regasification service needed to transform the LNG sold into gaseous state.

Accordingly, Adriatic LNG is publishing these auction rules ("**Rules**") for LNG in-tank sale, regasification and onward redelivery in the Gas National Grid (Rete Nazionale Gasdotti) pursuant to these rules following which interested parties ("**Bidders**") are invited to submit their offer ("**Bids**").

If the Bidder participates in the tender it is deemed to accept the Rules.

- Rules -

The purpose of the procedure is the selection of counterparties to execute an In-Tank LNG Sales & Regasification Service Agreement of LNG ("**Agreement**") attached through action (pay as bid) with the award on the basis of the highest price offered.

1) Price references:

- a. Guide Price (net of taxes): shall be equal to 9.55 €/GJ, the equivalent of 34.38 €/MWh
- b. Price ("**Price**"): will be the Guide Price plus a premium or discount set by the Bidder and should be quoted in €/GJ or €/MWh. Prices expressed with more than three decimal places will be automatically rounded down to the third decimal place.

2) Product:

- a. Delivery period ("**Delivery Period**"): Shall occur during the month following the month of award of the LNG in tank i.e. from 1st December 2011, at 06:00 a.m. until 1st January 2012, at 06:00 a.m. Gas redelivery will be made in accordance with the Regasification Code.
- b. Contract quantity: Shall be 123,313.04 GJ (equivalent of 34,253.62 MWh with, conversion factor 1 MWh = 3.6 GJ).
- c. Delivery profile ("**Delivery Profile**"): 3,977.84 GJ/day, subject to Regasification Code conditions, the equivalent of 1,104.96 MWh/day, and will be reduced by 0.7% to cover the Terminal Use Gas.
- d. Transfer of ownership: in-tank.

- e. Delivery point: as defined in the Regasification Code.
- f. LNG quality: compliant with Regasification Code.
- g. Bids may be submitted solely and exclusively for the entire quantity set in the Agreement. Partial bids will be rejected.

3) Procedure:

- a. Bidding starts upon publication of this documentation. The deadline for Bids submission ("**Deadline**") is: 18th November 2011, at 17:00 C.E.T. No Bids will be accepted after the Deadline. However, Adriatic LNG reserves the right to organize auctions in multiple sessions. If new sessions are organized, Adriatic LNG will forward to the Bidders, at any time after the Deadline and via fax, a new invitation to offer. The Deadline for new Bids will be indicated in the new invitation. Adriatic LNG will notify the result of the auction to the winning Bidder within 17:00 of the third Working Day after the Deadline (which can be modified following the organization of new sessions). The end of the entire process will be published on Adriatic LNG website (www.adriaticlng.it).
- b. Interested Bidders shall submit a Bid by completing the Bid form enclosed in Annex A (which constitutes an integral part of these Rules). LNG Sales & Regasification service Agreement subscribed by the Bidder is provided in attachment to these Rules. The Regasification Code is published on the Adriatic LNG website (www.adriaticlng.it). **Any request of amendment will not be accepted and any potential request of amendment will cancel the Bidder's bid.**
- c. On pain of nullity bids should be contain:
 - o the Bid form enclosed in Annex A signed by the legal representative of the Bidder; and
 - o the Agreement signed by the legal representative of the Bidder; and
 - o the guarantees of Article 6 of the Agreement,
- d. Bids should received from 8:30 to 17:00 of every Working Day (in Milan) by hand delivery to:

Terminale GNL Adriatico S.r.l.

For the attention of **Ing. Riccardo Dahm Gazzola or Dr.ssa. Roberta Pirotta or Dr. Stefano Grassi.**

LNG auction and ancillary regasification service
Piazza della Repubblica 14-16
20124 Milano

- e. Conditions: as per article 4 of the Agreement.
- f. The Bids will be unconditional and binding until 23:59:59 CET of the second Working Day after the Deadline.
- g. Winning Bidder will need to meet all the conditions set in the Agreement in order to participate to the auction in tank.

- h. Credit conditions shall be as per the Agreement. The guarantees shall be provided simultaneously with the offer
- i. **If the Bidder will be the winner of the auction, the Agreement will be signed by Adriatic LNG within two (2) Working Days after the Deadline**
- j. Adriatic LNG may use a Notary to select the winning Bid.

4) Miscellaneous

- a. Adriatic LNG is not responsible and will incur no liability for cost and expenses incurred by Bidder for its participation to the auction. Adriatic LNG can not be held responsible for information provided by telephone.
- b. Bidder acknowledges and agrees that the offer made is an irrevocable commitment to purchase from Adriatic LNG the quantities of LNG and regasification service which is allotted at the proposed Price and to sign the In-Tank LNG Sales & Regasification Service Agreement, attached to the Rules.
- c. Adriatic LNG will have no obligation of any kind to award the LNG and regasification service, even if Bids eligible under the above criteria have been received.
- d. Adriatic LNG can communicate the results to the Energy Authority for Electricity and Gas (*Autorità per l'Energia Elettrica e il Gas*).
- e. Unless the context otherwise requires the terms used to refer to singular includes the plural and vice versa and those used in the masculine also refer to female.
- f. The laws of the Italian Republic applies to these rules. Any dispute which arises in connection with these rules shall be referred to the exclusive jurisdiction of the Court of Milan.

- Annex A – Bid Form –

[To be reported on Bidder's letterhead]

To Terminale GNL Adriatico S.r.l. ("**Adriatic LNG**")

Piazza della Repubblica, 14/16,

20124 - Milano

Kind attention of: Ing. Riccardo Dahm Gazzola / Dr.ssa. Roberta Pirota / Dr. Stefano Grassi.

We the undersigned [*name of the Company and details*] having read, understood and accepted the Rules for the purchase and ancillary regasification of LNG from Adriatic LNG published by Adriatic LNG on its website on 11th November 2011, hereby offer for the purchase from Adriatic LNG of LNG in tank and for the service needed for its transformation into gaseous state, based on the contractual conditions therein, the Guide Price (9.55 €/GJ equivalent to 34.38 €/MWh) [*tick the relevant box and complete*] :

- plus (+) a premium of [.....] €/GJ equivalent to
plus (+) a premium of [.....] €/MWh
equal to
(_____ [total price in words]) €/GJ equivalent to
(_____ [total price in words]) €/MWh

- minus (-) a discount of [.....] €/GJ equivalent to
minus (-) a discount of [.....] €/MWh
equal to
(_____ [total price in words]) €/GJ equivalent to
(_____ [total price in words]) €/MWh

We understand the LNG will be regasified in accordance with the Agreement and the resulting gas will be redelivered during the Delivery Period stated in the Agreement and according to the redelivery procedure stated in the Regasification Code.

The guarantee offered pursuant to art. 6 of the Agreement is [*tick the relevant box*]:

- a credit rating (provide documentation);
- a First Demand Parent Company Guarantee;
- a First Demand Guarantee.

We hereby agree and acknowledge that the present Bid shall constitute an unconditional and irrevocable offer to enter into the In-Tank LNG Sales & Regasification Agreement with Terminale GNL Adriatico S.r.l. by the date of the communication of the final result of the bidding procedure (22nd November 2011)

Courtesy English Translation (not binding – only the Italian version is binding)

in accordance with the terms and conditions of the Rules which constitutes an integral part of this form.

[date of signature]

[signature by a duly authorized representative of the company]