

CHAPTER IV

ACCESS OF LNG TANKERS TO THE TERMINAL

IV.1 LNG TANKERS

IV.1.1 LNG Tankers requirements

All LNG Tankers used by or on behalf of a User within the scope of the Capacity Agreement to which such User is a Party shall be: (i) subject to acceptance by the Operating Company pursuant to the procedure set out in clauses 1.2 through 1.4 of chapter IV; and (ii) operated in compliance with the Terminal Regulations, Maritime Regulations, the Cargo Handling Manual and the LNG Tanker Vetting Procedure.

IV.1.2 Acceptance of LNG Tankers

Each User must notify the Operating Company as soon as reasonably practicable the names of each LNG Tanker that will be used for the transportation to and Unloading of LNG at the Terminal in accordance with the Capacity Agreement to which such User is a Party.

If any User wishes to use new-built LNG Tankers about which all relevant operational and procedural information is not available to the Operating Company, then the Operating Company and such User shall meet in order to define a procedure for the acceptance of such LNG Tankers.

After being notified of the names of any new-built or existing LNG Tanker that a User wishes to use for the transportation and Unloading of LNG, the Operating Company shall apply the LNG Tanker Vetting Procedure and shall send to such User a questionnaire that the User shall return duly completed to the Operating Company as soon as reasonably practicable.

On the basis of the information received, the Operating Company shall be entitled to request an inspection of any such LNG Tanker, the timing and conditions of any such inspection to be agreed between the Parties. Each Party shall bear its own costs and expenses relating to any such inspection.

The Operating Company must notify the relevant User of the acceptance or rejection of a proposed LNG Tanker within five (5) Business Days after receipt from such User of the duly completed questionnaire in respect of such LNG Tanker or after completion of the inspection provided for under this clause 1.2, whichever is the later.

In the case of acceptance, the Operating Company will send to the User two (2) copies of each of the following documents:

- (a) the Maritime Regulations;
- (b) the Terminal Regulations; and

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- (c) the Cargo Handling Manual.

An electronic version of the documents above shall be available on the Electronic Communication System.

Operating Company shall keep on the Electronic Communication System a list of LNG Tankers that have been determined to be technically compatible for Unloading at the Terminal and shall promptly update such list in the event of any addition of new LNG Tanker or of any removal of an LNG Tanker from such list.

IV.1.3 Rejection of LNG Tankers

The Operating Company shall have the right to reject an LNG Tanker:

- (a) where the proposed LNG Tanker or its master and/or crew does not comply with the standards contained in the LNG Tanker Vetting Procedure;
- (b) where the Operating Company has previously accepted such LNG Tanker and such LNG Tanker or its master and/or crew no longer complies with the standards contained in the LNG Tanker Vetting Procedure;
- (c) where the User that uses such LNG Tanker, or on behalf of which such LNG Tanker is used, or, as the case may be, such LNG Tanker or its master and/or crew have ceased to maintain and/or to continue to satisfy any of the requirements set out in clauses 2.3 (e), 2.3 (f) and 2.3 (g) of chapter III; and/or
- (d) where such User fails to make, or procure that any third person makes, the necessary modifications pursuant to and in accordance with clause 1.4.2 of chapter IV.

Any rejection of an LNG Tanker must be duly justified in writing by the Operating Company.

IV.1.4 Modifications to LNG Tankers

1.4.1 User's obligation to make necessary modifications

- (a) Each User must notify the Operating Company of any subsequent modification to or damage suffered by any LNG Tanker used by or on behalf of it for the purposes of the Capacity Agreement to which such User is a Party, that may affect the safe operation of the Terminal and/or the compatibility of such LNG Tanker with the Terminal.

Upon receipt of any such notice, the Operating Company and the Maritime Authorities must confirm whether such LNG Tanker (i) may affect the safe operation of the Terminal, and (ii) continues to be compatible with the Terminal. The Operating Company and/or the Maritime Authorities may request a new inspection of such LNG Tanker, on the basis set out in clause 1.2 of chapter IV.

If the Operating Company and/or the Maritime Authorities confirm that such LNG

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Tanker (i) may affect the safe operation of the Terminal, and/or (ii) is not compatible with the Terminal, then the relevant User shall:

- (aa) procure that all necessary modification or alteration works be carried out to such LNG Tanker to the satisfaction of the Operating Company and, as between the Parties to a Capacity Agreement, the costs and expenses arising from such works will be borne by the User that uses such LNG Tanker, or on behalf of which such LNG Tanker is used; and/or
 - (bb) by notice to the Operating Company, substitute such LNG Tanker, either permanently or until the works described in paragraph (aa) above are complete, with another LNG Tanker which will not affect the safe operation of and which is compatible with the Terminal, and the provisions of clauses 1.1 to 1.4 of chapter IV will apply with respect to such other LNG Tanker.
- (b) If, at any time as a result of any change in Regulation or other applicable law, regulation, administrative or judicial provision or such like, or the coming into effect of a new Regulation or other applicable law, regulation, administrative or judicial provision or such like, any LNG Tanker ceases to be compatible with the Terminal (including where any LNG Tanker ceases to be compatible due to a change in Regulation or the coming into effect of a new Regulation which in either case requires works to be carried out to the Terminal), and it becomes necessary to modify or alter any LNG Tanker so as to make such LNG Tanker compatible with the Terminal, then the relevant User shall promptly comply with paragraphs (aa) and (bb) above with respect to such LNG Tanker.
- (c) The Operating Company may require any User to make modifications to an LNG Tanker during the term of that User's Capacity Agreement only under the circumstances specified in paragraphs (a) and (b) above.

1.4.2 Failure to make necessary modifications

The Operating Company shall be entitled to reject any LNG Tanker if such LNG Tanker may affect the safe operation of the Terminal and/or such LNG Tanker ceases to be compatible with the Terminal for any of the reasons specified in paragraphs (a) and/or (b) of clause 1.4.1 of chapter IV, and the relevant User does not promptly:

- (a) procure that the necessary modification or alteration works are carried out to such LNG Tanker to the satisfaction of the Operating Company; and/or
- (b) substitute such LNG Tanker, either permanently or until the works described in paragraph (a) above are complete, with another LNG Tanker which will not affect the safe operation of and which is compatible with the Terminal, and which the Operating Company has accepted pursuant to clause 1.2 of chapter IV.

IV.2 NOTICES

IV.2.1 Departure notice

Until the User tenders the Departure Notice as specified below, the ETA will

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conventionally be deemed to be (i) twenty-four (24) hours after the start of the Scheduled Arrival Range for LNG Tankers that load LNG at a port located outside the Mediterranean Sea, and (ii) twelve (12) hours after the start of the Scheduled Arrival Range for LNG Tankers that load LNG at a port located within the Mediterranean Sea.

Upon departure from the loading port, the User must give, or cause the master of the LNG Tanker which is transporting LNG to the Terminal for or on behalf of such User to give, to the Operating Company by way of fax, or e-mail a notice containing the following information:

- (a) the loading port of the LNG Tanker;
- (b) the name of the LNG Tanker;
- (c) the time and date when LNG loading was completed;
- (d) the quantity of LNG loaded at the loading port and the portion of such quantity to be Unloaded at the Terminal, if less than the full quantity; and
- (e) the ETA of the LNG Tanker at the Terminal.

As soon as reasonably possible after the departure from the loading port, the User must notify the Operating Company of the quality of LNG loaded, pursuant to clause 5.1.1 of chapter III.

The User must give, or cause the master of the LNG Tanker to give, to the Operating Company by way of fax, or e-mail, notice of any change in such ETA which is equal to or greater than twelve (12) hours, as soon as reasonably practicable.

IV.2.2 Forty-eight (48) hours advance notice

The User must give, or cause the master of the LNG Tanker to give, to the Operating Company by way of fax, or e-mail, notice of its then latest ETA that shall be sent forty eight (48) hours prior to such ETA, if applicable given the voyage time of the LNG Tanker.

The User must promptly give, or cause the master of the LNG Tanker to promptly give, to the Operating Company by way of fax, or e-mail, notice of any change in such ETA which is equal to or greater than six (6) hours.

IV.2.3 Twenty-four (24) hours advance notice

The User must give, or cause the master of the LNG Tanker to give, to the Operating Company by way of fax, or e-mail, notice of its then latest ETA that shall be sent twenty four (24) hours prior to such ETA.

The User must promptly give, or cause the master of the LNG Tanker to promptly give, to the Operating Company by way of fax, or email, notice of any change in such ETA which is equal to or greater than three (3) hours.

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IV.2.4 Arrival notice

The User must give, or cause the master of the LNG Tanker to give, to the Operating Company by way of fax, or e-mail, notice of its then latest ETA that shall be sent five (5) hours prior to such ETA.

IV.2.5 Notice of Readiness

Upon arrival of the LNG Tanker at the Pilot Boarding Station, the master of the LNG Tanker or his agent must give notice to the Operating Company that such LNG Tanker is ready to berth at the Terminal and to Unload ("**Notice of Readiness**"). Such Notice of Readiness shall be tendered by way of fax and shall:

- (a) be signed by the master of the LNG Tanker;
- (b) state the time and date when it was given; and
- (c) be addressed to the person designated by the Operating Company.

Prior to tendering a Notice of Readiness to the Operating Company, the master of the LNG Tanker must verify that the LNG Tanker has reached the Pilot Boarding Station, that the LNG Tanker is ready for all purposes for berthing and for Unloading, and that all necessary authorisations, licences and/or permits relating to port marine services have been granted and are held pursuant to and for the purposes of article 101 and subsequent articles of the Italian Navigation Code.

The Notice of Readiness shall be received and accepted by the Operating Company at any time on any Day, provided that before accepting such Notice of Readiness the Operating Company may verify that all conditions to tendering such Notice of Readiness, which are set out in the Regasification Code, have been met, including those described in the paragraph immediately above. Subject to the provisions of clause 3 of chapter IV, the Operating Company must upon receipt of such Notice of Readiness give the LNG Tanker instructions for berthing at the Terminal.

In the event the LNG Tanker has tendered the Notice of Readiness without satisfying the conditions to tender such Notice of Readiness, then the Operating Company shall issue a notice of protest invalidating such Notice of Readiness.

The LNG Tanker shall berth, Unload and depart as safely and expeditiously as reasonably possible in co-operation with the Operating Company.

The Operating Company must take all due measures, in accordance with prudent and safe practices, to allow Unloading of the LNG Tanker as safely and expeditiously as reasonably possible.

IV.3 ARRIVAL AND UNLOADING OF LNG TANKERS AT THE TERMINAL

IV.3.1 Procedures for LNG Tankers

3.1.1 Movements of LNG Tankers in the Terminal docking area

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Each User must enter into, or, at its own expense, procure to be entered into by third persons, all necessary agreements for the operation and the movement of LNG Tankers between the Pilot Boarding Station and the Terminal, including those for tugs, pilotage, mooring, line handling, light dues and any other required services necessary for berthing, Unloading, and unmooring of LNG Tankers. Such operations must at all times be carried out in a manner which is consistent with the Terminal Regulations and the Maritime Regulations.

3.1.2 Berthing, Unloading and unmooring operations

The berthing, Unloading and unmooring operations in respect of LNG Tankers shall be governed by:

- (a) the Maritime Regulations;
- (b) the Terminal Regulations; and
- (c) the Cargo Handling Manual.

User shall arrange that an adequate plan consistent with IMO Ship/Shore Safety Checklist for discharging LNG has been agreed in writing with the Operating Company before the commencement of Unloading operations.

IV.3.2 On-Time Arrival

If an LNG Tanker tenders pursuant to clause 2.5 of chapter IV its Notice of Readiness within the Scheduled Arrival Range, the Operating Company must immediately accept the LNG Tanker for Unloading, taking into account all applicable Regulations then in force and save as otherwise provided in this Regasification Code.

In the circumstances described in this clause 3.2, Laytime in respect of such LNG Tanker shall start:

- (a) six (6) hours after the Notice of Readiness has been tendered pursuant to clause 2.5 of chapter IV; or
- (b) when the LNG Tanker is all fast at berth,

whichever is the earlier.

IV.3.3 Early Arrival

If an LNG Tanker tenders pursuant to clause 2.5 of chapter IV its Notice of Readiness before the Scheduled Arrival Range, the Operating Company shall not be bound to accept the LNG Tanker for Unloading before such Scheduled Arrival Range, except where:

- (a) the Terminal berth is available for berthing; for this purpose the Operating Company shall use all reasonable endeavours to make the berth available for berthing;

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- (b) there is sufficient available capacity in the storage tanks of the Terminal; for this purpose, the Operating Company shall use all reasonable endeavours to make such Storage capacity available;
- (c) such Unloading will not prejudice the safe operation of the Terminal or the Unloading of other LNG Tankers that are scheduled for Unloading at the Terminal; and
- (d) such Unloading will not adversely impact the Redelivery of Gas to other Users.

In the circumstances described in this clause 3.3, Laytime in respect of such LNG Tanker shall start:

- (i) at 18:00 hours on the first Day of the Scheduled Arrival Range, as provided in the relevant User's Three (3) Month Schedule; or
- (ii) when the LNG Tanker is all fast at berth,

whichever is the earlier.

IV.3.4 Late Arrival

If an LNG Tanker tenders pursuant to clause 2.5 of chapter IV its Notice of Readiness after the Scheduled Arrival Range, the Operating Company shall not be bound to accept the LNG Tanker for Unloading, except where:

- (a) the Terminal berth is available for berthing; for this purpose the Operating Company will use all reasonable endeavours, to make the berth available for berthing;
- (b) there is sufficient available capacity in the storage tanks of the Terminal; for this purpose, the Operating Company will use all reasonable endeavours to make such Storage capacity available;
- (c) such Unloading will not prejudice the safe operation of the Terminal or the Unloading of other LNG Tankers that are scheduled for Unloading at the Terminal; and
- (d) such Unloading will not adversely impact the Redelivery of Gas to other Users.

In the circumstances described in this clause 3.4, Laytime in respect of such LNG Tanker shall start when the LNG Tanker is all fast at berth.

IV.3.5 Delays

If two or more LNG Tankers have tendered valid Notices of Readiness pursuant to clause 2.5 of chapter IV and their respective Unloading Slots have not been cancelled pursuant to clause 3.7.1 of chapter II, but cannot berth at the Terminal, then the following procedure shall apply:

- (a) any LNG Tankers that have tendered their Notices of Readiness within or before

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their respective Scheduled Arrival Ranges will be berthed and Unloaded in the same sequence of their respective Scheduled Arrival Ranges;

- (b) LNG Tankers that have tendered their Notices of Readiness after their respective Scheduled Arrival Range shall:
 - (i) have lower access priority to the Terminal than LNG Tankers referred to in paragraph (a) above; and
 - (ii) be berthed and Unloaded in the order in which such Notices of Readiness were tendered, provided that the berthing and Unloading of any such LNG Tanker satisfies all of the conditions set forth in clause 3.4 of chapter IV; and
- (c) the Operating Company and the Users will each use all reasonable endeavours to accelerate the berthing, Unloading and unmooring of such LNG Tankers.

IV.3.6 Re-Assignment of Berth

If any LNG Tanker is delayed in berthing and/or commencement of Unloading for any reason attributable to the User, to the LNG Tanker or to its master, crew, owner or operator and if, as a result thereof, the commencement of berthing and/or Unloading is delayed beyond thirty (30) hours after the Notice of Readiness has been tendered, the Operating Company shall be entitled to allocate the berth to another LNG Tanker which is ready for Unloading.

In such event, for the purposes of clause 3.8 of chapter IV, the Operating Company shall not be liable to pay Demurrage to the User whose LNG Tanker caused the delay for the time during which such other LNG Tanker occupies the berth.

IV.3.7 Completion of Unloading

Upon the Completion of Unloading, the LNG Tanker must leave the berth as soon as it is safely able to do so in compliance with the Maritime Regulations and Terminal Regulations then in force, unless otherwise expressly permitted in writing by the Operating Company.

In any case, the LNG Tanker must leave the berth at any time on the Operating Company's request for safety reasons.

IV.3.8 Laytime and Demurrage

3.8.1 Laytime

Laytime shall be twenty-four (24) consecutive hours. Laytime shall be extended, on a case by case basis, by any period of delay due to any of the following reasons which are beyond the Operating Company's reasonable control:

- (a) reasons attributable to the User, to the LNG Tanker or to its master, crew, owner or operator (including any time spent loading stores, refuelling, changing crew, repairing and maintaining the LNG Tanker);

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- (b) reasons attributable to the Transportation Enterprise not caused by the Operating Company;
- (c) reasons attributable to the Port Authority;
- (d) the User, the LNG Tanker, its master, crew, owner or operator waiting for port, towage, pilotage or berthing services;
- (e) a Force Majeure Event; or
- (f) adverse weather and/or sea conditions that prevent the LNG Tanker from berthing, Unloading or unmooring.

3.8.2 Demurrage

- (a) If Completion of Unloading of an LNG Tanker occurs after the expiry of the Laytime for such LNG Tanker, then the Operating Company must pay to the User for whom or on whose behalf such LNG Tanker was Unloading, demurrage for each hour or fraction thereof by which such Completion of Unloading occurs after the expiry of such Laytime, at a rate per hour which is equal to the following:
 - (i) 1,750 (one thousand, seven hundred and fifty) USD / hour for LNG Tankers with a gross loading capacity of up to (but excluding) 105,000 cubic metres; and
 - (ii) 3,250 (three thousand, two hundred and fifty) USD / hour for LNG Tankers with a gross loading capacity equal to or greater than 105,000 cubic metres,

("Demurrage").

In such case User shall invoice Operating Company for the amount of Demurrage payable along with relevant documents and calculations in support of such amount. Such Demurrage payments shall become due twenty (20) Days after the date on which Operating Company receives the invoice.

Pursuant to and for the purposes of the Regasification Code the payment of Demurrage shall be the sole compensation payable by the Operating Company to a User if the Unloading of an LNG Tanker which is delivering LNG for or on behalf of such User is not completed within the Laytime for such LNG Tanker.

Notwithstanding the foregoing, in the event that, after Laytime has commenced, Operating Company cancels the corresponding Unloading Slot pursuant to clause 3.7.1 of chapter II, Completion of Unloading, solely for the purpose of determining Demurrage, shall be deemed to have occurred forty-eight (48) hours after such notice has been provided.

- (b) Without prejudice to clause 14.3 of chapter III, if the Operating Company incurs any Demurrage to any User for reasons attributable to another User ("**Liable User**") or to the LNG Tanker which delivers LNG for or on behalf of the Liable User, then the Liable User must pay to the Operating Company an amount equal to the Demurrage so incurred. Any such Demurrage owed by the Liable User shall be invoiced pursuant to clause 8.1 of

chapter III.

IV.3.9 Excess Boil-off

If an LNG Tanker is delayed in berthing and/or in commencement of Unloading for reasons other than a Force Majeure Event or the fault of the User or the LNG Tanker or the LNG Tanker's master, crew, owner or operator, or reasons attributable to the Maritime Authorities and if, as a result thereof, the commencement of Unloading is delayed beyond thirty (30) hours after Notice of Readiness has been given, then, provided the LNG Tanker issues the Notice of Readiness within its Scheduled Arrival Range, (i) no Capacity Charge and, (ii) in the event that the such delay is the result of a grossly negligent or wilful act or omission of the Operating Company or its employees, contractors, agents and/or other third parties acting for it or on its behalf (it being understood that in no event shall the Transportation Enterprise be considered a "contractor" or a "third party" acting for, or on behalf of, the Operating Company), no Grid Capacity Charge shall be due in respect of the corresponding Excess Boil-off.

Excess Boil-off shall be calculated by taking the difference between the actual quantity on board the LNG Tanker thirty (30) hours after tendering the Notice of Readiness and the actual quantity on board such LNG Tanker immediately prior to commencement of Unloading.

If it appears that the commencement of Unloading shall be delayed beyond thirty (30) hours after Notice of Readiness has been given, the User shall notify the Operating Company at least six (6) hours prior to such time that it intends to measure the quantity of LNG in the LNG Tanker's tanks, and the Operating Company shall have the right to have its representative present to witness the measurement; provided, however, that should the Operating Company be unable to send a representative on a timely basis, the User shall proceed to make the measurement and shall notify the Operating Company of the results of the measurement promptly upon completion thereof.