

DATED

201[]

[] RAW GAS SALE AND PURCHASE AGREEMENT

Between

[]

and

INEOS FPS LIMITED

INDEX

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“Expert” means an expert appointed and acting in accordance with Clause 15.3.

1.2 Interpretation

For all purposes of this Agreement, except as otherwise expressly provided or as the context otherwise requires:

- (a) any reference to a “Clause” refers to a clause of this Agreement;
- (b) all references to this Agreement and the words “herein”, “hereof”, “hereto” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Clause or other subdivision;
- (c) any reference to the singular shall include reference to the plural and vice-versa, and any reference to any gender shall include a reference to all other genders;
- (d) reference herein to time shall be to time statutorily in force in the United Kingdom;
- (e) except where the contrary is stated, reference to this Agreement (or any provision hereof) or any other agreement, instrument or document shall include references to it as novated, amended, supplemented or replaced from time to time; and
- (f) in this Agreement, the word “including” shall not be construed as a limitation.

1.3 Headings

The headings of Clauses are included for ease of reference only and do not form part of the Clauses for the purposes of construction thereof.

1.4 Rates of Interest

The Parties agree that the rates of interest in this Agreement on late payments or repayments of overpayments represent a substantial commercial remedy for the purposes of the Late Payment of Commercial Debts (Interest) Act 1998.

2 **Scope**

- 2.1 The Seller hereby notifies INEOS: (1) that it has appointed the Shippers Operator to act on its behalf in respect of its interest in the Shippers Field for the purpose of receiving notifications pursuant to Clauses 4.2 and 4.3 hereof; and (2) that the Shippers Operator has duly accepted such appointment. Notwithstanding the foregoing the Seller shall be liable for the due and proper performance of its obligations under this Agreement.
- 2.2 Subject to the terms and conditions contained herein, the Seller shall deliver and sell to INEOS the quantity of Raw Gas established as hereinafter provided, but excluding, for the avoidance of doubt, volumes of Raw Gas covered by Clause 7.03 (c) of Section 2 (Conditions of Contract) of the Transportation Agreement, and INEOS shall receive, purchase and pay the Seller for such quantities of Raw Gas as hereinafter provided.
- 2.3 INEOS and the Seller shall each exercise their respective rights and discharge their respective obligations herein to the standard of a Reasonable and Prudent Operator.

3 Duration

- 3.1 This Agreement shall come into force on the date hereof and shall continue in effect thereafter until the earliest of:
- (a) the date on which the Transportation Agreement is terminated;
 - (b) the date upon which an election by INEOS pursuant to Clause 5.01(e) of Section 2 (Conditions of Contract) of the Transportation Agreement not to deliver Raw Gas takes effect; and
 - (c) such other date as the Parties may otherwise agree.
- 3.2 Termination of this Agreement shall be without prejudice to the rights and obligations of either Party arising under this Agreement or as a result of any breach of this Agreement accrued on or prior to such termination.
- 3.3 For the purposes of this Agreement the first Month shall be deemed to be the period from the first allocation of Raw Gas to the Shippers Group in accordance with the procedures referred to in Clause 6.08 of Section 2 (Conditions of Contract) of the Transportation Agreement until the end of the following Month.

4 Quantity

- 4.1 The quantity of Raw Gas for delivery and acceptance hereunder shall be the Seller's share of the total quantity of Raw Gas allocated to the Shippers Group in accordance with the procedures referred to in Clause 6.08 of Section 2 (Conditions of Contract) of the Transportation Agreement.
- 4.2 As soon as practicable, but in any event not more than twenty (20) days, after the last Day of each Month ("M1"), INEOS shall notify the Shippers Operator of the provisional quantities and calorific value of Raw Gas allocated to the Shippers Group for Month M1 in accordance with the procedure referred to in Clause 6.08 of Section 2 (Conditions of Contract) of the Transportation Agreement.
- 4.3 As soon as practicable after the notification given by INEOS to the Shippers Operator in accordance with Clause 4.2 above, INEOS shall further notify the Shippers Operator of the final quantities and calorific value of Raw Gas allocated to the Shippers Group for the Month M1 in accordance with the procedure referred to in Clause 6.08 of Section 2 (Conditions of Contract) of the Transportation Agreement.

5 Quality

The quality of the Raw Gas for delivery and acceptance hereunder shall, subject to Clause 7 of Section 2 (Conditions of Contract) of the Transportation Agreement, be that which is delivered.

6 Delivery

Subject to the performance by INEOS of its obligations under Clause 5.01(e) of Section 2 (Conditions of Contract) of the Transportation Agreement, the Seller undertakes to deliver its share of the quantities of Raw Gas deliverable pursuant to the Transportation Agreement and INEOS undertakes to receive such quantities at the Redelivery Point for Raw Gas.

7 Price

- 7.1 INEOS shall pay to the Seller for the quantity of Raw Gas delivered in any Month hereunder a price which shall be calculated in accordance with the following formula:-

[An appropriate price formula will be agreed between each Seller and INEOS after taking into account the quantity and composition of the raw gas.]

If any of the quotations or sources of information used in this Clause shall at any time or from time to time be discontinued or become so out of date or be so changed in the

basis of calculation so as to materially affect the validity of their continued use then either INEOS or the Seller may notify the other of such circumstances and the Parties will meet together to agree upon an appropriate amendment to or replacement of such quotation or source of information.

In the event that the Parties are unable to agree upon an appropriate amendment to or replacement of such quotation or source of information within ninety (90) days of such meeting either Party may by notice to the other forthwith refer the matter for determination by an Expert in accordance with Clause 15.3. The Parties will cooperate to ensure the Expert determination is combined with any similar determinations under the Raw Gas Sales Agreements between INEOS and the other members of the Shippers Group.

- 7.2 In the event that any amounts payable by the Seller (or by the Shippers Operator on behalf of the Seller) pursuant to the Transportation Agreement are not paid on the due date and remain unpaid on the date of the invoice submitted pursuant to Clause 8.1, INEOS shall be entitled to set off such amounts (including any additional amounts thereon arising pursuant to Clause 9.03 of Section 2 of the Transportation Agreement) against any amounts payable by INEOS pursuant to this Agreement. The exercise by INEOS of this right shall in no way prejudice its rights under Clause 9.03 of Section 2 of the Transportation Agreement.

8 Payment

- 8.1 On the same day that INEOS notifies the Shippers Operator in accordance with Clause 4.2 hereof, INEOS shall send to the Seller a "self billing" invoice (the "**Invoice**") showing the amount due to the Seller from INEOS calculated in accordance with Clause 8.2 below.

Subject to Clauses 7.2 and 8.4, INEOS shall pay to the Seller the amount shown as due to the Seller in the Invoice in pounds Sterling by means of an automated transfer utilising the BACs. The due date for payment of the amounts shown in the Invoice will be ten (10) days from the date that INEOS notifies the Shippers Operator in accordance with Clause 4.2.

- 8.2 The amount due for the purposes of Clause 8.1 above shall be calculated by:
- (a) taking the quantity in Tonnes and the calorific value in therms per Tonne of Raw Gas notified by INEOS in accordance with Clause 4.2 for the Month in question; and

- (b) calculating in Tonnes (wt) truncated after the third decimal place the Seller's entitlement to the Raw Gas referred to in Clause 8.2(a) above; and
- (c) multiplying the Raw Gas entitlement in Tonnes (wt) referred to in Clause 8.2(b) above by the calorific value referred to in Clause 8.2(a) above and the price per therm for the Month of delivery calculated in accordance with Clause 7.1; and
- (d) making any required adjustment for set off pursuant to Clause 7.2 of any sums owing to INEOS pursuant to the Transportation Agreement.

In the event that there is a difference between the provisional quantity advised pursuant to Clause 4.2 and the final quantity advised pursuant to Clause 4.3 then INEOS shall adjust the amount paid to the Seller in the Invoice issued in respect of the next Month, provided that each such adjustment shall be made using the price applicable for the Month in which such Raw Gas was delivered.

- 8.3 Subject to Clause 7.2, should INEOS fail or refuse to make payments (in whole or in part) properly due hereunder at the time and in the manner provided for herein, the indebtedness shall bear interest (as well after as before judgement) at LIBOR plus three percent (3%) calculated from the due date to the date of payment (both inclusive).
- 8.4 Where the Seller notifies INEOS that the amount referred to in Clause 8.1 above should be increased, giving reasonable justification for such increase, or INEOS notifies the Seller that there was an error in the amount referred to Clause 8.1 requiring an increase or decrease in such amount and giving reasonable justification for such increase or decrease, such increase or decrease shall be reflected in the next Invoice, which shall be paid by INEOS. Where either Party disputes an increase or decrease in the amount referred to in Clause 8.1 notified to it, such Party shall notify the other Party as soon as reasonably practicable and the Parties shall endeavour to resolve the dispute within thirty (30) days following such notification of dispute. If the dispute is resolved in favour of INEOS within such thirty (30) day period the Seller shall repay INEOS, or if the dispute is resolved in favour of the Seller within such thirty (30) day period INEOS shall pay the Seller, the difference between the original amount notified by INEOS in accordance with Clause 8.1 and the finally agreed amount, together with interest thereon. If the dispute is not resolved within such thirty (30) day period then the dispute shall at the option of INEOS or the Seller exercisable by notice to the other be determined pursuant to Clause 15. If the dispute is ultimately determined in favour of INEOS the Seller shall repay INEOS, or if the dispute is determined in favour of the Seller INEOS shall pay the Seller, the difference between the original amount as notified in accordance with Clause 8.1 and the finally

agreed amount, together with interest thereon. Interest due under this Clause 8.4 shall be at LIBOR plus three percent (3%) on the relevant amount from the due date to the date of payment (both inclusive). For the avoidance of doubt, any adjustments shall be made using the price applicable for the Month in which such Raw Gas was delivered.

- 8.5 Any Invoice issued by INEOS to the Seller pursuant to this Clause 8 shall show the Seller's name, address and United Kingdom VAT registration number and any other details required to constitute a full VAT invoice. INEOS shall issue a new self-billing Invoice in the event that the Seller's VAT registration number changes and shall inform the Seller if it intends to outsource the issue of self-billing Invoices to a third-party.
- 8.6 The Seller shall not raise sales invoices for the transactions contemplated in this Agreement. The Seller shall notify INEOS immediately should it change its United Kingdom VAT registration number, cease to be VAT registered or sell its business or part of its business.
- 8.7 The Parties acknowledge that at the time of entry into this Agreement, the United Kingdom VAT registration number for INEOS is GB 273552788 and the United Kingdom VAT registration number for the Seller is GB []

9 Taxes and Duties etc

- 9.1 Except where the same are levied on INEOS in respect of the tariff, fees and/or charges payable to INEOS under the Transportation Agreement, the Seller shall be responsible for and shall indemnify INEOS and its Affiliates against the payment of any taxes, duties, levies, royalties fees or any other impositions of a similar nature imposed upon the production, transportation, processing, sale, delivery or revenue from the Raw Gas deliverable or delivered hereunder prior to or at the passing of property hereunder (in accordance with Clause 10), including any related "carbon tax" or other levy or impost so imposed for environmental protection or energy conservation reasons.
- 9.2 Notwithstanding the foregoing, all payments from INEOS to the Seller under this Agreement shall be increased by the amount of any Value Added Tax (or any similar tax substituted therefore) which is chargeable.

10 Risk and Property

- 10.1 The Seller warrants that it is entitled to sell all Raw Gas sold and delivered under this Agreement and that such Raw Gas is free from all third party liens and adverse claims of any and every kind at the time of delivery to INEOS at the Redelivery Point for Raw Gas.
- 10.2 The risk and property in the Raw Gas delivered hereunder shall pass to INEOS as the Raw Gas passes from the Seller to INEOS at the Redelivery Point for Raw Gas.

11 Confidentiality

11.1 The terms and conditions of this Agreement and all information obtained from either Party in relation to this Agreement which is not in the public domain (including, without prejudice to the generality of the foregoing, the content of any dispute resolution proceedings or the results of such proceedings) shall be held confidential and shall not be disclosed by either Party to any Person which is not a Party to this Agreement without the prior written consent of the other Party, except that INEOS and the Seller may each make available without such prior agreement, any or all of such information to:

- (a) its Affiliates; or
- (b) its outside professional consultants and contractors working as members of staff; or
- (c) any court of law or governmental authority having the statutory right to require the same or to the extent required by law or as required to comply with guidelines issued by any governmental authority; or
- (d) any of its outside professional auditors, tax or legal advisers; or
- (e) any bona fide intending assignee of its interest; or
- (f) a bank or other financial institution from whom it or its Affiliates is seeking or obtaining finance or financial advice; or
- (g) any recognized Stock Exchange or the Securities and Exchange Commission of the United States of America or the U.K. Listing Authority in compliance with their rules and regulations;
- (h) any actual or prospective purchaser of Forties Blend and/or Raw Gas but only to the extent reasonably necessary to effect a sale to such purchaser

- (i) any Expert for the purposes of Clause 15; or
- (j) to any independent expert or auditor appointed by INEOS or another User to determine the quality, composition and/or specification of Pipeline Liquids.

11.2 Each Party shall procure that any data or information disclosed to its Affiliate shall be held confidential by such Affiliate on the same terms as set out above.

11.3 Prior to the disclosure of any data or information to any Person referred to in sub-Clauses (b), (e), (f), (h), (i) or (j) of this Clause 11, such Person shall undertake in writing to maintain such data or information confidential. Any such undertaking shall be expressed to be in favour of INEOS and/or the Seller, as necessary.

11.4 The provisions of this Clause shall remain in force for a period of five (5) Years subsequent to the termination of this Agreement.

12 Liability

Neither the Seller nor INEOS shall be liable to the other (either in tort, contract or otherwise for any reason including negligence and/or breach of duty (whether statutory or otherwise)) for Consequential Loss of any kind arising out of or in any way connected with the performance of or failure to perform under this Agreement by INEOS or the Seller (including the performance of or failure to perform by their respective contractors, sub-contractors, employees, agents or representatives), provided that nothing in this Clause 12 shall exclude or limit the obligation of INEOS to pay in full each and every amount properly due from it pursuant to Clauses 7 and 8 of this Agreement.

13 Assignment

13.1 Either Party may assign all or part of its rights or obligations under this Agreement to one or more of its Affiliates, provided always that the Party so assigning shall remain jointly and severally liable for the performance of its obligations hereunder including those assigned to an Affiliate.

13.2 The Seller may assign all or part of its rights or obligations under this Agreement to one or more of the other members of the Shippers Group.

13.3 Any assignment pursuant to Clause 13.1 or Clause 13.2 shall be promptly notified to the other Party in writing.

- 13.4 Any assignment or transfer by the Seller of any interest in the Shippers Field shall constitute an assignment or transfer (as the case may be) of its proportionate rights and obligations hereunder which are attributable to such interest so assigned or transferred, and shall be conditional upon the Seller arranging execution by all Parties of a novation of this Agreement required to document the assignment.
- 13.5 Except as aforesaid neither of the Parties to this Agreement shall assign this Agreement or any rights or obligations hereunder without the previous consent in writing of the other Party, which consent shall not be unreasonably withheld or delayed.

14 Force Majeure

No failure or omission by either Party to carry out or observe any of the terms or conditions of this Agreement shall, except in relation to obligations to make payments under this Agreement, give rise to any claim against the Party in question or be deemed a breach of this Agreement if such failure or omission arises from any cause reasonably beyond the control of that Party including (without prejudice to the generality of the foregoing) strikes, lockouts and labour disputes but excluding any failure of the Shippers Field to perform as anticipated. In the event that a Party is unable to fulfil its obligations in the above circumstances, the obligations hereunder of such Party shall be suspended. The Party whose obligations have been suspended as aforesaid shall give notice in writing of such suspension, as soon as reasonably possible, to the other Party stating the date and extent of such suspension and cause thereof and, if practicable, the period of time it estimates will be required to remedy the situation. The Party whose obligations have been suspended as aforesaid shall resume the performance of such obligations as soon as reasonably possible after the removal of the cause and shall so notify in writing the other Party.

15 Dispute Resolution and Governing Law

- 15.1 Except where this Agreement provides for Expert determination, all claims, disputes or differences arising out of or in any way connected with this Agreement or regarding its formation or validity shall be referred to the exclusive jurisdiction of the High Court of Justice in London.
- 15.2 This Agreement shall be governed by English law.
- 15.3 Notwithstanding Clause 15.1, where this Agreement provides for a matter to be determined by an Expert, it will be dealt with confidentially by a suitably qualified expert having no direct or personal interest in the outcome of the decision he is requested to

make and being appointed by agreement of the disputing Parties or, failing agreement, being chosen, following application by either Party, by the President for the time being of the Energy Institute of the United Kingdom (or any successor body fulfilling the same or materially the same functions). Any Party may submit a matter for determination by an Expert by written notice to the other Party stating the matter for determination in reasonable detail. The Expert shall be instructed to give his decision as promptly as practicable and the Parties shall do everything reasonably requested by the Expert to assist him to reach a decision. The Expert shall establish procedures for rendering his decision. These will give each Party the right to make written representations to the Expert on the matter for determination. The Expert shall act as an expert and not as an arbitrator and his decision shall be final and binding on the Parties in the absence of fraud or manifest error. The costs and expenses of the Expert shall, unless otherwise directed by the Expert, be for the account of the Party against whom the matter is decided.

16 Notices

16.1 All notices and other communications to be sent hereunder by INEOS or the Seller shall be in writing and, unless otherwise specified herein, sent to the other Party and/or the Shippers Operator, as the case may be, at the relevant addresses given below provided that any Party may at any time on giving not less than fifteen (15) days' notice to the other designate different or further addresses or fax numbers to which notices and other communications are thenceforth to be sent. The Seller shall be responsible for notifying to INEOS any change in the address and fax number of the Shippers Operator:

INEOS	By Mail:	INEOS FPS Limited 38 Hans Crescent London SW1X 0LX
	Attention:	Business Director
	By Fax:	01224 084444
		with email copy to fpsserv@ineos.com

Seller	By Mail:	[]
		[]
	By Fax:	[]

Shippers Operator

By Mail: []
[]

By Fax: []

16.2 Notices shall be effective upon receipt provided that if receipt of the notices is made outside customary hours of business at the location served, notices shall be deemed to have been received and shall be effective from 10.00 a.m. on the first Working Day following actual receipt.

17 No Waiver

No waiver by either Party of any provision of this Agreement shall be binding unless made expressly and expressly confirmed in writing. Further, any such waiver shall relate only to such matter, non-compliance or breach to which it expressly relates and shall not apply to any subsequent or other matter, non-compliance or breach.

18 Counterpart Execution

This Agreement may be executed in any number of counterparts with the same effect as if the signatures were upon a single copy of this Agreement, but shall not be effective until each Party has executed at least one counterpart. Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute one and the same instrument.

19 Entire Agreement

This Agreement, together with the documents expressly referred to herein, contains the entire agreement between the Parties in respect of the subject matter hereof and supersedes any previous understandings, commitments, agreements or representations whatsoever, oral or written. Each Party agrees that it shall have no remedies in respect of any representation or warranty (whether made innocently or negligently) that is not set out in this Agreement. No Party shall have any claim for innocent or negligent misrepresentation based upon any statement in this Agreement. Nothing in this Clause 19 shall operate to exclude or limit liability for fraud.

IN WITNESS WHEREOF THIS AGREEMENT has been entered into the day and year first
above written

.....

Signed for and on behalf of
INEOS FPS LIMITED

.....

Signed for and on behalf of
Seller