

Trans Tunisian Pipeline Company
First Come First Served Offer for Primary Capacity

Key Contractual Terms and Conditions of the Gas Transportation Agreement

Foreword

The following is a summary of the general terms and conditions of the GTA between TTPC and a successful bidder (hereinafter Shipper). The GTA shall be filled in with Shipper specific information, such as company data, GTA duration and Committed Flow Rate.

This document is meant to provide shippers with a preview of the main general terms and conditions of the final GTA. With respect to the principles laid out herein below, TTPC reserves the right to alter their order, and/or move concepts from an article to another, and/or regroup clauses under different headings, and/or modify the final wording of each clause, all while safeguarding its intended purpose and balance. Some articles and most of the definitions have been intentionally left out of these Key Contractual Terms, however they will be present in the final GTA.

1. Definitions

Capacity Band: the combination of capacity and runtime booked by a Shipper.

Capacity Reduction: a temporary inability, total or partial, on the part of TTPC to make available to Shipper its Committed Flow Rate, due to any reasons including, but not limited to, Force Majeure and Maintenance.

Committed Flow Rate: the maximum hourly flow rate (expressed in Cm³/h) reserved to Shipper, resulting from the Capacity Band.

Contractual Starting Date: the 1st day of the first month of the Capacity Band, at 8:00 (GMT+1).

Delivery Point: the inlet point, at the Algerian/Tunisian border in the area of Oued es Saf Saf, where the Transportation System is connected to the Algerian upstream transportation system, where the Gas is delivered by Shipper to TTPC.

Fiscal Charge: the percentage of Shipper's Natural Gas delivered at the Delivery Point that, according to the agreement to be entered by and between the Tunisian State and Shipper, the Tunisian State may request in kind, in the form of Gas made available by Shipper to TTPC and simultaneously redelivered by TTPC to the entity designated for this purpose by the Tunisian State, or in cash, as the equivalent value of the Gas not requested in kind, calculated based on the price charged to Shipper by its Gas supplier.

Fuel Gas: the Natural Gas quantity necessary for the functioning of the Transportation System compression stations in order to perform the Transportation Service.

Gas Transportation Agreement or GTA: the Gas Transportation Agreement between TTPC and a Shipper.

Natural Gas or Gas: any hydrocarbon or mixture of hydrocarbons and non-combustible gases, which when extracted from underground in its natural state separately or together with liquid hydrocarbons is in the gaseous state, object of the Transportation Service performed under the GTA.

Redelivery Point: the outlet point, in Tunisian territory downstream the Cap Bon compression station, where the Transportation System is connected to TMPC's downstream transportation system, where the Gas is redelivered by TTPC to Shipper.

Unaccounted Gas: any differences between the total quantities of Natural Gas introduced in the Transportation System and those off-taken from it, including Fuel Gas

2. Conditions Precedent

The coming into force of the GTA is subject to the fulfilment of the following conditions precedent:

- a) Shipper shall provide TTPC evidence of the approval by the Tunisian State of the GTA, of the setting of the Fiscal Charge, if any, and of the obtainment of any further authorizations that might be required by the Tunisian State for the purpose of the GTA.
- b) Shipper shall provide TTPC evidence that it has concluded a gas transportation agreement with Transmed S.p.A. for the transportation of Natural Gas on the TMPC pipeline through the Sicily Channel, for the same Committed Flow Rate and duration as the GTA.
- c) Shipper shall deliver to TTPC the original of the Bank Guarantee or of the Parent Company Guarantee, if requested, issued in favor of TTPC, as provided in the GTA.

In the event that any of the conditions precedent above is not fulfilled within 5 (five) business days before the Contractual Starting Date, the GTA shall be considered null and void.

3. Transportation Service

The scope of the GTA is the Transportation Service rendered by TTPC to Shipper. Such service shall consist of:

- exclusive availability to Shipper of the Committed Flow Rate on a "ship-or-pay" basis and with a constant hourly flow rate during each day;
- the transportation along the TTPC pipeline of the quantities of Natural Gas made available by Shipper at the Delivery Point;
- the redelivery to Shipper at the Redelivery Point of an amount of Natural Gas equivalent in terms of energy to the quantity made available by Shipper at the Delivery Point, after deducting the relevant Fuel Gas, Unaccounted Gas and Fiscal Charge to be paid in kind, if any, as set forth in the GTA.

In any single gas year, TTPC shall be entitled to reduce the Transportation Service, for maintenance and other transportation system management purposes, for a maximum period of 15 (fifteen) days equivalent at full capacity, without any corresponding reduction of the Shipper's obligation to pay in full the Transportation Charge. Should the actual number of Capacity Reduction days exceed, in a gas year, 15 (fifteen) days equivalent at full capacity, the Shipper shall be entitled to a reduction of the Transportation Charge pursuant to the provision of the paragraph "Capacity Reduction".

4. Measurement and Quantity

The Gas transported by TTPC is measured at two measuring stations, none of which is owned and/or operated directly by TTPC:

- i) the Oued Saf Saf measuring station, located in Algerian territory immediately upstream of the Algerian/Tunisian border, owned and operated by Sonatrach;
- ii) the Mazara del Vallo measuring station, located in Italian territory immediately downstream of the physical connection between the TMPC system and Snam's network, owned and operated by Snam.

The quantity of Gas made available by Shipper to TTPC at the Delivery Point shall be determined in accordance with the allotment criteria of the total quantity of Gas measured at Oued Saf Saf measuring station, as agreed by the suppliers and buyers of Algerian Gas.

The quantity of Gas redelivered by TTPC to Shipper at the Redelivery Point shall be the result of the allotment procedure of the total quantity measured at the Mazara del Vallo measuring station.

Shipper shall make available to TTPC, without any costs for the latter:

- a) Fuel Gas necessary for the operation of each compression station. The Fuel Gas quantity shall be calculated in proportion to the ratio between the Gas quantity compressed in each compression station for the Transportation Service and the total Gas quantity compressed in each compression station;
- b) Unaccounted Gas, the quantity of which shall be calculated in proportion to the Gas quantity actually transported for each Shipper;
- c) Gas for the Fiscal Charge to be paid in kind to the Tunisian State. The Fiscal Charge Gas quantity shall be made available by Shipper to TTPC at the Delivery Point and shall be simultaneously delivered by TTPC to the entity indicated by the Tunisian State in accordance with the relevant provisions.

The principles for the allotment of the Gas quantities between the Shippers at the Redelivery Point are provided in the *Procédure de Partage* annexed to the GTA. Revisions of the *Procédure de Partage* may be periodically needed in order to adapt its contents to the evolution of the gas market.

All necessary procedures to manage the operations of Gas delivery and redelivery, measurement of Gas quantity and quality, determination of Gas pressure range, as well as the exchange of other useful data and information are provided in an operating manual.

5. Quality and Pressure

The quality and pressure of the Natural Gas delivered by Shipper to TTPC at the Delivery Point and redelivered by TTPC to Shipper at the Redelivery Point shall comply with the specifications laid down in the GTA and relevant Annexes.

6. Capacity Reduction

In the event of a Capacity Reduction:

- a) If the event is due to unforeseen circumstances, TTPC shall promptly inform Shipper of the reasons, the impact on transportation capacity and the estimated duration of the event;
- b) TTPC, acting as a reasonable and prudent operator, shall make every reasonable effort - including recourse to uncommitted capacity, if available - in order to minimize the impact of the Capacity Reduction on the Shipper;
- c) The residual capacity of the transportation system shall be allocated among all Shippers in proportion to their respective Committed Flow Rate;

In the event that the actual number of Capacity Reduction days in a gas year exceeds, in aggregate, the maximum value of 15 (fifteen) days equivalent at full capacity, Shipper shall be entitled to a reduction of the Transportation Charge. Such reduction shall be calculated on the basis of 1/30th (one thirtieth) of the Monthly Fee for each day of actual reduction - equivalent at full capacity - in excess of 15 (fifteen) days and applied on the first available invoice.

For the avoidance of doubt, an event occurring on the upstream and/or downstream transportation systems, due to any reasons including, but not limited to, force majeure and maintenance, resulting in a reduction of deliveries by the Shipper at the Delivery Point and/or the inability by the Shipper to off-take Gas at the Redelivery Point, shall not constitute a Capacity Reduction of the transportation system and consequently the Shipper's obligation to pay the Transportation Charge in full shall continue to apply for the duration of the event.

7. Transportation Charge

7.1 Monthly Fee

From the Contractual Starting Date and for the entire duration of the GTA until its expiration date, Shipper undertakes to pay to TTPC, on a "ship or pay" basis,

except where differently provided for in the GTA, for each month k a Monthly Fee MF^k , expressed in Euro, calculated as follows:

$$MF^k = \sum_{i=1}^n UCT_i^k \cdot Q_i$$

where

- Q_i is the hourly flowrate corresponding to each Capacity Band i;
- UCT_i^k is the unit capacity tariff for Capacity Band i, calculated as follows:

$$UCT_i^k = KD_i \cdot UCT_0 \cdot IND$$

where

- KD_i is the degressivity factor for Capacity Band i. Its value for each duration D is given by the following table:

D	12 months	Up to: a. October 1 st , 2021 b. January 1 st , 2022	+ 12 months	+ 24 months	≥ + 36 months
KD	1,04	1,03	1,02	1,01	1,00

- UCT_0 is the base value of the unit capacity tariff, equal to 4,292 €/month per each Cm^3/h of Committed Flow Rate;
- IND is the indexation factor for the month to which the Transportation Service refers.

7.2 Indexation formula

The indexation factor for a given month belonging to the j-th quarter of the i-th year, IND_{ij} , is given by the following formula:

$$IND_{ij} = 0,65 + 0,20 \cdot K_i + 0,15 \cdot I_j$$

where

- the index i refers to the i-th year;
- the index j refers to the j-th quarter of a year.

The coefficient K_i (a function of the Italian Long-Term Government Bond Yield) is calculated at the beginning of each gas year i in the month of October and will be applied to each month of that year.

The coefficient I_j (a function of the Italian Producer Price Index and Wages Index in the industrial sector) is calculated at the beginning of each quarter j in the months of October, January, April and July and will be applied to each of the 3 months of that quarter.

7.3 Rounding

The rounding of the Monthly Fee shall be made to the second digit after the decimal point, rounded up if the third digit after the decimal point is greater than or equal to 5 (five), or rounded down if the third digit after the decimal point is less than 5 (five).

8. Invoicing and Payment

TTPC shall issue to Shipper a monthly invoice, expressed in Euro, by the 10th business day of each month, with reference to the Transportation Service of the preceding month. The invoice or, where applicable due to the issuance of an electronic invoice, a courtesy copy of the same shall be anticipated by e-mail or fax and sent in hard copy by courier.

Shipper shall pay the invoice by the end of the month of issuance to the bank account indicated by TTPC.

Any inaccuracy in the invoiced amounts shall require the issuance of appropriate credit or debit notes, for an amount equal to the amount of the miscalculation, and with due date determined in accordance with the relevant provisions of the GTA.

9. Transportation Programs

Shipper shall communicate to TTPC, by the 15th of September of every gas year, its indicative, not binding annual transportation program with monthly details for the following gas year. It is understood that, with reference to gas year 2019/2020, the above communication shall be notified to TTPC within 15 (fifteen) days from the Contractual Starting Date.

Shipper shall communicate to TTPC, by the 15th of every month, its indicative, not binding monthly transportation program with weekly and daily details for the following month.

Shipper shall communicate to TTPC, by 18:00 (GMT+1) of every Tuesday, its indicative, not binding weekly transportation program daily detailed for the week starting the following Sunday. The communicated daily quantities are intended for a constant hourly flow rate during each day and shall not exceed the Committed Flow Rate.

10. Governing Law

The GTA shall be governed by and construed in accordance with the laws of Italy. All disputes, controversies, or claims arising out or in connection with the GTA including its interpretation, validity, performance, breach, and termination shall be referred to, and finally and exclusively settled by, the exclusive jurisdiction of the Court of Milan.

11. Assignment

No Party shall have the right to assign either directly or indirectly its rights and obligations under the GTA without prior written consent of the other Party.

12. Guarantees

- a) With the exception of the provisions set forth in paragraphs b) herein below, Shipper shall provide TTPC with an autonomous and independent first demand Bank Guarantee issued by a primary credit institution, as per the form annexed to the GTA.
- b) As long as Shipper holds a credit rating no lower than Standard & Poor's "BBB-" or Moody's "Baa3" or Fitch Ratings "BBB-", then Shipper shall be exempted from its obligation to provide TTPC with the Bank Guarantee. In case Shipper does not hold the above-mentioned credit rating, but as long as its parent company does, then Shipper shall be entitled to provide TTPC with an autonomous and independent first demand Parent Company Guarantee, as per the form annexed to the GTA, in substitution of the Bank Guarantee.

The above-mentioned Bank Guarantee or Parent Company Guarantee shall be issued in favour of TTPC for an amount equal to: i) Euro **13,00** for each Cm³/h of Committed Flow Rate in case of GTA with a duration up to 4 (four) years or ii) Euro **26,00** for each Cm³/h of Committed Flow Rate in case of GTA with a duration of 5 (five) years (or longer).

The above-mentioned amount shall be calculated for each Capacity Band (Cm³/h x duration), if applicable.

13. Reduction of Committed Flow Rate and Termination

Should 1 (one) invoice result unpaid by Shipper within 15 (fifteen) days from its due date, TTPC shall be entitled, at its own discretion and without prejudice to any other rights, to temporarily perform the Transportation Service for a reduced flow rate until payment of the overdue invoice, without prejudice to Shipper's obligation to pay the Transportation Charge in full.

Should at least 2 (two) invoices result unpaid by Shipper within 15 (fifteen) days from their respective due dates, or should Shipper fail to provide TTPC with the original of the Guarantees as provided in the GTA, or should the reduction of Committed Flow Rate set forth above last longer than 3 (three) months, TTPC shall be entitled, at its own discretion and without prejudice to any other rights, to terminate the GTA before the expiration date.

Should TTPC elect to terminate the GTA before the expiration date as set forth above, Shipper, without prejudice to any other rights for TTPC, shall pay to TTPC the unpaid Transportation Charges as well as an early termination fee equal to the amount calculated by multiplying:

- the Monthly Fee as resulting from the latest invoice (concerning an entire month) preceding the early termination date,
by

- the lower between: i) the number of months between the early termination date and the expiration date of the GTA, and ii) 12 (twelve) months.

All the above amounts due to TTPC shall be paid within 15 (fifteen) days from the invoicing of the early termination fee.

14. Operatorship

TTPC shall be entitled to perform any of its obligations under the GTA by procuring that such obligations are performed on its behalf by a third party, without prejudice to its liability towards Shipper.

15. Confidentiality, Privacy and Compliance

The terms and conditions of the GTA, as well as all technical and commercial information and data, communicated by one party to the other in the performance of the GTA, which are not already in possession of the receiving party or that became of public domain without any breach of this confidential obligation shall be considered strictly confidential.

The parties act in compliance with the obligations related to the protection of personal and non-personal data, each for the part under its responsibility.

TTPC adopted: (i) an organizational and control model, which includes Eni's Code of Ethics, in accordance with the legislation in force regarding the administrative liability of legal entities for offences committed by their directors, employees and/or agents ("Model 231"); (ii) the Eni "Anti-Corruption Management System Guideline"; (iii) the Eni "Guidelines for the Protection and Promotion of Human Rights". The documents above are available on the website www.ttpc.eni.com.