

Schedule 1: Credit Agreement

[Product]

[March 2025 Auction]

The Customer shall by no later than the date falling **fifteen (15) Days** before the Entitlement Start Date enter into the Credit Agreement, in the present form.

12 January 2023

Credit Agreement

Dated

Between

- (1) **Storengy UK Limited** a company registered in England with number 06311795 whose registered office is at Stublach Site, King Street, Northwich, Cheshire, CW9 7SE (**SL**); and
- (2) [●] (registered number [●]) a company incorporated in [●], with its registered office at [●] (**Customer**).

Recitals

- A The Customer wishes to engage SL to provide storage services pursuant to a Storage Services Contract.
- B This Agreement sets out the credit and security terms which shall apply to the Customer under the Storage Services Contract.

1 Interpretation

- 1.1 For the purposes of this Agreement the following terms shall have the following meanings:

Acceptable Security means any of the following: (i) Guarantee; (ii) a Letter of Credit; (iii) Prepayment; (iv) a Cash Deposit; or (v) any other form of security proposed by the Customer and accepted by SL.

Affiliate means in relation to SL, any company or legal entity that controls or is controlled by, or which is controlled by an entity which controls, SL, where **control** means the ownership, directly or indirectly, of more than fifty per cent. of the voting rights in a company or other legal entity, the right to appoint the majority of the board of directors (or equivalent body) of a company or legal entity or the contractual right to exercise a controlling influence over a company or other legal entity.

Appropriate Investment Grade Status means a Moody's credit rating of Baa3 or higher or a S&P credit rating of BBB- or higher.

Approved Bank means any bank with a credit rating of at least A3 from Moody's or a credit rating of at least A- from S&P.

Approved Rating Agency means Moody's or S&P or such other credit rating entity agreed by SL and the Customer.

Available Deliverability/Deliverability has the meaning given to such term in the Storage Services Contract.

Available Injectability/Injectability has the meaning given to such term in the Storage Services Contract.

Business Day has the meaning given to such term in the Code.

Capacity Charges has the meaning given to such term in the Storage Services Contract.

Cash Deposit means payment of an amount equal to the amount calculated in accordance with Clause 4.1.1 into the Deposit Account.

Code means the Uniform Network Code as, and to the extent, incorporated into a Transporter's Network Code.

Competent Authority means the Gas and Electricity Markets Authority, or any local, national or supra national agency, authority or department, inspectorate, minister, official, court, tribunal or public or statutory person (whether autonomous or not) of the United Kingdom (or the government thereof) or the European Communities which has jurisdiction over SL or the Customer or the subject matter of this Agreement.

Contract Period has the meaning given to such term in the Storage Services Contract.

Credit Limit means an amount representing the Customer's maximum permitted Indebtedness determined in accordance with Clause 3.

Customer's Account means an account nominated by the Customer and notified in writing to SL.

Day has the meaning given to such term in the Code.

Defaulted Security means any Acceptable Security which expires, is determined, is no longer considered Acceptable Security in accordance with the provisions of this Agreement or otherwise becomes invalid.

Deposit Account means an account nominated by SL and notified in writing to the Customer.

Dispute means any dispute, claim, demand, cause of action, controversy or other matter in question arising out of or relating to this Agreement, including any question regarding its breach, existence, validity, interpretation, performance or termination of this Agreement between SL and the Customer.

Dispute Notice has the meaning given to such term in Clause 15.1.

Event of Default means either where the Indebtedness has exceeded a Customer's Credit Limit without the prior written consent of SL or where SL has given notice to terminate in accordance with the terms the Storage Services Contract.

Guarantee means a guarantee in the form set out in the Annex to this Agreement with such amendments as may be agreed by SL.

Indebtedness means:

- (a) the aggregate amount for which the Customer is at any time liable to SL pursuant to the Storage Services Contract determined on the basis of amounts accrued and irrespective of whether such amounts have been invoiced or (where invoiced) have become due for payment; less
- (b) any amount which has been paid to SL by the Customer by way of Prepayment, on the basis that SL may apply such amount without the Customer's consent in or towards payment of amounts referred to in paragraph (i), and which has not yet been so applied; less
- (c) the amount of any invoices which are the subject of a bona fide dispute by the Customer in accordance with the terms of the Storage Services Contract.

Injectability Charges has the meaning given to such term in the Storage Services Contract.

Letter of Credit means an irrevocable letter of credit in respect of all Indebtedness issued by an Approved Bank and in the form set out in the Annex to this Agreement with such amendments as may be agreed by SL.

Moody's means Moody's Investor Services.

Party means SL or the Customer and **Parties** shall be construed accordingly.

Pounds Sterling has the meaning given to such term in the Storage Services Contract.

Prepayment means payment in advance of amounts due under the Storage Services Contract in accordance with Clause 4.4.

Registered Deliverability/Deliverability has the meaning given to such term in the Storage Services Contract.

Registered Injectability/Injectability has the meaning given to such term in the Storage Services Contract.

S&P means Standard and Poor's Rating Group, a division of McGraw Hill Companies, Inc.

Storage Facility means the Stublach gas storage facility located at Stublach Site, King Street, Northwich, Cheshire, comprising underground salt cavities and gas compression, gas treatment plant and associated ancillary equipment.

Storage Services Contract means the storage services agreement entered into by the Parties in respect of the Storage Facility.

Storage Year has the meaning given to such term in the Storage Services Contract.

Transporter's Network Code means the network code prepared by a public gas transporter pursuant to Standard Special Condition A11(3) of its Transporter's licence treated as granted to it, as from time to time modified pursuant to that licence.

Uniform Network Code means the Uniform Network Code prepared by the relevant public gas transporters pursuant to Standard Special Condition A11(6) of the transporter's licence (granted pursuant to the Gas Act 1986 (as amended)).

Withdrawal Charges has the meaning given to such term in the Storage Services Contract.

1.2 In this Agreement, except to the extent that context otherwise requires:

- (a) all references to a particular Clause or Schedule shall be a reference to that Clause or Schedule in this Agreement;
- (b) headings are inserted for convenience only and shall be ignored in construing this Agreement;
- (c) any reference to any law in this Agreement shall be construed, at the particular time, as including a reference to any modification, extension or re-enactment thereof then in force and to all instruments, orders or regulations then in force and made under or deriving validity from such law or regulation;
- (d) a reference to any other agreement shall mean and include such other agreement as amended, supplemented, novated or assigned from time to time;
- (e) words in the singular may be interpreted as including the plural;
- (f) a derivative term of any defined term or interpreted term shall be construed in accordance with the relevant definition or interpretation;
- (g) a reference to a calendar day (such as 1 May) or to a day of a week (such as Sunday) is to the Day which begins on that day;

- (h) a reference to a calendar month is to the period on and from the commencement of the first Day of a month until the commencement of the first Day of the following month;
- (i) any payment falling due on a non-Business Day shall be deemed to be due and payable on the immediately following Business Day;
- (j) the words include and including are to be construed without limitation;
- (k) a reference to any Party includes its successors in title and permitted transferees;
- (l) a reference to a person includes any person, firm, company, corporation, government, state or agency of a state, or any association, foundation, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing and words denoting natural persons include any other persons; and
- (m) a reference to writing includes typing, printing, lithography, photography and other modes of representing or reproducing words in a visible form and expressions referring to writing are to be construed accordingly.

2 Scope of Agreement

- 2.1 The Customer's Credit Limit shall be determined in accordance with the provisions of Clause 3.
- 2.2 In consideration of the Parties entering into the Storage Services Contract the Customer shall provide Acceptable Security in accordance with the provisions of Clause 4.

3 Credit Limit

In respect of each Storage Year, the Customer's Credit Limit shall be calculated in accordance with the following formula:

$$CL = \left((51 \times CC) + \left(\frac{MRDRI}{2} \times AIWC \times 51 \right) \right) \div 100$$

where:

- CL** is the Customer's Credit Limit for such Storage Year in Pounds Sterling;
- CC** is the Capacity Charge for such Storage Year;
- MRDRI** is equal to Maximum (the highest Available Deliverability applying during the relevant Storage Year; the highest Available Injectability applying during the relevant Storage Year) in therms; and
- AIWC** is equal to the arithmetic average of the Injection Charges and the Withdrawal Charges.

4 Acceptable Security

4.1 General

- 4.1.1 Subject to the following provisions of this Clause 4.1, in respect of each Storage Year, the Customer shall provide SL with Acceptable Security in an amount calculated in accordance with the following formula:

$$AS = \left((61 \times CC) + \left(\frac{MRDRI}{2} \times AIWC \times 51 \right) \right) \div 100$$

where:

- AS** is the amount of the Acceptable Security for such Storage Year in Pounds Sterling;
- CC** is the Capacity Charge for such Storage Year;
- MRDRI** is equal to Maximum (the highest Available Deliverability applying during the relevant Storage Year; the highest Available Injectability applying during the relevant Storage Year) in therms; and
- AIWC** is equal to the arithmetic average of the Injection Charges and the Withdrawal Charges.

- 4.1.2 SL shall be entitled to review and to require the Customer to revise the Acceptable Security:
- (a) from time to time, on notice of not less than fifteen (15) Days (or any lesser period agreed by the Customer) to the Customer; or
 - (b) where the Approved Rating Agency revises downwards the credit rating of the Customer or any person providing Acceptable Security on behalf of the Customer.
- 4.1.3 SL shall notify the Customer which form of Acceptable Security it wishes to be granted by the Customer.

4.2 Guarantee

- 4.2.1 Unless SL agrees in writing that the provisions of Clauses 4.2.1 and 4.2.2 shall not apply, a Guarantee will only be considered as Acceptable Security where the company providing the guarantee has an Appropriate Investment Grade Status with an Approved Rating Agency.
- 4.2.2 In the event that the company providing the Guarantee ceases at any time to have an Appropriate Investment Grade Status with the Approved Rating Agency then such Acceptable Security shall no longer be considered as Acceptable Security. The Customer shall have thirty (30) Days from the date of such cessation to provide SL with an alternative form of Acceptable Security, acceptable to SL, failing which the Guarantee shall be deemed to have become invalid (but only for the purposes of constituting Acceptable Security but not otherwise, and provided that SL shall continue to be able to enforce the Guarantee in accordance with its terms up until the time at which the Customer puts in place alternative Acceptable Security). Notwithstanding such thirty (30) Day period, the Customer's Credit Limit shall be immediately reduced, without requirement for notice by SL, in an amount equal to the Defaulted Security.

4.3 Letter of Credit

- 4.3.1 A Letter of Credit will only be considered as Acceptable Security where the bank providing the guarantee is an Approved Bank with an Approved Rating Agency.

4.3.2 In the event that the bank providing the Letter of Credit ceases at any time to be an Approved Bank with the Approved Rating Agency then such Acceptable Security shall no longer be considered as Acceptable Security. The Customer shall have thirty (30) Days from the date of such cessation to provide SL with an alternative form of Acceptable Security, acceptable to SL, failing which the Letter of Credit shall be deemed to have become invalid (but only for the purposes of constituting Acceptable Security but not otherwise, and provided that SL shall continue to be able to enforce the Letter of Credit in accordance with its terms up until the time at which the Customer puts in place alternative Acceptable Security). Notwithstanding such thirty (30) Day period, the Customer's Credit Limit shall be immediately reduced, without requirement for notice by SL, in an amount equal to the Defaulted Security.

4.4 **Prepayment**

4.4.1 Where Prepayment is the form of Acceptable Security the provisions of Clauses 4.4.2 to 4.4.5 (inclusive) shall apply.

4.4.2 The Customer shall pay to SL in advance two (2) calendar months estimated Indebtedness under the Storage Services Contract. SL shall provide details of the estimated Indebtedness to the Customer by the twentieth (20th) Day of the preceding calendar month.

4.4.3 The Customer shall be required to make payment of the estimated Indebtedness in cleared funds by the last Day of the preceding calendar month or if the last Day is not a Business Day on the next following Business Day.

4.4.4 If the Customer fails to make payment in accordance with Clause 4.4.3 the unpaid amount shall be deemed to constitute Defaulted Security. The Customer's Credit Limit shall be immediately reduced, without requirement for notice by SL, in an amount equal to the Defaulted Security.

4.4.5 SL will pay interest to the Customer at the rate determined by Barclays Bank plc on the amount prepaid calculated from the date of payment by the Customer up until the last Day of the calendar month in respect of which the prepayment is made. SL shall pay the accrued interest on the twentieth (20th) Day after the end of the calendar month in respect of which the prepayment is made.

4.5 **Cash Deposit**

4.5.1 Where a Cash Deposit is the form of Acceptable Security the provisions of Clauses 4.5.2 to 4.5.5 (inclusive) shall apply.

4.5.2 The Customer shall pay the Cash Deposit in cleared funds into the Deposit Account no later than **15th April 2025**.

4.5.3 If at any time the amount remaining in the Deposit Account is less than the amount of the Cash Deposit then the Cash Deposit shall no longer be considered as Acceptable Security. The Customer shall have thirty (30) Days from the date on which the balance of the Deposit Account falls below the amount of the Cash Deposit to reinstate the balance of the Deposit Account to the amount of the Cash Deposit (or to provide SL with an alternative form of Acceptable Security, acceptable to SL), failing which the Cash Deposit shall be deemed to have become invalid (but only for the purposes of constituting Acceptable Security but not otherwise, and provided that SL shall continue to be able to realise sums from the Cash Deposit up until the earlier to occur of the date on which the Deposit Account is fully depleted or the Customer puts in place alternative Acceptable Security). Notwithstanding such thirty (30) Day period, the Customer's Credit Limit shall be immediately reduced, without requirement for notice by SL, in an amount equal to the Defaulted Security.

4.5.4 SL shall be entitled to retain any interest accrued on the Cash Deposit during the Contract Period.

- 4.5.5 Unless otherwise agreed with the Customer, where Clause 4.6 applies, SL shall release all amounts (other than the accrued interest) standing to the credit of the Cash Deposit (or the remaining part thereof, as the case may be) to the Customer in cleared funds to the Customer's Account.

4.6 Release of Acceptable Security

If after the expiry or termination of the Storage Services Contract the Customer's Indebtedness is zero (0) then SL shall release all outstanding Acceptable Security as soon as reasonably practicable and in any event within five (5) Business Days following such expiry or termination.

5 Default

Without prejudice to its right to terminate the Storage Services Contract, in the event of an Event of Default SL may call upon or take any step to enforce and realise the Acceptable Security to the extent necessary to recover all Indebtedness.

6 Assignment

- 6.1 SL may assign all or part of its rights under this Agreement and the Acceptable Security to any Affiliate who from time to time is a party to the Storage Services Contract.
- 6.2 Where SL assigns all or part of its rights under this Agreement and the Acceptable Security to an Affiliate under Clause 6.1:
- (a) it shall be a condition precedent to such assignment that the Affiliate shall enter into an agreement with the Customer covenanting to be bound by this Agreement and the Acceptable Security to the extent of the rights assigned to the Affiliate;
 - (b) SL shall be released from obligations under this Agreement and the Acceptable Security to the extent assigned to the Affiliate and which arise after the time that the assignment is effective, but SL shall remain liable for any obligations accruing up to such time.
- 6.3 The Customer shall not, without the prior written consent of SL, assign, transfer or otherwise dispose of its rights and obligations under this Agreement.

7 General Provisions

- 7.1 Nothing in this Agreement shall be construed as withdrawing from the Customer any right to dispute, in accordance with the Storage Services Contract, the validity of any invoice submitted by SL pursuant to the Storage Services Contract.
- 7.2 Nothing in this Agreement shall constitute any duty of care or other obligation on the part of SL (whether to or for the benefit of the Customer) in relation to the implementation of this Agreement.

8 Notices and Communications

8.1 Any notice shall be in writing and shall be addressed to the recipient Party at the recipient Party's address or facsimile number referred to in Clause 8.2, and marked for the attention of the representative (identified by name or title) referred to in that Clause or to such other address and/or marked for such other attention as the recipient Party may from time to time specify by notice given in accordance with this Clause 8 to the Party giving the notice.

8.2 The initial address and facsimile number of SL and the Customer shall be as follows:

SL: Storengy UK Limited
Stublach Site
King Street,
Northwich, Cheshire,
CW9 7SE

Telephone: 01606 815 300

Electronic: commercial@storengy.co.uk

Attention: Commercial Manager

Customer: [•]
[•]
[•]
[•]
[•]

Telephone: [•]

Electronic: [•]

Attention: [•]

8.3 Any notice given by delivery shall be given by letter delivered by hand, and any notice given by post shall be sent by first class prepaid post (airmail if overseas).

8.4 Any notice shall be deemed to have been received:

- (a) in the case of delivery by hand, when delivered; or
- (b) in the case of first class prepaid post, on the second (2nd) Day following the Day of posting or (if sent airmail overseas or from overseas) on the fifth (5th) Day following the Day of posting; or
- (c) in the case of facsimile, an acknowledgement by the recipient Party's facsimile receiving equipment.

9 Variations

The provisions of this Agreement shall only be varied by an agreement in writing signed by the Parties and specifically referring to this Agreement.

10 Waiver

No delay or omission by SL in exercising any right, power, privilege or remedy under this Agreement or the Acceptable Security shall operate to impair such right, power, privilege or remedy or be construed as a waiver thereof. Any single or partial exercise of such right, privilege or remedy shall not preclude any other or future exercise therefore or the exercise of any other right, power, privilege or remedy.

11 Severance

If any provision of this Agreement is or becomes invalid, unenforceable or illegal, or is declared invalid, unenforceable or illegal by any court of competent jurisdiction or by order of any Competent Authority, such invalidity, unenforceability or illegality shall not prejudice the remaining provisions of this Agreement which shall continue in full force and effect notwithstanding the same.

12 Entire Agreement

- 12.1 This Agreement and the agreements referred to herein, contain the entire agreement between the Parties with respect to the subject matter thereof, and supersede all previous agreements or understandings between the Parties with respect thereto, and any warranty, condition or other term implied by law or custom is (to the fullest extent permitted by law) expressly excluded therefrom.
- 12.2 Each Party acknowledges that in entering into this Agreement it does not rely on any representation, warranty or other understanding not expressly contained in this Agreement.
- 12.3 Nothing contained in a document referred to in this Agreement, beyond what is expressly contemplated in this Agreement as being contained in such document or is necessary for the purposes of giving effect to this Agreement, shall modify or have any effect for the purposes of this Agreement or be construed as relevant to the interpretation of this Agreement.

13 Jurisdiction

Subject to Clause 15, the courts of England and Wales shall have exclusive jurisdiction in respect of this Agreement.

14 Governing Law

This Agreement (and any Dispute, including any non-contractual disputes or claim) shall be governed by, and construed in all respects in accordance with, English law.

15 Disputes

- 15.1 In the event of a Dispute a Party shall notify the other Party of the Dispute (**Dispute Notice**) together with reasonable details of such dispute or difference. The Parties will then endeavour to resolve all matters the subject of the Dispute as soon as practicable.
- 15.2 Any Dispute which the Parties cannot resolve amicably within a period of twenty (20) Business Days (or such other period as the Parties may mutually agree in writing) of receipt of a Dispute Notice by a Party, shall be resolved by three (3) arbitrators acting in accordance with the LCIA Arbitration Rules, which rules are deemed to be incorporated by reference into this Clause, and the following shall apply:
- (a) Each Party shall appoint one (1) arbitrator within twenty (20) Business Days of the filing of the arbitration, and the two (2) arbitrators so appointed shall select the presiding arbitrator within twenty (20) Business Days after the latter of the two (2) arbitrators has been appointed. If the presiding arbitrator is not chosen and nominated to the LCIA for appointment within twenty (20) Business Days of the date of confirmation by the LCIA of the latter of the appointed arbitrators to be confirmed, he shall be chosen by the LCIA.
 - (b) The seat, or legal place of arbitration shall be London.
 - (c) The proceedings shall be in the English language.
- 15.3 The resulting arbitral award shall be final and binding, and judgment upon such award may be entered in any court having jurisdiction thereof. A Dispute shall be deemed to have arisen when either Party notifies the other Party in writing to that effect.
- 15.4 Any monetary award issued by the arbitrator shall be payable in Pounds Sterling, at the discretion of the receiving Party, at the spot rate as established by the London edition of the Financial Times on the date of the award.
- 15.5 Nothing in this Clause 15, shall prevent either Party from seeking interim or interlocutory relief in any court or arbitral tribunal.
- 15.6 If either of the Parties initiate multiple arbitration proceedings under this Agreement and/or under the Storage Services Contract, the subject matters of which are related by common questions of law or fact, then all such proceedings may be consolidated into a single arbitral proceeding, as determined under the LCIA Arbitration Rules.

16 Rights of Third Parties

The Contracts (Rights of Third Parties) Act 1999 shall not apply to this Agreement and no rights or benefits expressly or impliedly conferred by it shall be enforceable under that Act against the Parties to it by any other person.

17 Execution in Counterpart

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

Signed by [●])
duly authorised for and)
on behalf of)
Storengy UK Limited)

Signed by [●])
duly authorised for and)
on behalf of)
[●])

ANNEX

Form of Parent Company Guarantee

This Guarantee is made the day of by [●] a company registered in England (No. [●]) and having registered office at [●] (the **Guarantor**) in favour of Storengy UK Limited a company registered in England with number 06311795 whose registered office is at Stublach Site, King Street, Northwich, Cheshire, CW9 7SE (**SL**).

Whereas

- A This Guarantee is supplemental to the Credit Agreement to which SL and [●], a company registered in England (No [●]) and having its registered office at [●]] (the **Customer**) are parties.
- B The Guarantor is aware of the terms and conditions of the Credit Agreement and of the Customer's potential obligations under the Storage Services Contract [between SL and the Customer dated [●]].
- C Under the terms of the Credit Agreement the Customer is required to provide SL with Acceptable Security. The Parties have agreed that the Customer shall provide the Acceptable Security by means of this Guarantee.
- D The Guarantor is empowered to enter into this Guarantee and has taken all steps necessary to ensure that this Guarantee is valid and binding upon it in accordance with the terms hereof.

Now this Deed witnessed and the Guarantor hereby agrees as follows:

- 1. Terms defined in the Credit Agreement shall carry the same meaning in this Guarantee.
- 2. In consideration of SL entering into the Credit Agreement and providing storage services to the Customer pursuant to the Storage Services Contract and subject to clause 4 of this Guarantee, the Guarantor hereby unconditionally and irrevocably guarantees the payment by the Customer to SL of all Indebtedness of the Customer and, as primary obligor and not merely as a surety, agrees to indemnify SL on demand from and against any loss it may incur as a result of or in connection with its having now or hereafter allowed the Customer to incur any Indebtedness.
- 3. Subject to clause 4 of this Guarantee, if there is an Event of Default the Guarantor shall within fourteen (14) Days of receipt of a written demand from SL pay SL such sum as may be specified in such demand and such demand shall be conclusive evidence for all purposes against the Guarantor.
- 4. The liability of the Guarantor to make payment to SL shall not exceed the amount of the Acceptable Security, exclusive of any interest, fees, costs and expenses incurred by or on behalf of SL in respect of the Indebtedness incurred or accrued before, on or after any demand made under this Guarantee.
- 5. The liability of the Guarantor to make payment to SL shall not be impaired or discharged by reason of any of the following (whether or not the Guarantor has notice thereof):
 - (a) any amendment (whether material or otherwise) to the Credit Agreement or the Storage Services Contract or their respective durations (if any) agreed (whether on a formal or informal basis) between SL and the Customer;
 - (b) any indulgence or forbearance shown by SL towards the Customer or the Guarantor whether as to payment or time for payment or any arrangement entered into or composition accepted by SL modifying (by operation of law or otherwise) the rights and remedies of SL under the Credit Agreement or the Storage Services Contract with regard to payment or time for payment;

- (c) any action lawfully taken by SL to determine the Credit Agreement or the Storage Services Contract as respects the Customer or any other party thereto, or as a result of which the Customer ceases to be a party to the Credit Agreement or the Storage Services Contract;
 - (d) any change in the relationship between the Guarantor and the Customer;
 - (e) any disability, incapacity or change in the status or constitution of the Customer, the Guarantor or SL;
 - (f) the liquidation, dissolution or insolvency of the Customer or any receivership, judicially supervised administration, moratorium, composition of creditors or other analogous event affecting the Customer or any of its property;
 - (g) any third party becoming or ceasing to be a party to the Credit Agreement or the Storage Services Contract;
 - (h) any failure or delay by SL to assert any of its rights under this Guarantee;
 - (i) the holding by SL either now or hereafter of any other guarantee or security in respect of the Customer's Indebtedness.
6. This Guarantee is a continuing security and shall remain in effect until the date of termination of the Credit Agreement and the Storage Services Contract as respects the Customer but without prejudice to any antecedent rights then accrued to SL arising out of any Event of Default provided that SL shall make any demand in respect of an Event of Default within two (2) years after the date of such termination.
7. The Guarantor hereby warrants that it does not hold and will not take or hold without SL's consent in connection with this Guarantee any security whatever from the Customer. Any security so taken (whether with or without the consent of SL) shall be held in trust for SL and as security for the Guarantor's liability under this Guarantee. The Guarantor shall deposit such security and any documents relating thereto with SL as soon as practicable after the taking of such security.
8. Until all amounts due or to become due from the Guarantor under this Guarantee have been paid and discharged in full, the Guarantor shall not be entitled to share in any security held or money received or receivable by SL on account of that balance or to stand in the place of SL in respect of any security or money. Until such balance has been discharged in full, the Guarantor shall not take any step to enforce any right or claim whatever against the Customer in respect of any monies paid by the Guarantor to SL under this Guarantee or have or exercise any rights as surety in competition with or in priority to any claim of SL. The Guarantor will, if required by SL, prove in a winding-up or bankruptcy of the Customer, on the basis that the Guarantor holds the benefits of such claims on trust for SL.
9. Any settlement, discharge or release between the Guarantor and SL shall be conditional on no security given or payment made to SL by the Customer or any other person being avoided or reduced by virtue of any enactments relating to bankruptcy, administration or liquidation (or any analogous proceeding) for the time being in force. SL shall be entitled (subject to any limit in the total amount recoverable under this Guarantee) to recover the value or amount of any such security or payment from the Guarantor subsequently as if such settlement, discharge or release had not occurred.
10. SL may retain any security held by it for the Guarantor's liability under his Guarantee for the relevant period after payment of all sums due to SL from the Customer. If within the relevant period after such repayment a petition shall be presented for an order for the winding-up or administration of the Customer or the Customer shall commence to be wound-up or shall be the subject of an administration order, SL may continue to retain such security or any part of it for such further period as SL shall determine in its discretion. In this paragraph 9, the **relevant period** means the relevant statutory period, extended by one (1) calendar month, within which

any payment or security made to or held by SL may be avoided or invalidated under any enactment relating to insolvency.

- 11. SL may assign all or part of its rights under this Guarantee to any Affiliate who is from time to time party to the Storage Services Contract.
- 12. This Guarantee shall be governed by and construed in accordance with the laws of England and in the event of any dispute relating thereto the Guarantor hereby submits to the exclusive jurisdiction of the Courts of England [and appoints [insert name and address of person/company registered/resident in UK] as its agent for service of notices and other communications under or relating to this Guarantee].

In witness whereof the Guarantor has caused this Guarantee to be executed as its deed the day and year first before written.

Signed by [●])
duly authorised for and)
on behalf of)
Storengy UK Limited)

Signed by [●])
duly authorised for and)
on behalf of)
[●])

FORM OF LETTER OF CREDIT

To: Storengy UK Limited
Stublach Site
King Street
Northwich
Cheshire
CW9 7SE
(the **Beneficiary**)

[INSERT DATE]

Dear Sirs,

Irrevocable Standby Letter of Credit No: [insert number of LoC]

At the request of [Insert company name] a company registered in [Insert country] with number [Insert registration number] whose registered office is at [Insert address]), [Insert name of Issuing Bank], (the **Issuing Bank**) issues this irrevocable standby letter of credit (**Letter of Credit**) in your favour on the following terms and conditions:

1 Definitions

In this Letter of Credit:

Business Day means a day (other than a Saturday or a Sunday) on which banks are open for general business in London;

Demand means a demand for a payment under this Letter of Credit in the form set out in exhibit A of this Letter of Credit;

Dispute means any dispute, claim, demand, cause of action, controversy or other matter in question arising out of or relating to this Letter of Credit, including any question regarding its breach, existence, validity, interpretation, performance or termination;

Expiry Date means [Insert date];

Pounds Sterling or **£** means the lawful currency of the United Kingdom, provided that if a replacement legal currency is introduced in the United Kingdom, all monetary values expressed to be in "Pounds Sterling" or "£" in this Letter of Credit shall be modified in accordance with applicable law with effect from the date of such introduction; and

Total L/C Amount means [Insert amount] Pounds Sterling (£[●]).

2 Issuing Bank's Agreement:

- 2.1 The Beneficiary may request a drawing or drawings under this Letter of Credit by giving to the Issuing Bank a duly completed Demand. A Demand may not be given after the Expiry Date.
- 2.2 Subject to the terms of this Letter of Credit, the Issuing Bank unconditionally and irrevocably undertakes to the Beneficiary that, within three (3) Business Days of receipt by it of a Demand validly presented under this Letter of Credit, it must pay to the Beneficiary the amount which is demanded for payment in that Demand.
- 2.3 The Issuing Bank will not be obliged to make a payment under this Letter of Credit if as a result the aggregate of all payments made by it under this Letter of Credit would exceed the Total L/C Amount.
- 2.4 Payment under this Letter of Credit shall be made in Pounds Sterling without any set-off or counterclaim whatsoever and free and clear of all deductions or withholdings whatsoever unless such deduction or withholding is required by applicable law.

3 Expiry

- 3.1 At 5 p.m. (London time) on the Expiry Date the obligations of the Issuing Bank under this Letter of Credit will cease with no further liability on the part of the Issuing Bank except for any Demands validly presented under this Letter of Credit that remain unpaid.
- 3.2 The Issuing Bank will be released from its obligations under this Letter of Credit on a date prior to the Expiry Date if notified in writing by the Beneficiary that the obligations of the Issuing Bank under this Letter of Credit are released.
- 3.3 When the Issuing Bank is no longer under any obligation under this Letter of Credit, the Beneficiary must return the original of this Letter of Credit to the Issuing Bank within ten (10) Business Days.

4 Payments

All payments under this Letter of Credit must be made in Pounds Sterling and for value on the due date to the account of the Beneficiary specified in the Demand.

5 Delivery of Demand

Each Demand must be in writing, and may be given in person, by post or facsimile and must be received by the Issuing Bank at its address as follows:

[Issuing Bank]
[Issuing Bank Address]
[Issuing Bank Fax Number]

For the purpose of this Letter of Credit, communications made by facsimile will be treated as being in writing.

6 Assignment

The Beneficiary's rights under this Letter of Credit may not be assigned or transferred.

7 International Standby Practices

Except to the extent it is inconsistent with the express terms of this Letter of Credit, this Letter of Credit is subject to the International Standby Practices 98 (ISP98), ICC Publication No. 590.

8 Jurisdiction

The courts of England and Wales shall have exclusive jurisdiction in respect of this Letter of Credit.

9 Governing Law

This Letter of Credit (and any Dispute including any non-contractual disputes or claims) shall be governed by, and construed in all respects in accordance with, English law.

Yours faithfully,

[Issuing Bank]
Signature:

Name:

EXHIBIT A ATTACHED TO THE LETTER OF CREDIT
FORM OF DEMAND

To: [Issuing Bank]

[DATE]

Dear Sirs,

Irrevocable Standby Letter of Credit No. [insert number of LoC] issued in favour of Storengy UK Limited (the **Letter of Credit**).

We refer to the Letter of Credit. Terms defined in the Letter of Credit have the same meaning when used in this Demand.

1. We certify that the sum of [●] Pounds Sterling (£[●]) is due and has not been paid by the due date under [insert details of the Storage Services Contract]. We therefore demand payment of the sum of [●] Pounds Sterling (£[●]).
2. Payment should be made to the following account:

Name: [●]
Bank: [●]
Account Number: [●]
Sort Code: [●]
3. The date of this Demand is not later than the Expiry Date.

Yours faithfully,

For: **Storengy UK Limited**
(Authorised Signatory)

Signature:

Name: