



NGS 06/2026

Publication Date: 06 February 2026

NAME OF LICENSEE: [Company name] Limited/Ltd.

**ADDRESS OF LICENSEE: c/o [Address]
Nassau, The Bahamas**

Liquefied Natural Gas (LNG) Importer Licence

UNRESTRICTED ONLY

Commencement Date: [day] [month] [year]

Licence Number: NILU-[XX]¹-[XX]²

¹ Two digits representing licence year (i.e. for 2025 the insert would be [25])

² Licence number in sequential order (i.e. 01, 02, 03 etc.)

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PART A

1 GRANT OF THE LICENCE

- 1) The Utilities Regulation and Competition Authority (URCA) in exercise of its powers conferred by section 8(1)(a) of the Natural Gas Act, 2024,

HEREBY GRANTS to [insert company name], a company incorporated in the Commonwealth of The Bahamas with Registration Number [xxx] (the “Licensee”), an LNG Importer Licence authorising the Licensee to import natural gas into The Bahamas (“the Licence”), subject to the conditions of this Licence (the “Licence Conditions”).

- 2) This Licence shall be cited as the [insert company name] Liquefied Natural Gas Importer Licence.
- 3) This Licence shall come into effect on the [insert date] (“the Commencement Date”) and shall continue in full force and effect until termination or expiry unless amended, revoked or terminated pursuant to the terms and conditions set out herein.
- 4) The Conditions of this Licence are subject to amendment or modification in accordance with their terms or in accordance with the Natural Gas Act, 2024.
- 5) This Licence shall be governed by and construed, enforced and performed in accordance with the laws of the Commonwealth of The Bahamas.

Executed on behalf of the Utilities Regulation and Competition Authority on the [insert date].

Chief Executive Officer

2 ACCEPTANCE OF TERMS AND CONDITIONS OF LICENCE

- 6) We, [XXX] Ltd., the named Licensee hereby accept the terms and conditions of this Licence on our behalf and on behalf of any Subsidiary Undertaking authorised in accordance with Section 32 of the Natural Gas Act, 2024 and jointly named above or endorsed below.

SIGNED this day of20XX

Signature

[XXX]

[Title]

3 ENDORSEMENT OF AUTHORISED SUBSIDIARIES

- 7) URCA grants this Licence jointly to the Licensee named in Condition 1) and to any Subsidiary Undertakings that have been notified to URCA in writing in accordance with Section 32 of the Natural Gas Act, 2024.
- 8) Notwithstanding the inclusion of its name on this licence, such Subsidiary Undertaking(s) shall cease to be licensed for the purposes of Condition 1) in the following circumstances:
- a) fourteen (14) calendar days after URCA receives notice in writing from the named Licensee or the relevant Subsidiary Undertaking excluding the Subsidiary Undertaking from the licence; or
 - b) immediately subsequent to a determination by URCA excluding the Subsidiary Undertaking from the licence.

4 DEFINITIONS AND INTERPRETATION

- 9) In this Licence, except in so far as the context otherwise requires:

“Act” means the Natural Gas Act, 2024;

“Affected LNG Supply Source” means any LNG Supply Source that is not reasonably expected to supply LNG at the time that it would be required to supply LNG for the purposes of delivery to an LNG Terminal;

“Allowed Activities” means activities, other than the Authorised Business, which the Licensee may engage in, subject to the provisions of Paragraph 33);

“Allowed Activity” means any one of the allowed activities

"Assets" mean the material assets and facilities owned, operated or leased by the Licensee, including real estate and resources of economic value that the Licensee owns or controls with the expectation of future benefit;

"Authorised Business" means the Licensee's importation of liquefied natural gas into The Bahamas for Domestic Consumption. The Licensee has the right to sign Transaction Agreements and to bill Customers for the services provided under those agreements at the rates and charges approved in accordance with the Natural Gas Act, 2024 and this Licence;

"Basic Conditions" means a temperature of fifteen and six-tenths degrees Celsius (15.6°C) (measured with a mercury thermometer) and an absolute pressure of one point zero one three two five (1.01325) bar or seven hundred and sixty (760) millimetres of mercury column (measured by Fortin type barometer and corrected to zero degrees Celsius (0°C) with the standard gravity acceleration value), the equivalents of which in the Anglo-Saxon system are sixty degrees Fahrenheit (60°F) and fourteen and six hundred ninety-six thousandths (14.696) psia, respectively;

"Close relation" means a spouse, parent, child or sibling;

"Constitution" means the Constitution of the Commonwealth of The Bahamas;

"Customers" means all persons who have entered into a Transaction Agreement or any similar agreement to purchase services from the Licensee, and "Customer" means any of them;

"Downstream Agreement" means a contract approved by URCA for the supply of LNG and/or regasified LNG for Domestic Consumption. For the avoidance of doubt, a GSA approved by URCA is a Downstream Agreement, and a Handling Agreement is not a Downstream Agreement;

"End Users" means any Person who has entered into a Downstream Agreement with the Licensee.

"Fair Market Value" means the market value of the Licensee when evaluated as an ongoing business concern including this Licence and all lands, buildings, works, materials, plant and property of all kinds whatsoever suitable to or intended for the purposes of the undertaking and shall be the price, expressed in cash equivalents, at which the Shares would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arm's length in an open unrestricted market when neither is under any compulsion to buy or sell and when both have reasonable knowledge of the relevant facts. Fair market value shall be the average value as determined by a panel of three (3) independent valuation experts, one to be selected by URCA, one by the Licensee and one, who shall be Chairman of the panel, to be selected by the two other members. In the event that the nominees cannot agree on the selection, the Chairman shall, be appointed by URCA;

"Financial Year" means the twelve (12) month period at the end of which the Licensee's annual accounts are closed;

“Force Majeure” means an event or circumstance which prevents the Licensee from performing its obligations under this Licence, which event or circumstance is not within the reasonable control of, or the result of the negligence of, the Licensee, and which the Licensee is unable to overcome or avoid or cause to be avoided through the exercise of due diligence. Events of Force Majeure may include, but are not limited to:

- a) acts of God;
- b) pandemics,
- c) fire including fire resulting from an earthquake;
- d) flood including flood caused by an earthquake or hurricane;
- e) volcanic eruption;
- f) earthquake;
- g) hurricane, cyclone, tornado or windstorm;
- h) overflow of the sea caused by hurricane, cyclone, tornado or windstorm the elements listed above;
- i) war, riots or acts of terrorism;
- j) strikes, walkouts, lockouts and other labour disputes
- k) requirements, actions or failure to act on the part of governmental authorities;
- l) adoption or change in any law, regulation, statute, rule or regulation imposed by governmental bodies, including, without limitation, a change in the interpretation thereof; or
- m) any lawful order by any court or administrative agency (so long as the Licensee has not applied for or assisted in the application for such court or governmental action);

“Gas” means any hydrocarbon or mixture of hydrocarbons (including regasified LNG) consisting principally of methane, other hydrocarbons and non-combustible gases (but is not required to contain ethane, butane or propane), all of which are in a gaseous phase under Basic Conditions;

“Gas Licence” has the meaning ascribed to that term in the Act;

“Gas Licensee” means a Person holding a Gas Licence;

"Gas Metering Code" means the code of practice that sets out the obligations of meter owners, gas shippers and the Licensee with regards to meter installations and metering data;

"Gas Network Code" means The Bahamas Gas Network Code issued by URCA in accordance with the Act;

"Gas Sales Agreement" or "GSA" means any agreement entered or to be entered into, as the case may be, by the Licensee, under which the Licensee sells regasified LNG imported under this Licence for Domestic Consumption, including any amendment, alteration or notification thereto in accordance with the terms of such agreement;

"Gas Supply Code" means the code of practice that sets out the obligations of gas licensees to comply with the standards and procedures for the safe operation of the gas supply system;

"Handling Agreement" means an agreement entered or to be entered into, as the case may be, between the Licensee and a customer for the Licensee's handling of LNG imported by such customer;

"Import" means to bring or cause to be brought natural gas or LNG into The Bahamas by any means from any place outside of The Bahamas;

"Government" means the Government of the Commonwealth of The Bahamas;

"Licence Condition" means the conditions set out in this Licence.

"Licence Year" means (i) for the first Licence Year, the period beginning on the Effective Date and ending on the next occurring December 31; (ii) for the last Licence Year, the period beginning on January 1 and ending on the date of expiration of this Licence; and (iii) for all other Licence Years, the twelve (12) month period beginning on January 1 and ending on the next occurring December 31;

"Licensee" means the entity granted a licence in section 1 and includes any entity exercising step-in rights on a named Licensee;

"LNG" means liquefied natural gas;

"LNG Supplier" means a Person who has entered into an LNG SPA, under which such Person supplies LNG to the Licensee in The Bahamas;

"LNG Supply Sources" means the list of sources of LNG supply and/or LNG supply projects as set out in Schedule 1;

"LNG Sales and Purchase Agreement" or "LNG SPA" means any agreement entered into by the Licensee, under which the Licensee purchases LNG for Domestic Consumption, including any amendment, alteration or notification thereto in accordance with the terms of such agreement;

"LNG Terminal" means an on-shore or offshore structure within The Bahamas (including The Bahamian waters) with the intent to receive, unload, load, store, gasify, liquefy or process natural gas;

"LPO Charge" means the charge to be imposed by the Licensee when injecting Regasified LNG into the gas supply system to stabilize the pressure level (i) in the event the pressure level falls below the level prescribed in the Standing instructions; or (i) in circumstances where the Relevant Gas Transporter declares a system emergency;

"Minister" means the Minister with portfolio responsibility for the Energy Sector;

"Named Licensee" means the person whose name appears in the grant and issuance of a licence by URCA;

"Person" means any individual, corporation, partnership, trust, unincorporated organisation, institution, government authority or any other legal entity;

"Potential End User" means a Person who has bona fide demand for LNG/regasified LNG and is interested in (i) entering into a new Term GSA, or (ii) extending the supply period and/or increasing the supply quantities under an existing Term GSA;

"Regasified LNG" means gas derived from the conversion of LNG from its liquefied state to a gaseous state;

"Regulatory Accounts" means the reports on the financial and operating performance of the Licensee in such detail and format as designated by URCA;

"Related Enterprise" in relation to the Licensee or its Subsidiary Undertaking means any corporation or partnership over which the Licensee or its Subsidiary Undertaking, as the case may be (either directly or through another Subsidiary Undertaking) is able to exercise control, that is, to direct the decision-making process of the corporation or partnership, whether through holding issued share capital or voting power of the company or partnership;

"Relevant Gas Transporter" means in relation to a consumer, the gas transporter licensed in accordance with section 17(1) of the Act who transports gas to the premises of that consumer

"Relevant Legislation" means the Act and the Utilities Regulation and Competition Authority (URCA) Act and includes in each case the regulations made thereunder;

"Relevant Turnover" means gross receipts in money or money's worth of the licensee, or any person in respect of whom an exemption determination has been made under section 18 of the Act –

- a) attributable to the provision of the Authorised Business, under the licence or exemption determination;
- b) including, in relation to any activity requiring a licence under the Act during the relevant financial year, associated and other ancillary revenue, whether or not derived from activities authorised

by the licence, after the deduction of sales rebates, trade discounts, value added tax and other taxes directly related to turnover;

“Standing Instructions” means the Standing instructions For The Response To Downstream Pipeline Network Low Pressure issued by URCA;

“Service Territory” means, for the purpose of this Licence, within, into, from and through the islands and cays within the Commonwealth of The Bahamas;

“Subsidiary Undertaking” shall the meaning specified under the Act;

“Term GSA” means a GSA for the supply of regasified LNG by the Licensee for (i) a period of at least one year, or (ii) any other GSA mutually agreed between URCA and the Licensee to be deemed as a Term GSA;

“Terminal Operator” means the operator of an LNG Terminal;

“Terminal Use Agreement” or “TUA” means the Terminal Use Agreement between the Licensee and a Terminal Operator in respect of Throughput Services to be provided at an LNG Terminal;

“Throughput Services” means the unloading of LNG from an LNG vessel and temporary storage of unloaded LNG at an LNG Terminal, and the subsequent send-out of such delivered LNG as regasified LNG from such LNG Terminal for Domestic Consumption;

“Transaction Agreement” means

- a) any Downstream Agreement;
- b) any Terminal Use Agreement;
- c) any Handling Agreement;
- d) any agreement with End Users to swap or divert LNG under the End User’s Downstream Agreement; and/or
- e) any other agreements ancillary to the agreements stated in (a), (b), (c) and (d) and of this definition (excluding any LNG sale and purchase agreements) whose performance has a material impact on such agreements.

“URCA Fees” mean the Fees prescribed by URCA pursuant to the Act.

“Utilities Appeal Tribunal” or “UAT” means the Utilities Appeal Tribunal established under the Utilities Appeal Tribunal Act, 2009.

For the purpose of interpreting the Conditions in this Licence:

- 10) except in so far as the context otherwise requires, words or expressions shall have the meaning assigned to them in:
 - a) the Licence, and otherwise;
 - b) the Natural Gas Act, 2024 and otherwise;
 - c) the URCA Act, and otherwise; and
 - d) the UAT Act;
- 11) for ease of reference, in this Licence terms defined in the Natural Gas Act have been capitalised;
- 12) subject to Paragraph 10) above, where there is any conflict between the provisions of this Licence and the Act, the provisions of the Act shall prevail;
- 13) references to Conditions, paragraphs, schedules, subparagraphs and appendices are to Conditions, paragraphs, subparagraphs of and to the appendices to the Licence, as modified from time to time in accordance with this Licence and the Act;
- 14) a Document will be incorporated into and form part of the Licence if it is referred to in this Licence and a reference to a Document is to a Document as modified from time to time;
- 15) headings and titles used in this Licence are for reference only and shall not affect its interpretation or construction;
- 16) references to any law or statutory instrument include any modification re-enactment or legislative provisions substituted for the same;
- 17) reference to a body, whether statutory or not, which ceases to exist or whose functions are transferred to another body includes a reference to the body which replaces it or which substantially succeeds to its functions, powers or duties;
- 18) where in this licence the licensee is required to comply with any obligation within a specified time limit, that obligation shall be deemed to continue after that time limit if the Licensee fails to comply with that obligation within that time limit;
- 19) use of the word “include” or “including” is to be construed as being without limitation;
- 20) expressions cognate with those referred to in this Licence shall be construed accordingly;

- 21) words importing: (i) the singular only shall include the plural and vice versa; (ii) the whole shall be treated as including a reference to any part; and (iii) any gender shall include all other genders;
- 22) reference to persons shall include firms or companies; and
- 23) cross references are marked with an open parenthesis. It is expressly stated that the use of an open parenthesis in these cross references bears no legal interpretation. The sole legally pertinent element is the reference number.

5 ROLE AND DUTIES OF URCA

- 24) The Licensee shall be subject to the regulatory supervision of URCA. URCA shall perform its functions and carry out its duties pursuant to the URCA Act, the Act and any other relevant laws, this Licence and have regard to relevant Government policy.
- 25) In carrying out its functions URCA shall act proportionately and non-discriminatorily balancing the interests of consumers with those of the Licensee.

6 NATURE AND SCOPE OF THE LICENCE

- 26) This Licence authorises and gives the Licensee the right to import LNG in The Bahamas, subject to the Licence Conditions, the Act, regulatory measures issued by URCA from time to time and any other relevant law for the time being in force.

7 DURATION AND RENEWAL OF LICENCE

- 27) Subject to the provisions herein contained, the duration of this Licence shall be for a period not exceeding fifteen (15) years from the Commencement Date.
- 28) The Licensee may, no later than two (2) years prior to the expiry of the Licence, apply to URCA, in writing, for a renewal of the Licence. URCA's decision on the renewal application will be notified to the Licensee, in writing, no later than one and a half years prior to the expiry of the Licence. Where approved, the renewal shall be on such terms and conditions as URCA deems fit.
- 29) This licence shall be renewed by URCA in accordance with the procedure prescribed under Section 33 of the Act.
- 30) Any request for the termination of this Licence by the Licensee is subject to the approval of URCA, whose approval shall not be unreasonably delayed or withheld beyond a ninety (90) calendar day period. The Licensee shall continue to be bound by the terms of this Licence until such time as URCA notifies the Licensee in writing of such approval. The Licensee shall not be released from any obligation arising under the Licence prior to such date.

8 CHANGE IN CONTROL

- 31) The Licensee shall obtain URCA's written approval of any change in control of the Named Licensee or any notified licensee prior to the change in control occurring whether such change is affected directly or indirectly through its immediate, intermediate or ultimate holding company(ies).
- 32) Without limiting URCA's ability and duty to apply the merger control provisions in Part VI the Act, URCA may object to a change in control if in URCA's view the acquirer would not meet any of the criteria referred to in, or set by URCA pursuant to, Section 24 of the Act.

9 ASSIGNMENT OR TRANSFER OF LICENCE

- 33) The Licensee shall not, without the prior written approval of URCA, transfer, sub-license, assign or grant any right, interest or entitlement in the Licence to any person or transfer or dispose of any of its assets that are necessary to provide the Authorised Business that the Licensee is obliged to provide under this Licence save in the ordinary course of replacement of such assets necessary to provide the Authorised Business. Such approval shall not be unreasonably withheld.
- 34) URCA shall approve an application for the assignment or transfer of the Licence where URCA is satisfied that the proposed assignee or transferee satisfies the criteria set out under the Act and any other criteria established by URCA.
- 35) Should the Licensee wish to assign or transfer the Licence, it shall request, in writing, the approval of URCA and URCA shall reply in writing within sixty (60) calendar days of the receipt of such request informing of its decision on the application.
- 36) URCA shall publish its decision regarding a request to assign or transfer the Licence and its decision on its website.
- 37) Where URCA refuses to give its approval it shall give reasons in writing for such refusal to the Licensee.
- 38) The Licensee may apply to URCA within seven (7) calendar days of the notification of refusal by URCA in accordance with paragraph 37) for a reconsideration of its decision not to approve the assignment or transfer its Licence and may appeal any decision made by URCA to the UAT following any such reconsideration by URCA.
- 39) Any purported transfer of this Licence without the approval in writing of URCA shall be avoid.

10 AMENDMENT, MODIFICATION AND REVOCATION OF LICENCE

- 40) URCA may amend, modify or revoke this Licence in accordance with the procedures set out in Section 40 of the Act.

11 COMMUNICATIONS AND NOTICES

- 41) Notices, orders and other documents under this Licence may be in writing or in print or in electronic format (permitting confirmation of receipt) and shall, if served on:
- a) URCA be addressed to:
the Chief Executive Officer; and
 - b) the Licensee, be addressed to:
the Chief Executive Officer/Managing Director.
- 42) Any notice, order or document required or authorised to be served upon a body or person under this Licence may be served by the same being addressed to such body or person and being left at or transmitted by electronic mail or facsimile or by registered post to the address of such body or to the usual or last known place of abode of such person. Where served by post it shall be deemed to have been served at the time when the containing letter would be delivered in the ordinary course of post and in proving such service it shall be sufficient to prove that such letter was properly addressed, registered and put into the post. Where served by electronic mail or facsimile it shall be deemed to have been served when the electronic mail or facsimile shall have been transmitted by the sender.
- 43) Notwithstanding the above, the Licensee shall designate a person that will act as a primary contact with URCA on matters related to this Licence and shall notify URCA promptly should the contact details change.
- 44) URCA may designate the Director of Utilities and Energy as the primary contact on matters related to this Licence.
- 45) Notwithstanding Paragraphs 41) through 43), publication on URCA's website of any communication shall be deemed sufficient notice to the Licensee.

PART B - GENERAL OBLIGATIONS

12 OBLIGATIONS TO COMPLY WITH LAWS, REGULATIONS AND LICENCE CONDITIONS

- 46) The Licensee shall comply with the Act and any other Act of the Commonwealth of The Bahamas that has application to it in the discharge of its performance under this Licence.
- 47) The Licensee shall comply with regulatory and other measures including any directive, order, rule, decision or approval issued, made or granted by URCA in accordance with its duties and functions under the Act or this Licence.
- 48) Without limiting the foregoing, the Licensee shall be subject to and shall comply with:

- a) the Gas Metering Regulation;
- b) the LNG Import Code;
- c) the Gas Supply Code; and
- d) any other relevant regulations, codes of practice as URCA notifies the Licensee in writing,

13 BREACH OF OBLIGATION TO COMPLY WITH LAWS, REGULATIONS AND LICENCE CONDITIONS

- 49) Where URCA has reason to believe that the Licensee has failed to comply with any relevant law, regulation or condition of this licence, URCA may exercise all such powers and duties as are afforded to or required of it under the Act or any other relevant law and may take all such action as is permitted to it thereunder against either the Licensee or its Subsidiary Undertaking.
- 50) The Licensee shall be liable for all the acts and omissions of each of its Subsidiary Undertakings in respect of its obligations under this Licence.
- 51) Without prejudice to the Licensee's other obligations under this Licence, where its Subsidiary Undertaking has done something which would if done by the Licensee:
- a) be prohibited or not authorised by any relevant law, regulation and condition of this Licence; or
 - b) require the Licensee to take or refrain from taking a particular action under any relevant law, regulation and condition of this Licence and that no Licensee, including the Subsidiary Undertaking, has met that further requirement, then, where URCA is not satisfied that the Licensee has taken all reasonable steps to prevent its Subsidiary Undertaking from acting in that manner, URCA may direct the Licensee to take such steps as URCA deems appropriate for the purpose of remedying the matter, including restraining the defaulting Subsidiary Undertaking from carrying on with such activities connected with the Authorised Business as URCA may determine.

14 INTERNATIONAL OBLIGATIONS

- 52) The Licensee shall exercise its rights and powers and perform its duties and obligations under this Licence in a manner which is consistent with the Government's international obligations:
- a) by virtue of the Government being a member of an international organisation or a party to an international agreement; or
 - b) to attain or facilitate the attainment of that which is requisite and expedient in view of the

Government being a member of such an organisation or a party to such an agreement, to the extent that the Licensee has notice of such membership or agreement pursuant to Paragraph 53).

53) URCA shall notify the Licensee from time to time of any membership or agreement to Paragraph 52) applies.

15 COMPOSITION OF THE BOARD OF DIRECTORS

54) The Licensee shall procure that at all times its directors or their close relations shall not be employed by nor hold any office or engagement with any person (other than the Licensee) authorised by a gas licence or exempted from the obligation to hold a gas licence to engage in gas import.

55) URCA may, on such terms as it may specify in writing and notified to the Licensee, waive or vary any of the requirements of this Condition for such period, as URCA may determine.

16 PROHIBITION ON ACQUISITION OF SHARES

56) The Licensee shall not directly or indirectly through its Subsidiaries or Related Enterprises acquire or hold any shares in any person (other than the Licensee) authorised by a gas licence or exempted from the obligation to hold a gas licence to engage in gas import.

57) URCA may, on such terms as it may specify in writing and notified to the Licensee, waive or vary any of the requirements of this Condition for such period, as URCA may determine.

17 OBLIGATION TO PERFORM

58) The Licensee shall provide an adequate, safe and efficient service based on modern standards, to the Service Territory at reasonable rates so as to contribute to national economic development.

59) Subject to the Licence Conditions and directions of URCA, the Licensee shall ensure that the development of the gas supply system is implemented based on agreed long term planning procedures and methodologies and that investments are made consistent with such plans and in conformity with prudent utility practice so as to ensure adequacy and continuity of supply at the least economic cost while at the same time ensuring that the Licensee earns a reasonable return on its investment.

60) The Licensee shall provide its services on a non-discriminatory basis as practically possible in response to service requests by customers.

61) The Licensee shall, to the extent that it is technically feasible and economically reasonable employ modern and leading-edge technological solutions to secure optimal efficiencies in its operations.

62) The Licensee shall take all reasonable steps to prevent and resolve unplanned interruptions to the provision of its Authorised Business.

63) The Licensee shall inform URCA about measures taken to resolve unplanned interruptions as required by URCA.

18 STEP-IN EVENT

64) A Step-in Event occurs if URCA revokes or suspends this Licence.

65) The following are not Step-in Events:

a) Force Majeure; and

b) A Scheduled Outage.

66) In the case of a Step-in Event, URCA shall designate a third party to carry out the functions of the Licensee that are authorised under this Licence.

67) The third party may take action in court for recovery of costs and damages incurred by the failure of the Licensee to perform its obligations to the public in accordance with the terms of this Licence.

68) The third party shall stop carrying out the functions of the Licensee as soon as practicable after URCA advises that the Licensee has demonstrated its capability to resume its functions under this licence.

19 FORCE MAJEURE

69) The Licensee shall give notice and details of Force Majeure events to URCA as soon as reasonably practicable. URCA may issue a notice excusing the Licensee from its performance obligations during the period of Force Majeure.

70) The Licensee shall, in the event that the Licensee declares force majeure under any Transaction Agreement, notify URCA in writing of the same promptly and in any event no later than five (5) business days after such event, and provide the following information, including but not limited to the following:

a) reason for declaring force majeure;

b) the estimated duration of force majeure and quantity of LNG affected;

i) if applicable, alternative LNG Supply Source(s) of replacement LNG;

- ii) if applicable, a plan to allocate unaffected LNG between End Users; and
- iii) the Licensee's plans to resume normal performance of any Transaction Agreement or to alleviate or mitigate the effects of force majeure including, where applicable, measures to:
 - 1. cause the LNG Supplier (pursuant to an LNG SPA) or the Terminal Operator (pursuant to a TUA) to use reasonable endeavours to mitigate the effect of the force majeure event; and
 - 2. minimise the impact on End Users and the cost of delivering replacement LNG.

71) Following the notification under Paragraph 69), the Licensee shall, from time to time to the best of its knowledge or where required, supplement and update all information provided to URCA under Paragraph 69) until such time that normal performance under the Transaction Agreement has resumed.

20 COMPLIANCE AND RISK MANAGEMENT

72) The Licensee shall adopt and implement reasonable and prudent policies in relation to the management risks associated with its Authorised Business.

73) The Licensee shall adopt and implement reasonable and prudent policies to ensure compliance with this Licence, the provisions of the Act and all regulatory and other measures issued by URCA.

74) The Licensee must have a Compliance Officer:

- a) physically present in The Bahamas;
- b) who must, at least once per year, make and present compliance reports directly to the board of the directors of the Licensee.

75) The Licensee must ensure that a person appointed as the Compliance Officer is sufficiently senior and independent to:

- a) exercise sound judgment;
- b) carry out the functions and duties of a Compliance Officer objectively; and
- c) interact effectively with senior management and board members when carrying out the functions and duties regarding compliance with the Natural Gas Act, licence conditions and policies and practices of the Licensee.

76) A Licensee must not, directly or indirectly, take any action to coerce, manipulate, mislead, bribe or influence or otherwise engage in activity that threatens the independence of the Compliance Officer

when carrying out their compliance functions and duties.

77) A person designated as the Compliance Officer of a Licensee must not do so while designated:

- a) function as Chief Executive Officer of the Licensee;
- b) assume any duties and responsibilities which may cause a conflict of interest with the persons' functions and duties as Compliance Officer within the Licensee's Authorised Business.

78) A Licensee must prior to appointing a Compliance Officer must:

- a) notify URCA in writing:
 - i) of the name and address of the proposed Compliance Officer;
 - ii) whether the proposed Compliance Officer is an employee of a parent company or a company affiliated with the Licensee;
 - iii) the regulatory status of the Compliance Officer;
- b) satisfy URCA that the proposed Compliance Officer has:
 - i) the requisite knowledge to be a Compliance Officer; and
 - ii) the requisite experience to be a Compliance Officer.

21 INSURANCE

79) The Licensee shall obtain and maintain insurance (including self-insurance) for:

- a) meeting its Downstream Agreements; and
- b) third-party liabilities.

80) The Licensee must ensure that the insurance policy guarantees the insurer will notify URCA of lapses, cancellation, or changes to the policy thirty (30) calendar days prior to the changes taking effect.

81) URCA shall notify the Licensee of required modifications to the insurance policy and the Licensee should procure that such modifications are made no later than sixty (60) calendar days from the notice date, or any date agreed with URCA.

82) The Licensee may have reduced obligations to maintain insurance policies, if the following alternatives are approved by URCA:

- a) self-insurance, where the Licensee has the financial capacity to meet any liabilities to a third party; and

- b) special tariff factor, applied after a disaster and until Facilities affected are re-built and ready to operate.

22 PREPARATION FOR EMERGENCIES AND SECURITY ARRANGEMENTS

- 83) The Licensee shall take such action as URCA may reasonably require, to plan and prepare for emergencies, including taking part in tests and exercises.
- 84) The Licensee shall develop and implement such arrangements as are prudent to ensure the safety and, where reasonably practicable, the continuity or restoration of its operations in the event of an emergency.

23 INVESTIGATION OF OFFENCES

- 85) The Licensee shall monitor its activities with respect to compliance with this Licence and with the Relevant Legislation and shall report any suspected non-compliance to URCA. The Licensee shall also submit quarterly, or at such other frequency as notified by URCA in writing, a compliance statement to URCA that it has complied with the requirements in this Licence or describing any cases of any suspected non-compliance.
- 86) Where it comes to the attention of the Licensee that another gas licensee has breached its gas licence or the Relevant Legislation or any other person has breached the Relevant Legislation, the Licensee shall report such non-compliance to URCA.
- 87) Where the Licensee reports suspected non-compliance by itself, another gas licensee or any other person pursuant to Paragraph 86), or requests URCA to institute a prosecution against any person for contravening a provision of the Relevant Legislation in relation to the Licensee's Authorised Business, the Licensee shall furnish to URCA as soon as reasonably practicable:
 - a) a written report on the suspected non-compliance or contravention; and
 - b) any relevant information and evidence in the possession or control of the Licensee and any relevant information and evidence requested by URCA.
- 88) Where URCA receives any information from any person other than the Licensee indicating that an offence under Relevant Legislation may have been committed in respect of activities or property belonging to or managed by the Licensee, URCA may inform the Licensee of such information and the Licensee shall furnish to URCA as soon as reasonably practicable:
 - a) a written report on the suspected offence; and
 - b) any relevant information and evidence in the possession or control of the Licensee and any relevant information and evidence requested by URCA.

89) The Licensee and its directors and officers shall give full assistance and cooperation to URCA and its prosecuting officer or counsel in connection with any prosecution proceedings arising from Conditions 85) through 88).

24 PAYMENT OF FEES AND CONTRIBUTIONS

90) The Licensee shall pay to URCA the following fees and contributions as notified by URCA from time to time in accordance with the Act:

- a) annual URCA Fee pursuant to section 16(2)d of the Act;
- b) the Tribunal Fee payable pursuant to Schedule 3 of the Utilities Appeal Tribunal Act, 2009; and
- c) any other applicable fees and charges.

91) For each Financial Year of the Licence, any annual fees payable by the Licensee under section 16(2)d of the Act shall be based upon the following accounts in relation to the Authorised Business or, where appropriate, business plan for the Licensee and each of the Subsidiary Undertaking (or, where these are consolidated, the Licensee's consolidated accounts showing the turnover and revenue for the Licensee and each of the Subsidiary Undertakings):

- a) the last available audited accounts not exceeding two (2) years of the current billing year of the Licensee; or
- b) where the audited accounts are not available financial information certified by an accountant in possession of a practising certificate issued by The Bahamas Institute of Chartered Accountants not exceeding one (1) year of the current billing year; or
- c) where the Licensee does not have any available accounts certified by an accountant in possession of a practising certificate issued by The Bahamas Institute of Chartered Accountants, the expected Relevant Turnover in the Licensee's business plan.

92) The annual fees calculated in accordance with Paragraph 91) herein shall be paid in advance within 30 days of being invoiced.

93) Without prejudice to Condition 13 herein, in the event of a default by the Licensee in the payment of any fees when due under this Licence:

- a) the Licensee shall pay to URCA interest under Section 16(5) of the Act; and
- b) URCA may revoke this Licence in accordance with Condition 10 herein.

94) Interest on outstanding fees due to URCA under Section 16 of the Act is not recoverable in tariffs to customers.

25 REPORTING OBLIGATIONS

- 95) The Licensee shall submit its audited financial statements, with certificate of the external auditors, for the Authorised Business and the accompanying annual report to URCA as required by URCA (which shall provide operating and financial statistics for the last ten (10) years in which the Licensee has been providing the Authorised Business) having regard to the Licensee's requirements for its annual report and audited financial statements.
- 96) URCA may require the Licensee to maintain a system of separate regulatory accounts for regulatory reporting and tariff analysis.
- 97) The Licensee shall furnish to URCA without undue delay such information, documents and details related to the Authorised Business, as URCA may reasonably require in order for it to fulfil its functions and discharge its obligations under the Act.
- 98) The Licensee shall furnish to URCA without undue delay, or such other timeframe as URCA may from time to time notify, such information, documents and details related to the Authorised Business that have or is likely to have a significant impact its functions assigned to it by or under the Licence and the Act.
- 99) The Licensee shall provide such other specified and relevant reports to URCA as may be reasonably required from time to time.

26 CONFIDENTIAL INFORMATION

- 100) The Licensee shall take reasonable measures to ensure that confidential information received by it (including individual demand information) in relation to the Authorised Business:
- a) is kept confidential by the Licensee except as otherwise permitted by URCA, this Licence, any applicable code of practice, and that access to such confidential information is provided only, and as is necessary for the due performance of their lawful functions, to directors, officers and employees of the Licensee or to an agent of the Licensee that has agreed in writing to observe this requirement of confidentiality;
 - b) is not used by the Licensee for any purpose other than that for which it was provided or for a purpose permitted by this Licence, any applicable code of practice; and
 - c) is not used by the Licensee for any commercial advantage in the provision of any service other than a service comprised in the Authorised Business and Allowed Activities.
- 101) The Licensee shall take such other action, including complying with restrictions upon the transfer, engagement, or re-engagement of employees, as URCA may from time to time require to ensure the confidential information acquired by it in connection with the Authorised Business is, except as

otherwise permitted by URCA, this Licence or any applicable code of practice, kept confidential by the Licensee and not dealt with in a manner which may restrict, distort or prevent competition in any of the industries to which it provides its services.

- 102) The Licensee shall, if requested by URCA, procure that a certificate is issued by its auditors, in such form as URCA may require, which confirms that the Licensee is complying with the requirements of this Condition.
- 103) Nothing in this Condition shall be construed as requiring the Licensee to keep confidential any information that is or becomes generally and publicly available other than as a result of a breach by the Licensee of Paragraph 100) or 101).

27 ENGAGING IN OTHER BUSINESS

- 104) The Licensee may engage in other business activities and shall keep separate accounts for its different activities. The Licensee's profits and losses from such other business activities shall not be considered for the purpose of setting tariffs.
- 105) At URCA's approval, the Licensee may allow third parties to have access to and use its facilities on an arm's length basis where such access and use allow the Licensee to operate more efficiently.
- 106) The leasing or use of the Licensee's Assets is subject to prior written approval by URCA. Such approval shall not be unreasonably withheld.
- 107) The Licensee may charge a third party a fee for access and use of its Facilities. Such fee shall be determined on an arm's length commercial basis determined by the value of the access or use.

28 RELATED PARTY TRANSACTIONS

- 108) In the case of a Related Party, transactions shall be at arm's length and the Licensee shall apply the same tests for economic choice and financial probity as if the related party were an unrelated third party.

29 INFORMATION, AUDIT, INSPECTION AND ACCESS OBLIGATIONS

- 109) URCA may require:
- a) an inspection and/or audit of any aspect of the business of the Licensee and the Licensee shall assist or shall procure assistance to URCA as it may reasonably require;
 - b) the Licensee or any of its Subsidiary Undertakings to provide URCA with such information, documents, accounts, returns, estimates, reports or other information required by URCA in the manner and at the times specified by URCA. URCA may use this information for, but not limited to, purposes of compiling statistics and publishing periodical reviews of the Natural Gas Sector, and as required or permitted by the Act or other laws or legal process;

- c) the Licensee to notify URCA of the details of all Subsidiary Undertakings providing an Authorised Business under this Licence; and
 - d) the Licensee to permit a person authorised by URCA to carry out such inspection and/or audit;
- 110) The Licensee shall at the request of URCA furnish URCA, at the Licensee's expense, with copies (in such format as URCA may specify) of any book, register, record or accounts as URCA may reasonably require.
- 111) In relation to the Authorised Business, the Licensee shall not:
- a) make, prepare, attest to or certify, orally or in writing, any representation or statement that is false, incorrect or misleading or open to misconstruction by any person; or
 - b) make any representation or statement, orally or in writing, or give any answer, orally or in writing, or otherwise conduct itself in a manner that is likely to mislead any person; or
 - c) mislead or confuse any person about its Authorised Business.
- 112) Where URCA is satisfied that the Licensee is contravening or has contravened any provision of Paragraph 111) above, URCA may, by notice in writing to the Licensee, direct the Licensee to take such steps as are specified in such direction to correct such false, incorrect or misleading representation, statement or answer or to correct such confusion, including but not limited to requiring the Licensee to publish a correction or to write to such persons to set out the correct facts within a specified period of time as directed by URCA.
- 113) URCA may take enforcement action against the Licensee in accordance with the provisions of the Act if the Licensee fails to comply with the direction of URCA issued under Paragraph 112).
- 114) The Licensee shall promptly inform URCA of any circumstances that result, or are likely to result, in a change in the information provided by the Licensee to URCA and shall provide updated information to URCA in a timely manner.

30 APPROPRIATE RESOURCES

- 115) The Licensee shall ensure that at all times it has appropriate physical, financial and human resources and arrangements in place to enable the Licensee to comply with the Licence Conditions.
- 116) The Licensee shall, in connection with the conduct of its Authorised Business ensure that its employees are appropriately trained and qualified.

31 APPEALS TO UAT

117) Appeals of regulatory or other measures taken by URCA in relation to this Licence shall be made to the Utilities Appeal Tribunal as provided for in the Act and the URCA Act.

32 AUTHORISED BUSINESS AND ALLOWED ACTIVITIES

118) The Licensee shall conduct the Authorised Business.

119) The Licensee may, upon approval of URCA in writing and subject to such conditions as may be imposed by URCA at the time of approval or at any time thereafter, engage in any Allowed Activity that:

- a) the Licensee is already competent in; and
- b) provides synergies with the activities comprised in the Authorised Business.

120) In making an application to URCA for approval to engage in an Allowed Activity, the Licensee shall provide an assessment of the extent to which its engagement in such activity complies with the criteria mentioned in paragraph 119) of this Condition. The Licensee shall not change the nature or scope of such Allowed Activity or cease such Allowed Activity without URCA's prior approval in writing.

121) Other than the Authorised Business and Allowed Activities, the Licensee:

- a) shall not engage directly or indirectly in any other business activities or voluntarily commit to any liability in relation to such other business activities; and:
- b) shall procure that each of its Subsidiaries and Related Enterprises do not engage, or seek to obtain from URCA a gas licence permitting it to engage, directly or indirectly in any other business activities or voluntarily commit to any liability in relation to such business activities.

122) This Condition shall not prevent the Licensee from:

- a) engaging in any business, undertaking or activity incidental to the performance of its Authorised Business, Allowed Activities or any of the businesses, undertakings or activities that were already performed by the Licensee on the date that this Licence comes into effect; or,
- b) subject to paragraph 121), making available to its Subsidiaries the services of employees of the Licensee in order that such Subsidiaries may provide to third parties such technical services, advice and assistance in respect of the services comprised within the Authorised Business or any Allowed Activity.

123) URCA may, upon the application of the Licensee, relieve the Licensee from its obligations under paragraphs 121) and 122) of this Condition in relation to any particular case to such extent and subject to such terms and conditions as URCA shall specify in writing.

124) The Licensee shall not sub-contract or assign the Licensee Services (other than ancillary and support services which are not directly related to the marketing of LNG and/or regasified LNG, such as external accounting, information technology, administrative and office maintenance services) or any part thereof without URCA's prior written approval.

125) Where a licensee submits an application for approval of allowed activities in accordance with this condition, URCA shall review such application and shall use reasonable endeavours to issue a decision within forty (40) working days from receipt of a complete application. Where further information or clarification is required, or where the proposed activity raises issues requiring additional review, the URCA shall notify the Licensee and the review period may be extended accordingly.

33 SEPARATE ACCOUNTS FOR AUTHORISED BUSINESS

126) The Licensee shall maintain accounting and reporting arrangements that enable separate accounts to be prepared for and to show the financial affairs of;

- a) the Authorised Business; and;
- b) the businesses of the Licensee in aggregate.

127) The Licensee shall, in respect of the Authorised Business and the businesses of the Licensee in aggregate;

- a) prepare, on a consistent basis from such accounting records, accounting statements which conform to generally accepted accounting practices in The Bahamas, stating the accounting policies adopted, and in such form and substance as URCA may from time to time require;
- b) procure, in respect of the accounting statements prepared in accordance with this Condition, a report by the auditors of the Licensee addressed to URCA stating whether in their opinion those statements have been properly prepared in accordance with this Condition and give a true and fair view of revenues, costs, assets, liabilities, reserves and provisions of, or reasonably attributable to, the Authorised Business and the business of the Licensee in aggregate; and;
- c) deliver to URCA a copy of the accounting statements required to be prepared by this Condition together with the auditors' report referred to in sub Condition b) above as soon as reasonably practicable and in any event no later than five (5) months after the end of the period to which they relate.

128) The Licensee shall:

- a) in respect of its financial affairs keep and prepare such accounts and accounting statements for, and as at the end of, each financial year as would be required to be kept by the Licensee if the Licensee were a company which were not a Subsidiary Undertaking of any other company and

which did not have any Subsidiaries or Related Enterprises; and;

- b) procure, in relation to such accounting statements, a report of the auditors of the Licensee addressed to URCA, and deliver a copy of such accounting statements together with the auditor's report to URCA, in conformity with the requirements of Paragraphs 127)b) and 127)c) which shall apply mutatis mutandis to this Condition.

129) URCA may, on such terms as it may specify in writing and notified to the Licensee, waive or vary any of the requirements of this Condition for such period, as URCA may determine.

34 DEALINGS WITH SUBSIDIARIES OR RELATED ENTERPRISES

130) The Licensee shall not, without the written consent of URCA, enter into any agreement or arrangement for the supply of goods or services in connection with the Authorised Business with any of its Subsidiaries or Related Enterprises except where such agreement or arrangement is entered into on an arm's length basis. The Licensee shall also not unduly discriminate in favour of its Subsidiaries or Related Enterprises.

131) In determining whether any such agreement or arrangement is on an arm's length basis, URCA shall have regard to whether;

- a) the price and other terms affecting the financial value of the agreement or arrangement are in accordance with the Fair Market Value based on the then current trends and practices to be ascertained by an independent qualified person to be appointed by the Licensee at its own cost and approved by URCA;
- b) the parties are contracting freely and independently of each other;
- c) there is any special relationship between the parties; and;
- d) the terms are made on a "willing buyer and willing seller" basis given the circumstances surrounding the agreement or arrangement, as the case may be.

35 CONTRACTS

132) The Licensee shall be required to enter into Contracts which shall be in writing for the provision of Authorised Business.

133) The Licensee shall be required to participate in the preparation of any Contract to which the Licensee will be a party.

134) Where after a period which appears to URCA to be reasonable, or such period agreed to between the parties to the contract and approved by URCA, or such other period as stipulated by URCA from time to time, the Licensee has failed to enter into a Contract, URCA may, at the request of the Licensee

or of the person aggrieved by such failure, determine any terms of the Contract in such manner as appears to URCA to be reasonable. The Licensee shall thereafter enter into the Contract on the terms as determined by URCA.

135) URCA may, on such terms as it may specify in writing and notified to the Licensee, waive or vary any of the requirements of this Condition for such period, as URCA may determine.

36 TARIFFS FOR AUTHORISED BUSINESS

136) The Licensee shall, in respect of all liquefied natural gas imported and supplied under this Licence, set and maintain tariffs in accordance with the following principles:

- a) Tariffs shall be just, reasonable, non-discriminatory, and reflective of the efficient costs of supply, including procurement, transportation, storage, and other operational costs.
- b) Tariffs shall allow recovery of prudently incurred costs and provide a reasonable return on investment without resulting in undue or excessive charges.
- c) The Licensee shall ensure that tariff structures and methodologies are transparent, documented, and made publicly available, together with sufficient information to enable scrutiny by URCA.
- d) Tariffs shall promote efficient consumption and the sustainable development of energy within the jurisdiction.
- e) The Licensee shall obtain the prior written approval of the Regulator before implementing any new tariff or materially revising an existing tariff, providing such information as the Regulator may reasonably require to demonstrate compliance with this Condition.
- f) URCA may, at any time, review, direct amendment to, or approve the Licensee's tariffs to ensure continued compliance with the principles set out in this Condition.
- g) URCA retains the right to audit cost submissions and request justification for tariff proposals base on business accounts separation to determine justifiable costs.

37 NATIONAL INTEREST MATTERS

137) In accordance with Section 120 of the Act, the Government may directly or indirectly manage the affairs, business and property of the Licensee during any period in which Article 29 of the Constitution applies. In such an event, the Licensee shall allow the Government such access to or control of its property as required to permit the Government to meet its obligations under the special administration order during the period for which the order is in force.

PART C – SPECIAL PROVISIONS APPLICABLE TO THE IMPORTATION OF LIQUEFIED NATURAL GAS

38 STANDARDS OF PERFORMANCE

- 138) The Licensee shall ensure that any LNG brought into Bahamian waters is brought in a manner that ensures the safety of persons, property and the environment.
- 139) The Licensee shall ensure that any contractual arrangement entered into by the Licensee for the purchase or carriage of natural gas into The Bahamas is reduced to writing and contains provisions that adequately and appropriately allocate risk, responsibility and liability between the parties, including provisions relating to:
- a) compliance with all applicable Bahamian laws and international conventions applicable to LNG transport and handling;
 - b) quality and specification of LNG to be imported;
 - c) delivery terms, including location, transfer point, and acceptance procedures;
 - d) liability for loss, damage, or contamination; and
 - e) insurance coverage commensurate with industry standards for LNG shipping and importation.
- 140) The Licensee shall maintain and, upon URCA's request, provide copies of all contractual arrangements entered by the Licensee under paragraph 139) herein, agreements, or memoranda of understanding relating to the import of LNG.
- 141) The Licensee shall ensure that any carrier or subcontractor engaged for the physical transport of LNG into The Bahamas is duly qualified, certified, and compliant with all applicable maritime safety, environmental protection, and dangerous goods regulations.
- 142) The Licensee shall ensure that any LNG carrier vessel entering Bahamian waters:
- a) holds valid classification society certification for LNG carriage;
 - b) complies with the International Gas Carrier (IGC) Code, the International Safety Management (ISM) Code, and any applicable IMO standards;
 - c) maintains an approved Shipboard Emergency Plan, including LNG-specific spill and leak contingency procedures;
 - d) has crew members adequately trained and certified in LNG handling in accordance with Standards for Training Certification and Watch Keeping (STCW) requirements; and

- e) is adequately insured for third-party liability, environmental damage, and cargo-related risks.
- 143) For LNG carried in ISO tanks or equivalent modular containment systems on vessels not exclusively designed for LNG carriage, the Licensee shall ensure that:
- a) all tanks are designed, manufactured, and certified for the carriage of LNG, including compliance with applicable international standards such as the International Maritime Dangerous Goods (IMDG) Code and any relevant ISO tank certifications;
 - b) tanks are equipped with pressure relief, venting, and temperature monitoring systems appropriate to LNG;
 - c) tanks are secured on the vessel to prevent movement, tipping, or damage during transport;
 - d) the vessel has been assessed for suitability to carry LNG in modular tanks, including stability, fire safety, segregation from other cargoes, and emergency access;
 - e) the crew has received adequate training in LNG handling, leak response, and emergency procedures specific to modular tank carriage; and
 - f) comprehensive procedures for loading, stowage, securing, transport, unloading, and handling of LNG in modular tanks are documented and adhered to.
 - g) The Licensee shall implement, maintain, and periodically review a risk assessment and emergency response plan for the importation of LNG, including coordination with relevant Bahamian maritime, environmental, and emergency response authorities.
- 144) The Licensee shall immediately notify URCA and relevant authorities of any incident, accident, spill, or other occurrence that has or may have an adverse impact on public safety, the environment, or the integrity of the LNG supply.
- 145) The Licensee shall provide an emergency response plan tailored to LNG imported via ISO tanks or equivalent systems, including:
- a) spill and leak containment and mitigation procedures;
 - b) fire-fighting arrangements suitable for cryogenic hydrocarbon vapours;
 - c) coordination with Bahamian port, maritime, and emergency authorities; and
 - d) incident reporting and notification protocols to URCA and other relevant authorities.
- 146) Physical delivery of LNG shall occur only at designated and approved import facilities equipped to receive LNG safely from modular tank systems. The Licensee shall ensure compliance with all relevant port authority requirements, including vessel inspection, safe berthing, and offloading procedures.

- 147) The Licensee shall, no later than the sooner of ninety (90) calendar days from the granting of the licence , prior to the commencement of its first import of LNG or such other period stipulated by URCA prior to the commencement of its activities, submit to URCA its proposed standards of performance relating to its Authorised Business.
- 148) The Licensee shall be subject to and shall comply with the agreed standards of performance, and any other standards of performance as URCA may notify the Licensee in writing.
- 149) The Licensee shall within ninety (90) calendar days after the end of the first financial year following the commencement of its operations, and for each financial year thereafter, or within thirty (30) calendar days of such other date as stipulated by URCA, submit to URCA a report indicating the performance of the Licensee during that financial year compared with the agreed standards of performance established pursuant to this Condition.
- 150) The Licensee shall, if required by URCA, publish the details required under paragraph 149) details in a manner to be decided by URCA.
- 151) Notwithstanding paragraph 148) of this Condition, URCA may by written notification, exempt the Licensee from compliance with any standard of performance, in whole or in part, and subject to such terms and conditions as URCA may determine.

39 URCA'S APPROVAL FOR AGREEMENTS

- 152) The Licensee shall ensure that any new Transaction Agreement, or any amendment or alteration of any previously approved Transaction Agreement, will only become effective after URCA's written approval has been obtained.
- 153) Notwithstanding paragraph 152) of this Condition, URCA may determine at any time that its approval is no longer required for any agreements falling within paragraph 152) of this Condition and URCA shall notify the Licensee in writing if this is the case.
- 154) Any approval granted by URCA under paragraph 152) above shall be subject to terms and conditions as URCA may reasonably determine. The Licensee shall at all times ensure that it complies with such terms and conditions.
- 155) The Licensee shall at all times ensure that it complies with the Licensee's material obligations under any Transaction Agreement in accordance with the terms as approved by URCA under paragraph 152) of this Condition.
- 156) The Licensee shall not enter into nor be a party to any agreement or decision or engage in any concerted practice that:
- a) seeks to limit the number of suppliers that an End User may procure Gas and/or LNG from, without the prior written approval of URCA;

- b) imposes adverse consequences on an End User if the End User or Licensee contracts with any other counterparty for the supply of Gas and/or LNG in The Bahamas, without the prior written approval of URCA;
- c) prevents, restricts or imposes adverse consequences on an End User if the End User on-sells Gas and/or LNG to other parties, without the prior written approval of URCA;
- d) prevents or restricts the on-selling of Gas and/or LNG to or by the Licensee in The Bahamas, without the prior written approval of URCA; or
- e) prevents, restricts or distorts competition in any Gas and/or LNG market in The Bahamas.

157) The Licensee shall at all times ensure that the quantity of LNG imported to meet its Downstream Agreements is only for such purposes and subject to such terms and conditions as approved by URCA pursuant to this Licence Condition 39.

40 SUPPLY RELIABILITY

158) The Licensee shall at all times ensure that it has firm contractual supply or offtake rights (whether through equity or purchase agreements) from the LNG Supply Sources.

159) The Licensee may apply for the approval of URCA to update or revise the LNG Supply Sources by providing the necessary documentation to support its application. Upon the written approval of URCA, the revised LNG Supply Sources shall be deemed to form part of Schedule 1 with effect from such date as specified by URCA in its approval. URCA may, following consultation with the Licensee, direct the Licensee to make revisions to the LNG Supply Sources for reasons such as sanctions, embargoes or prolonged force majeure.

160) The Licensee shall not nominate in its LNG delivery schedule to an LNG Terminal any LNG Supply Source that is reasonably expected to be an Affected Source.

161) Where an LNG Supply Source to the Licensee becomes an Affected Source, and such Affected Source:

- a) is part of the LNG Supply Sources, notwithstanding the Licensee's ability to declare force majeure, the Licensee shall use reasonable endeavours to substitute it with an alternative LNG Supply Source that is able to supply LNG at the relevant time for the purposes of delivery to the LNG Terminal; or
- b) is not part of the LNG Supply Sources, the Licensee shall use reasonable endeavours to substitute it with an alternative LNG Supply Source that is able to supply LNG at the relevant time for the purposes of delivery to the LNG Terminal and the Licensee shall not be entitled to declare force majeure under its Transaction Agreements for any period of more than sixty (60) calendar days due to such Affected Source.

41 PROVISION OF INFORMATION AND DATA RELATING TO THE LICENSEE SERVICES

162) The Licensee shall submit to URCA, quarterly or such other intervals as may be notified by URCA to the Licensee, in such format as may be approved by URCA, a statement including but not limited to the following:

- a) the actual quantity of LNG imported by the Licensee for Domestic Consumption in the Licence Year under each LNG SPA or from each LNG Supply Source;
- b) the total actual quantity of LNG imported by the Licensee for Domestic Consumption in the Licence Year as of the date of each statement;
- c) the actual quantity of LNG and regasified LNG delivered to each of its End Users in the Licence Year under each Downstream Agreement;
- d) the total actual quantity of LNG and regasified LNG delivered by the Licensee to its End Users in the Licence Year;
- e) all requests for Downstream Agreements from Potential End Users and all firm offers provided in response thereto; and
- f) any reasonably expected event or circumstance which could adversely affect the Licensee's performance of the Licensee Services or any Transaction Agreement.

163) The Licensee shall use reasonable endeavours to notify URCA prior to (but in any event no later than concurrently with) the taking of any of the following actions under a Transaction Agreement:

- a) waiving any material rights or obligations;
- b) exercising any material contractual option;
- c) declaring or acknowledging the occurrence of an event of force majeure; or
- d) exercising any termination rights.

164) The Licensee shall use reasonable endeavours to notify URCA concurrently with, but in any event no later than immediately after, receiving any notice of the occurrence of an event of force majeure or taking any of the following actions under a Transaction Agreement:

- a) instituting or responding to legal, arbitral or expert proceedings;
- b) agreeing the terms of settlement of a material dispute; or
- c) declaring a breach or default.

165) The Licensee shall promptly notify URCA if it becomes aware of any counterparty to a Transaction Agreement taking any action referred to in paragraphs 163) or 164) of this Condition. To the extent that it may affect LNG supply to The Bahamas, the Licensee shall promptly notify URCA if it becomes aware of any action referred to in Paragraphs 163) or 164) taken by any counterparty to an agreement that entitles the Licensee to receive LNG.

166) The Licensee shall, at its own cost, as soon as reasonably practicable and in any event no later than two (2) weeks after URCA's notice in writing, provide information reasonably required by URCA for the purpose of verification of the statement submitted under paragraphs 168). The information required may include a report prepared by an independent, reputable professional services firm certifying the accuracy of the respective quantities, independent surveyor's reports, Gas metering data, Gas sales invoices and such other information as may be reasonably required by URCA for the purpose of verifying the actual quantity of LNG imported by the Licensee and the actual quantity of LNG and regasified LNG delivered by the Licensee to each of its End Users.

167) The Licensee shall, at its own cost, collect and report statistics in such form and at such frequency as may be reasonably requested by URCA in writing.

PART D – TRANSITIONAL CONDITION

168) On the Commencement Date, in order to enable a smooth transition to the full force and effect of this Licence, all rates, tariffs, codes and standards applicable to the Licensee existing and in force prior and up to the grant of this Licence which would normally have effect under the Act shall remain in effect and force until such time as they are logically and practically superseded by the actions taken by URCA under this Licence, the Act or any other relevant law.

Schedule 1: LNG Supply Sources

Country	Remarks