

SECTION 1: INFORMATION

Chapter 1.1 - DEFINITIONS AND INTERPRETATION

1.1.1 Definitions

Except where the context requires otherwise, the following capitalised terms used in the Regasification Code shall have the meaning ascribed to them below:

Acceptable Classification Society means RINA S.p.A. or another classification society (being a member of the International Association of Classification Societies (IACS) or, if such association no longer exists, any similar association) approved by the Parties;

Actual Laytime means, for a particular LNG Carrier, the period of time from the commencement of Allowed LNG Carrier Laytime or Allowed Terminal Laytime, as appropriate, until: (a) in relation to the User when determining if Actual Laytime has exceeded Allowed LNG Carrier Laytime, all LNG discharge and vapour return lines have been disconnected, the Spool Pieces have been transferred to the Terminal or escort tug and such LNG Carrier has unmoored and has transited two (2) nautical miles from the Terminal; and (b) in relation to the Operating Company when determining if Actual Laytime has exceeded Allowed Terminal Laytime, all LNG discharge and vapour return lines have been disconnected;

Adjustments mean the charges invoiced under the Capacity Agreement which may be in addition to the Regasification Service Charges and the Transportation Service Charges as defined in Clause 5.2.1.4b);

Adverse Weather Conditions means the weather and sea conditions forecasted or recorded by the measurement systems installed at the Terminal with regard to the area surrounding the Terminal or between the Terminal and the Pilot Boarding Station over the limits stated in the Technical Manuals and the Maritime Regulations for the operation of the Terminal and/or that are imminent and severe or prevailing and severe so as to prevent or delay an LNG Carrier from proceeding to moor, Unloading, remaining moored, or departing from the mooring, in accordance with one or more of the following: (i) Applicable Laws, (ii) advice of a pilot, (iii) a determination by the Operating Company, the Terminal Manager or the O&M Contractor in line with the weather limitations set out in the Technical Manuals or (iv) any decision by any Competent Authority;

Affected Party has the meaning given in Clause 5.3.4.1b);

Affiliate: any company which controls or is controlled by a Party or is controlled by the same parent company as the Party pursuant to article 2359, paragraph 1, nos. 1) and 2), Italian Civil Code;

All Fast means the LNG Carrier is securely moored and in position alongside the berth of the Terminal and the Spool Pieces have been installed on board and the LNG Carrier is ready to connect the loading arms or the moment at which the Small Scale Carrier is securely moored and in position alongside the berth of the Terminal, any adapters for the connection of hoses have been installed by the Small Scale Carrier which is ready to connect the hoses with the Terminal;

Annual Unloading and Loading Schedule means the annual schedule of Delivery Slots. Monthly Slots and Small Scale Slots for a specific Gas Year;

Applicable Law means a law, directive, regulation, *decreto legge*, legislative decree, ministerial or interministerial decree or order, resolution, consolidated law, local legislation, treaty, judgment, ordinance, decision or, in general, administrative or judicial measure, notice or order, approved or issued by any Competent Authority, including the Decree and the Maritime Regulations, applicable to this Regasification Code and/or the Capacity Agreement;

Applicable Tax means any tax, duty, levy, royalty or impost in the nature of tax payable now or in the future by the Operating Company, or for which the Operating Company is required by Applicable Law to account (without right of recovery, indemnity or reimbursement), in respect of the ownership or operation of the Terminal, the provision of the Regasification Service or otherwise in connection with the performance of the Capacity Agreement, but excluding: (i) generally applicable corporation tax (or any similar tax on profits or gains which replaces corporation tax); (ii) VAT; (iii) any other taxes, duties, levies, royalties or imposts against which the User is required to indemnify the Operating Company; and (iv) any tax, duty, levy, royalty or impost which is immaterial and non-recurrent;

Applicant means any User or interested party which intends to apply to the Operating Company for the Regasification Service or the Small Scale Service provided by the latter;

Approved Financial Institution means a reputable international bank which has an unsecured long-term debt rating equal to or higher than at least one of the following ratings given by the following rating agencies: (a) BBB- if provided by Standard & Poor's Rating Service; (b) Baa3 if provided by Moody's Investment Service Inc.; or (c) BBB- if provided by Fitch Ratings Ltd.;

Authorisation means any authorisation, consent, approval, resolution, licence, permit, filing, and registration required by any Applicable Law for the exercise or performance by the relevant Party of its rights and/or obligations under or in connection with the Capacity Agreement, Technical Manuals and/or Network Code or in connection with the construction, operation or maintenance of the Terminal;

Available Delivery Slots means, depending on the circumstances, the regasification capacity of the Terminal associated with the Delivery Slot or Monthly Slot which has not been allocated by the Operating Company in the various allocation processes;

Bank Guarantee bank guarantee payable on first demand issued by an Approved Credit Institution pursuant to the provisions of Chapter 3.1;

Berthing Slot means the right allocated to a User to moor an LNG Carrier in accordance with its Capacity Agreement at the Terminal;

Business Day means a Day on which commercial banks are open to the public for business in Livorno and in Rome;

Capacity Agreement means a regasification Capacity Agreement entered into by the Operating Company and the User to allocate Continuous Capacity or Interim Capacity, the relevant template is contained in Annex 4;

Cargo means a quantity of LNG (expressed in m³_{liq} and MWh) Unloaded or to be Unloaded from an LNG Carrier at the Terminal;

Change in Law means any of the following, occurring after the effective date of a Capacity Agreement: (i) the enactment, commencement, adoption, promulgation, making or imposition of any Applicable Law or (irrespective of whether having legal force) any International Standards applicable to the Terminal, any LNG Carrier or any Services; or (ii) the amendment, modification, re-enactment or repeal, or change in interpretation or in application, of any Applicable Law or (irrespective of whether having legal force) any International Standards applicable to the Terminal, any LNG Carrier or the Regasification Service; but excludes: (a) a Change in Tax and; (b) any amendment or termination of a contract between the Operating Company and a Competent Authority over which the Operating Company has discretion and which amendment or termination does not result from another event or circumstance that would in itself be a Change in Law;

Change in Tax means any change after the effective date of a Capacity Agreement in the rate, incidence, basis of charge or other provisions applicable to any Applicable Tax as a result of: (i) the introduction or (as the case may be) cessation of the imposition or other charging of an Applicable Tax, or a change in the rate at which any Applicable Tax is imposed or otherwise charged; (ii) any change in the legislation or published practice of any taxation authority relating to any Applicable Tax; or (iii) any other change in the basis on which any Applicable Tax is charged, and as a result of which the Operating Company: (a) becomes required to pay or account for any Applicable Tax which it was not required to pay or account for on the effective date of a Capacity Agreement; or (b) is no longer required to pay or account for any Applicable Tax which it was required to pay or account for on the effective date of such Capacity Agreement;

Charges: collectively refers to the Regasification Service Charges, the Transportation Service Charges, the Adjustments envisaged by Clause 5.2.1, the Small Scale Service Charge and the Charges for the Nomination and Renomination Flexibility Service;

Competent Authority means any Italian or European Union Member States legislative, judicial, administrative or executive body, including for instance (i) any court of competent jurisdiction; (ii) any local, national or supra national agency, authority, inspectorate, minister, ministry, official or public or statutory person (whether autonomous or not) of, or of the government of, Italy or of the European Union; (iii) the European Commission; (iv) the Italian Antitrust Authority (*Autorità Garante della concorrenza e del mercato*); (v) ARERA; (vi) the MSE; (vii) the Italian Ministry of Industry, Trade and Crafts (MICA); and (viii) the Maritime Authorities;

Confirmed Cargo means each scheduled Cargo in month M once the Ninety Day Unloading and Loading Schedule has been determined pursuant to the provisions of Clause 3.3.2.2f)

Consultation Committee means the committee set up by the Operating Company in accordance with Article 5 of the Resolution no. ARG/Gas 55/09 of ARERA;

Consumption and Losses: means the quantities of LNG and/or Gas used on each Gas Day by the Operating Company as fuel to operate the Terminal and for the Regasification Service pursuant to the provisions of Clause 3.4.2.1a);

Continuous Capacity User means any User which has been awarded Continuous Capacity according to the provisions of a Capacity Agreement for periods of one or more Gas Years;

Continuous Capacity: regasification capacity allocation at the start of the Gas Year, pursuant to Clause 2.1.5;

Continuous Redelivery Service: means the maximum quantity that each User is entitled to nominate on a continuous basis pursuant to Clause 3.4.1.7a);

Continuous Regasification Service: means the Regasification Service that envisages the participation of the User in the determination of the Ninety Day Unloading and Loading Schedule in accordance with the provisions of Clause 3.3.2;

Creditor User: is each User with a Confirmed Cargo scheduled for Unloading and other Users have a Percentage Share other than zero of such specific Confirmed Cargo;

Day means a period of twenty-four (24) consecutive hours starting from 00:00 hours, and **Daily** shall be construed accordingly;

Debtor User: with reference to a Confirmed Cargo scheduled for Unloading by another User, it is each User with a Percentage Share other than zero in that specific Confirmed Cargo;

Default Redelivery Profile has the meaning given in Clause 3.4.1.2;

Delivery Point means the Terminal flange located at the connection point between the Terminal's loading arms (including the Spool Pieces in the event that they are used by the LNG Carrier) LNG Carrier's manifold;

Delivery Slot means the Scheduled Arrival Window and the associated Allowed LNG Carrier Laytime allotted or to be allotted to each User following the determination of an Annual Unloading and Loading Schedule as being the time during which the User's LNG Carrier is scheduled to arrive at the Pilot Boarding Station, transit to the Terminal, receive and install the Spool Pieces, moor, Unload, depart from the Terminal and transit two (2) nautical miles from the Terminal itself;

Demurrage has the meaning given in Clause 3.7.3.4e);

ECS Manual means the written procedures to manage access to and use of the Electronic Communications System of the Terminal, developed, maintained and amended by the Operating Company;

Electronic Communications System or **ECS** means the portal through which the Operating Company provides the User with the information required to ensure commercial operations as defined by Clause 1.5.1.1b);

ETA means the estimated time and date of arrival of an LNG Carrier at the Pilot Boarding Station;

EURIBOR means the percentage rate per annum which is determined by (i) the Banking Federation of the European Union for deposits in Euro for a period of six (6) months which appears on the Reuters page EURIBOR01 (or such other page that may replace it) at or about 11.00 hours (Brussels time) on the Day following the relevant payment due date and adjusted every Month to the rate as in effect at or about 11.00 hours (Brussels time) on the first Day of every Month thereafter; or (ii) if no rate is available pursuant to paragraph (i) above, such other alternative basis which shall be determined by the Operating Company (acting in good faith) and notified to all Users, and which shall be binding on all Parties;

Exclusion Zone means the area within two (2) nautical miles of the Terminal in which the navigation of all vessels shall be prohibited except for LNG Carriers transiting to or from the Terminal and other vessels that have been authorised to enter and comply with all Applicable Laws;

Expert: is an independent person, i.e. not an employee, consultant, manager, officer, representative or agent of any of the parties involved in the Dispute (or its Affiliate), who may not have any interest (financial or otherwise) that may affect his/her impartiality towards any party involved in the Dispute.

Before being appointed, the Expert shall declare any circumstances that may raise legitimate doubts as to his/her impartiality and the independence of his/her actions;

Extended Storage Service means making the LNG storage service at the Terminal envisaged by Clause 3.5.3 available to Users or Small Scale Users;

Extended Storage Charge means the charge payable by the User or Small Scale User for the LNG storage service envisaged by Clause 3.5.3 and published by the Operating Company on its website;

Final Acceptance Visit means the visit as described in the Technical Manuals (in particular, in LNG Carrier Approval & Vetting Procedures 3.3 – Step 3), confirming the acceptance of the LNG Carrier and the Small Scale Carrier to berth at the Terminal;

Flexibility Services are the Redelivery Nomination and Renomination or Extended Storage Flexibility Services envisaged by Chapter 3.4 or Clause 3.5.3, respectively;

Force Majeure or **Force Majeure Event** has the meaning given in Clause 5.3.4.1;

Gas Day means a period of twenty-four (24) consecutive hours which starts at 06.00 on each calendar day and ends at 06.00 on the subsequent calendar day;

Gas means any hydrocarbon or mixture of hydrocarbons and other gases consisting primarily of methane, which at standard reference conditions (15 degrees Celsius and 1.01325 bar) is, or is predominantly, in a gaseous state resulting from the regasification or boil-off of LNG;

Gas Month means a period commencing at 06:00 hours on the first Gas Day of a calendar month and ending at 06:00 hours on the first Gas Day of the following calendar month;

Gas Quality Specifications means the quality specifications for the Gas redelivered by the Operating Company at the Redelivery Point as defined in Annex 8;

Gas Year means that period commencing at 06:00 hours on the 1st October and ending on the subsequent 1st October at 06:00 hours;

Gross Calorific Value means the amount of heat, expressed in KWh, liberated during the complete combustion of 1 Sm³ at a temperature of 25 degrees Celsius and at an absolute pressure of 1.01325 bar, with excess air at the same temperature and pressure of the Gas, when the combustion products are returned to the initial temperature of the Gas and the water which has formed, in a vaporous state, in the combustion is returned to its liquid state at the same initial temperature of the *Gross Calorific Value*;

Guarantor means a legal person that is required to provide a Bank Guarantee or a User's Group Guarantee or a Small Scale User's Group Guarantee in accordance with Chapter 3.1;

International Standards means the standards and practices from time to time in force applicable to the ownership, design, equipment, operation or maintenance of LNG carriers or floating LNG regasification terminals established by the rules of RINA S.p.A. or other Acceptable Classification Company, the conventions, rules, guidelines and regulations laid down by the International Maritime Organisation (IMO), the Oil Companies International Marine Forum (OCIMF), International Group of Liquefied Natural Gas Importers (GIILNG), Society of International Gas Carriers and Terminal Operators (SIGTTO) (or any successor body of the same) and any other internationally recognised agency or organisation with whose standards and practices it is customary for international operators of such LNG carriers or floating terminals to comply, including the holding of a valid operational OCIMF Ship Inspection Reporting system (SIRE) certificate, It being agreed that in the event of a conflict between a mandatory Applicable Law and a standard or practice referred to in this definition the Applicable Law shall prevail and that in the event of any other conflicts Operating Company will exercise its judgement acting as a Reasonable and Prudent Operator;

Interruptible Redelivery Service: has the meaning given in Clause 1.4.1.2b);

Joule: unit of measurement of the amount of heat derived from the international system, as defined in UNI ISO 1000, SI units and recommendations for the use of their multiples and of certain other units;

Kilowatt-Hour: one thousand (1,000) watt-hours at reference conditions of 298.15 degrees Kelvin and 25 degrees Celsius, equal to 3.6 Mega Joule;

LLMC: means the "London Protocol of 1996 to amend the Convention on Limitation of Liability for Maritime Claims of 19 November 1976" which came into force on 24 March 2006 and was ratified by Italy with Law no. 210 of 23 December 2009 as subsequently amended

LNG (abbreviation for liquefied natural gas) means Gas which has been converted to a liquid state at or below its boiling point and at a pressure of approximately 1 atmosphere;

LNG Carrier means any LNG carrier that is nominated or to be nominated by a User, and is accepted or to be accepted by the Operating Company, for the use by a User for Unloading at the Terminal according to the procedures set out in the Technical Manuals;

LNG Quality Specifications means the quality specifications for the LNG Unloaded by the User the Delivery Point as defined in Annex 8;

Loss means:(a) any properly documented fees, costs and expenses (including VAT, unless it is recovered from the Indemnified Party) reasonably incurred by an Indemnified Party including any fees and expenses of its legal advisers and other expenses incurred in connection with investigating or defending any claim, action or other proceeding;(b) any claim, liability, damages and/or loss including any penalties, fines or settlements or similar sums incurred by the Indemnified Party or any other relevant person; (c) interest on any overdue amount to be paid to the Indemnified Party from the due date for payment of such amounts to the date of actual payment by the indemnifying party at a percentage rate per annum equal to EURIBOR plus 2%, it being understood that Loss shall not include any loss of revenue, howsoever arising;

Maintenance Schedule: schedule of the maintenance work which implies a total or partial reduction of the Regasification Service to be drawn up by the Operating Company for each Gas Year pursuant to Clause 4.1.2;

Maritime Authorities means the Ministry of Infrastructure and Transport (*Ministero delle Infrastrutture e dei Trasporti*) and the Harbour Master (*Capitaneria di Porto*) of Livorno;

Maritime Regulations means the regulations, administrative measures, acts and/or other provisions issued by the Maritime Authorities in so far as they are relevant to the operation of the Terminal;

Master means any person legally and duly certified and appointed as commanding officer responsible for the navigation and management of an LNG Carrier or in his absence his duly authorised deputy;

Mega Joule: equal to one million (1,000,000) Joule;

Megawatt-Hour: equal to one thousand (1,000) kilowatt-hours;

Month M means a certain reference Gas Month; **Month M-1** means the Gas Month before Month M, and **Month M-2** means the Gas Month two (2) Gas Months before Month M; **Month M+1** means the Gas Month one (1) Gas Month after Month M, and **Month M+2** means the Gas Month two (2) Gas Months after Month M;

Month means a period commencing at 00:00 hours on the first Day of a calendar month and ending at 00:00 hours on the first Day of the following calendar month, and **Monthly** shall be construed accordingly;

Monthly Market Price: with reference to any Month, it is the average System Average Price or SAP as defined by article 1, paragraph 1.2 letter (m) of the Consolidated Balancing Law on each Day of the Month in question, expressed in Euro/kWh rounded up to the sixth decimal;

Monthly Slot: means the regasification capacity predetermined by the Operating Company and subdivided into slots which is scheduled for each month subsequent to Month M+2 until the end of the Gas Year as well as for the Gas Year following the current one. The Monthly Slot will be linked to a Scheduled Arrival Window through the publication of the moment when the Monthly Slot will again fall within the Ninety Day Unloading and Loading Schedule;

National Transmission System means the Italian national transmission system for Gas as defined in the decree issued by the Italian Ministry of Industry, Trade and Crafts (MICA) of 22 December 2000, as such decree is published in the *Gazzetta Ufficiale, serie generale, 23-11-2001 n. 18* and as amended and updated from time to time;

Network Code means the document published by Snam Rete Gas S.p.A on its website (and any amendments, updates and/or supplements) and approved by ARERA Resolution no. 75/03 which determines and regulates all the parties' rights and obligations in relation to the provision of the Transportation Service on the National Pipeline Network;

Ninety Day Unloading and Loading Schedule means the ninety-day schedule for the Delivery Slots and Small Scale Slots in accordance with the provisions of Clause 3.3.2;

Nomination Flexibility Service Charge means the charge payable by the User for exercising its right to nominate a quantity of Gas for redelivery in accordance with Clause 3.4.1.4 and published by the Operating Company on its website;

Notice of Expert Determination has the meaning given in Clause 5.4.2.3a);

O&M Contractor has the meaning given in Clause 1.4.4;

Off-Spec Gas means Gas that does not comply with the Gas Quality Specifications as set forth in Annex 9;

Off-Spec LNG means LNG that does not comply with the LNG Quality Specifications as set forth in Annex 8;

Operating Company means OLT Offshore LNG Toscana S.p.A (or its successor);

Operating Company's Default means a default by the Operating Company, as specified by way of example and without limitation in Clause 5.3.2.2;

Operating Company's Group means the Operating Company, any Affiliate of the Operating Company (acting in its capacity as such and excluding where acting in its capacity as a member of User's Group), the O&M-Contractor, the other sub-contractors;

Operational Balancing Agreement or OBA: interconnection agreement executed by the Operating Company and SRG in accordance with the provisions of ARERA Resolution 312/2016/R/GAS, which establishes the terms and conditions for the application, within certain limits, of the "allocated = nominated" principle at the Redelivery Point;

Party or Parties means the Operating Company and/or the User and/or the Small Scale User, as applicable;

Peak Shaving Guarantee: the guarantee issued in conjunction with the Peak Shaving Service pursuant to the provisions of Clause 3.1.4;

Peak Shaving Service Supplier: means any party obliged to provide LNG volumes for Peak Shaving Service that has been identify following a tender procedure in accordance with MSE Decree 18/10/2013.

Peak Shaving Service: measure to be activated under climatic emergency conditions pursuant to ministerial decrees dated 19/04/2013 and 18/10/2013 and to ARERA Resolutions 471/2013/R/gas and no. 739/2017/R/gas, as well as the subsequent ARERA resolutions which set forth rules for the identification of any third party available to provide one or more cargoes to be delivered and stored in the tanks of Terminal and afterwards redelivered;

Percentage Share has the meaning given in Clause 3.3.8

Pilot Boarding Station means the area located three (3) nautical miles from the Terminal to be used for the boarding of pilot(s) on LNG Carriers inbound to the Terminal the co-ordinates of which have been established by the Operating Company in accordance with instructions given by the Maritime Authorities;

Planned Service Reduction means any of the planned works, inspections, maintenance, repair, and modifications that causes or may cause a reduction, modification, postponement or suspension of the Regasification Service or Small Scale Service being and/or to be carried out at the Terminal pursuant to Clauses 4.1.1 and 4.1.3;

Reasonable and Prudent Operator means a person operating an off-shore LNG floating storage and regasification unit and exercising such degree of skill, diligence, prudence and foresight and adhering to such standards, practices, procedures and guidelines as would reasonably and ordinarily be exercised by a skilled and experienced person engaged in undertakings of a similar nature and who complies with all Applicable Laws and International Standards;

Reasonable and Prudent User means a person consigning LNG to be transported by sea, using the Services provided under the Capacity Agreement, receiving the Regasification Service envisaged by the Capacity Agreement and/or consigning Gas to be transported by pipeline or which receives or is required to receive delivery of the LNG intended for the Small Scale Service, in each case exercising such degree of skill, diligence, prudence and foresight and adhering to such standards, practices, procedures and guidelines as would reasonably and ordinarily be exercised by a skilled and

experienced person engaged in undertakings of a similar nature to those contemplated by the Regasification Code and who complies with all Applicable Laws and International Standards;

Redelivery Nomination means the quantity of Gas envisaged for redelivery to a User on a certain Gas Day pursuant to the provisions of Clause 3.4.1.3;

Redelivery Period subject to the provisions of Clause 3.4.1.12, it is the period that starts at 06:00 on the Gas Day of a certain Month in which the User's Inventory has a value other than zero until the start of the first Scheduled Arrival Window in the next Month as set forth in the Annual Unloading and Loading Schedule and during which it is envisaged that the Operating Company will redeliver in full the LNG Unloaded by the User at the Terminal;

Redelivery Point means the Gas pipeline flange located on the seabed after the SSIV (sub-sea isolation valve) station (riser base) and after the expansion spool connecting the Terminal to the National Transmission System, corresponding to the entry point to the National Transmission System called LNG OLT Livorno;

Redelivery Renomination has the meaning given in Clause 3.4.1.5;

Regasification Auction Platform: means the Platform for the management of the auctions for the allocation of regasification capacity (PAR) organised and operated by Gestore dei Mercati Energetici S.p.A. (GME), pursuant to the TIRG, through which the regasification capacity allocation procedures are implemented, the rules of which are contained in the relevant operational regulation determined by GME itself and approved by the ARERA;

Regasification Code means this document (including the Annexes hereto) adopted by the Operating Company in accordance with Applicable Law;

Regasification Service Charges: means the charges payable by the User for the Regasification Service pursuant to the provisions of Clause 5.2.1.3;

Regasification Service: means the Regasification Service envisaged by Clause 1.4.1.2;

Regulatory Authority for Energy Networks and the Environment or ARERA means the Energy Networks and Environment Italian Authority (*Autorità di Regolazione per Energia Reti e Ambiente*) established by law no. 481 of 14 November 1995 with, *inter alia*, the responsibility of regulating and controlling the gas, electric power and water sectors;

Renomination Flexibility Service Charge means the charge payable by the User for exercising its right to nominate a quantity of Gas for redelivery in accordance with Clause 3.4.1.5 and published by the Operating Company on its website;

Reserve Price: price determined from time to time in accordance with article 7.1. of the TIRG- for the allocation of regasification capacity.

Scheduled Arrival Window means, for a particular Delivery Slot, a period of twenty-four (24) hours commencing at 06:00 hours on a Gas Day specified in the Annual Unloading and Loading Schedule for the arrival of the LNG Carrier carrying such Cargo at the Pilot Boarding Station;

Service Conditions mean the conditions that the Applicant must meet and declare that it meets when it applies for regasification capacity pursuant to the provisions of Clause 2.1.1;

Ship Owner means any person (including any Applicant or User) who operates and/or is deemed to operate and/or owns an LNG Carrier pursuant to Applicable Law and/or any other applicable law or regulation;

Sloshing: means the violent movement of the free surface of a liquid cargo inside a moving container, such as, for example, stationary waves in partially-filled tanks on board an LNG Carrier which may cause damage to the structure of the container and reduce the stability of the LNG Carrier;

Sm³ means, in relation to Gas, a standard cubic meter, namely the quantity of Gas which under normal reference conditions (288.15 degrees K, 15 degrees Celsius and an absolute pressure of 101.325 kPa, 1.01325 bar) occupies a volume of one cubic meter;

Snam Rete Gas or SRG means Snam Rete Gas S.p.A.;

Small Scale Carrier means any LNG carrier, which a Small Scale User has nominated or will nominate, that has been approved or will be approved by the Operating Company for the Small Scale Service in accordance with the procedures set out in the Technical Manuals;

Small Scale Agreement means an agreement executed by the Operating Company and the User or a third party for the allocation of Small Scale Slots, the relevant form will be published by the Operating Company on its website;

Small Scale Service means the provision to Small Scale Users of the LNG loading service on a Small Scale Carrier indicated in Clause 1.4.1.3;

Small Scale Service Adverse Weather Conditions means the weather and sea conditions forecasted or recorded by the measurement systems installed at the Terminal with regard to the area surrounding the Terminal or between the Terminal and the Pilot Boarding Station over the limits stated in the Technical Manuals and the Maritime Regulations for the operation of the Terminal and/or that are imminent and severe or prevailing and severe so as to prevent or delay a Small Scale Carrier from proceeding to moor, Unloading, remaining moored, or to oblige it to depart from the mooring, in accordance with one or more of the following: (i) Applicable Laws, (ii) advice of a pilot (where prescribed), (iii) a determination by the Operating Company, the Terminal Manager or the O&M Contractor in line with the weather limitations set out in the Technical Manuals or (iv) any decision by any Competent Authority;

Small Scale Service Charge means the charge payable by the Small Scale User for the Small Scale Service accepted by the Small Scale Users in accordance with Clause 5.2.1.6;

Small Scale Slot means the capacity to load a quantity of LNG by a Small Scale Carrier at the Terminal on a certain Day assigned or to be assigned to each Small Scale User following the determination of the Annual Unloading and Loading Schedule;

Small Scale User means the party that has signed a Small Scale Agreement with the Operating Company and to which one (or more) Small Scale Slot(s) has (have) been allocated;

Small Scale User's Group means the Small Scale User, any Affiliate of the Small Scale User (acting in its capacity as such and excluding where acting in its capacity as a member of the Operating Company's Group), any Small Scale Carrier, any Ship Owner, any ship manager and any charterer of such Small Scale Carrier and any contractors of the Small Scale User (including pilots and boatmen and ship's agents);

Small Scale User's Group Guarantee means a guarantee payable on first demand issued by an Affiliate of the Small Scale User pursuant to the provisions of Chapter 3.1;

Spool Pieces special adaptors, supplied by the Operating Company to the LNG Carrier, to be installed by the LNG Carrier's crew on its left side cargo manifold in order to allow the safe and reliable connection and disconnection of the Terminal loading arms as envisaged in the Technical Manuals and described in greater detail in the compatibility procedure envisaged by Clause 2.2.1.2;

Spot Regasification Service: means the Regasification Service provided in relation to an individual Unloading to be carried out on a date pre-established and identified by the Operating Company following the determination of the Ninety Day Unloading and Loading Schedule;

Statement of Release: notice, drafted i) using the form contained in Annex 2A1, given by the User to the Operating Company for the release of Continuous Capacity in accordance with the provisions of Clause 3.2.3.1 and/or ii) using the form contained in Annex 2A2, given by the User to the Operating Company for the release of Delivery Slots or Monthly Slots in accordance with the provisions of Clause 3.2.3.2a);

Statement of Withdrawal: notice, drafted using the form contained in 2A3, given by the User to the Operating Company in accordance with the provisions of Clause 3.2.3.2f), intended to recover Delivery Slot already released by the User itself;

System means the electronic platform for the scheduling of the Gas quantities to be redelivered at the Redelivery Point in accordance with Network Code;

Technical Manuals mean the written procedures to govern the marine and technical operations at the Terminal developed, maintained and amended by the Operating Company;

Terminal Manager means such individual with day-to-day primary responsibility for managing the Terminal;

Terminal Manuals means the written procedures to govern the operations of the Terminal exclusively developed, maintained and amended by the Operating Company, including the ECS Manual and the Technical Manuals;

Terminal means the floating LNG storage and regasification unit called “FSRU TOSCANA” IMO no. 9253284, registered in Italy under no. LI10153 and all the additional equipment installed therein by the Operating Company such as, for example, chains, anchors, the riser and flexible flow lines to the Redelivery Point, located at a water depth of approximately one hundred twenty (120) metres;

TIRG: Consolidated Law on the use of guarantees of free access to the LNG Regasification Service, approved by the ARERA as Annex “A” to resolution no. 660/2017/R/Gas as subsequently amended;

Transportation Agreement means any contract entered into by the Operating Company, on behalf of the Users, and SRG to enable the redelivery of Gas in accordance with the terms and conditions of the Capacity Agreements;

Transportation Service Charges: means the charges payable by the User for the Transportation pursuant to the provisions of Clause 5.2.1.5;

Transportation Service User: any user of transportation service of SRG, included the user(s) specified by User to Operating Company for the allocation of quantities of Gas pursuant to art. 13.6 of TIRG which declares that it has adhered or agrees to adhere to the Network Code

Transportation Service: means making the Gas available to the User at the Redelivery Point in the context of the Transportation Service envisaged by the Snam Rete Gas Network Code as defined by Clause 1.4.1.2a)(vii);

Trial Unloading: first unloading carried out by an LNG Carrier according to the procedure described in the Technical Manuals (in particular, by the LNG Carrier Approval & Vetting Procedures 3.4 – Step 4), to determine whether the Master and crew of such LNG Carrier are aware of and properly apply all the procedures relating to the activities envisaged between the LNG Carrier and the Terminal;

Ullage means the free space above the LNG in the Terminal storage tanks, which is used to store the LNG to be Unloaded at the Terminal itself;

Unitary Bid Price: price expressed in Euro per MWh (€/MWh) bid by the party applying for regasification capacity;

Unloading means the technical operations (following the mooring of an LNG Carrier at the Terminal and the safe setting of the receiving equipment) used to transfer (in the case of any User) or receive (in the case of the Operating Company) an LNG Carrier’s LNG in the Terminal’s storage tanks, in accordance with the procedures provided in the Technical Manuals, and **Unload** and **Unloaded** and similar expressions shall be construed accordingly;

Unplanned Service Reduction means a total or partial reduction, modification, postponement or suspension of the Regasification Service not included in the Maintenance Schedule;

Unplanned Small Scale Service Reduction means a total or partial reduction, modification, postponement or suspension of the Small Scale Service not included in the Maintenance Schedule;

User means any Applicant which has been awarded or to which has been transferred regasification capacity and to which the Operating Company provides the Regasification Service pursuant to a Capacity Agreement;

User’s Default: means a default by the User, as specified by way of example and without limitation in Clause 5.3.2.1;

User’s Gas means the Gas which results from the regasification of User’s LNG or boil off or otherwise in connection with User’s LNG in the Terminal other than Gas which is owned by the Operating Company pursuant to Clause 3.4.2.1c);

User’s Group Guarantee: guarantee payable on first demand issued by an Affiliate of the User pursuant to the provisions of Chapter 3.1;

User’s Group means the User, any Affiliate of the User (acting in its capacity as such and excluding where acting in its capacity as a member of the Operating Company’s Group), any LNG Carrier, any Ship owner, any ship manager and any charterer in relation to any LNG Carrier and any contractors (including pilots and boatmen and ship’s agents);

User’s Inventory means at the time of determination, the quantity of LNG (expressed in m³ or MWh, as appropriate) and Gas (expressed in Sm³ or MWh, as appropriate) in the Terminal which is held by the Operating Company on behalf of the User or the Small Scale User, including the User’s LNG and the Small Scale User’s LNG;

User's LNG means, subject to any in-tank ownership transfers by the Users, (i) LNG which has been delivered to the Terminal by or on behalf of the User, including any LNG which is not legally and beneficially owned by the User, and Unloaded at the Delivery Point until any such LNG has been allocated to other Users pursuant to Clause 3.3.7 and (ii) LNG which has been allocated to the User pursuant to Clause 3.3.7;

Virtual Exchange Point means the Italian virtual exchange point (*Punto di Scambio Virtuale*) located between the entry points and the exit points of the national pipeline network (*rete nazionale dei gasdotti*), where the users of such network can exchange and transfer Gas injected therein pursuant to any resolution of ARERA no. 22 of 26 February 2004 and subsequent implementing resolutions;

Wobbe Index means ratio between the Gross Calorific Value on a volumetric basis and the square root of the density at the same specified metering reference conditions of Gas; and

Year means the period beginning at 00:00 hours on the 1st January of any calendar year and ending at 00:00 hours on the 1st January of the following calendar year

Acceptable Classification Society means RINA S.p.A. or another classification society (being a member of the International Association of Classification Societies (IACS) or, if such association no longer exists, any similar association) approved by the Parties;

1.1.2 Interpretation

In the Regasification Code:

- a) references to “persons” include individuals, bodies corporate (wherever incorporated), unincorporated associations, partnerships, trusts or any other legal entities, including any governmental authorities;
- b) “include” and “including” are to be construed without limitation;
- c) “for example” is to be construed without limitation;
- d) other than where reference is made to a rule of Italian law, the heading of each clause is included exclusively for reasons of convenience and does not affect the construction of such terms;
- e) references to one gender includes all genders;
- f) references to the singular include the plural and vice versa;
- g) references to statutory provisions are references to those provisions as respectively amended or re-enacted or as their application is modified by other provisions from time to time;
- h) a reference to any Italian legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or matter shall in respect of any jurisdiction other than Italy be treated as a reference to any analogous term in that jurisdiction;
- i) references in relation to computation of periods of time to:
 - (i) “from” means from and including; and
 - (ii) “until” or “to” means to and including;
- j) references to any person include references to that person's successors and permitted assignees;
- k) all references to time are to Italian time, unless expressly provided otherwise. Should any specific date in the Regasification Code refers to a not Business Day, it is understood that such term will be anticipated to the first Business Day before that date;
- l) references to the Capacity Agreement and the Regasification Code are references to the Capacity Agreement and the Regasification Code as amended in accordance with the Capacity Agreement;
- m) references to agreements or documents are references to those agreements or documents as respectively amended in accordance with their terms from time to time;
- n) the Regasification Code has been drafted, and each Capacity Agreement shall be drafted and executed, in the Italian language, which shall be regarded as the sole authoritative and official language and shall be the sole language to be referred to in construing or interpreting the Regasification Code and any Capacity Agreement. Without prejudice to the foregoing, the Parties shall have regard to the

Italian text in interpreting any inconsistency between the Italian text and the English text of the Capacity Agreement; and

1.1.3 List of Annexes

The following Annexes are included in, and form an integral part of, the Regasification Code:

- a) Annex 1: form for Allocation Request
- b) Annex 2: form for Statement of Release, Statement of Withdrawal
- c) Annex 3: form for Transfer of regasification capacity
- d) Annex 4: form for Capacity Agreement
- e) Annex 5: form for notice of rule for allocating regasified quantities
- f) Annex 6: form for transfer of LNG between Users
- g) Annex 7: form for Bank and User's Affiliate Guarantees
- h) Annex 8: LNG quality and measurement specifications

Chapter 1.2 - LEGAL FRAMEWORK

1.2.1 European Regulation of the Gas Market

- a) The regulations concerning LNG regasification at a European and Italian level were inaugurated with EU Directive 98/30/EC of the European Parliament and Council dated 22 June 1998 (**Gas Directive**), concerning common rules for the internal market in natural gas. This regulation started a process of progressive liberalisation of the sector with the aim of creating a single European market for natural gas, at the same time guaranteeing the same **terms and non-discriminatory** treatment for operators of the system.
- b) In June 2003, the European Parliament and the Council adopted the EU Directive 2003/55/EC (**Second Gas Directive**) also concerning common rules for the internal market in natural gas and that repealed the **EU Directive 98/30/EC**.
- c) On 13 July 2009 the European Parliament and the Council adopted the EU Directive 2009/73/EC (**Third Gas Directive**) on common rules for the internal market in natural gas. Italy enacted the Third Gas Directive through Legislative Decree No. 93 dated 1 June 2011 (**Decree 93**).
- d) Regulation (EC) No. 1775/2005 of the European Parliament and of the Council of 28 September 2005 sets out conditions for access to the natural gas transmission networks (the **First Gas Regulation**).
- e) On 13 July 2009, the European Parliament and the Council issued Regulation (EC) No. 715/2009 which repealed the First Gas Regulation providing new conditions for access to the natural gas transmission networks. The EU Commission Decision of 10 November 2010 amended Chapter 3 of Annex I to Regulation (EC) No 715/2009.

1.2.2 Italian Regulation of the Gas Market

- a) The Gas Directive was implemented in Italy by the Decree no. 164 dated 23 May 2000 (**Decree**), concerning common rules for the internal market in natural gas, in accordance with the principles laid down by Law no. 144 dated 17 May 1999.
- b) The Decree introduced rules defining procedures and timing for the liberalisation process as provided for by the Gas Directive, identifying and defining the roles of the various segments of the natural gas “chain”, such as: importation, development, exportation, transport and dispatching, storage, regasification, distribution and sale.
- c) With regard to the regasification activity, the Decree governs amongst other items:
 - (i) LNG plants;
 - (ii) the importation of LNG into Italy; and
 - (iii) the need, by parties who manage LNG terminals, to set up, after a specific resolution of the ARERA (established on the basis of Law no. 481 of 14 November 1995), a regasification code for the purposes of access to the terminals (article 24, paragraph 5).
- d) With a decree dated 27 March 2001, the Ministry of Economic Development set out the “Determination of the criteria for release of authorisations to import natural gas produced in Non-Member States”, in accordance with article 3 of the Decree. Such decree was then partially amended by the Ministry of Economic Development Decree adopted on 2 August 2011 concerning the “Updating of procedures for the releasing of authorizations to import natural gas, in compliance with article 28 of Legislative Decree 1 June 2011, n. 93”.
- e) By Decree 93, Italy enacted the Third Gas Directive. Decree 93 (which entered into force on 29 June 2011) modified various parts of the Decree, simplifying authorisations for import of gas, stressed the principles of transparency and non-discrimination in the assignment of capacity in LNG terminals.
- f) The Ministerial Decree of 19/04/2013 sets out, among the measures to be activated in emergency conditions, the usage of partially used regasification terminals tanks for Peak Shaving Service. With Ministerial Decree dated 18/10/2013 the relevant terms and conditions for peak shaving service during winter period of Gas Year 2013/2014 have been defined;

1.2.3 ARERA Resolutions in connection with the Regasification Code

- a) Resolution no. 120/01 – Criteria for determination of the tariffs for the transport and dispatching of natural gas and for the use of LNG terminals.
- b) Resolution no. 193/01 – Provisions regarding tariffs for the transport and dispatching of natural gas and for the use of LNG terminals, for implementation of Resolution no. 120/01 dated 30 May 2001.
- c) Resolution no. 91/02 – Regulation on the right to allocation pursuant to article 27, paragraph 2, of Law no. 273 dated 12 December 2002 in the event of the construction of new LNG terminals and the upgrading of existing terminals.
- d) Resolution no. 137/02 – Adoption of guarantees for the free access to the natural gas transport service and rules for the preparation of the Network Codes.
- e) Resolution no. 146/02 - Provisions regarding tariffs for the transport and dispatching of natural gas, for implementation of AEEGSI Resolution no. 120/01 dated 30 May 2001.
- f) Resolution no. 90/03 – Amendment to ARERA Resolution no. 91/02 dated 15 May 2002, implementing article 27, paragraph 2, of Law no. 273 dated 12 December 2002.
- g) Resolution no. 113/03 – Extension of the conditions under articles 14 and 15, paragraphs 12 and 13, of ARERA Resolution no. 120/01 dated 30 May 2001 regarding LNG regasification.
- h) Resolution no. 141/04 – Extension of the conditions under articles 14 and 15, paragraphs 12 and 13, of AEEGSI Resolution no. 120/01 dated 30 May 2001 regarding LNG regasification.
- i) Resolution no. 52/05 – Start of proceedings for the formation of measures regarding tariffs for the use of LNG terminals for the second period of regulation.
- j) Resolution no. 167/05 – Adoption of guarantees for the free access to the liquefied natural gas regasification service and rules for the preparation of regasification codes.
- k) Resolution no. 178/05 – Criteria for the determination of the tariffs for the regasification service.
- l) Resolution no. 185/05 – General provisions related to the quality of natural gas, according to article 2, paragraph 12, letter g) and h) of Law 481/95.
- m) Resolution no. 168/06 – Urgent provisions for the definition and assignment of transport capacity in the entry points to the national gas network interconnected with the infrastructures for which there is an exemption and for the assignment of residual capacity, by a legislative decree dated 28 April 2006.
- n) Resolution no. 327/07 - Amendment of Art. 8 of ARERA Resolution 168/06.
- o) Resolution no. 92/08 - Criteria for determination of the tariffs related to the regasification service and amendment of AEEGSI Resolutions no. 166/05 and no. 11/07.
- p) Resolution no. 111/08 - Urgent set-up in the area of allocations at the entry points of the national pipeline network interconnected with regasification terminals and integration to ARERA Resolution no. 137/02.
- q) Resolution no. 55/09 - Rules for the adoption and the revision of the access codes of transport, storage and regasification, and for the establishment and the activity of the relevant consultation committees.
- r) Resolution no. 54/10 - Amendment of Article 11 of ARERA Resolution no. 167/05, setting out provisions for non use of regasification capacity.
- s) Resolution 150/2012/R/gas - Criteria for the determination of the regasification service tariff for LNG, for the fourth regulatory period;
- t) Resolution 188/2012/E/com - Approval for the framework for dealing with complaints presented by operators against the transmission, storage, regasification and distribution system operator pursuant articles 44(1) and (2) of Legislative Decree no. 93/11;
- u) Resolution 237/2012/R/GAS - Extension of the criteria for the determination of the regasification tariffs for the transitional period October 2012-December 2013;
- v) Resolution no. 297/2012/R/GAS – Provisions on access to the Transportation Service for natural gas at the entry and exit points of the transmission network interconnected with inventories and with regasification terminals;

- w) Resolution no. 84/2013/R/GAS – Rationalisation of the disclosure requirements regulated in the context of the guarantees of free access to transportation, storage and regasification services;
- x) Resolution 224/2013/R/GAS - Start of proceedings for the formation of measures regarding tariffs and access conditions in case of waiver or annulment of the third party access exemption granted to LNG terminals;
- y) Resolution 272/2013/R/GAS – Criteria for the determination of the regasification service tariff and access conditions in case of waiver or annulment of the third party access exemption granted to LNG terminals;
- z) Resolution no. 84/2013/R/ GAS – Criteria for regulating the regasification tariffs for liquefied natural gas for 2014-2017.
- aa) Resolution no. 471/2013/R/GAS - Provisions for the Peak Shaving Service for the winter period of Gas Year 2013/2014;
- bb) Resolution no. 502/2013/R/GAS – Concerning the provision of flexible services by regasification companies;
- cc) Resolution no. 312/2016/R/GAS – Gas balancing, implementing Regulation (EU) 312/2014;
- dd) Resolution no. 660/2017/R/GAS – Reform of the regulation of the allocation of LNG regasification capacity based on market mechanisms (auctions) by which the ARERA approved the TIRG;
- ee) Resolution no. 110/2018/R/GAS – Approval of the regasification code drawn up by OLT Offshore Lng Toscana S.p.a.;
- ff) Resolution no. 168/2019/R/GAG – Criteria for regulating access conditions, including economic conditions, and for regulating the services provided through LNG storage space and provisions on the separation of accounts for LNG Small Scale services;
- gg) Resolution no. 474/2019/R/GAS – Tariff regulation criteria for the liquefied natural gas regasification service for the fifth regulatory period (2020-2023);
- hh) Resolution no. 85/2020/R/GAS – Measures for accessing the regasification service and approval of the proposed amendment to the regasification code of the company OLT Offshore LNG Toscana S.p.A.;
- ii) Resolution no. 576/2020/R/GAS – Provisions on accessing the regasification service for periods exceeding one gas year;
- jj) [Resolution no. 190/2021/R/GAS – Provisions on the definition of reserve prices for the allocation of regasification capacity and approval of the proposal to amend the regasification code and fees for flexibility services by OLT Offshore LNG Toscana S.p.A..](#)

Chapter 1.3 - DESCRIPTION OF THE TERMINAL

1.3.1 General Description

The Terminal, an existing Moss type LNG carrier (the ex “Golar Frost”) converted into a floating terminal, is located 12 nautical miles offshore between Livorno and Pisa in Tuscany, Italy. The geographical coordinates of the terminal are 43° 38’ 40” N 09° 59’ 20” E (Gauss Boaga Datum Roma). The depth of the sea bed is approximately 120 metres. The Terminal is connected to shore via a 32" diameter pipeline built and operated by SRG.

The Terminal specifications are:

Displacement	115,870 metric tonnes
LOA	306.49 m
Gross Tonnage	117.916 metric tonnes
Net Tonnage	35.374 metric tonnes
Maximum width	48 m
Draught (ballast)	10.78 m
Draught (load)	12.30 m

The main functions of the Terminal are:

- i) Receive, allow mooring and unloading of LNG Carriers;
- ii) Store;
- iii) Recover Boil-Off Gas (BOG);
- iv) LNG Regasification;
- v) Wobbe Index correction;
- vi) Importing Gas within the Gas Quality Specification into the National Transmission System;
- vii) Utilities;
- viii) Safety and control systems; and
- ix) Receive, allow mooring and loading the Small Scale Carriers.

i) Receive, allow mooring and unloading of LNG Carriers

The Terminal may receive LNG from LNG Carriers with a capacity ranging from 65,000 m³ to 180,000 m³ (or equivalent the class entitled “New Panamax”). The LNG from the LNG Carriers is Unloaded to the Terminal storage tanks. The maximum Unloading rate is 12,000 m³/hr.

Except in the case where a User has been awarded a Monthly Slot with a Continuous Capacity exceeding 155,000 m³_{liq}, in the event that an Unloading of volumes of LNG exceeding 155,000 m³_{liq} by the same LNG Carrier is necessary, pursuant to the provisions of Clause 3.7.3.2, such Unloading may only be carried out by the User by obtaining the allocation of two consecutive Delivery Slots following the allocation processes envisaged by Clauses 2.1.5, 2.1.8 and 2.1.9 and the provisions of the Regasification Code will apply independently to the individual Delivery Slots. The User shall also comply with the provisions and specifications of the Maritime Regulations with regard to the Unloading of volumes of LNG exceeding 155,000 m³_{liq}.

The LNG is transferred via three 16" loading arms on board the Terminal and a fourth arm is used to maintain the vapour balance in the LNG Carrier by routing BOG generated in the Terminal storage tanks back to the LNG Carrier. The following arms are available:

- 2 liquid,
- 1 vapour, and
- 1 hybrid (liquid/vapour).

The hybrid arm is used to Unload LNG to the Terminal under normal conditions and can be used as the BOG vapour return if there is a failure in the vapour return arm.

ii) Storage

The Terminal has four Moss® Sphere type LNG containment tanks. Each tank has a diameter of about 40 metres. The storage capacity is approximately 135,000 m³. Each storage tank is equipped with an LNG in-tank pump, which transfers the LNG to the regasification module. This pump is retractable and installed in a dedicated pump well. In addition, one existing cargo pump, which has a higher capacity, is installed in the storage tank. These pumps are available to transfer liquid from one tank to another in case of operational requirements. The LNG is stored in the tanks at a temperature of approximately -163 °C and at a pressure of 0.25 barg.

iii) Boil-Off Gas Facilities

BOG is generated in the LNG tanks as a result of the following:

- Heat ingress from the storage spheres;
- Superheated LNG that flashes into the storage tanks during LNG Carrier Unloading, due to the heat generated by the LNG Carrier's cargo pumps and heat ingress in the loading arms, loading lines/manifolds.

The generated BOG is collected in the BOG header from where it can be routed to the following:

- LNG Carrier via the vapour return arm (during Unloading)
- The fuel Gas system;
- The recondenser via the BOG compressor (unspared); and
- The atmosphere exclusively in emergency situations.

iv) LNG Regasification

The LNG pressurised by the booster pumps is routed to three Intermediate Fluid Vaporisers (IFV) of the Tri-Ex type. The LNG is vaporized in a cyclic process with propane as the intermediate fluid. In the first heat exchanger, the LNG will be vaporized against propane vapour, which condenses. A second heat exchanger vaporizes the condensed propane with the heat of the seawater. In a third heat exchanger, the natural gas is superheated with seawater. During normal operation, three vaporisers may be on line simultaneously, together providing a maximum Gas redelivery capacity of 450 tonnes per hour. Below the envisaged minimum send out capacity the Terminal is designed to have a "stand by mode" which allows the Terminal to stay at operating temperature with a low inflexible send out of about 10 tonnes per hour. The Terminal has a permitted regasification capacity of no greater than 3.75 billion cm³/year.

v) Wobbe Index Correction

If the quality of the LNG does not meet the National Transmission System's minimum quality requirements due to imitations on the Gross Calorific Value and/or the Wobbe Index, nitrogen shall be injected at low pressure into the recondenser. Nitrogen is generated by an *ad hoc* nitrogen production unit. The Wobbe Index correction system is sized to produce up to 10,400 Sm³/h of nitrogen.

vi) Importing Gas within the Gas Quality Specification into the National Transmission System

After vaporisation, Gas shall be routed to a fiscal metering station, which includes ultrasonic flow metering ramps and a protection system (HIPPS). Downstream of the HIPPS, the redelivered Gas is routed to a subsea pipeline via a turret and two flexible risers. The turret is equipped with a swivel which allows 360° Terminal rotation. A subsea safety isolation valve (SSIV) station is installed at the connection between the risers and the submarine gas pipeline, which allows for isolating the Terminal from the National Transmission System in case of emergency.

vii) Utilities

The original steam plant has two dual-fuel steam boilers that may burn either Gas (BOG from the LNG tanks or gas from the vaporisers) or marine gas oil. Each boiler has a capacity of 55 t/h of superheated steam at 62 bar g and 510 °C. Two new turbo generators were installed during the conversion work and are fuelled by the steam facility in the engine room.

The Terminal generates its own power exclusively through its own steam turbo generators and does not import electrical power from the onshore national electricity grid. The electric power generating plant, installed in the engine room area, consists of two new 10 MW steam turbo generators, 3.5 MW steam turbo generators and a group of 3.35 MW diesel generators.

viii) Safety and control system

The LNG regasification plant is controlled remotely by the centralised control room with an automatic system. This system is divided into two (2) subsystems:

- Distributed control system (DCS) the function of which is the acquisition, processing and regulation of the plant process and monitoring parameters;
- Emergency shutdown system (ESD) the function of which is to carry out the sequences to start up, stop and block the plant equipment which is automatically programmed to switch to a predefined safe mode in an emergency.

The Operating Company shall operate and maintain the Terminal in accordance with the standards of a Reasonable and Prudent Operator.

ix) Receive, allow mooring and loading the Small Scale Carriers

The Terminal may receive Small Scale Carriers for loading LNG from the Terminal to such Small Scale Carriers. The maximum loading rate is around 900 m³/hr.

The Small Scale User shall comply with the provisions and specifications of the Maritime Regulations.

1.3.2 Terminal Capacity

The Terminal regasification capacity is determined by considering the technical, environmental and operational constraints of the Terminal, the number and duration of Berthing Slots, storage capacity, send-out capacity, and the capacity available at the Redelivery Point.

The Terminal shall operate with a permitted regasification capacity of 3.75 bcm/year. Such capacity is the design capacity under normal operating conditions and without considering the operational constraints and the limitations on the National Transmission System operated by SRG. To assess the Terminal capacity the following values must be taken into account:

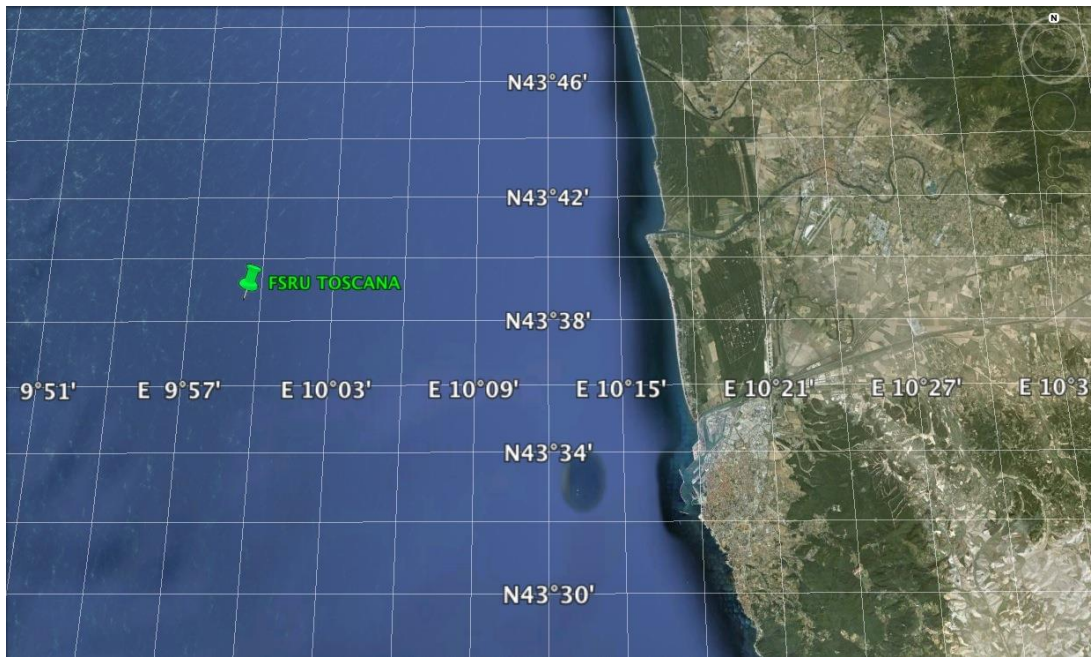
A. **Unloading capacity:** the Unloading capacity within a reference period (e.g.: Gas Year) of operations at the Terminal is defined taking into account:

- i) maximum number of Berthing Slots;
- ii) amount of LNG Unloaded by the LNG Carrier in each of the Berthing Slots, also taking into account the quality of the LNG;

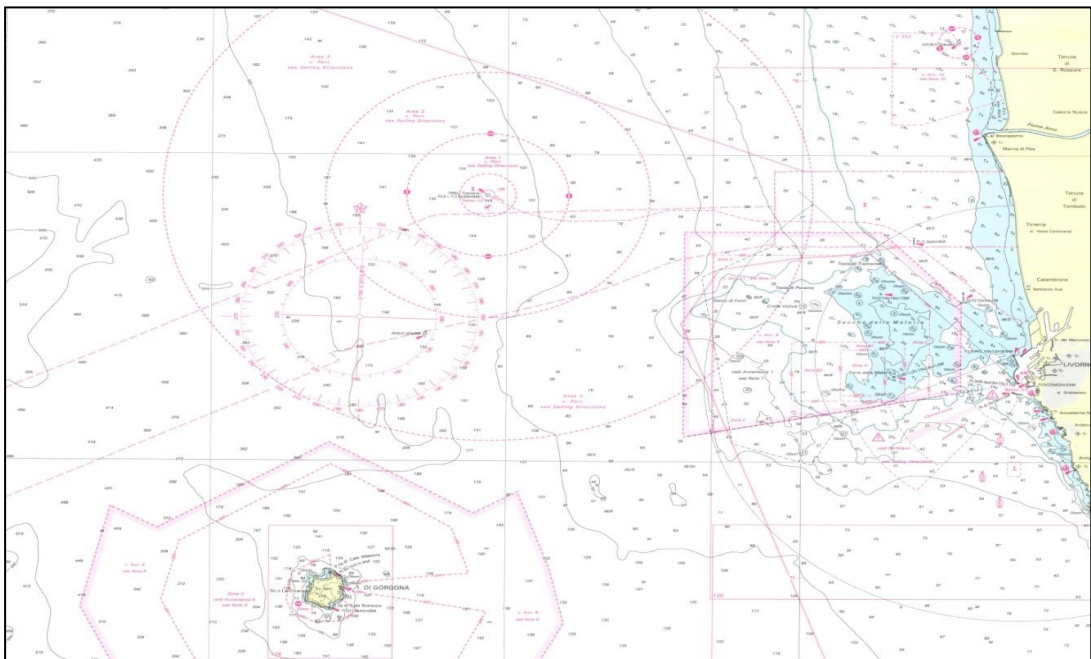
B. **send out capacity:** the send out capacity depends *inter alia* on the availability of each item of equipment, the terminal Fuel and losses, maintenance, the density of the LNG and any constraints imposed by the National Transmission System connected to the Terminal.

1.3.3 Terminal Manuals

The User and the Operating Company shall comply, and the Operating Company shall procure that any sub-contractor shall comply, with the provisions of the Terminal Manuals at all times unless any such provisions conflict with the applicable laws or regulations or with International Standards. The User shall also procure that any LNG Carrier and any Ship Owner shall comply with the Technical Manuals, unless any such provisions conflict with the Applicable Law and/or International Standards.



(Fig. 1)



(Fig. 2)

Coordinates FSRU Toscana: 43° 38' 40" N
09° 59' 20" E

Chapter 1.4 - DESCRIPTION OF SERVICES

1.4.1 Services

1.4.1.1 Services provided by the Terminal

The Operating Company shall provide the User with the Regasification Service defined in Clause 1.4.1.2 below under the terms and conditions stated in this Regasification Code and in accordance with the Terminal Manuals. The Regasification Service may be continuous or spot/FCFS.

1.4.1.2 Regasification Service

a) For the entire duration of the relevant Capacity Agreement, save as otherwise provided for example, in the event of Adverse Weather Conditions, Force Majeure and safety concerns, etc., the Operating Company will provide the User with the Regasification Service, which includes:

- (i) providing the number of Berthing Slots set forth as a result of the regasification capacity allocated to enable the User to deliver LNG at the Terminal;
- (ii) allowing mooring access alongside the Terminal to receive and Unload LNG Carriers accepted pursuant to Chapter 2.2;
- (iii) providing the Terminal's crew to hook the LNG Carrier mooring lines to the Terminal only;
- (iv) receipt of an Unloaded Cargo from an LNG Carrier during a Delivery Slot;
- (v) storage of the User's LNG in the Terminal;
- (vi) providing the Continuous Redelivery Service;
- (vii) redelivery of Gas to the Redelivery Point: the Gas quantities will be made available by the Operating Company to SRG which will take delivery of them so that they may be redelivered to Users as part of the Transportation Service envisaged by the Network Code (**Transportation Service**). To such end, the Operating Company is allocated the transport capacity required to import the quantities of regasified LNG to the National Transmission System;
- (viii) providing nitrogen production and injection service for correction of the Wobbe Index of Gas;
- (ix) metering, measurement and analysis of LNG and Gas in accordance with the provisions of Annex 8;
- (x) administrative services required to be performed by the Operating Company under the Regasification Code such as, by way of example and without limitation, reporting and allocation;
- (xi) all scheduling, administrative and other services related to the services described in Clauses 1.4.1.2a(ii) - 1.4.1.2a(x) above; and
- (xii) availability of the mooring, tug and pilot services to the LNG Carrier.

b) For each Gas Day falling between the effective date of the Capacity Agreement and the expiry thereof, the Operating Company will make available to the Users:

- (i) the Continuous Redelivery Service unused by any other User; and/or
- (ii) the available capacity in excess of the regasification capacity required to provide the Continuous Redelivery Service, on an interruptible basis, pursuant to Clause 3.4.1.8d) (Interruptible Redelivery Service). The Operating Company may interrupt any Interruptible Redelivery Service made available to the Users at any time and for any reason without incurring any liability as a result of or in connection with such interruption.

c) The Regasification Service does not include, among other things, pilot services or escort or watch vessels (other than the guardian vessel), the disposal of waste in any form from an LNG Carrier, LNG Carrier ballast, bunkering services, fresh water supply, shore leave for LNG Carrier crews, port mooring personnel for line handling (if mandatory), independent cargo surveyor services, any Maritime Authority or other fees, any vetting activities, any condition assessments or any port fees. The costs and expenses of the staff assigned to mooring duties required under the Maritime Regulations will be exclusively charged to the User.

1.4.1.3 Small Scale Service and additional services

- a) For the entire duration of the relevant Small Scale Agreement, save as otherwise provided, for example, in the case of Adverse Weather Conditions, Small Scale Service Adverse Weather Conditions, Force Majeure and safety concerns, etc., the Operating Company may provide the Small Scale Service, which includes:
- (i) providing one or more Small Scale Slots so as to allow the withdrawal of a quantity of LNG present at the Terminal in accordance, in particular, with the provisions of Clause 3.3.2.3, it being understood that the LNG to be redelivered will be a part of the LNG available at the Terminal at the moment of the loading on to the Small Scale Carrier and not necessarily the LNG made available for the Small Scale Service by the Small Scale User;
 - (ii) allowing mooring access alongside the Terminal to Load Small Scale Carriers accepted pursuant to Chapter 2.2;
 - (iii) providing the Terminal's crew to hook the Small Scale Carrier mooring lines exclusively to the Terminal;
 - (iv) availability to load LNG on to a Small Scale Carrier during a Small Scale Slot;
 - (v) availability of mooring, tug and pilot services, where envisaged by the Applicable Law, for the Small Scale Carrier;
 - (vi) administrative services required to be performed by the Operating Company under the Regasification Code such as, by way of example and without limitation, invoicing, reporting and allocation;
 - (vii) all scheduling, administrative and other services related to the services described in Clauses 1.4.1.2a)(i) - 1.4.1.2a)(x) above;

The Small Scale User accepts that the Regasification Service will always have priority over the Small Scale Service and that, therefore, in any situation in which the Operating Company will be asked to assess which service must be interrupted or reduced, the interruption or reduction of the Regasification Service will only occur if any possible reduction or interruption of the Small Scale Service has not been able to prevent even the interruption or reduction of the Regasification Service, such as, by way of example, in the case of maintenance works (both planned and unplanned) or in the case of delays due to Adverse Weather Conditions, it being understood that, by way of example, if a LNG Carrier is late in Unloading in respect of the Ninety Day Unloading and Loading Schedule due to Adverse Weather Conditions and, as a result of such delay, the Unloading cannot take place in a manner compatible with the scheduled Small Scale Slot, the latter will be rescheduled for after the Unloading of the LNG Carrier.

It being understood that the Provision of the Small Scale Service by the Operating Company does not imply any obligation on the Operating Company to procure or make available the quantities of LNG necessary for the use of the Small Scale Service, it being therefore incumbent on the Small Scale User to ensure that on the date on which the Small Scale Slot is planned, the LNG intended for loading is available at the Terminal. The Small Scale User and any interested User accept that the quantity of LNG intended for loading will be withdrawn by the Operating Company from the quantities present in the Terminal's tanks at the time of loading and that, therefore, the quantity of LNG involved in the Small Scale Service may be different from the LNG actually Unloaded.

Subject to the provisions in Clause 1.4.2, the Operating Company may agree to provide the User with any additional services within the capabilities of the Terminal and in accordance with the applicable regulatory terms such as, by way of example, the Flexibility Services.

The Operating Company could make available, pursuant to Ministerial Decree of 18/10/2013 issued by the Ministry for Economic Development (13A08697), the Peak Shaving Service. The Peak Shaving Service Supplier is requested to sign with the Operating Company a Capacity Agreement.

1.4.1.4 Safety of Operations

The Terminal will operate in strict compliance with all applicable operating and safety rules and procedures of the Operating Company and with all applicable International Standards and Applicable Laws.

1.4.1.5 Authority of Terminal Manager

The User shall and shall procure that each member of the User's Group shall, be bound by and comply immediately with any instructions and/or orders issued by the Terminal Manager regarding safety and/or environmental matters of any nature at the Terminal and/or within the Exclusion Zone.

1.4.1.6 Waiver of Regasification Service or Small Scale Service

If the User does not request all or any portion of the Regasification Service (or Small Scale Service) made available by the Operating Company (including in circumstances where Force Majeure causes or results in the User being unable to use the Regasification Service or Small Scale Service), the User will not be entitled to an equivalent amount of Regasification Service (or Small Scale Service) at a later date in lieu of such unused or unrequested Regasification Service (or Small Scale Service), subject to the provisions of Clause 5.2.1.2.

1.4.2 No Discrimination

Save as required by Applicable Laws, the Operating Company shall not provide any User or Small Scale User with:

- a) the Regasification Service or Small Scale Service
 - (i) on terms and conditions which differ from those contained in the Regasification Code and are discriminatory against the User or Small Scale User; or
 - (ii) which would have an adverse effect on the Regasification Service or Small Scale Service which the Operating Company has agreed to provide to the User or Small Scale User; and/or
- b) other services if the provision of such other services would have an adverse effect on the Regasification Service User which the Operating Company has agreed to provide to the User pursuant to the Capacity Agreement or on the Small Scale Service that the Operating Company has agreed to provide to the Small Scale User in accordance with the Small Scale Agreement.

1.4.3 Assignment to Terminal Lenders

The Operating Company may, in its sole discretion, at any time, transfer, assign, mortgage, charge, pledge, create or dispose of any of its rights and/or (if applicable) obligations under the Capacity Agreement by way of security to any Terminal lenders, with which, at the request of the Operating Company, the User agrees to enter into direct agreement Terminal lender means any financial institution or other person which will finance or proposes to finance or refinance the design, procurement, development, operation, modification and/or expansion of the Terminal, and includes the agents or directors of such persons.

1.4.4 Sub-contracting

The Operating Company may, at its sole discretion, at any time appoint and replace any contractor(s) or sub-contractor(s), including ECOS s.r.l. or any other company appointed and authorised by the Operating Company to provide, in whole or in part, the Regasification Service, including the operational management and maintenance of the Terminal pursuant to the International Safety Management Code and ISO 9001, 14001 and OHSAS 18001 (**the O&M Contractor**).

1.4.5 Mooring, tug and pilot services

The User or Small Scale User shall be responsible for requesting the provision of the mooring, tug and pilot services for each LNG Carrier by entering into agreements with the relevant service providers in accordance with the provisions of the Maritime Authorities, it being understood that the User or Small Scale User shall bear the charges due for these services that are not included in the Regasification Service. The information available on these charges will be published on the Operating Company's website.

Chapter 1.5 - INFORMATION MANAGEMENT

1.5.1 Website and Electronic Communications System

1.5.1.1 Website and development of the Electronic Communications System

The Operating Company shall operate and update:

- a) a public website; and
- b) a private, password-protected electronic communications system (**ECS**) for the Operating Company, the Users,

on which the Operating Company shall publish and manage the information referred to in Clauses 1.5.1.2 and 1.5.1.3 and any other information relating to the Terminal which the Operating Company deems appropriate, in its sole discretion. The terms and Service Conditions of the Electronic Communications System shall be set out in the ECS Manual.

1.5.1.2 Website

On a website, the Operating Company shall publish information that shall be accessible to the public, including:

- a) a current copy of the Regasification Code and Technical Manuals;
- b) aggregate deliveries at the Redelivery Point by the Terminal for each Gas Day or any other information that must be published in accordance with Applicable Law.

1.5.1.3 Electronic Communications System

a) To the extent of a User's rights under its Capacity Agreement the Operating Company shall publish specific Terminal related information on the Electronic Communications System that shall be accessible to such User and the Operating Company only. The content of this information shall be set forth in the ECS Manual;

b) The Operating Company will provide the User through the Electronic Communications System with the information required to guarantee the User's commercial operations such as, by way of example and without limitation, the Annual Unloading and Loading Schedule and the User's Ninety Day Unloading and Loading Schedule, the User's Inventory, its daily allocation and its Debtor/Creditor User position, the redelivery Period with the relevant User's Percentage Share, the Default Redelivery Profile, the acceptance of Redelivery Nominations and Redelivery Renominations as well as the overall daily quantity nominated/renominated by all the Users;

c) The User will inform the Operating Company through the Electronic Communications System of its commercial operations (by way of example and without limitation, the Operating Company may ask for the Electronic Communications System to be used by the Users to communicate their Redelivery Nominations and Redelivery Renominations, information regarding its LNG Carriers, Delivery Slot Releases and/or transfer of ownership of the LNG, or any other information which it may deem should be communicated in such way);

d) The ECS Manual will be made available to the User by the Operating Company once the relevant Capacity Agreement has been executed;

e) The Operating Company shall use any information specific to a User only in the context of the Capacity Agreement and in accordance with Applicable Law;

f) In the event that the Electronic Communications System is not available for any reason, Operating Company shall provide, by alternative means determined at the latter's discretion, all the information to which the User would have had access through the Electronic Communications System.