LNG Terminal on the Island of Krk

OPEN SEASON PROCESS PAPER

BINDING PHASE

Prepared in July 2015
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1. INTRODUCTORY NOTE

LNG Croatia LLC as a project promoter informs the Open Season participants that it launches the binding phase of the Open Season procedure. The binding phase of the Open Season procedure will consist of two steps. The first step represents the submission of the final expression of interest for capacity booking. The second step represents the signing of the Terminal Use Agreement. This way, LNG Croatia LLC invites only the tenderers who submitted the non-binding offer to participate in the binding phase of the Open Season procedure.

After the non-binding offers were submitted, the project promoter conducted the capacity allocation process. On the basis of the capacity allocation process, available LNG Terminal services were allocated among the Open Season participants. In the binding phase of the Open Season procedure, participants are entitled to confirm the capacity allocated to them or reduce it. Prior to signing the Terminal Use Agreement, a signed Memorandum of Understanding has to be submitted as a part of the binding offer. This way Open Season participant will express their intention to sign the Terminal Use Agreement in the second step of the binding phase of the Open Season procedure.

Based on the received binding offers, project promoter will adopt a decision regarding the final technical solution of the LNG Terminal.

Adopted technical solution and the final expression of interest from the binding offer will represent the basis for determination of the final tariff for the LNG Terminal services. Since the construction of the LNG Terminal is also an EU’s project of common interest, the project is eligible to receive the financial assistance from the Connecting Europe Facility. Therefore, the final tariff can be lower than indicatively provided by this document.

For the second step of the binding phase of the Open Season procedure, a Terminal Use Agreement will be prepared. All reciprocal relations between the LNG Terminal operator and the future LNG Terminal user will be regulated by the Terminal Use Agreement including penalties if the capacity is not delivered as planned. Signing of the Terminal Use Agreement represents the final step of the binding phase of the Open Season process. Terminal Use Agreement must be approved by the Croatian Regulatory Agency prior to signing.

In addition, in the July 2015, the LNG Terminal obtained the status of a strategic energy project in Croatia. Therefore it has a full Governmental support during its preparation and it will benefit from faster and simplified administration process when obtaining all the necessary permits and decisions.

More detailed information regarding the binding phase of the Open Season procedure can be found in the following chapters.

2. TECHNICAL OVERVIEW OF THE LNG TERMINAL

After receiving the non-binding offers, project promoter decided to go on with the on-shore type of the LNG Terminal. Therefore, the preparation of the Front End Engineering Design and the Main Design is already in progress.

However, since the expressed non-binding interest for LNG Terminal services is higher than the planned technical capacity, the project promoter concluded that it is necessary to determine the final interest for LNG Terminal services. If the interest for the LNG Terminal services, after
receiving the binding offers, remains as high as it was after the non-binding offers, the project promoter will adjust the technical solution of the LNG Terminal. Adjusting the technical solution by introducing additional evaporation units will enable the increase of the natural gas send out and therefore it will satisfy all of the expressed needs for the LNG Terminal services.

All other technical parameters of the LNG Terminal, except the send out rate as previously stated, remain the same as stated within the procedural documentation for the non-binding phase of the Open Season procedure. An overview of the technical characteristics is given in the following table.

**Table: Technical characteristics of the LNG Terminal**

<table>
<thead>
<tr>
<th>No</th>
<th>Characteristics</th>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Jetty and unloading of the LNG</td>
<td>m³</td>
<td>75,000 – 265,000</td>
</tr>
<tr>
<td>1.1</td>
<td>LNG carrier capacity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.2</td>
<td>Annual cargo arrivals</td>
<td>No</td>
<td>40 – 80</td>
</tr>
<tr>
<td>1.3</td>
<td>Unloading arms capacity</td>
<td>m³/h</td>
<td>15,000</td>
</tr>
<tr>
<td>2.</td>
<td>LNG storage</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>Number of storage tanks</td>
<td>No</td>
<td>2</td>
</tr>
<tr>
<td>2.2</td>
<td>Storage capacity</td>
<td>m³</td>
<td>2 x 180,000</td>
</tr>
<tr>
<td>3.</td>
<td>LNG gasification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1</td>
<td>Type of the gasification unit</td>
<td>-</td>
<td>Submerged combustion vaporizer</td>
</tr>
<tr>
<td>3.2</td>
<td>Planned number of evaporators*</td>
<td>No</td>
<td>4 working + 1 spare unit</td>
</tr>
<tr>
<td>3.3</td>
<td>Gasification capacity of one (1) evaporation unit</td>
<td>m³/h</td>
<td>200,000</td>
</tr>
<tr>
<td>4.</td>
<td>Gas send out to gas transmission system</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.1</td>
<td>Pressure</td>
<td>bar</td>
<td>100</td>
</tr>
<tr>
<td>4.2</td>
<td>Planned send out capacity*</td>
<td>m³/h</td>
<td>200,000 – 800,000</td>
</tr>
<tr>
<td>4.3</td>
<td>Planned annual send out capacity*</td>
<td>bcm/a</td>
<td>6.0</td>
</tr>
<tr>
<td>5.</td>
<td>Bunkering facility</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.1</td>
<td>Unit reloading capacity onto the trucks</td>
<td>m³/h</td>
<td>50</td>
</tr>
<tr>
<td>5.2</td>
<td>Planned number of reloading units for trucks</td>
<td>Br.</td>
<td>3 lines maximum</td>
</tr>
<tr>
<td>5.3</td>
<td>Unit reloading capacity onto the bunker/feeder vessel</td>
<td>m³/h</td>
<td>3,000 – 5,000</td>
</tr>
<tr>
<td>5.4</td>
<td>Bunker/feeder vessel capacity</td>
<td>m³</td>
<td>7,000 maximum</td>
</tr>
</tbody>
</table>

*The capacity will be increased if the final expression of interest is higher than the planned technical capacity

**3. MODIFIED LNG TERMINAL SERVICES**

Upon receiving the non-binding offers, the project promoter took into account the received comments from the Open Season participants. Those comments were included while structuring the LNG Terminal services in a more precise way to best suit the market need. As an annex of this procedural documentation, each Open Season participant will individually receive an answer on the submitted comments.

A detailed overview of the LNG Terminal services will be available in the Terminal Use Agreement.
Taking into account the Croatian regulation regarding the regulated “gas year” and the planned commissioning year for the LNG Terminal, the services should be offered starting from the gas year 2019/2020 i.e. from October 1st 2019.

3.1 SERVICES DURATION PERIOD

Services will be offered on a short term and long term period. Short term period implies to less than 5 gas years. Long term period implies to equal or more than 5 gas years. While negotiating the signing of the Terminal Use Agreement, the contracted period can be longer than 20 years. However, longer contracted period, more than 20 years, will not have any influence on the previously allocated services.

3.2 BASIC SERVICES

The basic services will enable future LNG Terminal users to berth and unload LNG carrier, to temporarily store and regasify the LNG and to send out the natural gas to gas transmission system. Therefore, offered basic services are:

- Berthing of LNG carrier and unloading the LNG from the LNG carrier,
- Storage of LNG,
- Regasification of LNG and send out of natural gas.

3.2.1 Berthing of LNG Carrier and Unloading of LNG from the LNG Carrier

The LNG Terminal will be able to berth and unload the largest LNG carriers of type Q-max. Therefore the maximum size of the one (1) cargo amounts 265,000 m$^3$ of LNG while the minimum size of one (1) cargo amounts 75,000 m$^3$ of LNG. The LNG carrier will connect with the LNG infrastructure via 4 unloading arms. Unloading capacity will amount 15,000 m$^3$/h and the unloading of the LNG should be performed within 24 hours. In order to avoid delays in cargo delivery, the maximum berthing time of each LNG carrier shouldn't be longer than 48 hours.

LNG Terminal operator will be responsible for the scheduling of the LNG carrier arrivals. Therefore, on the basis of the non-binding offers received and the capacity allocation process conducted, the project promoter prepared the indicative schedule of LNG carrier arrivals. Berthing of LNG carrier and unloading of LNG, together with the final schedule of the LNG carrier arrivals, will be regulated in detail by the Terminal Use Agreement.

When preparing the binding offer, the future LNG Terminal user will confirm the allocated arrivals and the size of the LNG carrier or reduce the previously expressed interest. As an annex of this procedural documentation, each participant will individually receive allocated LNG carrier arrivals.

3.2.2 Storage of LNG

After unloading the LNG carrier, LNG will be temporarily stored in two (2) storage tanks. Storage capacity will be available upon arrival of LNG carrier as scheduled and will decrease linearly to naught (0) over a designated storage duration period. The trade with LNG within the storage tank (title transfer) will be possible.

Taking into account the comments received by the Open Season participants, the project promoter proposed the indicative storage duration period of one (1) month counting from the
date when the LNG carrier was fully unloaded. Therefore, the basic tariff for the LNG Terminal services will include the storage of LNG within the storage tank for a month. If the LNG is not withdrawn from the storage tank within a month, for the remaining amount of the LNG stored within the tank, the LNG Terminal user will pay the prolongation of storage for another month. Storing of LNG within the storage tank, together with the final storage duration period, will be regulated in detail by the Terminal Use Agreement.

Since the storage duration period is directly dependent on the send out rate of the natural gas, there is no need to informatively express the expected storage duration period within the binding offer.

3.2.3 Regasification of LNG and Send Out of Natural Gas

During the storage duration period, available regasification and send out rate of natural gas is ranging from 200,000 m$^3$/h to 800,000 m$^3$/h (nominal). However, if the interest for LNG Terminal services remains high as it was expressed by the non-binding offers, the project promoter will consider the introduction of additional evaporation units. Additional evaporation units will enable a higher send out rate than the planned nominal rate. Final send out rate of natural gas will be regulated in detail by the Terminal Use Agreement.

The actual send out of natural gas to the gas transmission system will be reduced by the boil off natural gas. Boil off natural gas is lost during the unloading of LNG from the LNG carrier and storing of LNG within the storage tanks. Therefore, the cost of the boil off natural gas will be covered by the future LNG Terminal user.

When preparing the binding offer, the future LNG Terminal user will confirm the allocated send out rate of natural gas or reduce the previously expressed interest. As stated earlier, indicative send out rate of natural gas will be later on reduced for the boil off natural gas. Boil off natural gas will be regulated in detail by the Terminal Use Agreement. As an annex of this procedural documentation, each participant will individually receive the allocated send out rate of natural gas.

3.3 ADDITIONAL SERVICES

Additional LNG Terminal services consist of the following:

- Bunkering services
- Adjusting the gas quality (Wobbe index)
- Other additional services

3.3.1 Bunkering Services

If the need for bunkering services is expressed also in binding offer, project promoter will consider the upgrade of the LNG Terminal with the bunkering facility. Bunkering facility will be constructed in the vicinity of the LNG Terminal. Depending on the final expression of interest, project promoter will adopt a decision which type of the following bunkering services will be available:

- LNG redelivery to trucks and/or,
- LNG redelivery to bunker/feeder vessels.

When preparing the binding offer, the future LNG Terminal user will confirm the allocated bunkering services or reduce the previously expressed interest. Bunkering services will be
regulated in detail by the Terminal Use Agreement. Open Season participants who requested the bunkering services will individually receive allocated bunkering service as an annex of this documentation.

3.3.2 Adjusting the Gas Quality (Wobbe Index)

As was already stated in the Procedural documentation for the non-binding phase of the Open Season procedure, prior to the injection to the Croatian gas transmission system, natural gas has to meet certain quality parameters.

**Table: Requested natural gas quality parameters**

<table>
<thead>
<tr>
<th>NATURAL GAS</th>
<th>Items</th>
<th>Unit</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Chemical composition:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Methane (CH₄)</td>
<td>Min. %</td>
<td>85</td>
<td></td>
</tr>
<tr>
<td>2. Ethane (C₂H₆)</td>
<td>Max. %</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>3. Propane (C₃H₈) and higher hydrocarbons</td>
<td>Max. %</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>4. Nitrogen (N₂)</td>
<td>Max. %</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>5. Carbon dioxide (CO₂)</td>
<td>Max. %</td>
<td>2.5</td>
<td></td>
</tr>
<tr>
<td>6. Oxygen (O₂)</td>
<td>Max. %</td>
<td>0.001</td>
<td></td>
</tr>
<tr>
<td>B. Sulphur content:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Hydrogen sulphide (H₂S)</td>
<td>Max. mg/m³</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>2. Total sulphur (S₀)</td>
<td>Max. mg/m³</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>3. Mercaptans (RSH)</td>
<td>Max. mg/m³</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>C. Upper heating value (Hg)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Minimum</td>
<td>kWh/m³</td>
<td>10.28</td>
<td></td>
</tr>
<tr>
<td>2. Maximum</td>
<td>kWh/m³</td>
<td>12.75</td>
<td></td>
</tr>
<tr>
<td>D. Lower heating value (Hd)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Minimum</td>
<td>kWh/m³</td>
<td>9.25</td>
<td></td>
</tr>
<tr>
<td>2. Maximum</td>
<td>kWh/m³</td>
<td>11.47</td>
<td></td>
</tr>
<tr>
<td>E. Upper Wobbe index (Wg)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Minimum</td>
<td>kWh/m³</td>
<td>12.75</td>
<td></td>
</tr>
<tr>
<td>2. Maximum</td>
<td>kWh/m³</td>
<td>15.81</td>
<td></td>
</tr>
<tr>
<td>F. Lower Wobbe index (Wd)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Minimum</td>
<td>kWh/m³</td>
<td>11.48</td>
<td></td>
</tr>
<tr>
<td>2. Maximum</td>
<td>kWh/m³</td>
<td>14.23</td>
<td></td>
</tr>
<tr>
<td>G. Relative density (d)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Minimum</td>
<td>-</td>
<td>0.56</td>
<td></td>
</tr>
<tr>
<td>2. Maximum</td>
<td>-</td>
<td>0.70</td>
<td></td>
</tr>
<tr>
<td>H. Dew point (at 50 bar)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Water</td>
<td>°C</td>
<td>-8</td>
<td></td>
</tr>
<tr>
<td>2. Hydrocarbons</td>
<td>°C</td>
<td>-2</td>
<td></td>
</tr>
<tr>
<td>I. Gas non-odorized, no mechanical impurities, resins or resin making additives</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

All values are given on the basis of gas volume of 1 m³ at standard conditions (absolute gas pressure of 101,325 Pa and gas temperature of 15 °C).
Project promoter highly recommends that the future LNG Terminal users ensure the gas quality parameters within the above stated range. If the received LNG is not in the range of the above stated parameters, the gas quality will have to be adjusted. If the adjustment of the gas quality parameters will not be possible, the project promoter will be forced to reject the binding offer. However, LNG Terminal will be able to provide the quality adjustment service in the form of adjusting the Wobbe index.

A separate tariff will be adopted for adjusting the gas quality.

In order to adopt the most suitable technical solution for adjusting the gas quality parameters, when submitting the binding offer, the future LNG Terminal users should once again state the quality parameters of the natural gas (LNG) they plan to deliver. Adjusting the gas quality will be regulated in detail by the Terminal Use Agreement. As an annex of this procedural documentation, each participant will individually receive the information regarding the deviation from the requested gas quality parameters.

### 3.4 OTHER ADDITIONAL SERVICES

Other additional services represent all other services not necessary to safely provide the basic services or previously mentioned additional services. Therefore, services which are not explicitly mentioned but necessary to be provided within the provision of basic or additional services are not considered to be other additional services.

However, project promoter would like to organize the LNG Terminal services in a way which will best suit the needs of LNG Terminal users. Therefore, when preparing the binding offer, the future LNG Terminal users are invited to express the interest for other additional services. Other additional services will be regulated in detail by the Terminal Use Agreement.

### 4. ALLOCATED CAPACITY

On the basis of the received non-binding offers from the future LNG Terminal users it can be concluded that the interest for LNG Terminal services is higher than the planned technical capacity. Overview of the total expressed non-binding interest and the technical capacity of the LNG Terminal is shown on the following picture.
Since the expressed non-binding interest is higher than the planned technical capacity of the LNG Terminal, the project promoter conducted the capacity allocation. Capacity was allocated based on the indicative capacity allocation methodology provided in the procedural documentation for the non-binding phase of the Open Season procedure.

After the capacity allocation was conducted, it can be concluded that there is no available capacity for all of the Open Season participants. However, if the final interest for capacity, after receiving the binding offers, remains as high as expressed by the non-binding offers, project promoter will adjust the technical solution of the LNG Terminal.

As an annex of this documentation, each Open Season participant will individually receive the information regarding the capacity allocated to them.

5. INSTRUCTIONS TO THE TENDERERS

Future LNG Terminal user is within this chapter referred to as: “the Tenderer”. LNG Croatia LLC is within this chapter referred to as: “the Service provider”.

5.1 ELIGIBILITY

Only those Tenderers who participated in the non-binding phase of the Open Season procedure are eligible to participate in the binding phase of the Open Season procedure.

All proofs of eligibility submitted by the Tenderers for the non-binding phase of the Open Season procedure are considered to be applicable for the binding phase of the Open Season procedure. Therefore, Tenderers do not have to submit the same proofs once again.
5.2 **OFFER VALIDITY PERIOD**

Binding offer will be valid from the date of submission till the signing of the Terminal Use Agreement or withdrawal from the binding phase of the Open Season procedure.

To withdraw from the binding phase of the Open Season procedure, Tenderer will prepare a written statement with reasons for withdrawal.

Binding offers with the validity period shorter than requested in this chapter will not be taken into account.

5.3 **OFFER CONTENT**

The binding offer will consist of the following:

- Binding Offer Form
- Final Capacity Request Form
- Memorandum of Understanding
- Request for Other Additional Services

5.4 **OFFER SUBMISSION**

The Tenderer will submit the binding offer in 1 original in paper and 2 copies in paper and as a scan on a CD. Binding offer will be tied in a whole in a way that the subsequent removal or insertion of pages is disabled.

The pages of the offer will be numbered indicating the current number of the page and the total number of pages.

If there is a difference between the copies or a scan of the binding offer and the original binding offer, original binding offer submitted in paper will be considered as relevant.

Binding offers in paper and the CD will be placed in the sealed envelope. Outside the sealed envelope the following will be written:

a) Name and address of the Service provider:

   LNG HRVATSKA d.o.o.
   10000 Zagreb, Savska cesta 88a, Hrvatska (Croatia)

b) Item:

   Open Season Procedure
   Binding Offer
   NE OTVARAJ! (DO NOT OPEN!)

c) Name and address of the Tenderer:

   Name of the Tenderer
   Address of the Tenderer, Postal Code, Town, Country
Tenderers have the right to make correction of already submitted binding offers but before the deadline for the submission of the binding offer. All corrections must be prepared in a visible and provable way with a signature and a stamp of the Tenderer.

The deadline for binding offer submission is September 30th, 2015 till 10 a.m. at Croatian time.

The Service provider retains the right to prolong the deadline for binding offer submission.

5.5 OFFER EVALUATION

After the binding offers are submitted, the Service provider will include the expressed interest for capacity in the Terminal Use Agreement.

If some of the Tenderers express a reduced interest for capacity, than the one expressed by the non-binding offer, Service provider will inform other Tenderers that there is additional capacity left for booking. If two or more Tenderers are interested in booking that additional capacity, allocation of that capacity will be conducted based on the indicative capacity allocation methodology provided within the procedural documentation for the non-binding phase of the Open Season procedure. Additional capacity allocated to each Tenderer will be added to the capacity already included in the Terminal Use Agreement.

6. INDICATIVE TARIFF FOR LNG TERMINAL SERVICES

The methodology for determining the tariff for the LNG Terminal services is not yet adopted by the Croatian Regulatory Agency. Therefore the project promoter provides only indicative tariffs for the LNG Terminal services which are calculated based on the indicative tariff calculation methodology. Indicative tariff calculation methodology is provided within the procedural documentation for the non-binding phase of the Open Season process.

It has to be noted that the indicative tariffs are calculated for the conservative scenario and not taking into account the financial assistance from the Connecting Europe Facility. After receiving the financial assistance and if the contracted capacity remains high, as requested during the non-binding phase of the Open Season process, the final tariffs can be lower than provided by this document. Indicative tariffs for LNG Terminal services are given in the following table.

<table>
<thead>
<tr>
<th>No</th>
<th>LNG Terminal services</th>
<th>Unit</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Basic services</td>
<td>EUR/MWh</td>
<td>3.20</td>
</tr>
<tr>
<td>1.1</td>
<td>Berthing of LNG carrier and unloading of LNG</td>
<td>EUR/MWh</td>
<td>0.47</td>
</tr>
<tr>
<td>1.2</td>
<td>Storage of LNG</td>
<td>EUR/MWh</td>
<td>1.65</td>
</tr>
<tr>
<td>1.3</td>
<td>Regasification of LNG and send out of natural gas</td>
<td>EUR/MWh</td>
<td>1.08</td>
</tr>
<tr>
<td>2.</td>
<td>Adjusting the natural gas quality (Wobbe index)*</td>
<td>EUR/MWh</td>
<td>0.24</td>
</tr>
<tr>
<td>3.</td>
<td>Loading of LNG onto the lorry/vessel**</td>
<td>EUR/MWh</td>
<td>2.26</td>
</tr>
</tbody>
</table>

* To be paid additionally on the tariff for the package of basic services if adjustment of natural gas quality is necessary

** To be paid additionally on the tariff for receiving LNG carrier and the LNG storage tariff. If LNG is supplied in a tanker only for bunkering, the overall tariff will include only the receipt of the LNG carrier, LNG unloading, LNG storage and LNG reloading onto a truck or a bunker/feeder vessel for further distribution.

LNG Croatia LLC will inform the future LNG Terminal users about the final methodology for determining the tariff for the LNG Terminal services upon its adoption by the Croatian
Regulatory Agency. Final tariff for the LNG Terminal services will be calculated prior to signing the Terminal Use Agreement.

7. UPDATED INDICATIVE TIMETABLE

Indicative timetable for the binding phase of the Open Season procedure is given in the following table.

<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1st step of the binding phase</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>September 30th, 2015</td>
<td>Deadline for the submission of binding offers</td>
<td>Submission of the binding offers from future LNG Terminal users which accepted the LNG Terminal services allocated to them</td>
</tr>
<tr>
<td>October 31st, 2015</td>
<td>Allocation of the additional capacity</td>
<td>Allocation of additional capacity left in the case that some of the future LNG Terminal users reduce their interest for capacity booking in the binding phase and others are at the same time interested in increasing capacity allocated to them</td>
</tr>
<tr>
<td><strong>2nd step of the binding phase</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>October 31st, 2015</td>
<td>Draft Terminal Use Agreement</td>
<td>Preparation of draft Terminal Use Agreement for contracting the LNG Terminal services and start of the negotiation process with the future LNG Terminal users</td>
</tr>
<tr>
<td>Upon approval of the Croatian Regulatory Agency</td>
<td>Final tariff for the LNG Terminal services</td>
<td>After the adoption of the final tariff calculation methodology for the LNG Terminal services, project promoter will be able to submit the request for tariff approval by the Croatian Regulatory Agency</td>
</tr>
<tr>
<td>After negotiation process and approval of the Croatian Regulatory Agency</td>
<td>Final Terminal Use Agreement</td>
<td>Signing the Terminal Use Agreement between each of the future LNG Terminal users and LNG Croatia LLC as a future LNG Terminal operator. Terminal Use Agreement has to be approved by the Croatian Regulatory Agency</td>
</tr>
</tbody>
</table>

LNG Croatia LLC can any time and for any reason, before the deadline of each activity, on its own initiative or upon request of future LNG Terminal user or any other competent authority prolong the deadline for each activity.

In case of prolongation of any deadline, LNG Croatia LLC will place the information to the official web official web site www.lng.hr and directly inform all of the previously registered participants of the Open Season procedure.

8. POINT OF CONTACT

<table>
<thead>
<tr>
<th>Company name:</th>
<th>LNG Croatia LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>Savska cesta 88a, 10000 Zagreb, Croatia</td>
</tr>
<tr>
<td>VAT ID:</td>
<td>HR53902625891</td>
</tr>
<tr>
<td>Tax no.:</td>
<td>080733282, Commercial Court in Zagreb</td>
</tr>
<tr>
<td>IBAN:</td>
<td>HR 872340009110441180 (PBZ)</td>
</tr>
<tr>
<td>Tel:</td>
<td>+385 1 6301 635</td>
</tr>
</tbody>
</table>
Fax: +385 1 6301 675
Managing Director: Mladen Antunović
Internet address: www.lng.hr
E-mail: open_season@lng.hr

All question regarding the clarification of the LNG Terminal project or Open Season have to be submitted at least seven (7) days before the deadline for binding offer submission.

LNG Croatia LLC will answer all questions and provide all future LNG Terminal users with the question and the answer while preserving the identity of the author of the question whether it’s a legal or a private person.

All questions have to be in writing and the author of the question has to introduce himself by name and company name marked: “2014/2015 Open Season Procedure (Binding Phase)”. Questions can be sent either by postal service, telefax or by e-mail.

The language for all correspondence is either in Croatian or in English.

9. DISCLAIMER

This document sets forth information regarding the planned LNG Terminal and its services which might be created. This document is publicly disclosed to the market for information purposes only and without any commitment whatsoever from LNG Croatia LLC to offer a product or a service. All future LNG Terminal users will be responsible for seeking to obtain the accurate and relevant information needed for their own assessment and decision to respond to the invitation to submit the binding offer.

LNG Croatia LLC hereby disclaims all responsibility for changes to the development of the LNG Terminal on the island of Krk as presented. Such changes may result due to the financial and regulatory constrains defined by the Croatian Regulatory Agency, the management of LNG Croatia LLC, Croatian Government or any other relevant institution.

10. ANNEXES

1. Binding Offer Form
2. Allocated Capacity
3. Final Capacity Request Form
4. Answers to the Received Comments
5. Memorandum of Understanding
6. Request for Other Additional Services
Annex 1

BINDING OFFER FORM

1. PREFACE

This binding offer form will be used solely in connection to the Tenderer submission of the binding offer for the binding phase of the Open Season process.

The binding offer consists of the following:

  1) Binding Offer Form
  2) Final Capacity Request Form
  3) Memorandum of Understanding
  4) Request for Other Additional Services

2. INFORMATION REGARDING THE TENDERER

The Tenderer/leading consortium partner's name: ______________________________________________________

Address of the Tenderer/leading consortium partner: ______________________________________________________

VAT ID of the Tenderer/leading consortium partner: ______________________________________________________

Name and title of the authorised representative: ______________________________________________________

Name and title of the contact person: ______________________________________________________

Contact information (e-mail / telephone / fax): ______________________________________________________

3. SIGNATURE BY THE TENDERER’S REPRESENTATIVE

Date: __________________                                                Name and title: _________________

Handwritten signature: __________________
Annex 2

 ALLOCATED CAPACITY

(Please see the excel file)
Annex 3

FINAL CAPACITY REQUEST FORM

(Please fill out the excel file with the final capacity requested)
Annex 4

ANSWERS TO THE RECEIVED COMMENTS

(Only if the comments are received)
Annex 5

MEMORANDUM OF UNDERSTANDING
Annex 6

REQUEST FOR OTHER ADDITIONAL SERVICES

Besides described basic services and additional service we are interested in the other additional services as described below (please add additional services at will):

Service 1:________________________________________________________

Description of service 1:__________________________________________

Service 2:________________________________________________________

Description of service 2:__________________________________________
Service 3:__________________________________________________________

Description of service 3:__________________________________________________________

__________________________________________________________________________

Service 4:__________________________________________________________

Description of service 4:__________________________________________________________

__________________________________________________________________________

Date: ____________________                                                Name and title: ____________________

Handwritten signature: ____________________