

GAS TRADING HUB GAS TRANSFER AGREEMENT

[Date of signing]

1. Parties	
Transferors	Any Shipper who is a Participant and has signed a counterpart of this Agreement as a Transferor.
Transferees	Any Shipper who is a Participant and has signed a counterpart of this Agreement as a Transferee.
Market Operator	emsTradepoint Limited
Gas Transfer Agent	Vector Gas Limited

2. Agreement - terms that apply		
<p>Each Transferor, Transferee, the Market Operator and the Gas Transfer Agent wish to agree the Gas Transfer Rules in relation to the transfer of Gas into, out of and on the Vector Transmission System with respect to trades through and/or settled on the Market.</p> <p>Each Transferor, Transferee, the Market Operator and the Gas Transfer Agent agree to enter into this Gas Transfer Agreement on the terms set out below.</p> <p>The Shipper enters into this Gas Transfer Agreement as (<i>please tick as applicable</i>):</p> <p><input type="checkbox"/> Transferor _____ (company name)</p> <p><input type="checkbox"/> Transferee _____ (company name)</p>		
Duration	Start Date:	End Date: 30/09/15
Receipt Point	Frankley Road-Bi (with the Market located on Vector Transmission System)	
Services	Determination and disclosure of Outputs applying to each Transferor's and Transferee's trades through and/or settled on the Market.	
Terms	<p>1. Definitions</p> <p>(a) In addition to the terms defined above, in this Agreement:</p> <p><i>Agreement</i> means this Gas Transfer Agreement (including the Schedule);</p> <p><i>Default Rules</i> means those rules set out in the Schedule and described as such (including the Fall Back Default Rules set out in, and required by, Schedule Six of the Vector Transmission Code);</p> <p><i>emsTradepoint Quantity</i> means the quantity of Gas that a Transferor is required to deliver or a Transferee is required to receive (as the case may be) on a given Day under the Market Rules;</p> <p><i>Force Majeure Event</i> means any event beyond the reasonable control of a Party including any act of God, government, war, terrorism, civil disturbance, labour disruption, fire, earthquake or flood, other than a lack of funds or authority;</p> <p><i>Gas Transfer Rules</i> means the rules set out in the Schedule (being the Primary Rules and the Default Rules);</p> <p><i>GJ</i> means the energy equivalent of a quantity of gas, on a "gross calorific value" (also known as "Higher Heating" basis);</p> <p><i>Inputs</i> means the data required to perform the calculations anticipated by the Gas Transfer Rules;</p> <p><i>Market</i> means the emsTradepoint market for sales and purchases of Gas operated by the Market Operator, as it may be amended, supplemented, replaced, or renamed from time to time;</p> <p><i>Market Rules</i> means the rules governing the Market as amended in accordance with clause 4 (c) (xiii) from time to time;</p> <p><i>Outputs</i> means the quantities of Gas calculated to be transferred (in GJ) after application of</p>	

the Gas Transfer Rules;
Participant means a Participant as defined in the Market Rules;
Party means each of the Gas Transfer Agent, Market Operator, and each Transferor and Transferee and Parties means all of them;
Primary Rules means those rules set out in the Schedule and described as such;
Schedule means the schedule entitled "Information and Rules" and beginning on page 5 of this Agreement;
Services means the services described above;
Transferee means a Party in its capacity as a transferee of an emsTradePoint Quantity at the Receipt Point; and
Transferor means a Party in its capacity as a transferor of an emsTradePoint Quantity at the Receipt Point; and
Transmission System Operator means the Transmission System Operator (as defined in the Market Rules) for the Vector Transmission System.

- (b) Capitalised terms not defined in this Agreement shall have the meaning ascribed to them under the Vector Transmission Code.

2. Condition and Services

- (a) The rights and obligations of the Parties by and in relation to each Transferee and Transferor are conditional, by way of condition precedent, upon receipt by each of the Gas Transfer Agent and the Transmission System Operator of a counterpart of this Agreement validly executed by such Transferee or Transferor (as the case may be) and the Market Operator, and each of the Gas Transfer Agent and Transmission System Operator has acknowledged receipt in writing to the Market Operator of the same.
- (b) The Gas Transfer Agent agrees to provide the Services on the terms and conditions contained in this Agreement.

3. Term

- (a) This Agreement shall commence on the start date set out above and expire on the end date set out above unless terminated earlier in accordance with clause 5 of this Agreement.

4. Undertakings

- (a) The Gas Transfer Agent agrees:
- (i) to be bound by the terms of Schedule Six of the Vector Transmission Code that apply to a Gas Transfer Agent whilst providing the Services;
 - (ii) that in performing the Services, it will exercise the degree of skill, diligence and foresight that would reasonably and ordinarily be expected from a skilled and experienced operator engaged in New Zealand in the same type of undertaking under the same or similar circumstances including compliance with applicable statutory, similar regulatory and industry requirements and standards; and
 - (iii) to disclose the Outputs to the Market Operator, and each relevant Transferee and each relevant Transferor for verification, and then to disclose the verified Outputs (or in the event that the Market Operator or the relevant Transferee or Transferor does not verify or does not agree the amounts, the Outputs determined by the Gas Transfer Agent in accordance with the Default Rules) to the persons specified in the Gas Transfer Rules and by the time specified in Schedule Six of the Vector Transmission Code.
- (b) Each Transferor and Transferee agrees:
- (i) to comply with the Gas Transfer Rules set out in this Agreement;
 - (ii) that the Market Operator will provide the Inputs to the Gas Transfer Agent;
 - (iii) to verify or dispute (and notify the Gas Transfer Agent of the same) the Outputs disclosed by the Gas Transfer Agent for verification in accordance with clause 4(a)(iii) of this Agreement as soon as practicable and in any event within 24 hours of receipt of the Outputs;
 - (iv) that in the event that the Inputs are not received in accordance with clause 4(b)(i) of this Agreement, are incomplete, inconsistent, disputed or on the occurrence of any other event specified in the Default Rules (including where the Parties do not verify the Outputs disclosed for verification in accordance with clause 4(a)(iii) of this Agreement), the Gas Transfer Agent will apply the Default Rules to complete (or in the case of a dispute, to redo) the required calculations;
 - (v) that in performing the Services, the Gas Transfer Agent makes no representation as to the validity or suitability of the Gas Transfer Rules, nor as to whether they comply with Schedule Six of the Vector Transmission Code;
 - (vi) that the Outputs depend on the Inputs and information provided to the Gas Transfer Agent in accordance with the Gas Transfer Rules and that the Gas Transfer Agent is not responsible for the accuracy (or otherwise) of those Inputs or the effect they may have on the Outputs;
 - (vii) and warrants that at each time that it enters into a trade on the Market, it (being the relevant Transferee or Transferor, as the case may be) is a Participant; and
 - (viii) to comply with the Market Rules.
- (c) The Market Operator agrees:
- (i) to give the Gas Transfer Agent prior notice in writing of at least 1 Business Day as to each Transferee's and Transferor's commencement date as a Participant;
 - (ii) to advise the Gas Transfer Agent in writing promptly of a Transferee or Transferor ceasing to be a Participant, or if a Participant is suspended, if possible at least 1 Business Day before such Transferee or Transferor ceases to be a Participant or is suspended;

- (iii) to advise the Gas Transfer Agent in writing if the Market Operator intends to terminate the operation of the Market, at least 10 Business Days before the Market ceases to so operate;
- (iv) to promptly advise the Gas Transfer Agent in writing if the Market has ceased to operate for a period of more than 10 Business Days;
- (v) to comply with the Gas Transfer Rules set out in this Agreement;
- (vi) to provide (or procure the provision of) the Inputs to the Gas Transfer Agent prior to the timeframes specified in Schedule Six of the Vector Transmission Code in respect of Days when Gas is being transferred under this Gas Transfer Agreement;
- (vii) to verify or dispute (and notify the Gas Transfer Agent of the same) the Outputs disclosed by the Gas Transfer Agent for verification in accordance with clause 4(a)(iii) of this Agreement as soon as practicable and in any event within 24 hours of receipt of the Outputs;
- (viii) that in the event that the Inputs are not received in accordance with clause 4(c)(vi) of this Agreement, are incomplete, inconsistent, disputed or on the occurrence of any other event specified in the Default Rules (including where the Market Operator or the Transferee or Transferor does not verify the Outputs disclosed for verification in accordance with clause 4(a)(iii) of this Agreement), the Gas Transfer Agent will apply the Default Rules to complete (or in the case of a dispute, to redo) the required calculations;
- (ix) that in performing the Services, the Gas Transfer Agent makes no representation as to the validity or suitability of the Gas Transfer Rules, nor as to whether they comply with Schedule Six of the Vector Transmission Code;
- (x) that the Outputs depend on the Inputs and Information provided to the Gas Transfer Agent in accordance with the Gas Transfer Rules and that the Gas Transfer Agent is not responsible for the accuracy (or otherwise) of those inputs or the effect they may have on the Outputs;
- (xi) that the Market Operator will only permit trades of Gas at a Receipt Point to be undertaken through and/or settled on the Market with Participants in compliance with and pursuant to the Market Rules;
- (xii) to comply with the Market Rules; and
- (xiii) that, notwithstanding any provision to the contrary in the Market Rules or otherwise, the Market Operator will not amend any Market Rule that impacts on the Gas Transfer Agent (in that capacity) or the Transmission System Operator (in that capacity), including (without limitation) requirements in the Market Rules for Participants trading Gas on the Vector Transmission System to have a Transmission Services Agreement and Gas Transfer Agreement, and to trade Gas conforming with the Gas Specification without the prior written consent of the Gas Transfer Agent (not to be unreasonably withheld or delayed and having regard only to its interests as Gas Transfer Agent) and the Transmission System Operator (not to be unreasonably withheld or delayed and having regard only to its interests as Transmission System Operator).

5. Termination

- (a) The Market Operator may terminate this Agreement as regards a particular Transferee or Transferor at any time by providing to the Gas Transfer Agent written notice of the relevant Transferee or Transferor ceasing to be a Participant. For the avoidance of doubt the remaining counterparts of the Agreement will remain in full force.
- (b) The Gas Transfer Agent may terminate this Agreement as regards a particular Transferee or Transferor at any time if the Market Operator or relevant Transferor or Transferee breaches this Agreement, by providing to the Market Operator, and each relevant Transferor and Transferee, prior written notice of at least 1 Business Day.
- (c) The termination of this Agreement as regards the particular Transferee or Transferor:
 - (i) is without prejudice to the rights and obligations of the particular Transferee or Transferor accrued up to and including the date of termination;
 - (ii) is without prejudice to the rights and obligations of the other Transferees and Transferors; and
 - (iii) will not affect any provisions of this Agreement that are by their nature intended to continue after termination.

6. Force Majeure



- (a) Non-performance by any Party of any of its obligations under this Agreement will be excused, without liability under the Vector Transmission Code or this Agreement for such non-performance, where that non-performance is a direct or indirect result of a Force Majeure Event. For the avoidance of doubt, verification by operation of clause 10 of the Gas Transfer Rules is effective despite the impact of a Force Majeure Event.
- (b) If a Party believes that it may fail to meet any of its obligations under this Agreement because of a Force Majeure Event, it must:
 - (i) promptly give notice to the other Parties specifying the cause and extent of its inability to perform any of its obligations and the likely duration of that non-performance; and
 - (ii) take all reasonable steps to remedy or mitigate the effects of the Force Majeure Event, provided that the notifying party is not required to change the way it would otherwise deal with or settle a labour dispute.

7. Liability

- (a) Except in the case of the negligence or wilful breach by the Gas Transfer Agent in the performance of any of its obligations under this Agreement, the Gas Transfer Agent will not be liable for any loss or damage sustained by any Party in relation to this Agreement (in

- contract, tort, generally at common law, equity or otherwise).
- (b) Where the Gas Transfer Agent is liable, its maximum liability to all Parties (including for the avoidance of doubt under all counterparts) for any single event or series of related events will be limited to \$5,000 and, in any Year, to \$30,000 irrespective of the number of events in such period. If the Gas Transfer Agent is liable under more than one counterpart in relation to the transfer of Gas into, out of or on the Vector Transmission System with respect to trades through and/or settled on the Market, and the total sum of the Gas Transfer Agent's liability under all such counterparts is greater than the amounts set out in this clause 7(b), the liability of the Gas Transfer Agent under all such counterparts (including this counterpart) shall not exceed the maximum liability set out in this clause 7(b), and the Gas Transfer Agent shall divide such amount among all relevant Parties in the proportion that the Gas Transfer Agent's liability to each such Party bears to the sum of the Gas Transfer Agent's liability to all such Parties.
- (c) The Gas Transfer Agent, Market Operator and each Transferor or Transferee must each take all reasonable steps to mitigate any losses it may suffer or incur arising out of anything done, or not done, by the Gas Transfer Agent under this Agreement.
- (d) Notwithstanding any other provision of this Agreement, the Gas Transfer Agent will not be liable to the Market Operator or any Transferor or Transferee under this Agreement for:
- (i) any loss of profit, loss of revenue, loss of anticipated savings, loss of use, loss of contract or loss of goodwill of any person;
 - (ii) any indirect or consequential loss; or
 - (iii) any loss of a third party.
- (e) Except in the case of the negligence or wilful breach by the Market Operator in the performance of any of its obligations under this Agreement, the Market Operator will not be liable for any loss or damage sustained by any Party in relation to this Agreement (in contract, tort, generally at common law, equity or otherwise).
- (f) Where the Market Operator is liable, its maximum liability to all Parties (including for the avoidance of doubt under all counterparts) for any single event or series of related events will be limited to \$5,000 and, in any Year, to \$30,000 irrespective of the number of events in such period. If the Market Operator is liable under more than one counterpart, and the total sum of the Market Operator's liability under all such counterparts is greater than the amounts set out in this clause 7(f), the liability of the Market Operator under all such counterparts (including this counterpart) shall not exceed the maximum liability set out in this clause 7(f), and the Market Operator shall divide such amount among all relevant Parties in the proportion that the Market Operator's liability to each such Party bears to the sum of the Market Operator's liability to all such Parties. The Market Operator agrees that Vector Gas Limited in its capacity as Transmission System Operator is not a Party to this Agreement and the limitation on liability in this clause does not apply to Vector Gas Limited in its capacity as Transmission System Operator.
- 8. Confidential Information**
- (a) Each Party will always keep confidential and secure, and not exploit or otherwise misuse, any information of another Party which is confidential or commercially sensitive. A Party may only disclose and/or use that information to the extent necessary to enable it to perform its obligations under this Agreement or the Market Rules in the capacity in which it has signed this Agreement, to any third party if it has the prior written consent of the proprietary Party, or to the extent required by law or permitted or required by the Market Rules.
- (b) For the purposes of clause 8(a) of this Agreement, the Inputs, Outputs, Gas Transfer Rules, and the existence of counterparts of this Agreement shall be deemed to be confidential and commercially sensitive to the relevant Parties.
- 9. Intellectual Property**
- (a) Any patent, design, trademark, copyright or any other intellectual property right created by the Gas Transfer Agent in the course of performing the Services belongs to the Gas Transfer Agent.
- (b) Nothing in this Agreement will confer upon the Gas Transfer Agent any Intellectual property right in any of the Inputs or Outputs.
- 10. General**
- (a) The Market Operator, each Transferor and each Transferee acknowledges that the Services are being provided for the purposes of a business and the Consumer Guarantees Act 1993 does not apply to them.
- (b) The Gas Transfer Agent, each Transferor and each Transferee acknowledges that the Inputs are being provided by the Market Operator for the purposes of a business and the Consumer Guarantees Act 1993 does not apply to them.
- (c) This Agreement (including all counterparts) may only be amended:
- (i) by the Gas Transfer Agent, Transmission System Operator and Market Operator agreeing to do so in writing and upon giving each Transferee and Transferor at least 20 Business Days' prior notice in writing, provided that such amendment is reasonably considered by the Gas Transfer Agent and Market Operator to be necessary or desirable for the more efficacious provision of the Services; or
 - (ii) by all Parties and the Transmission System Operator agreeing in writing.
- (d) Except as expressly set out in this Agreement, all representations and warranties (statutory, express or implied), except any which may not be lawfully excluded, are expressly excluded.
- (e) No failure to exercise, and no delay in exercising, a right of a Party under this Agreement will

	<p>operate as a waiver of that right, nor will a single or partial exercise of a right preclude another or further exercise of that right or the exercise of another right. No waiver by a Party of its rights under this Agreement is effective unless it is in writing signed by that Party.</p> <p>(f) Without limiting the application of the Market Rules, this Agreement constitutes the entire agreement of the Parties in respect of the matters covered by it and supersedes all previous agreements in respect of those matters.</p> <p>(g) None of the Transferors, the Transferees or the Market Operator may assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the Gas Transfer Agent and the Transmission System Operator (in each case) (not to be unreasonably withheld), and in the case of the Transferors or the Transferees, without the prior written consent of the Market Operator.</p> <p>(h) For the purpose of the Contracts (Privity) Act 1982, the Parties agree that this Agreement confers and is intended to confer benefits on and create obligations enforceable by the Transmission System Operator, notwithstanding that it is not a Party to this Agreement. The Parties agree that the Transmission System Operator is conferred all rights of enforcement pursuant to this Agreement that are conferred upon the Gas Transfer Agent and Market Operator, and as such is the beneficiary of the rights of the Gas Transfer Agent and Market Operator as provided in the Contracts (Privity) Act 1982.</p> <p>(i) The singular includes the plural and vice versa.</p> <p>(j) This Agreement shall be construed and interpreted in accordance with the law of New Zealand and the Parties submit to the non-exclusive jurisdiction of the New Zealand courts.</p>
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3. Signatures	
For the Gas Transfer Agent	For the Market Operator
 _____ Signature of authorised signatory BRETT BUTLER _____ [Print name]	 _____ Signature of authorised signatory JAMES WINSTLER _____ [Print name]
Dated: 30/07/2015	Dated: 30/07/2015
For the Transferor (as relevant): _____ [Print Company name]	For the Transferee (as relevant): _____ [Print Company name]
_____ Signature of authorised signatory _____ [Print name]	_____ Signature of authorised signatory _____ [Print name]
Dated:	Dated:

Schedule
Information and Rules

Gas Transfer Rules

Primary Rules

1. **At the Receipt Point, Transferor A transfers a quantity of Gas (Q_{MOBUY}) to the Market Operator on Day D.**

$$Q_{MOBUY} = GTR_{Tsell}$$

Vector Gas Limited will be notified of each of the Shipper's Receipt Quantities, pursuant to section 6.2 of the Vector Transmission Code.

Input Information

Input Data Code	Input Data Name	Party Supplying Input	Method of Communication to Gas Transfer Agent	Format of Input
A	Transferor name	The Market Operator	Email	Provided in the format prescribed by Vector and posted on the publications screen of Vector OATIS.
D	Transfer date			
GTR_{Tsell}	The Transferor's emsTradepoint Quantity for each Day at the Receipt Point			

Output Information

Output Data Code	Output Data Name	Party Receiving Output	Method of Communication
Q_{MOBUY}	Gas transferred to the Market Operator on each Day at the Receipt Point	The Market Operator, the Transferor and the Transmission System Operator	Email

2. **At the Receipt Point, the Market Operator transfers a quantity of Gas (Q_{MOSELL}) to Transferee B on Day D.**

$$Q_{MOSELL} = GTE_{Tbuy}$$

Vector Gas Limited will be notified of each of the Shipper's Receipt Quantities, pursuant to section 6.2 of the Vector Transmission Code.

Input Information

Input Data	Input Data Name	Party Supplying	Method of Communication to	Format of Input
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Code		Input	Gas Transfer Agent	
		The Market Operator	Email	Provided in the format prescribed by Vector and posted on the publications screen of Vector OATIS.
B	Transferee name			
D	Transfer date			
GTE _{Tbuy}	The Transferee's emsTradePoint Quantity for each Day at each Receipt Point			

Output Information

Output Data Code	Output Data Name	Party Receiving Output	Method of Communication
Q _{MOsell}	Gas transferred to the Transferee on each Day at the Receipt Point	The Market Operator, the Transferee and the Transmission System Operator	Email

Default Rules

3. Market Operator Mismatch

3.1 At all times $\sum Q_{MObuy}$ on a Day must equal $\sum Q_{MOsell}$ on that Day in respect of all counterparts at the Receipt Point. The Market Operator will never be eligible to go into Mismatch.

4. Insufficient Gas

4.1 If the quantity of Gas available to the Market Operator on a Day to complete the Primary Rule is not sufficient to complete a transfer then the Gas transferred will be equal to the Gas available for transfer.

4.2 The Gas Transfer Agent will complete the transfer to the extent of the Gas available to the Market Operator but on a pro rata basis across all Transferees' emsTradePoint Quantities for the relevant Day at the Receipt Point.

4.3 If the Quantity of Gas available to the Transferor on a Day to complete the Primary Rule is not sufficient to complete a transfer then the Transferor will go into negative Mismatch to complete the transfer.

5. Inadequate Inputs

5.1 Where all the Inputs supplied to the Gas Transfer Agent by the Market Operator are not provided or received in full, or do not balance as to quantities for Transferors and Transferees, within the required timeframes, or if they contain any deficiency that prevents a transfer in accordance with the Primary Rule and the above Default Rules, then the Gas Transfer Agent must immediately notify the Market Operator to correct the Inputs, and the Market Operator must provide corrected Inputs within the timeframes specified in Schedule Six of the Vector Transmission Code.

6. Unable to calculate Inputs or Outputs

6.1 Where, after the operation of the above Default Rules, the Inputs or Outputs still cannot be calculated for any reason other than Force Majeure, then $Q_{MObuy} = 0$ and/or $Q_{MOsell} = 0$ in respect of the relevant Input.

7. Surplus Gas

7.1 Where the quantity available to the Market Operator to transfer to all Transferees is more than the total quantity required to complete the transfers to all Transferees, the Gas Transfer Agent shall complete the transfers to the Market Operator to the extent of the total quantity of Gas to be transferred by the Market Operator to all Transferees, but on a pro rata basis across all Transferors.

8. Priority of this Agreement

8.1 Where a Transferor or Transferee is party to another Gas Transfer Agreement at the Receipt Point with a party other than the Market Operator then this Agreement takes priority in the event of any inconsistency between the agreements and the calculations under them.

8.2 The Market Operator must ensure that all Gas Transfer Agreements it is party to at the Receipt Point are consistent with this Agreement.

9. Dispute Resolution

9.1 In the event that a Transferor, Transferee or the Market Operator disputes the provision of Inputs or the provision or calculation of Outputs under the Gas Transfer Agreement on a Day (the Dispute):

- (a) the Transferor, Transferee or Market Operator (as the case may be) shall give written notice (Dispute Notice) to the Gas Transfer Agent within 24 hours of receipt of the Outputs; and
- (b) the Gas Transfer Agent shall notify the relevant Transferor and Transferee, and the Market Operator, of the Dispute.

9.1.1 the parties to the Dispute shall use their respective best endeavours to agree a resolution of the Dispute by the 11th Day after the end of the month of the transfer;

9.1.2 the Gas Transfer Agent will:

- (a) if an agreement is reached by the end of the month of the transfer, effect that agreement on the first Business Day thereafter and notify all parties to the Gas Transfer Agreement of the result; or
- (b) if an agreement is not reached between the parties to the Dispute by the end of the month of the transfer, effect a transfer of either:
 - (i) the quantum (in GJ) disclosed by the Gas Transfer Agent for verification in accordance with clause 4(a)(iii) of the Gas Transfer Agreement; or
 - (ii) zero GJ,whichever is the agreed and notified outcome of the other parties to the Gas Transfer Agreement (being the Market Operator, relevant Transferee and Transferor, but not the Gas Transfer Agent) by 9am on the 12th Day of the Month in which the transfer occurred, or if no agreement is reached and so notified, the Gas Transfer Agent will effect the transfer of (i).

10. Verification of Inputs

10.1 Where the Market Operator or the relevant Transferor or Transferee does not respond and verify the Outputs within the timeframe specified by clause 4(b)(iii) of the Gas Transfer Agreement then the Gas Transfer Agent will consider the Outputs verified.

11. Fall Back Default Rules

11.1 Where the Default Rules above cannot be applied or are not relevant, then the "Fall Back Default Rules" as defined in schedule 6 of the Vector Transmission Code shall apply.

