**[Beach 2000 to Beach 2015 (5:5) Change Letter**]

**[LETTERHEAD OF FIRST SIGNATORY]**

[Insert counterparty contact details]

[Insert Date]

Dear Sirs

**Re: Standard Terms and Conditions for the Sale and Purchase of Natural Gas for UK Short Term Deliveries at the Beach 2000 and the Standard Terms and Conditions for the Sale and Purchase of Natural Gas for UK Short Term**  **Deliveries at the Beach 2015 (5:5)**

As you may be aware, as a result of the changes in the United Kingdom downstream Gasgas Day on 1st October 2015, parties active at the United Kingdom beach have recently updated the Standard Terms and Conditions for the Sale and Purchase of Natural Gas for UK Short Term Deliveries at the Beach 2000 (“**Beach 2000**”) for beach delivery points downstream of facilities that will adopt the new 0500 hours to 0500 hours Day (“**5:5 Delivery Points**”) and published the Standard Terms and Conditions for the Sale and Purchase of Natural Gas for UK Short Term Deliveries at the Beach 2015 (5:5) (“**Beach 2015 (5:5)**”). A copy of Beach 2015 (5:5) is available on the website of the Joint Office of Gas Transporters at http://www.gasgovernance.co.uk.

In order to ensure that our trading with you at the 5:5 Delivery Points continues to be on current, standard market terms, we wish to adopt Beach 2015 (5:5) terms for all Transactions between us at 5:5 Delivery Points that are not expressed to be subject to alternative terms or contractual arrangements.

We note that not all facilities upstream of beach delivery points will adopt the 0500 hours to 0500 hours gas Day. A list of the 5:5 Delivery Points as at the date this letter agreement is entered into (the **“Execution Date**”) is attached in the Annex to this letter agreement for information purposes only. It is intended that the terms of this letter agreement shall apply to all beach delivery points that become 5:5 Delivery Points whether they do so on or after 1st October 2015. Delivery Points that are 5:5 Delivery Points as at 1st October 2015 shall each be an “**Initial 5:5 Delivery Point**” and the date on which any other delivery point becomes a 5:5 Delivery Point shall be the “**5:5 Commencement Date**” for such delivery point. Unless and until a Delivery Pointdelivery point becomes a 5:5 Delivery Point it shall be a “**6:6 Delivery Point**”.

Capitalised terms not otherwise defined in this letter agreement shall have the meanings given to them in Beach 2000 or Beach 2015 (5:5), as applicable.

We agree that:

1. New Transactions

(1) unless expressed to be on and subject to alternative terms or contractual arrangements (other than Beach 2000 or any replacement of Beach 2000 for 6:6 Delivery Points) and subject to paragraph 4(2), all Transactions for the delivery and acceptance of Natural Gas at 5:5 Delivery Points entered into between you and us on or after the later of (a) 1st October 2015; (b) the Execution Date; or (c) the 5:5 Commencement Date for the delivery point, shall be governed by and subject to Beach 2015 (5:5); and

(2) such new Transactions will be confirmed using the form of Transaction Agreement attached to Beach 2015 (5:5); and

2. Existing Transactions at Initial 5:5 Delivery Points

(1) any Transaction with a Supply Period commencing on or after 0500 hours (London time) on 1st October 2015 entered into between you and us on Beach 2000 terms for the delivery and acceptance of Natural Gas at an Initial 5:5 Delivery Point shall instead be governed by and subject to Beach 2015 (5:5);

(2) any Transaction with a Supply Period that includes a period on or after 0500 hours (London time) on 1st October 2015 entered into between you and us on Beach 2000 terms for the delivery and acceptance of Natural Gas at an Initial 5:5 Delivery Point, shall be deemed to be subject to Beach 2015 (5:5) in respect only of Days starting on or after 1st October 2015; and

(3) we shall not re execute and exchange Transaction Agreements in respect of any TransactionTransactions originally entered into on Beach 2000 terms that isare transferred fully or partially to Beach 2015 (5:5) terms by means of this paragraph 2; and

3. Existing Transactions at 6:6 Delivery Points that become 5:5 Delivery Points after 1st October 2015

(1) any Transaction with a Supply Period commencing on or after 0500 hours (London time) on the relevant 5:5 Commencement Date entered into between you and us on Beach 2000 terms (or any replacement of Beach 2000 for 6:6 Delivery Points) for the delivery and acceptance of Natural Gas at a delivery point that becomes a 5:5 Delivery Point  shall instead be governed by and subject to Beach 2015 (5:5);

(2) any Transaction with a Supply Period that includes a period on or after 0500 hours (London time) on the relevant 5:5 Commencement Date entered into between you and us on Beach 2000 terms (or any replacement of Beach 2000 for 6:6 Delivery Points) for the delivery and acceptance of Natural Gas at a delivery point that becomes a 5:5 Delivery Point shall be deemed to be subject to Beach 2015 (5:5) in respect only of Days starting on or after the 5:5 Commencement Date; and

(3) we shall not re execute and exchange Transaction AgreementAgreements in respect of any TransactionTransactions originally entered into on Beach 2000 terms (or any replacement of Beach 2000 for 6:6 Delivery Points) that isare transferred fully or partially to Beach 2015 (5:5) terms by means of this paragraph 3; and

4. Interim Arrangements

(1) in the event that the Execution Date is before 1st October 2015, all Transactions for the delivery and acceptance of Natural Gas at Initial 5:5 Delivery Points entered into between you and us after the Execution Date but before 1st October 2015 which have Supply Periods that fall fully or partially after 0500 hours (London time) on 1st October 2015 will be confirmed using the form of Transaction Agreement attached to Beach 2000 and the provisions of  paragraph 2 above shall apply to transfer such Transactions to Beach 2015 (5:5) terms;

(2) unless expressed to be on and subject to alternative terms or contractual arrangements, in the event that we enter into a “retro” Transaction:

(a) on or after the later of (i) 1st October 2015 and (ii) the Execution Date, for the delivery and acceptance of Natural Gas at an Initial 5:5 Delivery Point with a Supply Period ending before 0500 hours (London Time) on 1st October 2015; or

(b) on or after the later of (i) the 5:5 Commencement Date and (ii) the Execution Date, for the delivery and acceptance of Natural Gas at a 6:6 Delivery Point that becomes a 5:5 Delivery Point with a Supply Period ending before 0500 hours (London Time) on the 5:5 Commencement Date;

any such Transaction shall be deemed to be governed by and subject to the terms of Beach 2000 (or any replacement of Beach 2000 for 6:6 Delivery Points) but will be confirmed once only using the form of Transaction Agreement attached to Beach 2015 (5:5); and

5. Master Netting Agreements

if you and we have entered into any master netting agreement or close out agreement which contains specific references to Beach 2000, there shall be added to each such reference a reference to the Standard Terms and Conditions for the Sale and Purchase of Natural Gas for UK Short Term Deliveries at the Beach 2015 (5:5).

We also acknowledge that the Day that starts at 0600 hours (London time) on 30th September 2015  and ends at 0500 hours (London time) on 1st October 2015 (and the Day ending on any 5:5 Commencement Date) consists of only 23 hours and we agree that there shall be no change to the Daily Quantity for any Transaction for such a Day which shall each be delivered in 23 hours.

This letter agreement shall be governed by and construed in accordance with English law. Any disputes or claims arising out of or in respect of this letter agreement (whether such disputes are contractual or non-contractual in nature, such as claims in tort, for breach of statute or regulation or otherwise) shall be governed by and construed in all respects by the laws of England.

Please would you countersign and return one copy of this letter agreement to signify your agreement to its terms.

Yours faithfully

……………………………………………….

For and on behalf of [ ]

We agree to the terms of the above letter agreement.

…………………………………………..

For and on behalf of **[ ]**

Dated ……………………………………………………………….

**Annex**

**5:5 Delivery Points as at the date of this letter agreement**

*[NOTE: Users of this letter agreement should check that this list is up to date before issuing the letter agreement]*

St Fergus – TOM

Easington – Langeled

Easington – York

Isle of Grain

Milford Haven – South Hook

Milford Haven – Dragon

Bacton Interconnector

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