
RESPONSE TO BIDDERS' QUERIES SPECIFIC 15 YEAR TERM TENDER

| S no. | Clause/ Section No. / Issue | Query | PLL's Response |
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| <u>CONFIRMATION NOTICE</u> | | | |
| 1. | Paragraph 4 | Would PLL clarify if the number of cargoes and duration of contract in Tender 02 (180 cargoes; 15 years) are fixed? Or could Seller offer any other quantity and duration? | The term and the no. of cargoes are both fixed and not subject to modification. |
| 2. | Paragraph 8 | Considering that duration of the Contract is set to 15 years, a Price Revision clause should be inserted. We suggest each party to have the right to claim for a revision of the contract price taking into consideration the price evolution occurred on the International LNG market. Such right can be exercised for the first time after 5 years from the first cargo delivered and the new price will be effective from the date of request. Following revisions of the price can be requested after 3 years from the effective date of the immediately preceding one. | There is no price review mechanism. There is however a one-time no cause walk away clause in paragraph 18 of the CN. We do not believe a price review mechanism would be currently feasible for a tender of the type under our public procurement rules. |
| 3. | Paragraph 18 | As this is a 15 year contract, does PLL agree that a 5 year periodic review scheme could be included in the Confirmation Notice, as is customary industry practice for such long term agreements? | Please refer to 2 above. |
| 4. | Paragraph 18 | Our understanding is that each party may exercise, on the tenth (10 th) anniversary of the Initial Delivery Date or within ten (10) working days thereafter, the right to early terminate the Confirmation Notice without consent of the other party. Is this interpretation correct? | This is correct but first the relevant party must give the requisite notice. |
| 5. | Paragraph 18 | Lock in of 10 years vs 6 cargoes liquidated damages? | No change is contemplated. |

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| 6. | Paragraph 18 | Can we request for a Price Review throughout the 15-year period? | Please refer to 2, above. |
| 7. | Paragraph 18 | The MSPA does not include a price revision clause. This is quite unusual for a 10-15 years contract. Would you be available to insert a price revision in the CN at least for the PLL/IMP/LNGT02? For a detailed explanation please see comment at Art 8 of the CN (below). | Please refer to 2, above. |
| 8. | Paragraph 18 | This clause allows for termination by Buyer at will by giving 60 days written notice. As the tenders are for a long fixed period of time (15 years), can this paragraph be deleted, as would be expected in similar mid to long term supply arrangements? | No change is contemplated. |
| <u>MSPA</u> | | | |
| 9. | Clause 9 | The LNG ship clause specifies the Seller's position in case of modification. This is missing with regard to the receiving facilities clause and the Buyer's position in case of modification, as would be expected in a 15 year contract. Would PLL agree to include symmetrical language for modifications to the Receiving Facilities? | No change is contemplated. |

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| 10. | Clause 16.5 | <p>Based on a term contract structure of 15 years, would PLL be open to revising its position on the conditions which would trigger the termination of the Confirmation Notice?</p> <p>For example, would PLL agree to the following amendment to the conditions:</p> <p>for the 15 year Confirmation Notice: termination for prolonged FM could be considered in the case when a Party has declared Force Majeure one or more times during any 24 month period, and the interruptions resulting from such Force Majeure has resulted in the Other Party being prevented from performing (taking delivery of or delivering) at least fifty percent (50%) of the Contract Quantity?</p> | <p>The CN would be modified to clarify that in case of multiple cargoes ordered under one CN are affected, the entire Transaction under the CN may be terminated.</p> |
| <u>GENERAL</u> | | | |
| 11. | General | <p>If the contract commences in July 2017, when would be the exact end date be; i.e. July 2032?</p> | <p>June 2032.</p> |