

THIS F24-T SERVICE AGREEMENT (this “**F24-T Agreement**”) dated as of _____,

BETWEEN:

UNION GAS LIMITED, a company existing under the laws of the Province of Ontario (“**Union**”)

-and-

[**shipper name**] (“**Shipper**”), a company incorporated under the laws of the [Province, State, Country] of [name]

WHEREAS Union and Shipper entered into a Firm Transportation Agreement dated [date] (M12xxx) (the “**M12 Transportation Contract**”);

AND WHEREAS Shipper has requested, and Union has agreed to provide, an F24-T Service with respect to all or a portion of the Contract Demand under the M12 Transportation Contract.

NOW, THEREFORE, this F24-T Agreement witnesses that, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **F24-T Service.** Subject to Schedule 1, the F24-T Service (as such service is more particularly described in Schedule 1) is selected with respect to _____ GJ/day (_____ MMbtu/day) of the Contract Demand under the M12 Transportation Contract (the “**F24-T Quantity**”).
2. **Term.** Subject to Schedule 1, the F24-T Service will commence on the later of (a) _____ ; or (b) the day following the date that all of the conditions precedent set out in Section 3 have been satisfied or waived by Union. Subject to Schedule 1, the F24-T Service will end on _____ (the “**Initial Termination Date**”).
3. **Condition Precedent.** The obligations of the parties under this F24-T Agreement are subject to the following conditions precedent, which are for the sole benefit of Union and which may be waived or extended in whole or in part by Union:
 - (a) Both Union and Shipper shall have satisfied all of the conditions precedent set out in Section 3 of the M12 Transportation Contract; and,

Union shall provide written notice to Shipper upon such condition precedents having been satisfied or waived. If Union concludes that it will not be able to satisfy a condition precedent, Union may, upon written notice to the Shipper, terminate this F24-T Agreement and upon the giving of such notice, this F24-T Agreement shall be of no further force and effect and each of the parties shall be released from all further obligations hereunder; provided that any rights or remedies that a party may have for breaches of this F24-T Agreement prior to such termination and any liability a party may have incurred prior to such termination shall not thereby be released.

IN WITNESS WHEREOF, the parties hereto have caused this F24-T Agreement to be executed by their respective duly authorized officers as of the date first written above.

[SHIPPER NAME]

UNION GAS LIMITED

By: _____
Authorized Signatory

By: _____
Authorized Signatory

By: _____
Authorized Signatory

By: _____
Authorized Signatory

SCHEDULE 1

F24-T Service

1. Definitions. Words and phrases used herein and not otherwise defined shall have the meaning provided for in the M12 Transportation Contract.
2. Nomination Windows: With respect to the quantity available to Shipper on a firm basis as determined under Section 3 of this Schedule,
 - (a) instead of the nomination window set out in item (a)(i) of Schedule “B” of Union’s M12 Rate Schedule, Shipper’s Nomination is to be provided by online nomination or other recorded electronic means as may be agreed to by Union, so as to be received by Union’s Gas Management Services on or before the NAESB nomination deadlines for the NAESB nomination windows, the TCPL STS nomination deadlines for TCPL’s STS nomination windows, or any of the other nomination deadlines set out in Table 1 below for Union’s additional nomination windows specified with a “****” in Table 1 below.

For greater certainty, Table 1 reflects the current NAESB and TCPL STS nomination cycles, nomination deadlines, effective time, elapsed hours and remaining hours, and such information shall be deemed to be automatically changed as applicable without further notice, action or documentation in the event that NAESB or TCPL change their respective nomination cycles, deadlines or effective times. In addition to the NAESB and TCPL STS nomination cycles, Table 1 also includes Union’s five additional nomination windows.

- (b) the timelines of item (b) of Schedule “B” of Union’s M12 Rate Schedule shall apply to the Timely Nomination window only (nomination #1 in Table 1 below). For the remainder of the nomination windows in Table 1 below (the “**Additional Nomination Windows**”), Union shall advise Shipper as soon as reasonably practical of the Quantity Available for F24-T Service, which shall only be limited by Union’s ability to confirm the nomination with upstream and downstream service providers within the time available, or for reasons of force majeure. Despite anything to the contrary herein, Shipper may not increase its nomination at any time other than the Timely Nomination window for any given gas day, after Union declares force majeure and until such time as the force majeure ceases. In the event that the Quantity Available is less than Shipper’s Nomination, for purposes of the Additional Nomination Windows, Union shall endeavour to provide Shipper with the opportunity to submit a Revised Nomination; however, at no time shall Union be obligated to do so. For any and all instances where Shipper is unable to provide a Revised Nomination, or Union is not able to provide the Shipper with an opportunity to do so, or the Revised Nomination exceeds the Quantity Available, then the Revised Nomination shall be deemed to be the Quantity Available.

Table 1
Nomination Windows for F24-T Service

Gas Day Nomination Cycles	Nom #	Nomination deadline	Effective Time	Elapsed Hours	Remaining Hours
Timely Nom*	1	12:45 Day Prior	10:00 Gas Day	0	24
Evening Nom*	2	19:00 Day Prior	10:00 Gas Day	0	24
STS 1**	3	10:00 Gas Day	12:00 Gas Day	2	22
Intraday 1*	4	11:00 Gas Day	18:00 Gas Day	8	16
12:00***	5	12:00 Gas Day	14:00 Gas Day	4	20
14:00***	6	14:00 Gas Day	16:00 Gas Day	6	18
STS 2**	7	16:00 Gas Day	18:00 Gas Day	8	16
18:00***	8	18:00 Gas Day	20:00 Gas Day	10	14
Intraday 2*	9	18:00 Gas Day	22:00 Gas Day	12	12
STS 3**	10	0:00 Gas Day	02:00 Gas Day	16	8
STS 4**	11	04:00 Gas Day	06:00 Gas Day	20	4
6:00***	12	06:00 Gas Day	08:00 Gas Day	22	2
7:00***	13	07:00 Gas Day	09:00 Gas Day	23	1

All times Eastern Clock Time.

* NAESB nomination windows

** TCPL STS windows

*** Union windows

3. Firm Commitment: Shipper's Nomination shall be available on a firm basis up to the lesser of:
 - (a) the hours remaining in the gas day (identified in Table 1 under the heading "Remaining Hours"), multiplied by the factor specified in item (e) of Schedule "B" of Union's M12 Rate Schedule (the hourly rate of flow), multiplied by the F24-T Quantity; and
 - (b) the F24-T Quantity, less that portion of the F24-T Quantity that had been accepted by Union as an Authorized Quantity for any previous period of the gas day.

4. Charges. The charges and rates to be billed by Union and paid by Shipper for the F24-T Service will be those specified in Union's M12 Rate Schedule.

5. Term. [NOTE TO DRAFT: For contracts with an initial term of 3 years or longer, this Section shall be as follows:] The F24-T Service will extend beyond the initial term specified in this F24-T Agreement, automatically renewing for a period of one year, and every one year thereafter, subject to notice in writing by Shipper of termination at least two years prior to expiration thereof.

[NOTE TO DRAFT: For contracts with an initial term of less than 3 years, this Section shall be left intentionally blank]

6. Confirmation. For greater certainty, except as expressly modified in this F24-T Agreement and this Schedule, the Parties acknowledge that:
 - (a) all of the other terms and conditions of the provisions of Schedule "A" and Schedule "B" of Union's M12 Rate Schedule, Union's M12 Rate Schedule, and this F24-T Agreement shall

continue to apply in all respects to the Contract Demand of the M12 Transportation Contract; and

- (b) the F24-T Service is only available as a supplemental service to the services provided under the M12 Transportation Contract. Accordingly,
- (i) Shipper shall be required to maintain a minimum M12 Transportation Contract Demand equivalent to the F24-T Quantity until at least the Initial Termination Date;
 - (ii) on and after the Initial Termination Date, in the event the Contract Demand of the M12 Transportation Contract is at any time less than the F24-T Quantity (whether by way of amendment, termination or expiration of the M12 Transportation Contract or otherwise), then the F24-T Quantity shall be automatically reduced to be equal to the Contract Demand of the M12 Transportation Contract without the need of any further notice or action;
 - (iii) the F24-T Service shall only apply to the extent that the underlying Contract Demand is available under the M12 Transportation Contract, and is subject to any limitations, restrictions and qualifications applicable to that Contract Demand;
 - (iv) the terms and conditions of Sections 1.01, 1.02, 1.03, 1.05, 1.06, 1.08, 1.09, 6.01, 6.02, 7.03 (provided that the second paragraph thereof shall not apply and instead the monthly demand charge relief for F24-T Service shall be determined in accordance with Section 7 of this Schedule), 8.02, 8.03, 12.02 (amended as necessary to provide that the maximum security that Union may demand is equal to 12 times the monthly demand charge for F24-T Service), 12.03, 12.04, 13.02 (provided that Shipper's nominations are subject to Section 2 of this Schedule), 13.03, 13.06, 13.07, 13.08, 13.09, 13.10 and 13.11 of the M12 Transportation Contract, as amended from time to time, shall apply to the F24-T Service and this F24-T Agreement, *mutatis mutandi*, as if incorporated into this Schedule; and
 - (v) Shipper may assign this F24-T Agreement to a third party provided that:
 - i. the third party has a Contract Demand under a firm M12 Transportation Contract that is greater than or equal to the F24-T Quantity and has a term under the same M12 Transportation Contract that is greater than or equal to the remaining term of this F24-T Agreement; and,
 - ii. the prior written consent of Union shall have been obtained, such consent not to be unreasonably withheld.

The Shipper shall not be released from liability under this F24-T Agreement unless Union expressly releases the Shipper after having received satisfactory financial assurances from the third party.

7. Force Majeure. Shipper shall be entitled to reduce the monthly demand charge applicable to the F24-T Service by the same percentage that the monthly demand charge applicable to the Contract Demand under the Transportation Contract is reduced as a result of a force majeure. In no event shall Shipper be entitled to a reduction in any month that exceeds the monthly demand charge applicable to the F24-T Service for that month.
8. Conflicts. In the event of any conflict between the terms of this Schedule, this F24-T Agreement, the M12 Transportation Contract and Union's M12 Rate Schedule, the order of priority shall be as follows:
- (a) Union's M12 Rate Schedule (except to the extent Schedule "B" thereof is expressly modified by the terms of this Schedule);
 - (b) this Schedule;
 - (c) this F24-T Agreement; and
 - (d) the M12 Transportation Contract.