

**GAS ACT 1986
SECTION 7A(2)**

GAS SHIPPER LICENCE

FOR

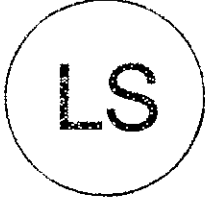
MERCURIA ENERGY TRADING SA

PART I. TERMS OF THE LICENCE

1. This licence granted under section 7A(2) of the Gas Act 1986 ("the Act") authorises Mercuria Energy Trading SA (a company registered in Switzerland under company number CH-660-1372004-2) ("the licensee") whose registered office is situated at Place Du Molard 4, 1204 Geneve, Switzerland, to arrange with any gas transporter (as that expression is defined by section 7 of the Act) for gas to be introduced into, conveyed by means of or taken out of a pipe-line system operated by that gas transporter during the period specified in paragraph 3 below in the area specified in Schedule 1, and subject to -
 - (a) the standard conditions of gas shippers' licences referred to in Part II below, which shall have effect in the licence, subject to such amendments to those conditions, if any, as are set out in Part III below (together "the conditions");
 - (b) the special conditions, if any, set out in Part IV below ("the special conditions"); and
 - (c) such Schedules hereto, if any, as may be referenced in the conditions, the special conditions or the terms of the licence.
2. This licence is subject to transfer, modification or amendment in accordance with the provisions of the Act, the special conditions or the conditions.
3. This licence shall come into force on 12 November 2007 and unless revoked in accordance with the provisions of Schedule 2 shall continue until determined by not less than 25 years' notice in writing given by the Authority to the Licensee, such notice not to be served earlier than a date being 10 years after the licence comes into force.
4. The provisions of section 46(1) of the Act (service of notices, etc.) shall have effect as if set out herein and as if for the words "this Part or regulations made under this Part", there were substituted the words "this licence".
5. Without prejudice to sections 11 and 23(1) of the Interpretation Act 1978, Parts I to IV inclusive of, and the Schedules to, this licence shall be interpreted and construed in like manner as an Act of Parliament passed after the commencement of the Interpretation Act 1978.
6. References in this licence to a provision of any enactment, where after the date of this licence-
 - (a) the enactment has been replaced or supplemented by another enactment, and
 - (b) such enactment incorporates a corresponding provision in relation to fundamentally the same subject matter,

shall be construed, so far as the context permits, as including a reference to the corresponding provision of that other enactment.

**The Official Seal of the Gas and
Electricity Markets Authority
hereunto affixed is authenticated
by:-**



.....
Mark Feather

**Authorised in that behalf by the
Gas and Electricity Markets Authority**

12 November 2007

PART II. THE STANDARD CONDITIONS

Standard conditions in effect in this licence

Section A	Section B
Standard condition 1	Standard condition 3
Standard condition 2	Standard condition 4
	Standard condition 5
	Standard condition 6
	Standard condition 7
	Standard condition 8
	Standard condition 9
	Standard condition 10
	Standard condition 11
	Standard condition 12
	Standard condition 13
	Standard condition 14
	Standard condition 15
	Standard condition 16
	Standard condition 16A
	Standard condition 16B
	Standard condition 17
	Standard condition 18
	Standard condition 19

Note: A copy of the standard conditions of gas shippers' licences as determined by the Secretary of State together with subsequent modifications can be inspected at the principal office of the Authority. The above lists are correct at the date of this licence but may be changed by subsequent modifications to the licence.

PART III. AMENDED STANDARD CONDITIONS PARTICULAR TO THIS LICENCE

There are no amendments to the standard conditions

PART IV. THE SPECIAL CONDITIONS

There are no special conditions

SCHEDULE 1
SPECIFIED AREA

Great Britain

SCHEDULE 2

REVOCAATION

1. The Authority may at any time revoke the licence by giving no less than 30 days' notice (24 hours' notice, in the case of a revocation under sub-paragraph 1(f)) in writing to the licensee:
 - (a) if the licensee agrees in writing with the Authority that the licence should be revoked;
 - (b) if any amount payable under standard condition 2 (Payments by the Licensee to the Authority) is unpaid 30 days after it has become due and remains unpaid for a period of 14 days after the Authority has given the licensee notice that the payment is overdue - provided that no such notice shall be given earlier than the sixteenth day after the day on which the amount payable became due;
 - (c) if the licensee fails:
 - (i) to comply with a final order (within the meaning of section 28 of the Act) or with a provisional order (within the meaning of that section) which has been confirmed under that section and (in either case) such failure is not rectified to the satisfaction of the Authority within three months after the Authority has given notice in writing of such failure to the licensee - provided that no such notice shall be given by the Authority before the expiration of the period within which an application under section 30 of the Act could be made questioning the validity of the final or provisional order or before the proceedings relating to any such application are finally determined; or
 - (ii) to pay any financial penalty (within the meaning of section 30A of the Act) by the due date for such payment and such payment is not made to the Authority within three months after the Authority has given notice in writing of such failure to the licensee - provided that no such notice shall be given by the Authority before the expiration of the period within which an application under section 30E of the Act could be made questioning the validity or effect of the financial penalty or before the proceedings relating to any such application are finally determined;
 - (d) if the licensee fails to comply with:
 - (i) an order made by the court under section 34 of the Competition Act 1998;
 - (ii) an order made by the Authority under Sections 158 or 160 of the Enterprise Act 2002;

- (iii) an order made by the Competition Commission under Sections 76, 81, 83, 84 and 161 of the Enterprise Act 2002;
 - (iv) an order made by the Secretary of State under Sections 66, 147, 160 or 161 of the Enterprise Act 2002.
- (e) if the licensee:
- (i) ceases to carry on its business as a gas shipper; or
 - (ii) shall not have commenced business as a gas shipper within a period of 3 years from the date on which the licence takes effect;
- (f) if the licensee:
- (i) is unable to pay its debts (within the meaning of section 123(1) or (2) of the Insolvency Act 1986, but subject to paragraphs 2 and 3 of this schedule) or has any voluntary arrangement proposed in relation to it under section 1 of that Act or enters into any scheme of arrangement (other than for the purpose of reconstruction or amalgamation upon terms and within such period as may previously have been approved in writing by the Authority);
 - (ii) has a receiver (which expression shall include an administrative receiver within the meaning of section 251 of the Insolvency Act 1986) of the whole or any material part of its assets or undertaking appointed;
 - (iii) has an administration order under section 8 of the Insolvency Act 1986 made in relation to it;
 - (iv) passes any resolution for winding-up other than a resolution previously approved in writing by the Authority; or
 - (v) becomes subject to an order for winding-up by a court of competent jurisdiction; or
- (g) if the licensee is convicted of having committed an offence under section 43 of the Act in making its application for the licence.
2. For the purposes of sub-paragraph 1(f)(i), section 123(1)(a) of the Insolvency Act 1986 shall have effect as if for "£750" there was substituted "£100,000" or such higher figure as the Authority may from time to time determine by notice in writing to the licensee.
3. The licensee shall not be deemed to be unable to pay its debts for the purposes of sub-paragraph 1(f)(i) if any such demand as is mentioned in section 123(1)(a) of the Insolvency Act 1986 is being contested in good faith by the licensee with recourse to all appropriate measures and procedures or if any such demand is satisfied before the expiration of such period as may be stated in any notice given by the Authority under paragraph 1.