

SCHEDULE "J" – PHYSICALLY SETTLED GAS FUTURES CONTRACTS WITH ASSIGNED DELIVERY – U.S. DELIVERY POINTS

This Schedule "J" contains clearing and settlement provisions for all Physically Settled Gas Futures Products with Assigned Delivery offered at U.S. Delivery Points.

1. Spread Products

Not available at U.S. Delivery Points with Assigned Delivery nominations.

2. Relationship to Agreement

Nothing in this Schedule "J" will impair the rights or obligations of Exchange or the rights or obligations of the Contracting Party pursuant to this Agreement. Any Contracting Party which is a party to a Physically Settled Gas Futures Transaction entered into at a U.S. Delivery Point hereby agrees that any such Physically Settled Gas Futures Transaction includes the provisions of this Schedule "J" and is subject to the terms of this Agreement.

3. Pre-Delivery Procedures

- a. Notice of Deliveries – At any time prior to delivery, Exchange may request verification from the Contracting Party that the Contracting Party has access to the relevant Transportation System(s) at the relevant U.S. Delivery Point(s) to perform its Obligations as Buyer or Seller under its Physically Settled Futures Transactions.
- b. Verification of Access to Transportation Systems – Within 24 hours of any such request, the Contracting Party will verify to Exchange its access to the relevant Transportation System(s) at the U.S. Delivery Point(s) to perform its Obligations as Buyer or Seller under its Physically Settled Gas Futures Transactions with Assigned Delivery.
- c. Remedial Actions by Contracting Party – If the Contracting Party does not verify its access to the relevant Transportation System(s) in accordance with paragraph b., the Contracting Party is required to enter into one or more Physically Settled Gas Futures Transactions to offset, in whole or in part, its delivery or take obligations prior to the nomination deadline for the applicable Delivery Day.
- d. Remedial Actions by Exchange – If the Contracting Party has not verified to Exchange's satisfaction, acting reasonably, its access to the relevant Transportation System(s) at the U.S. Delivery Points to perform its Obligations as Buyer or Seller or offset its obligations to make or take delivery under its Physically Settled Futures Transactions prior to the nomination deadline for such Delivery Day, Exchange may enter into Backstopping Transactions or enact the Liquidation and Close-out Procedures in accordance with this Agreement to offset, in whole or in part, delivery or take obligations, which in the opinion of Exchange may not be performed.

4. Delivery Procedures

- a. Performance at Timely Cycle — The Contracting Party, whether acting as Buyer or Seller, is expected to take or deliver natural gas, as applicable, at Timely Cycle, in accordance with this section.
- b. Procedures — On each day, Contracting Parties with Physically Settled Gas Futures Transactions with Assigned Delivery at any U.S. Delivery Point will submit Title Transfers for the delivery or take of gas under all such Physically Settled Gas Futures Transactions as follows;
- c. Contracting Party to Net Daily Contract Quantity — Each Contracting Party will offset the Daily Contract Quantities due for delivery against the Daily Contract Quantities due to be taken on each day for all Physically Settled Gas Futures Transactions to determine a net Daily Contract Quantity at each of the U.S. Delivery Points;

- d. Contracting Party to Submit Title Transfers or Assign Transportation Entitlement — Each Contracting Party with a net Daily Contract Quantity to be delivered or to be taken at the U.S. Delivery Points and that controls the Transportation Entitlement will submit Title Transfers before the NAESB Timely Nomination Deadline for the net Daily Contract Quantity to the applicable U.S. Delivery Point Operator. In the event a Contracting Party does not control the Transportation Entitlement the Contracting Party shall assign the Transportation Entitlement before the NAESB Timely Nomination Deadline to ICE NGX for the net Daily Contract Quantity to be delivered or taken at the U.S. Delivery Points;
- e. Exchange to Net Daily Contract Quantity — Exchange will, for each Contracting Party, offset the Daily Contract Quantities due for delivery against the Daily Contract Quantities due to be taken on each day for all Physically Settled Gas Futures Transactions to determine a net Daily Contract Quantity at each of the U.S. Delivery Points;
- f. Exchange to Assign Transportation Entitlement — Exchange will assign a Transportation Entitlement it receives from a Seller for all net Daily Contract Quantities of gas to be delivered or to be taken at the applicable U.S. Delivery Point to the Buyer, before the NAESB Timely Nomination Deadline;
- g. Rankings — Any Contracting Party with net Daily Contract Quantities to be delivered to or to be taken from Exchange at the U.S. Delivery Points will submit rankings to the U.S. Delivery Point Operator
 - (i) in accordance with the Transportation General Terms and Conditions published by the applicable U.S. Delivery Point Operator Gas Tariff,
 - (ii) that rank Exchange as “last-to-be-cut” or “first-to-be-delivered”, as applicable, for each nomination cycle.

5. Performance of the Physically Settled Gas Futures Transactions with Assigned Delivery

- a. Performance — The Physically Settled Gas Futures Transactions at U.S. Delivery Points with Assigned Delivery will be performed as follows:
 - (i) By the Contracting Party:
 - (A) upon the acceptance of the Title Transfers by the applicable U.S. Delivery Point Operator for the net Daily Contract Quantities of gas nominated for delivery or take at the applicable U.S. Delivery Points or upon assignment of the Transportation Entitlement; and
 - (B) by the payment to Exchange of the Invoice amounts for the Physically Settled Gas Futures Transactions at the applicable U.S. Delivery Points.
 - (ii) By Exchange:
 - (A) upon the acceptance of the Title Transfers by the applicable U.S. Delivery Point Operator for the net Daily Contract Quantities of gas nominated for delivery or take at the applicable U.S. Delivery Points or upon assignment of the Transportation Entitlement; and
 - (B) by the payment to the Contracting Party of the Invoice amounts for the Physically Settled Gas Futures Transactions at the applicable U.S. Delivery Points.
- b. Confirmation of Performance upon Request by Exchange - The Contracting Party agrees to confirm performance of the Physically Settled Gas Futures Transactions at the applicable U.S. Delivery Points promptly upon request by Exchange, and in any event no later than 3 business days following receipt of such request.

- c. Quantity Alternatives and Invoice Adjustments - If Exchange receives a notice of adjustment from the Contracting Party indicating that the volume or quantity contracted for at the applicable U.S. delivery points was not performed:
- (i) by the 10th day of the calendar month following delivery, Exchange will adjust the volume or quantity on the invoice for the delivery; and
 - (ii) within 30 days following the posting by Exchange of the original Invoice, Exchange will enter a trade adjustment on the subsequent invoice.

6. Procedures on Failure of Performance

Rejection of a Title Transfer - In the event of a Failure to Deliver or Failure to Take in respect of a Physically Settled Gas Futures Transaction at any U.S. Delivery Point with Assigned Delivery

- (i) The Contracting Party will notify Exchange by instant message, phone or email that a Title Transfer has not been accepted by the U.S. Delivery Point Operator indicating the quantity affected; and
- (ii) Exchange may exercise any of its rights under Section 5.5 of the Terms and Conditions.

7. Title

- a. From Seller – Title to and risk of loss of gas delivered under any Physically Settled Gas Futures Transaction shall pass from the Seller during delivery at the receipt point specified in any Physically Settled Gas Futures Transaction.
- b. To Buyer – Title to and risk of loss of gas delivered under any Physically Settled Gas Futures Transaction shall pass to the Buyer during delivery at the receipt point specified in any Physically Settled Gas Futures Transaction.
- c. Regarding Exchange – In no event shall this Agreement be construed in a manner whereby title to and risk of loss of gas delivered under any Physically Settled Gas Futures Transaction would be the responsibility of Exchange.

8. Representations and Warranties of the Contracting Party

The Contracting Party represents and warrants in respect of any Physically Settled Gas Futures Transaction entered into by such Contracting Party that at the time of delivery or receipt:

- a. If it is the Seller:
 - (i) it has the full right and authority to sell gas;
 - (ii) it owns and has title to gas, or irrevocable authority to sell gas;
 - (iii) any gas delivered to Exchange shall be free from all royalty payments, Liens or encumbrances whatsoever; and
 - (iv) it has all necessary rights and entitlements with the applicable Delivery Point Operator for the delivery of gas on a firm basis at the applicable Delivery Point with sufficient inventory to deliver the net Daily Contract Quantity sold for each Gas Day.
- b. If the Buyer:
 - (i) it has the full right and authority to purchase gas; and
 - (ii) it has all necessary rights and entitlements with the applicable Delivery Point Operator to take gas on a firm basis at the applicable Delivery Point with sufficient capacity to take the net Daily Contract Quantity purchased for each Gas Day.

9. Liability

- a. Full Satisfaction – Upon payment, in accordance with this Agreement, of the amounts required to be paid by Exchange or the Contracting Party, as the case may be, in respect of any Failure to Deliver, Failure to Pay or Failure to Take in respect of such Physically Settled Gas Futures Transaction, Exchange or such Contracting

Party shall have no further liability under such Physically Settled Gas Futures Transaction or this Agreement in respect of any such Failure to Deliver, Failure to Pay or Failure to Take.

- b. No Indirect Damages – Other than as specifically set forth in this Agreement, in no event shall Exchange or a party to a Physically Settled Gas Futures Transaction be liable under this Agreement or any Physically Settled Gas Futures Transaction for any special, consequential or indirect damages or claims, including without limitation, loss of profits or revenues, cost of capital or claims of any of the suppliers or customers of the Contracting Party arising out of any Failure to Deliver, Failure to Take or Failure to Pay or any other matter for which liability may be assessed under this Agreement or any Physically Settled Gas Futures Transaction.

10. Force Majeure

- a. Exchange May Declare Force Majeure — A force majeure event may be declared by Exchange at one of the U.S. Delivery Points if a U.S. Delivery Point Operator or U.S. Pipeline Operator declares a force majeure event or materially curtails, interrupts or prorates firm transportation services for a material number of Contracting Parties. Exchange also reserves the right to declare a force majeure if an event (including, but not limited to, a strike, lockout, national emergency, governmental action or act of God) occurs that materially affects the ability of a material number of Contracting Parties to meet their Obligations and that is beyond the control of the Contracting Parties.
- b. Exchange Will Not Declare Force Majeure — For clarity, Exchange will not declare a force majeure to the extent performance is affected by any of the following circumstances:
 - (i) the curtailment of interruptible or secondary firm transportation unless primary, in path, firm transportation is also curtailed;
 - (ii) the failure of a Contracting Party to take commercially reasonable efforts to remedy a transportation, supply or market access issue including, but not limited to, changing upstream or downstream pipelines and/or corresponding supplies or markets;
 - (iii) the economic hardship of a Contracting Party, including, but not limited to, the Seller's ability to sell gas at a better price than the Purchase Price or the Buyer's ability to purchase gas at a better price than the Purchase Price or a regulatory authority disallowing, either in whole or in part, the pass through of costs resulting from this Agreement;
 - (iv) the loss of the Buyer's market or the Buyer's ability to use or resell gas purchased hereunder; or
 - (v) the loss or failure of the Seller's gas supply or depletion of reserves.
- c. Effect of Force Majeure — On any day that a force majeure event is declared at one of the U.S. Delivery Points, the Contracting Party's obligation to take or deliver gas pursuant to all Physically Settled Gas Futures Transactions at that U.S. Delivery Point shall be reduced by the same percentage as the curtailment, interruption or allocation for that day. Any Physically Settled Gas Futures Products affected by the force majeure event may be halted from trading for the duration of the force majeure event.

11. Procedures on Force Majeure Event

- a. Investigation – Exchange will, in consultation with the applicable Delivery Point Operator make a determination of whether a force majeure event exists and an estimate of its probable duration.
- b. Notice to Contracting Parties – If a force majeure event is determined by Exchange to exist (the "Force Majeure Declaration"), all affected Contracting Parties will be immediately notified by notice on Exchange's Website, phone, instant message or email:

- (i) that the Force Majeure Declaration has been made;
 - (ii) the reduction in relevant obligations; and
 - (iii) which Physically Settled Gas Futures Products, if any, will be halted from trading.
- c. Title Transfer – The Seller, Buyer and Exchange will make all necessary changes to the applicable Delivery Point Operator Title Transfers to reflect the reduced obligations.
- d. Further Notice – Exchange will promptly advise the affected Contracting Parties of any material changes to the Force Majeure Declaration.

12. Invoice Amounts

- a. Determination of Invoice Amounts — Exchange will determine the amounts owing or payable on a monthly basis for the U.S. Delivery Points as follows:
- (i) for gas delivered or taken by multiplying:
 - (A) the portion of the Contract Quantity of gas delivered or taken at each of the U.S. Delivery Points under all Physically Settled Gas Futures Transactions for each Delivery Day of the given Month expressed in MMBtu's; by
 - (B) the Purchase Price, expressed in U.S. dollars per MMBtu for all Physically Settled Gas Futures Transactions for such Month; plus
 - (ii) all fees as outlined in the Fee Schedule; plus
 - (iii) any fees charged to Exchange by any of the applicable Delivery Point Operators for the Title Transfers pertaining to the delivery of gas under all such Physically Settled Gas Futures Transactions, if applicable; plus
 - (iv) any applicable taxes pursuant to Section 7 of the Terms and Conditions.

13. Interpretation

- a. Time — All times referred to herein are to Central Prevailing Time.
- b. Currency — All amounts of money referred to herein or in this Agreement in respect of the U.S. Delivery Points are in U.S. dollars.
- c. Interpretation — Capitalized words and phrases used in this Schedule and not defined in this Schedule will have the same meaning as set forth in this Agreement.

14. Definitions

"Assigned Delivery" with respect to a Physically Settled Natural Gas Contract means the process whereby Exchange does not mediate the delivery nominations process as described in Schedule G, and contracts where Assigned Delivery applies are identified in Schedule D with an asterisk denoting "AD";

"gas" means natural gas as produced in its natural state that meets the quality standards defined in the applicable U.S. Delivery Point Operator's Tariff as outlined in the ICE NGX Product List;

"Gas Daily" means a publication entitled Platts Gas Daily published by Platts, a division of The McGraw-Hill Companies, Inc.;

"Gas Day" means a consecutive twenty-four (24) hour period starting and ending at 9:00 a.m. Central Clock Time;

"Henry Futures Settlement Price" is defined in the ICE NGX Price Index Methodology Guide;

"ICE NGX Index Methodology Guide" means a document published by Exchange on Exchange's Website that provides descriptions of methodology for determining and definitions of price indices;

"MMBtu" means 1,000,000 (10⁶) British thermal units;

"Month" means a month commencing on the first Gas Day of the calendar month and ending on the first Gas Day of the next calendar month;

"NAESB Timely Nomination Deadline" means timely nomination deadline set out by the North American Energy Standards Board, which may be revised from time to time;

"Post-Settlement Delivery Adjustment" is the volumetric adjustment to delivered gas amounts in respect of Physically Settled Gas Futures Transactions which adjustment is confirmed by the relevant U.S. Delivery Point Operator and notified to Exchange by the Contracting Party within 60 days following the end of the month in which delivery has occurred;

"Title Transfers" means a nomination for the transfer of gas as defined in the applicable U.S. Delivery Point Operator's Tariff as outlined in the ICE NGX Product List;

"Transportation Entitlement" means the rights and obligations with respect to the Title Transfer for natural gas to be delivered under a Physically Settled Gas Futures Transaction;

"U.S. Delivery Point Operator" means the applicable U.S. Delivery Point Operator at each Delivery Point as outlined in the ICE NGX Product List and "U.S. Delivery Point Operators" refers to them all collectively;

"U.S. Delivery Points" means all of the Delivery Points listed in the ICE NGX Product List that are designated as utilizing the assigned delivery nomination mechanism outlined in this Schedule "J";

"U.S. Pipeline Operator" means the applicable U.S. Pipeline Operator at each Delivery Point as outlined in the ICE NGX Product List and "U.S. Pipeline Operators" refers to them all collectively.