

**CANADIAN ADDENDUM
to the
ISDA® NORTH AMERICAN GAS ANNEX
to the Schedule to the
ISDA Master Agreement**

Purpose of Addendum. This Canadian Addendum constitutes an Addendum to ISDA Gas Annex, and supplements and amends the ISDA Gas Annex with respect to Gas Transactions thereunder. Unless amended herein, the ISDA Gas Annex of the Schedule continues to apply to Gas Transactions. Capitalized terms used in this Canadian Addendum which are not herein defined will have the meanings ascribed to them in the ISDA Gas Annex. In the event of a conflict between the terms of this Canadian Addendum and the ISDA Gas Annex, the terms of this Canadian Addendum shall apply.

(a) Definitions

(i) Replace clause (k)(i) of the ISDA Gas Annex with the following:

(i) “Alternative Damages” shall mean such damages, expressed in United States dollars per MMBtu, or Canadian dollars per GJ, as the parties shall agree upon in the Confirmation for the relevant Gas Transaction, in the event either Seller or Buyer fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer.

(ii) Replace clause (k)(iv) of the ISDA Gas Annex with the following:

(iv) “Contract Price” shall mean, if the Delivery Point is in the United States, the amount expressed in U.S. Dollars per MMBtu or, if the Delivery Point is in Canada, the amount expressed in Canadian Dollars per GJ, unless specified otherwise in a Gas Transaction, to be paid by Buyer to Seller for the purchase of Gas as agreed to by the parties in a Gas Transaction.

(iii) Add the following as new clauses (k)(xxiv) and (xxv) of the ISDA Gas Annex:

(xxiv) “GJ” shall mean 1 gigajoule; 1 gigajoule = 1,000,000,000 Joules. The standard conversion factor between dekatherms and GJ’s is 1.055056 GJ’s per dekatherm.

(xxv) “Joule” shall mean the joule specified in the International System of Units.

(b) Quality and Measurement. Replace clause (d) of the ISDA Gas Annex with the following:

All Gas delivered by Seller shall meet the pressure, quality and heat content requirements of the Receiving Transporter. The unit of quantity measurement for purposes of this Contract shall be one MMBtu dry or one GJ (dry), as agreed to by the parties in a Gas Transaction. Measurement of Gas quantities hereunder shall be in accordance with the established procedures of the Receiving Transporter.

(c) Taxes. Add the following at the end of clause (e) of the ISDA Gas Annex:

The following provisions apply if the Delivery Point is in Canada:

(i) The Contract Price does not include any amounts payable by Buyer for the goods and services tax (“GST”) imposed pursuant to the Excise Tax Act (Canada) (“ETA”) or any similar or replacement value added or sales or use tax enacted under successor legislation. Notwithstanding whether the parties have selected “Buyer Pays At and After Delivery Point” or “Seller Pays Before and At Delivery Point” as indicated in clause (l)(4) of the ISDA Gas Annex, Buyer will pay to Seller the amount of GST payable for the purchase of Gas in addition to

all other amounts payable under the Contract. Seller will hold the GST paid by Buyer and will remit such GST as required by law. Buyer and Seller will provide each other with the information required to make such GST remittance or claim any corresponding input tax credits, including GST registration numbers.

(ii) Where Buyer indicates to Seller that Gas will be exported from Canada, the following shall apply:

(A) Where Buyer is not registered for GST under the ETA and Buyer indicates to Seller that Gas will be exported from Canada, Buyer may request Seller treat such Gas as “zero-rated” Gas for export within the meaning of the ETA for billing purposes. If Seller, in its sole discretion, agrees to so treat such Gas, then Buyer hereby declares, represents and warrants to Seller that Buyer will: (i) export such Gas as soon as is reasonably possible after Seller delivers such Gas to Buyer (or after such Gas is delivered to Buyer after a zero-rated storage service under the ETA) having regard to the circumstances surrounding the export and, where applicable, normal business practice; (ii) not acquire such Gas for consumption or use in Canada (other than as fuel or compressor gas to transport such Gas by pipeline) or for supply in Canada (other than to supply natural gas liquids or ethane the consideration for which is deemed by the ETA to be nil) before export of such Gas; (iii) ensure that, after such Gas is delivered and before export, such Gas is not further processed, transformed or altered in Canada (except to the extent reasonably necessary or incidental to its transportation and other than to recover natural gas liquids or ethane from such Gas at a straddle plant); (iv) maintain on file, and provide to Seller, if required, or to the Canada Revenue Agency (or any successor agency thereto), evidence satisfactory to the Minister of National Revenue of the export of such Gas by Buyer; and/or (v) comply with all other requirements prescribed by the ETA for a zero-rated export of such Gas.

(B) Where Buyer is registered for GST under the ETA and Buyer indicates to Seller that Gas will be exported from Canada, Buyer may request Seller treat such Gas as “zero-rated” Gas for export within the meaning of the ETA for billing purposes, and Buyer hereby declares, represents and warrants to Seller that Buyer intends to export such Gas by means of pipeline or other conduit in circumstances described in clauses (i) to (iii) of the immediately preceding paragraph (A).

(C) Without limiting the generality of clause (g)(iii) of the ISDA Gas Annex, Buyer indemnifies Seller for any GST, penalties and interest and all other damages and costs of any nature arising from breach of the declarations, representations and warranties contained in the immediately preceding paragraphs (A) or (B), or otherwise from application of GST to Gas declared, represented and warranted by Buyer to be acquired for export from Canada.

(iii) In the event that any amount becomes payable with respect to Gas Transactions governed by the ISDA Gas Annex as a result of a breach, modification or termination of the Agreement, the amount payable shall be increased by any applicable Taxes or GST remittable by the recipient in respect of that amount.

(d) Eligible Financial Contract. The parties intend that this Agreement including all Gas Transactions hereunder, each and together, constitute an “eligible financial contract” under and in all proceedings related to the *Bankruptcy and Insolvency Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada) and the *Winding-up and Restructuring Act* (Canada) and will be treated similarly under and in all proceedings related to bankruptcy, insolvency or similar law (regardless of jurisdiction application or competence of such law) or any ruling, order, directive or pronouncement made pursuant thereto.

(e) Alternative to Spot Price Index. If an alternative selection is specified below, clause (l)(6) of the ISDA Gas Annex shall be amended to specify as follows:

- Canadian Gas Price Reporter
- Other: _____.

(f) Canadian GST Numbers.

Party A: _____

Party B: _____