

PSC NO. 3 GAS
St. Lawrence Gas Company, Inc.
Initial Effective Date: 06/04/2004

Leaf: 229
Revision: 0
Superseding Revision:

GENERAL INFORMATION

2. General Rules, Regulations, Terms and Conditions: (Cont'd)

XV. Forms: (Cont'd)

K. Form of Gas Transportation Service Agreement (Cont'd)

11.2 In addition to any other rights company may have if customer fails to perform its obligations hereunder, company shall not be required to perform its obligations hereunder, and shall be entitled to suspend such obligations, at any particular time if

- a. there is breach or default of any representation, warranty or obligation of the customer under any of sections 11.1, 12.3 and 12.4;
- b. any Required Order ceases to be in effect;
- c. performance of any such obligation would be in contravention of any law or regulation or any order or decision of a regulatory body or governmental authority having jurisdiction; or
- d. company has not received a written notice from customer which identifies the following:
 - i. those parties that are or are about to sell gas to customer, which gas is to be transported to company.
 - ii. the Province of Canada, if applicable, where the gas which is to be sold to company by customer was produced.
 - iii. all Required Orders to be provided by customer and the terms thereof.

If a suspension period continues for more than thirty consecutive days, then company may terminate this Service Agreement by notice to customer given by company after the thirtieth day of such suspension period, and such termination shall be effective on the later of a date stipulated in such notice and the date on which such notice is received by customer. In this section, "Suspension Period" means a period throughout which company is not required to perform its obligations hereunder as permitted by this section.

11.3 Customer shall indemnify and save company harmless from any and all suits, claims, liens and encumbrances of whatsoever nature relating to the title to gas delivered by customer to company. If at any time an adverse claim of any nature is asserted against the title to any of such gas, company may withhold, in an interest bearing escrow bank account during the period of such claim or until the title is freed from such claims, but only as to the property in dispute, any amounts payable by company to customer not exceeding in the aggregate the amount of such claim or until customer furnishes a bond, in form and with sureties acceptable to company, conditioned to save company harmless, as provided for in this section 11.3.