



February 14, 2012

SENT VIA OVERNIGHT MAIL

Debra Howland
New Hampshire Public Utilities
8 Old Suncook Road
Concord, NH 03301

RE: SPRAGUE ENERGY SOLUTIONS INC.
Natural Gas Supplier Registration
Docket #: DM-11-282 *281*



Dear Ms. Howland:

Please accept this letter and the enclosed documents as Sprague Energy Solutions Inc.'s updated application for a Natural Gas supplier license.

The filing fee of \$500 was forwarded to your office with Sprague's letter dated December 19, 2011 together with a preliminary application.

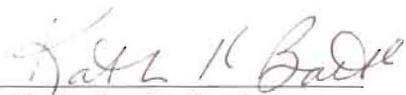
Please destroy the application filed via correspondence dated December 19, 2011. The enclosed application replaces that filing.

Thank you for your attention to this matter.

If you have any questions, please do not hesitate to contact Kim McCloskey of my office at 603-430-5341 or kmccloskey@spragueenergy.com.

Sincerely,

SPRAGUE ENERGY SOLUTIONS INC.

By: 

Katherine K. Battles
Senior Counsel

KB/kam

Enclosures



WASHINGTON INTERNATIONAL INSURANCE COMPANY

LICENSE OR PERMIT BOND

Bond No. 9146897

KNOW ALL BY THESE PRESENTS, that we, Sprague Energy Solutions Inc. as Principal, and **Washington International Insurance Company**, a New Hampshire corporation are held and firmly bound unto New Hampshire Public Utilities Commission as Obligee, in the penal sum of One Hundred Thousand and 00/100 Dollars (\$100,000.00), good and lawful money of the United States, for payment of which well and truly to be made, we bind ourselves, and our heirs, executors, administrators, jointly and severally, firmly by these presents.

WHEREAS, the said Principal has applied to said Obligee for a license or permit to do business as Natural Gas Supplier.

NOW THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that, if Principal shall faithfully observe and honestly comply with the provisions of all Laws or Ordinances of Obligee regulating the business for which license or permit is issued, then this obligation shall be void; otherwise to be and remain in full force and effect.

Signed, sealed and dated this 31st day of January, 2012.

PROVIDED HOWEVER:

- This bond shall continue in force:
Until _____, 20_____, or until the date of expiration of any Continuation Certificate executed by the Surety.
- Until cancelled as herein provided:
This bond may be cancelled by the Surety by sending notice in writing to the Obligee, stating when, not less than thirty days thereafter, liability shall terminate as to subsequent acts or omissions of the Principal.

Sprague Energy Solutions Inc.
(Principal)

By: Paul Scott (seal)
Paul Scott
VP, General Counsel

Washington International Insurance Company

By: Anne M. Higginbottom (seal)
Anne M. Higginbottom, Attorney-in-Fact

NAS SURETY GROUP

NORTH AMERICAN SPECIALTY INSURANCE COMPANY
WASHINGTON INTERNATIONAL INSURANCE COMPANY

GENERAL POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, THAT North American Specialty Insurance Company, a corporation duly organized and existing under laws of the State of New Hampshire, and having its principal office in the City of Manchester, New Hampshire, and Washington International Insurance Company, a corporation organized and existing under the laws of the State of New Hampshire and having its principal office in the City of Schaumburg, Illinois, each does hereby make, constitute and appoint:

WILLIAM L. LABBE, JOHN J. FEITELBERG, CATHERINE H. LAWRENCE, ANNE M. HIGGINBOTTOM, BARRY J. HORGAN and ALYSSA R. MICHAEL

JOINTLY OR SEVERALLY

Its true and lawful Attorney(s)-in-Fact, to make, execute, seal and deliver, for and on its behalf and as its act and deed, bonds or other writings obligatory in the nature of a bond on behalf of each of said Companies, as surety, on contracts of suretyship as are or may be required or permitted by law, regulation, contract or otherwise, provided that no bond or undertaking or contract or suretyship executed under this authority shall exceed the amount of:

FIFTY MILLION (\$50,000,000.00) DOLLARS

This Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Boards of Directors of both North American Specialty Insurance Company and Washington International Insurance Company at meetings duly called and held on the 24th of March, 2000:

RESOLVED, that any two of the Presidents, any Managing Director, any Senior Vice President, any Vice President, any Assistant Vice President, the Secretary or any Assistant Secretary be, and each or any of them hereby is authorized to execute a Power of Attorney qualifying the attorney named in the given Power of Attorney to execute on behalf of the Company bonds, undertakings and all contracts of surety, and that each or any of them hereby is authorized to attest to the execution of any such Power of Attorney and to attach therein the seal of the Company; and it is

FURTHER RESOLVED, that the signature of such officers and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be binding upon the Company when so affixed and in the future with regard to any bond, undertaking or contract of surety to which it is attached.



By [Signature] Steven P. Anderson, President & Chief Executive Officer of Washington International Insurance Company & Senior Vice President of North American Specialty Insurance Company



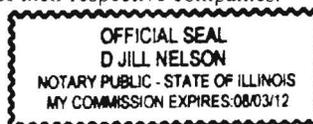
By [Signature] David M. Layman, Senior Vice President of Washington International Insurance Company & Vice President of North American Specialty Insurance Company

IN WITNESS WHEREOF, North American Specialty Insurance Company and Washington International Insurance Company have caused their official seals to be hereunto affixed, and these presents to be signed by their authorized officers this 14th day of September, 2011.

North American Specialty Insurance Company
Washington International Insurance Company

State of Illinois
County of Cook ss:

On this 14th day of September, 2011, before me, a Notary Public personally appeared Steven P. Anderson, President and CEO of Washington International Insurance Company and Senior Vice President of North American Specialty Insurance Company and David M. Layman, Senior Vice President of Washington International Insurance Company and Vice President of North American Specialty Insurance Company, personally known to me, who being by me duly sworn, acknowledged that they signed the above Power of Attorney as officers of and acknowledged said instrument to be the voluntary act and deed of their respective companies.



[Signature] D. Jill Nelson, Notary Public

I, James A. Carpenter, the duly elected Assistant Secretary of North American Specialty Insurance Company and Washington International Insurance Company, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney given by said North American Specialty Insurance Company and Washington International Insurance Company, which is still in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the seals of the Companies this 31st day of January, 2012.

[Signature] James A. Carpenter

James A. Carpenter, Vice President & Assistant Secretary of Washington International Insurance Company & North American Specialty Insurance Company

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITY COMMISSION
PUC Code 3003.02
RENEWAL REGISTRATION OF
COMPETITIVE NATURAL GAS SUPPLIER LICENSE**

Any CNGS seeking to sell natural gas to customers at retail in the State of New Hampshire shall file with the commission a registration application with 2 copies and an electronic copy on diskette, pursuant to PUC 3003.01.

Sprague Energy Solutions Inc. is filing with the New Hampshire Public Utilities Commission a registration application and will provide an original and two copies plus an electronic copy on a diskette pursuant to PUC 202.08.

1. Legal name of the applicant as well as any trade name(s) under which it intends to operate in this state and, if available, its website address;

**Sprague Energy Solutions Inc.
www.spragueenergy.com**

2. The applicant's business address, telephone number, and e-mail address;

**Two International Drive, Suite 200
Portsmouth, NH 03801
Tel: 603-766-7486
Fax: 603-430-5320**

3. The applicant's place of incorporation, if anything other than an individual;

Delaware – state of formation

4. The name(s), title(s), business address(es), telephone number(s), and e-mail address(es) of the applicant if an individual, or of the applicant's principal(s) if the applicant is anything other than an individual;

See Attachment 4

5. The following regarding any affiliate or subsidiary of the applicant which is conducting business in New Hampshire:
 - a. The name, business address and telephone number of the entity;
 - b. A description of the business purpose of the entity; and
 - c. A description of any agreement(s) with any affiliated New Hampshire LDC(s);

**Sprague Operating Resources LLC
2 International Drive, Suite 200
Portsmouth, NH 03801**

**owns 100% of
Sprague Energy Solutions Inc.**

**The purpose of Sprague Energy Solutions Inc. is to carry on any lawful business,
purpose or activity for which limited liability companies may be formed under the Act.**

6. The telephone number of the applicant's customer service department or the name, title, telephone number and e-mail address of the customer service contact person of the applicant, including toll free telephone numbers if available;

**Sprague Customer Service
Toll Free: 1-855-466-2842
Email: customercare@spragueenergy.com**

7. The name, title, business address, telephone number, and e-mail address of the individual responsible for responding to commission inquiries.

**Katherine K. Battles, Esq.
Senior Counsel
Two International Drive, Suite 200
Portsmouth, NH 03801
Tel: 603-430-5302
Email: kbattles@spragueenergy.com**

8. The name, title, business address, telephone number and e-mail address of the individual who is the applicant's registered agent in New Hampshire for service of process;

**CT Corporation Systems
9 Capitol Street
Concord, NH 03301
Tel: 603-224-2341**

9. A copy of the applicant's authorization to do business in New Hampshire from the New Hampshire secretary of state, if anything other than an individual;

See Attachment 9

10. A list of LDCs in New Hampshire through which the applicant intends to provide service. To the extent an applicant does not intend to provide service in the entire franchise area of an LDC, this list shall delineate the cities and towns where the applicant intends to provide service;

All cities and towns in New Hampshire served by Energy North Gas d/b/a Keyspan Energy Delivery N.E. (National Grid) and Northern Utilities Natural Gas. The agreements with the LDCs will be between Sprague Operating Resources LLC (Sprague Energy Solutions Inc.'s parent) and the LDCs.

11. A description of the types of customers the applicant intends to serve; 16 Puc 3000 NEW HAMPSHIRE CODE OF ADMINISTRATIVE RULES;

All customer and rate classes except residential

12. A listing disclosing the number and type of customer complaints concerning the applicant or its principals, if any, filed with a state or federal licensing/registration agency, attorney general's office or other governmental consumer protection agency for the most recent calendar year in every state in which the applicant has conducted business relating to the sale of natural gas;

No customer complaints have been filed against Sprague Energy Solutions Inc. with any state or federal licensing/registration agency, attorney general's office or other governmental consumer protection agency for the most recent calendar year in every state in which Sprague has conducted business relating to the sale of electricity and/or natural gas.

13. A statement as to whether the applicant or any of the applicant's principals, as listed in a. through c. below, have ever been convicted of any felony that has not been annulled by a court:
- a. For partnerships, any of the general partners;
 - b. For corporations, any of the officers, directors or controlling stockholders; or
 - c. For limited liability companies, any of the managers or members;

None of Sprague Energy Solutions Inc.'s principals have ever been convicted of any felony that has not been annulled by a court.

14. A statement as to whether the applicant or any of the applicant's principals:

- a. Has, within the 10 years immediately prior to registration, had any civil, criminal or regulatory sanctions or penalties imposed against them pursuant to any state or federal consumer protection law or regulation;
- b. Has, within the 10 years immediately prior to registration, settled any civil, criminal or regulatory investigation or complaint involving any state or federal consumer protection law or regulation; or
- c. Is currently the subject of any pending civil, criminal or regulatory investigation or complaint involving any state or federal consumer protection law or regulation;

Neither Sprague Energy Solutions Inc. nor any of the persons listed in 13 above has, within the 10 years immediately prior to registration

- a. Has, within the 10 years immediately prior to registration, had any civil, criminal or regulatory sanctions or penalties imposed against them pursuant to any state or federal consumer protection law or regulation;**
- b. Has, within the 10 years immediately prior to registration, settled any civil, criminal or regulatory investigation or complaint involving any state or federal consumer protection law or regulation; or**
- c. Is currently the subject of any pending civil, criminal or regulatory investigation or complaint involving any state or federal consumer protection law or regulation;**

15. If an affirmative answer is given to any item in (13) or (14) above, an explanation of the event;

No affirmative answer was given to any item in 13 or 14.

16. For those applicants intending to telemarket, a statement that the applicant shall:

- a. Maintain a list of consumers who request being placed on the applicant's do-not-call list for the purposes of telemarketing;
- b. Obtain monthly updated do-not-call lists from the National Do Not Call Registry; and;
- c. Not initiate calls to New Hampshire customers who have either requested being placed on the applicant's do-not-call list(s) or customers who are listed on the National Do Not Call Registry;

The above statements are not applicable to Sprague Energy Solutions Inc. as it does not sell to residential customers.

17. For those applicants that intend not to telemarket, a statement to that effect;

Sprague Energy Solutions Inc. does not intend to telemarket as it does not sell to residential customers.

18. A sample of the bill form(s) the applicant intends to use or a statement that the applicant intends to use the LDC's billing service;

See Attachment 18

19. A copy of any customer contracts or representative samples of contracts the applicant intends to use;

See Attachment 19

20. A statement that the CNGS has verified the registration of any aggregator with which it has any agreements to provide service to New Hampshire customers, prior to entering into such agreements;

Sprague Operating Resources LLC, which holds NH natural gas license #03-047, owns 100% of Sprague Energy Solutions Inc. and will utilize the aggregators listed under Sprague Operating Resources LLC's license, which have been verified.

21. A statement certifying the applicant has the authority to file the application on behalf of the CNGS and that its contents are truthful, accurate and complete;

Mark A. Roberts has the authority to file the application on behalf of Sprague Energy Solutions Inc. and the contents are truthful, accurate and complete. See attachment Unanimous Written Consent of Directors. – see Attachment 21.

On behalf of Sprague Energy Solutions Inc., I hereby affirm that the contents of this application are truthful, accurate and complete.

Sprague Energy Solutions Inc.



Mark A. Roberts
Managing Director, Natural Gas

Date: February 14, 2012



Sprague Energy Solutions Inc.

Board of Directors

Burton S. Russell
Thomas F. Flaherty
Steven D. Scammon
Joseph S. Smith
Brian W. Weego

c/o Two International Drive, Suite 200
Portsmouth, NH 03801

Officers

Steven J. Levy	President
Paul A. Scoff	Vice President, General Counsel & Secretary
Kevin G. Henry	Treasurer
Katherine K. Battles	Assistant Secretary
Kevin J. Grant	Managing Director, Refined and Alternative Fuels
Burr J. Mosher III	Managing Director, Bid/Contract Management
Barry V. Panicola	Managing Director, Transportation
Mark A. Roberts	Managing Director, Natural Gas Marketing
Carlisle Sewell	Director of Federal and State Taxes

c/o Two International Dr., Suite 200
Portsmouth, NH 03801

Updated 12-2011

NATURAL GAS SALES AGREEMENT

This Natural Gas Sales Agreement ("**Agreement**") is entered into as of this ____th day of _____ **2011** by and between **SPRAGUE ENERGY SOLUTIONS INC. ("**Sprague**")** with offices at Two International Drive, Suite 200, Portsmouth, New Hampshire 03801 and _____ ("**Buyer**") (Tax I.D. No.: _____) with offices at _____ . In consideration of the mutual covenants, undertakings, terms and conditions set forth below, Sprague and Buyer agree as follows:

1. **Service.** Sprague agrees to sell and deliver to Buyer at the location(s) identified on Addendum A and Buyer agrees to receive and purchase from Sprague natural gas ("**Gas**") on the terms and conditions set forth in this Agreement. Each sale shall be on a firm basis unless otherwise stated in the Transaction Confirmation, meaning that either party may interrupt its performance without liability only to the extent that Force Majeure applies as described in Section 19.
2. **Transaction Procedure.** When Sprague and Buyer reach an agreement on Buyer's purchase of Gas, Sprague shall communicate to Buyer the agreed upon terms in the form of a "Transaction Confirmation," as set forth in the attached Exhibit A, via facsimile, electronic mail, or other means as agreed upon by the parties. Each Transaction Confirmation is subject to the terms and conditions of this Agreement and is an integral part thereof. If any term of this Agreement conflicts with any term in a binding Transaction Confirmation, the Transaction Confirmation shall control, but shall not void any non-conflicting term of this Agreement. Buyer shall be solely responsible for notifying Sprague in writing of any inaccuracies in the Transaction Confirmation not more than two (2) business days from Buyer's receipt of a Transaction Confirmation. A Transaction Confirmation shall be binding upon the parties when it is signed by Sprague's authorized agent and either (1) Buyer has signed the Transaction Confirmation and returned it to Sprague; or (2) Buyer has failed to sign the Transaction Confirmation within two (2) business days from receipt and provide written notification of any inaccuracies.
3. **Telephone Recordings.** The parties agree that each party may electronically record all telephone conversations between their respective agents and employees regarding this Agreement and any Transaction Confirmation, or other commercial business between the parties, without any special or further notice to the other party. Each party shall obtain any necessary consent of its agents and employees to such recording, but neither party waives any objection to the admissibility of such evidence.
4. **Transportation.** Sprague shall be solely responsible for transporting the Gas to the delivery point(s) set forth in the Transaction Confirmation. Buyer shall be solely responsible for transporting and handling the Gas from such delivery point(s).
5. **Quality and Measurement.** Sprague shall deliver all Gas in compliance with the quality and measurement specifications as set forth in the tariff of the Transporter delivering the Gas to Buyer. "**Transporter**" shall mean all Gas gathering or pipeline companies, or local distribution companies, transporting Gas for Sprague or Buyer upstream or downstream, respectively, of the delivery point pursuant to the Transaction Confirmation.
6. **Nominations and Scheduling.** Buyer shall give Sprague prior notice of the quantities of Gas to be delivered that is sufficient to meet the requirements of each Transporter involved in the transaction. If Buyer fails to give such notice, Sprague may use the best available information to determine the quantities of Gas to be delivered, but Sprague shall not be liable in any way for any resulting imbalance charge or penalty. Any such imbalance charge or penalty shall be Buyer's sole responsibility under Section 8. Should a

party become aware that an actual delivery at a delivery point is greater or lesser than the nominated volumes of Gas scheduled to be delivered, such party shall promptly notify the other party.

7. **Notice of Operational Change.** Buyer shall immediately notify Sprague of any event reasonably known to Buyer that may materially increase or decrease Buyer's Gas usage, i.e. addition or removal of gas-fire equipment, other equipment installations or changes, outages, shutdowns, repairs, openings or closings, changes in operating hours or production schedules. Buyer shall also immediately notify Sprague of, and fully comply with, all curtailment or interruption orders or similar notices Buyer receives from a pipeline or utility requiring the interruption or curtailment of Buyer's Gas usage.

8. **Imbalances.** The parties shall use commercially reasonable efforts to avoid imbalance charges or penalties. If a Transporter invoices Buyer or Sprague for an imbalance charge or penalty, the parties shall determine the validity of the charge. Upon request, Buyer shall provide to Sprague copies of Buyer's Transporter statements, reports or meter readings related to any Gas deliveries performed under this Agreement. If the charge or penalty is determined valid, the party responsible for the imbalance charge or penalty shall be obligated to pay such charge or penalty. If either party pays a charge or penalty caused by the other party, upon receipt of notice, the other party shall reimburse such party the amount paid in accordance with such notice.

9. **Taxes.** Sprague shall pay or cause to be paid all taxes (including but not limited to sales, use, distribution, excise, gross receipts, or other taxes), fees, levies, penalties, licenses or charges imposed, whether now or in the future, by any government authority ("**Taxes**") on or with respect to the Gas prior to the delivery point(s). Buyer shall pay or cause to be paid all Taxes, whether stated separately or as part of the price, on or with respect to the Gas at and after the delivery point(s). If a party is required to remit or pay Taxes due by the other party under this Agreement, upon receipt of notice, the other party shall promptly reimburse the party the amount paid. If a party is entitled to an exemption from any Taxes, such party shall promptly furnish the other party with any necessary supporting documentation.

10. **Pricing and Billing.**

a. **Price.** The "**Price**" Buyer shall pay Sprague for Gas shall be the price and other charges as set forth in the applicable Transaction Confirmation, as well as any Taxes.

b. **Billing.** Sprague shall invoice Buyer as specified in the Transaction Confirmation for Gas delivered. If the actual quantity delivered is unknown to Sprague by the invoice date, Sprague will prepare the invoice based upon the best available information including nominated volumes. Buyer shall pay Sprague the invoiced amount on or before the due date, and Sprague shall make any necessary adjustment upon discovering the actual quantities by adjusting the invoiced quantity to the actual quantity in the next invoice.

c. **Interest Rate.** Sprague may charge Buyer an interest rate of one and a half percent (1½%) monthly or an interest rate as otherwise agreed in the Transaction Confirmation on any late payment or the maximum legal rate, if lower.

d. **Invoices Presumed Final.** All invoices shall be conclusively presumed final and accurate. Buyer shall waive any associated claim for an inaccurate invoice and/or overpayment unless, within two (2) years from the date of the Gas delivery, in good faith, Buyer objects to the invoice in writing, including an adequate explanation and supporting industry-acceptable documentation. However, the last Transporter's meter reading shall control for the purpose of determining an invoice's accuracy, and the Buyer shall not dispute a Sprague invoice based on a meter reading unless it possesses documentation from the Transporter, verifying an error in the meter reading and setting forth the accurate meter reading. Retroactive adjustments under this Section shall be invoiced accordingly. If the parties

cannot resolve any invoice dispute, either party may pursue any remedy available at law or in equity to enforce its rights subject to Section 25. Nothing in this Section shall be deemed to preclude Sprague from making a retroactive adjustment of an invoice within a reasonable time of receiving information from the last Transporter, indicating an error in a prior invoice, regardless of the original invoice date.

e. *Netting.* The parties shall net all undisputed amounts due and owing, and/or past due, such that the party owing the greater amount shall make a single payment of the net amount to the other party in accordance with this Section 10; provided that no payment required to be made pursuant Sections 17(b) and (c) shall be subject to netting under this Section.

11. **Notice.** Any Transaction Confirmation, invoice, notice, request, demand, or statement given pursuant to this Agreement shall be in writing and may be sent by facsimile, electronic mail, a nationally recognized overnight courier service, or first class mail or hand delivery to the appropriate address as set forth below:

Billing/Invoices:

SPRAGUE:

SPRAGUE ENERGY SOLUTIONS INC.
Two International Drive, Suite 200
Portsmouth, NH 03801
Attn: Natural Gas Administration
Telephone No.: (603) 431-1000
Fax No.: (603) 430-5320
E-mail address: contractadministrationgroup
@spragueenergy.com

BUYER:

Attn:
Telephone No.:
Fax No.:
E-mail address:

Transaction Confirmations:

SPRAGUE:

SPRAGUE ENERGY SOLUTIONS INC.
Two International Drive, Suite 200
Portsmouth, NH 03801
Attn: Natural Gas Administration
Telephone No.: (603) 431-1000
Fax No.: (603) 430-5320
E-mail address: contractadministrationgroup
@spragueenergy.com

BUYER:

Attn:
Telephone No.:
Fax No.:
E-mail address:

Other notices, requests, demands or statements:

SPRAGUE:

SPRAGUE ENERGY SOLUTIONS INC.
Two International Drive, Suite 200
Portsmouth, NH 03801
Attn: Natural Gas Administration
Telephone No.: (603) 431-1000
Fax No.: (603) 430-5320

BUYER:

Attn:
Telephone No.:
Fax No.:

E-mail address: contractadministrationgroup E-mail address:
@spragueenergy.com

Notice shall be deemed given when received on a business day by the addressee. In the absence of proof of the actual receipt date, the following presumptions apply. Notices sent by facsimile shall be deemed received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission if on a business day and, if not, on the next following business day. Notice sent by electronic mail shall be sent with a request for a reply email and deemed received on the day sent if a business day and, if not, on the next following business day so long as the sending party does not receive notification that the electronic mail did not reach the intended recipient. Upon receipt of an email from the other party, the recipient shall also have a duty to send a reply email confirming receipt. However, a failure to include the request for a reply email or a failure to send a reply email confirming receipt will not alter the day notice is deemed to have occurred via electronic mail under this Section. Notice by overnight mail or courier shall be deemed to have been received on the next business day following the day it was sent or an earlier time if confirmed by the receiving party. Notice via first class mail shall be deemed delivered five (5) business days after mailing.

12. **Term.** This Agreement shall be in full force and effect as of the date first above written and shall continue unless terminated by either party with at least sixty (60) days prior written notice. Notwithstanding any termination of this Agreement, any Transaction Confirmation accepted by the parties while this Agreement is in effect shall continue to be subject to all terms and conditions of this Agreement.

13. **Credit.** Sprague and Buyer agree that this Agreement is conditioned upon Buyer meeting Sprague's credit requirements as may be established, and amended, from time to time. Buyer acknowledges and agrees that the price of natural gas is volatile and this Agreement imposes an obligation on Buyer that Sprague's expectation of receiving due performance will not be impaired. Buyer therefore agrees that Sprague, in its sole discretion, may at any time, without notice, increase or decrease Buyer's credit requirements. Sprague's continued performance of its obligations under this Agreement and any Transaction Confirmation shall be contingent upon Buyer continuing to meet its credit requirements, as determined by Sprague, at all times.

14. **Adequate Assurance.** If Sprague has reasonable grounds for insecurity regarding Buyer's performance of any obligation under this Agreement (including, without limitation, the occurrence of a material change in the other party's creditworthiness), whether or not then due, Sprague may demand adequate assurance of performance, meaning sufficient security in the form, amount and for the term reasonably acceptable to Sprague, including, but not limited to, a standby irrevocable letter of credit, a prepayment, a security interest in an asset or a performance bond or guaranty (including the issuer of any such security) and Buyer shall give such adequate assurance within two (2) business days. Buyer agrees to provide such financial information, financial statements, annual reports, securities filings and credit authorizations as Sprague shall reasonably and from time to time request for the purpose of assessing and monitoring Buyer's financial condition and credit worthiness.

15. **Breach of Performance Obligations**

a. *Payment Failure.* If Buyer breaches its obligation to pay Sprague's invoice when due, Sprague, without penalty, after giving written notice to Buyer and a two (2) business day cure period, may terminate this Agreement

and any outstanding Transaction Confirmation. Sprague may also elect the Non-Defaulting Party's rights as set forth in Section 17.

b. *Delivery Failure.* If Sprague breaches its obligation to deliver Gas on any day, Buyer shall in good faith use commercially reasonable efforts to purchase the most economic replacement fuel, whether Gas or an alternative fuel, in the undelivered amount, from a third party. Buyer's sole and exclusive remedy for such breach, however, shall be payment from Sprague in an amount equal to any positive difference between the purchase price paid by Buyer to a third party for Gas (in an amount not exceeding that which Sprague failed to deliver), if any, adjusted for commercially reasonable differences in transportation costs to or from the delivery point(s) less the Price for the amount of Gas Sprague failed to deliver.

c. *Receipt Failure.* If Buyer breaches its obligation to receive Gas on any day, Sprague shall in good faith use commercially reasonable efforts to sell the Gas to a third party. Sprague's sole and exclusive remedy, however, is payment from Buyer in the amount equal to any positive difference between the Price for the amount of Gas Buyer failed to receive, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), less the price received for any amount of the Gas sold to a third party, if any.

d. Any amount due under this Section 15 shall be payable five (5) business days after presentation of the performing party's invoice, which shall set forth the basis upon which the amount was calculated. Imbalance Charges shall only be recovered pursuant to Section 8.

16. **Events of Default.** An "Event of Default" shall occur when a party (the "**Defaulting Party**") or its guarantor:

- a. makes an assignment or any general arrangement for the benefit of creditors;
- b. files a petition or otherwise commences, authorizes, or acquiesces in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it;
- c. otherwise becomes bankrupt or insolvent (however evidenced);
- d. is unable to pay its debts as they fall due;
- e. has a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; or
- f. fails to perform any obligation to the other party with respect to Sections 13 or 14.

17. **Non-Defaulting Party's Rights.** When an Event of Default occurs or Buyer breaches its obligation to pay Sprague's invoice after the cure period given in Section 15a., the other party (the "**Non-Defaulting Party**") shall have the right, at its sole election, in addition to any and all other available remedies under this Agreement, to immediately withhold and/or suspend deliveries or payments upon written notice and/or to terminate and liquidate the transactions under the Agreement, in the following manner:

a. The Non-Defaulting Party shall give notice to the Defaulting Party of the "**Early Termination Date**", such date being five (5) days from the date of the notice, of all transactions under this Agreement, each being a "**Terminated Transaction**". On the Early Termination Date, all transactions will terminate, except those transactions, if any, that may not be liquidated and terminated under applicable law or are, in the reasonable opinion of the Non-Defaulting Party, commercially impracticable to liquidate and terminate ("**Excluded Transactions**"). The Excluded Transactions must be liquidated and terminated as soon as reasonably practicable, and upon termination shall be treated as Terminated Transactions. With respect to each Excluded Transaction, its actual termination date shall be the Early Termination Date for purposes of this Section.

b. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, (1) the amount owed (whether or not then due) by each party with respect to all

Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any imbalance charges), for which payment under this Agreement has not yet been made; and (2) the Market Value, as defined below, of each Terminated Transaction.

c. The Non-Defaulting Party shall (1) liquidate and accelerate each Terminated Transaction at its Market Value, so that the amount equal to the difference between such Market Value and the Transaction Value, as defined below, of such Terminated Transaction(s) shall be due to the Buyer under the Terminated Transaction(s) if such Market Value exceeds the Transaction Value and due to Sprague if the opposite is the case; and (2) where appropriate, discount each amount then due to present value in a commercially reasonable manner as of the Early Termination Date (to take account of the period between the date of liquidation and the date on which such amount would have otherwise been due pursuant to the relevant Terminated Transactions). The Non-Defaulting party shall also be entitled to recover costs incurred due to termination and liquidation under this Section 17, including but not limited to broker and hedge-related costs and direct costs, but not indirect costs, provided there shall be no duplication of costs and damages.

d. **"Transaction Value"** means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the Price, and **"Market Value"** means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the market price for a similar transaction at the Delivery Point determined by the Non-Defaulting Party in a commercially reasonable manner. To ascertain the Market Value, parties need not enter into replacement transaction(s); rather, the Non-Defaulting Party may consider, among other valuations, any or all of the settlement prices of NYMEX Gas futures contracts, quotations from leading dealers in energy swap contracts or physical gas trading markets, similar sales or purchases and any other bona fide third-party offers, all adjusted for the length of the term and differences in transportation costs. Any extension(s) of the term of a transaction to which parties are not bound as of the Early Termination Date (including but not limited to "evergreen provisions") shall not be considered in determining Transaction Values and Market Values. Any option pursuant to which one party has the right to extend the term of a transaction shall be considered in determining Transaction Values and Market Values. The rate of interest used in calculating net present value shall be determined by the Non-Defaulting Party in a commercially reasonable manner.

e. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts the parties owe under this Section 17, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the **"Net Settlement Amount"**). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party may setoff (i) any Net Settlement Amount owed to the Non-Defaulting Party against any margin or other collateral held by it in connection with any credit support obligation relating to the Agreement; or (ii) any Net Settlement Amount payable to the Defaulting Party against any amount(s) payable by the Defaulting Party to the Non-Defaulting Party under any other agreement or arrangement between the parties. As soon as practicable after a liquidation, the Non-Defaulting Party shall give written notice to the Defaulting Party of the Net Settlement Amount and to which party it is due, including a reasonably detailed explanation of the calculation of such amount. Any failure to give such notice shall not affect the validity or enforceability of the liquidation or give rise to any claim between the parties. The Net Settlement Amount shall be paid by the close of business on the second Business Day following such notice, but not earlier than the Early Termination Date. Interest on any unpaid portion of the Net Settlement Amount shall accrue at the rate of one and a half percent (1½ %) monthly or the maximum applicable lawful interest rate, if lower.

f. If any obligation that is to be included in any netting, aggregation or setoff pursuant to Section 17.e. is unascertained, the Non-Defaulting Party may in good faith estimate that obligation and net, aggregate or setoff, as applicable, in respect of the estimate, subject to the Non-Defaulting Party accounting to the Defaulting Party when

the obligation is ascertained. Any amount not then due which is included in any netting, aggregation or setoff pursuant to Section 17.e. shall be discounted to net present value in a commercially reasonable manner determined by the Non-Defaulting Party.

g. *Separate Netting Agreement.* With respect to this Section 17, if the parties have executed a separate netting agreement with close-out netting provisions, the terms and conditions of the separate netting agreement shall prevail to the extent inconsistent herewith.

h. *Exclusive Remedy.* The Non-Defaulting Party's remedies under this Section 17 are the sole and exclusive remedies of the Non-Defaulting Party with respect to the occurrence of any Early Termination Date. Each party reserves to itself all other rights, setoffs, counterclaims and other defenses that it is or may be entitled to arising from the Agreement.

18. **Forward Contract.** The parties specifically agree that any transaction under the Agreement are "forward contracts" as such term is defined in the United States Bankruptcy Code and that each party is a "forward contract merchant" as such term is defined in the United States Bankruptcy Code. Each party further agrees that the other party is not a "utility" as such term is used in 11 U.S.C. Section 366, and each party agrees to waive and not to assert the applicability of the provisions of 11 U.S.C. Section 366 in any bankruptcy proceeding involving such party.

19. **Force Majeure.** Except with regard to a party's obligation to make payment(s) due under Sections 8, 10, 15 and 17, neither party shall be liable to the other for failure to perform an obligation, to the extent such failure was caused by Force Majeure. "**Force Majeure**" shall include, but not be limited to, the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii) interruption and/or curtailment of firm transportation and/or storage by Transporters; (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections, acts of terrorism or wars; and (v) governmental actions such as necessity for compliance with any court order, law, statute, ordinance, regulation, or policy having the effect of law promulgated by a governmental authority having jurisdiction. Sprague and Buyer shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred in order to resume performance. Neither party shall be entitled to the benefit of this Section 19 to the extent performance is affected by any or all of the following circumstances: (i) the party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (ii) economic hardship, to include, without limitation, Sprague's ability to sell Gas at a higher or more advantageous price, Buyer's ability to purchase Gas at a lower or more advantageous price, or a regulatory agency disallowing, in whole or in part, the pass through of costs resulting from this Agreement; (iii) the loss of Buyer's market(s) or Buyer's inability to use or resell Gas purchased hereunder, except, in either case, as provided in this Section; or (iv) the loss or failure of Sprague's gas supply or depletion of reserves, except, in either case, as provided in this Section. The party claiming Force Majeure shall not be excused from its responsibility for imbalance charges or penalties. Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be within the sole discretion of the party experiencing such disturbance. The party whose performance is prevented by Force Majeure must provide immediate notice to the other party orally and, as soon as reasonably possible, in writing with reasonably full particulars of the event or occurrence. Upon providing such notice, the party claiming Force Majeure will be relieved of its obligation, from the onset of the Force Majeure event, to make or accept delivery of Gas, as applicable, to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligations to the other during such occurrence or

event. If one event of Force Majeure continues for forty-five (45) days or more, either party may terminate the Agreement and any Transaction Confirmation upon giving notice to the other party.

20. **Tariffs, Laws and Regulations.** This Agreement shall be subject to all valid local, state and federal laws and orders, directives, rules and regulations of any governmental body or official having jurisdiction. Each party shall indemnify, defend and hold harmless the other party from any fines, penalties, assessments or liabilities imposed by any governmental authority of competent jurisdiction relating to the failure of such party to comply with any applicable governmental law, rule or regulation. In the event any governmental authority or any law, rule, regulation, ordinance or an order of any court, tribunal or regulatory authority of competent jurisdiction adversely and materially impacts Sprague's ability to perform under this Agreement and/or any Transaction Confirmation, Sprague shall have the right, at its option, in its sole discretion, to either attempt to renegotiate the terms of this Agreement and/or the Transaction Confirmation at any time, or to entirely terminate this Agreement and/or the Transaction Confirmation, without penalty, upon sixty (60) days' notice.

21. **Waiver and Severability.** The waiver by either party of a breach of any provision contained herein shall be in writing and shall in no way be construed as a waiver or any subsequent breach of such provision or the waiver of the provision itself. Should a court of competent jurisdiction hold any provision of this Agreement invalid, illegal or unenforceable, that provision shall be eliminated or limited to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable.

22. **Integration and Assignability.** This Agreement contains the entire understanding of the parties, shall supersede any other oral or written agreements, and shall be binding upon and inure to the benefit of the parties' successors and assigns. It may not be modified in any way without the written consent of both parties. Buyer may not assign this Agreement without Sprague's prior written approval, such approval will not be unreasonably withheld.

23. **Confidentiality.** Neither party shall disclose directly or indirectly without the prior written consent of the other party the terms of this Agreement or any Transaction Confirmation to a third party (other than the party's employees, lenders, royalty owners, counsel, and accountants, or prospective purchasers of all or substantially all of a party's assets or of any rights under this Agreement, provided such disclosure is necessary and such persons have agreed to keep such terms confidential) except (i) in order to comply with any applicable law, order, regulation, or exchange rule, (ii) to the extent necessary for the enforcement of this Agreement, (iii) to the extent necessary to implement any transaction, (iv) to the extent such information is delivered to such third party for the sole purpose of calculating a published index, or (v) to third-party credit rating agencies in conjunction with the evaluation and/or review of Buyer's creditworthiness. Each party shall notify the other party of any proceeding of which it is aware which may result in disclosure of the terms of any transaction (other than as permitted hereunder) and use reasonable efforts to prevent or limit the disclosure. The existence of this Agreement is not subject to this confidentiality obligation. Subject to Section 24, the parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with this confidentiality obligation. The parties shall keep the terms of any transaction hereunder confidential for one year from the expiration of the transaction. If a governmental body or applicable law requires the disclosure, the party subject to the requirement shall promptly notify the other party prior to the disclosure and cooperate with the other party in any efforts to obtain protective orders or similar restraints with respect to the disclosure.

24. **Limitations.**

A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS EXPRESSLY PROVIDED IN THIS AGREEMENT, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN OR IN A TRANSACTION CONFIRMATION, A PARTY'S LIABILITY SHALL BE LIMITED TO

DIRECT ACTUAL DAMAGES ONLY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED HEREIN, NEITHER PARTY SHALL BE LIABLE FOR SPECIFIC PERFORMANCE, CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. THE PARTIES HEREBY INTEND THAT THE LIMITATIONS IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES IN THIS AGREEMENT BE WITHOUT REGARD TO THE CAUSE(S) RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OBTAINING AN ADEQUATE REMEDY IS OTHERWISE INCONVENIENT, AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

25. **Governing Law.** This Agreement and any Transaction Confirmation shall be governed by and interpreted in accordance with the laws of the State of New Hampshire, excluding its conflicts and law of principles. The parties consent to the jurisdiction of the New Hampshire courts to resolve any disputes under this Agreement or any Transaction Confirmation and hereby waive any right to a jury trial.

26. **Headings.** The headings and subheadings contained in this Agreement are used solely for convenience and shall not be used to construe or interpret the provisions of this Agreement.

27. **Counterparts.** This Agreement, and any Transaction Confirmation hereunder, may be executed in multiple counterparts. The parties further agree that facsimile, fax and other mechanically or electronically produced counterparts and signatures of this Agreement or on any Transaction Confirmation may, for all purposes, be relied upon by the other as if originals.

28. **Authorized Representative.** This Agreement is executed by an authorized representative of each party.

SPRAGUE ENERGY SOLUTIONS INC.

By: _____

Name: Brian Weego

Title: Vice President, Natural Gas

Date: _____

By: _____

Name: _____

Title: _____

Date: _____

**Addendum A
to the
NATURAL GAS SALES AGREEMENT
between Sprague Energy Solutions Inc. and
dated, 2011**

DELIVERY LOCATION:

LDC:
LDC Acct #:
Delivery Point:

(Utility account numbers are being provided above for reference purposes only and may be subject to change)

**EXHIBIT A
 SPRAGUE ENERGY SOLUTIONS INC.
 NATURAL GAS TRANSACTION CONFIRMATION**

Date:
 Buyer:
 Attn:
 Deal:

Buyer Fax Nbr:
 Agreement Date:
 Contract Nbr: NGRA

This Transaction Confirmation is made pursuant to the terms and conditions of Sprague Energy Solutions Inc. Natural Gas Sales Agreement ("Agreement") entered into between the parties and dated [add date]. In the event that the parties have not executed an agreement governing this sale of natural gas, this Transaction Confirmation shall be subject to the Sprague Energy Solutions Inc. Natural Gas Sales Agreement's terms and conditions, which the parties agree Sprague has provided to Buyer. As already orally agreed, Sprague and Buyer agree to the following transaction terms:

Delivery Period	Contract Quantity (MMBTU/day)	Price*	Delivery Information **
-----------------	----------------------------------	--------	-------------------------

* The Price shall also include any other charges set forth herein and all applicable Taxes, as defined in the Agreement.

** The Delivery Information may include local distribution company ("LDC"), delivery pipeline, transportation tariff and other information relevant to natural gas delivery. Unless otherwise specified, the Delivery Point is the citygate interconnection between the LDC and delivery pipeline.

Payment Terms:

Transaction Terms:

Buyer may accept this Transaction Confirmation by signing below and faxing it to Sprague at 603-430-5320. Buyer shall be solely responsible for notifying Sprague in writing of any inaccuracies in this Transaction Confirmation not more than two (2) business days from Buyer's receipt of the Transaction Confirmation and a failure to do so shall be deemed an acceptance of this Transaction Confirmation.

Sprague Energy Solutions Inc.

Buyer

By: _____
 Title: _____
 Date: _____

By: _____
 Title: _____
 Date: _____

Account Manager: Salesman - (phone) () -

**EXHIBIT A
 SPRAGUE ENERGY SOLUTIONS INC.
 NATURAL GAS TRANSACTION CONFIRMATION**

Date:
 Buyer:
 Attn:
 Deal:

Buyer Fax Nbr:
 Agreement Date:
 Contract Nbr: NGRA

This Transaction Confirmation is made pursuant to the terms and conditions of Sprague Energy Solutions Inc. Natural Gas Sales Agreement ("Agreement") entered into between the parties and dated [add date]. In the event that the parties have not executed an agreement governing this sale of natural gas, this Transaction Confirmation shall be subject to the Sprague Energy Solutions Inc. Natural Gas Sales Agreement's terms and conditions, which the parties agree Sprague has provided to Buyer. As already orally agreed, Sprague and Buyer agree to the following transaction terms:

Delivery Period	Contract Quantity (MMBTU/day)	Price*	Delivery Information **
-----------------	----------------------------------	--------	-------------------------

* The Price shall also include any other charges set forth herein and all applicable Taxes, as defined in the Agreement.

** The Delivery Information may include local distribution company ("LDC"), delivery pipeline, transportation tariff and other information relevant to natural gas delivery. Unless otherwise specified, the Delivery Point is the citygate interconnection between the LDC and delivery pipeline.

Payment Terms:

Transaction Terms:

Buyer may accept this Transaction Confirmation by signing below and faxing it to Sprague at 603-430-5320. Buyer shall be solely responsible for notifying Sprague in writing of any inaccuracies in this Transaction Confirmation not more than two (2) business days from Buyer's receipt of the Transaction Confirmation and a failure to do so shall be deemed an acceptance of this Transaction Confirmation.

Sprague Energy Solutions Inc.

Buyer

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

Account Manager: Salesman - (phone) () -

Date

Company Name

Address

Address

Attn:

Re: **Broker Fee – Company Name**

Dear:

This Letter Agreement (“Agreement”) sets forth the following terms and conditions under which Sprague Energy Solutions Inc. (“Sprague”) will pay _____ (“Company”) an energy broker fee:

1. Company and Sprague are independent business entities, and there is no employer-employee relationship between Sprague and Company’s employees or Company and Sprague’s employees.
2. From time to time, Sprague may agree to pay Company a broker fee with respect to a customer’s purchases of natural gas from Sprague under a Transaction Confirmation. The fee shall be set forth on a schedule in the form of the attached Schedule 1.
3. Based on the actual volume of natural gas sold to customer for a particular month, Sprague shall pay Company the Broker Fee due for any given month in the month following the month in which customer paid for that gas.
4. In the event there is an adjustment to the volume customer purchased in a particular month, Sprague may adjust any Broker Fee then due Company accordingly.
5. Under no circumstances will Company be entitled to a Broker Fee from Sprague if customer fails to make payment to Sprague for any reason.
6. Nothing in this Agreement shall be construed to entitle Company to any confidential information regarding Sprague or customer.
7. Neither Company nor Sprague shall be liable to the other for consequential, incidental, or punitive damages arising out of any breach of this Agreement.
8. This Agreement constitutes the entire agreement between the parties with regard to the subject matter herein, and any amendment to this Agreement must be in writing and signed by both parties. It may not be modified in any way without the written consent of both parties. Buyer may not assign this Agreement without Sprague’s prior written approval, such approval will not be unreasonably withheld.
9. Company warrants and represents that it is properly licensed in all states (as applicable) which Company does business and that Company will abide by all federal and state laws, rules and regulations applicable to Company’s Natural Gas activities. Company will indemnify and hold harmless Sprague from all damages, penalties, fines, fees (including but not limited to Sprague’s attorneys fees) in connection to Company’s breach of its obligations as set forth herein.
10. This Agreement shall be governed by and interpreted in accordance with the laws of the State of New Hampshire, excluding its conflicts and law of principles. The parties consent to the

jurisdiction of the New Hampshire courts to resolve any disputes under this Agreement and hereby waive any right to a jury trial.

- 11. Any invoice, notice, request, demand, or statement given pursuant to this Agreement shall be in writing and may be sent by facsimile, electronic mail, a nationally recognized overnight courier service, or first class mail or hand delivery to the appropriate address of the other party as set forth below:

SPRAGUE ENERGY SOLUTIONS INC.
Two International Drive, Suite 200
Portsmouth, NH 03801
Attn: Contract Administration
Telephone No.: (603) 431-1000
Fax No.: (603) 430-5320

COMPANY NAME
Address
Address
Attn:
Telephone No
Fax No.:
E-mail

SEEN AND AGREED:

SEEN AND AGREED:

SPRAGUE ENERGY SOLUTIONS INC.

COMPANY NAME

Mark A. Roberts
Managing Director,
Natural Gas Sales & Marketing

Title

Name

Title

Date

Date

Schedule 1

On this ____ day of ____, 2012 Sprague hereby agrees to pay Broker the following fee pursuant to the Letter Agreement between Sprague and Broker dated _____.

Broker Name: _____

Customer: _____

Fee: \$0. _____ per Dekatherm

Transaction Confirmation Term: _____ thru _____
Deal No. _____

SEEN AND AGREED:

SEEN AND AGREED:

SPRAGUE ENERGY SOLUTIONS INC.

(COMPANY NAME)

Mark A. Roberts
Managing Director,
Natural Gas Sales & Marketing

Title

Name

Title

Title

Seller: Sprague Energy Solutions Inc. Two International Drive Suite 200 Portsmouth, NH 03801 Account Manager:		Buyer: Federal Tax ID Number:	
Attention: Contract Administration Department Phone: (603) 430-5338 Fax: (603) 430-5320		Attention: Phone: Fax:	
Remit Payments To: Sprague Energy Solutions Inc. PO Box 414380 Boston, MA 02241-4380		Send Invoices To: Attn:	
Governing Law: New Hampshire		Service Location(s): See attached	
Initial Term:		Delivery Point:	
Quantity: Buyer's full requirements for natural gas service at the Service Location(s).			
Price:			
Additional Provisions:			
Emergency Contact Information: In the event of a natural gas emergency, Buyer should contact their local gas utility at 000-000-0000 . Buyer may contact Sprague at 1-800-225-1560 , Monday through Friday between 8:00 AM and 5:00 PM Eastern Time. For additional information, customers may also contact their state regulatory agency.		New Hampshire Public Utilities Commission 21 S. Fruit St., Suite 10, Concord, NH 03301 (603) 271-2431 http://www.puc.state.nh.us/	
This Agreement shall be subject to the attached Natural Gas Sales Terms and Conditions and may be executed in multiple counterparts. The parties may rely upon facsimile or electronically-produced counterparts and signatures of this Agreement as if originals. This Agreement shall not become effective unless accepted by Sprague. Buyer hereby authorizes its local distribution company ("LDC") to provide Sprague with all information regarding Buyer's gas requirements and that which is necessary for Sprague to perform its obligations hereunder. Buyer further authorizes Sprague to act as its agent in dealing with the LDC.			
SEEN AND AGREED: Sprague Energy Solutions Inc. Signature: _____ Print Name: <u>Mark Roberts</u> Title: <u>Managing Director - Natural Gas Sales and Marketing</u> Date: _____		SEEN AND AGREED: Signature: _____ Print Name: _____ Title: _____ Date: _____	

Natural Gas Sales Terms and Conditions

- 1. Delivery and Damages.** Natural gas ("Gas") is sold hereunder on a firm basis, meaning that either party may interrupt its performance without liability only when Force Majeure applies under Section 9. For any day that Sprague fails to deliver Gas or Buyer fails to receive Gas, the non-performing party shall be entitled to damages from the other party equal to the cost of cover plus any transportation and/or imbalance charges or \$0.09 per therm multiplied by the number of therms which should have been received or delivered that day, whichever is greater.
- 2. Term.** The initial term shall commence as of the first date of service, which will occur in accordance with the LDC's tariff, rules and regulations. Upon the conclusion of the initial term, this Agreement shall automatically renew on a month-to-month basis at a rate equal to an index price plus applicable transportation fees and \$0.09 per therm until terminated by either party giving at least thirty (30) days' prior written notice to the other party; provided, however, that Buyer shall remain liable for Gas supplied by Sprague pursuant to the terms of this Agreement until such service can be terminated in accordance with the LDC's tariff, rules and regulations.
- 3. Termination Event.** Sprague may terminate this Agreement upon 15-days' written notice to Buyer (and subject to the LDC's tariff, rules and regulations) if the Buyer a) commences a proceeding under any bankruptcy or similar law for the protection of its creditors or such proceeding is commenced against Buyer; b) otherwise becomes bankrupt or insolvent (however evidenced); or c) fails to pay Sprague's invoice when due. Upon termination, Buyer shall pay Sprague the cost of cover plus any transportation and/or imbalance charges or \$0.09 per therm multiplied by the number of therms in the remaining term, whichever is greater. Buyer shall be liable for all costs and reasonable attorney fees incurred by Sprague in collecting overdue payment from Buyer.
- 4. Transportation, Nominations and Scheduling.** Sprague will deliver Gas in compliance with the applicable tariff's quality and measurement specifications and transport it to the delivery point(s), at which title shall pass to Buyer and Buyer will be responsible for transporting the Gas from such delivery point. Sprague expressly disclaims all other warranties of quality or fitness for a particular purpose. Buyer shall be responsible for all imbalance charges, penalties or other fees except those resulting from Sprague's failure to reasonably nominate and schedule Gas for Buyer. Upon request, Buyer shall provide to Sprague copies of Buyer's LDC statements, reports or meter readings.
- 5. Operational Change.** Buyer shall immediately notify Sprague of any event that may materially alter Buyer's Gas usage, i.e. equipment installations, repairs, shutdowns, or production schedule changes. Buyer shall also immediately notify Sprague of, and fully comply with, all curtailment or interruption orders or similar notices.
- 6. Taxes.** Sprague shall pay all taxes (including but not limited to sales, use, distribution, excise, or gross receipts), fees, levies, penalties, licenses or charges imposed, whether now or in the future, by any government authority ("Taxes") on or with respect to the Gas prior to the delivery point(s). Buyer shall pay all Taxes, whether stated separately or as part of the price, on or with respect to the Gas at and after the delivery point(s). Any party entitled to an exemption from any Taxes must furnish the other party with supporting documentation.
- 7. Billing and Payment.** Sprague shall monthly invoice Buyer for delivered Gas based upon the best available information, including nominated volumes. Buyer shall make full payment within fifteen (15) days of the invoice date, and Sprague shall make any necessary adjustment in the invoice following discovery of the actual quantities. If the Buyer's LDC billing cycle is not based on a calendar month, Sprague shall establish a single price for the billing cycle on the closing date based on the applicable monthly prices. Sprague may charge Buyer an interest rate of one and a half percent (1½%) monthly or the maximum legal rate, if lower, on any late payment. The LDC's meter reading shall control for the purpose of determining an invoice's accuracy, and the Buyer shall not dispute an invoice based on a meter reading absent documentation from the LDC, verifying an error in the meter reading and setting forth the accurate meter reading.
- 8. Credit.** Buyer agrees to provide its financial information as Sprague reasonably requests from time to time for the purpose of assessing and monitoring Buyer's financial condition.
- 9. Force Majeure.** Except for a party's payment obligation, neither party shall be liable to the other for failure to perform an obligation to the extent caused by Force Majeure, meaning acts of God, fires, floods, explosions, storms, or storm warnings, breakage of machinery or pipelines, freezing of wells or pipelines, sudden failure of gas supply, failure or curtailment of transportation, strikes, lockouts or other industrial disturbances, acts of terrorism or war, or any other non-financial cause outside the control of the party claiming Force Majeure. If the party claiming Force Majeure promptly notifies the other party in writing as soon as reasonably possible, such party is relieved of its obligation to deliver or receive Gas from the onset of the Force Majeure event through its duration. Sprague may prorate its available supply at an affected delivery point based on nominated volumes among Sprague's firm customers receiving Gas at such delivery point.
- 10. Tariffs, Laws and Regulations.** This Agreement shall be subject to all local, state and federal laws and regulations and any applicable order of a governmental body or official. Each party shall indemnify, defend and hold harmless the other party from any fines, penalties, assessments or liabilities imposed by any governmental authority relating to the failure of such party to comply with any applicable law, regulation or order. In the event any law, regulation or order of any governmental authority adversely and materially impacts Sprague's ability to perform, Sprague may, either attempt to renegotiate the terms of this Agreement at any time or terminate this Agreement without penalty, upon sixty (60) days' written notice. In the event of an approved change to a transporter tariff and/or utility capacity assignment resulting in a related rate increase, the contract price set forth in this Transaction Confirmation may be adjusted accordingly.
- 11. Waiver and Severability.** No party's waiver of any breach of performance shall be deemed a waiver of any subsequent breach. Should a court of competent jurisdiction hold any provision herein invalid, illegal or unenforceable, that provision shall be eliminated or limited to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable.
- 12. Integration and Assignability.** This Agreement contains the parties' entire understanding and supersedes any prior agreement between the parties. This Agreement shall be binding upon and inure to the benefit of the parties' successors and assigns and may only be modified by written agreement between the parties. Buyer shall not assign this Agreement without Sprague's consent.
- 13. Confidentiality.** Buyer shall not disclose the terms stated herein, including price, without Sprague's consent.
- 14. Limitations.** Neither party shall be liable for specific performance, consequential, incidental, punitive, exemplary or indirect damages, lost profits or other business interruption damages.
- 15. Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the state identified on the first page. The parties hereby waive any right to a jury trial.

Natural Gas Sales Agreement – Exhibit A

Volumes: Buyer's Monthly Contract Quantities (stated in therms) during the Initial Term and any subsequent term shall be as follows:

Jan. 0	Feb. 0	Mar. 0	Apr. 0	May. 0	Jun. 0
Jul. 0	Aug. 0	Sep. 0	Oct. 0	Nov. 0	Dec. 0

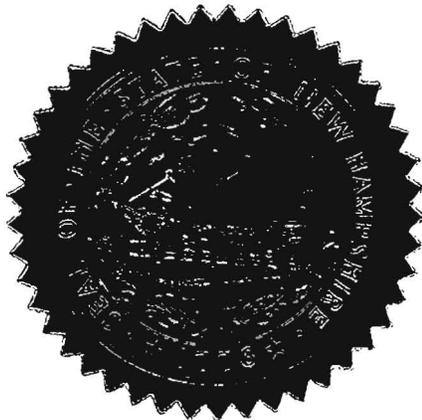
Service Locations

Service Address	Utility Account Number	Utility Meter Number	Location Description	Capacity Assignment Quantity
				0.000

State of New Hampshire
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that Sprague Energy Solutions Inc., a(n) Delaware corporation, is authorized to transact business in New Hampshire and qualified on October 11, 2011. I further certify that all fees required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 30th day of January , A.D. 2012

A handwritten signature in cursive script, appearing to read "Wm Gardner".

William M. Gardner
Secretary of State



Two International Drive
 Suite 200
 Portsmouth, NH
 03801-6809

INVOICE SUMMARY:

ATTACHMENT 18

BILL TO:	BILLING SUMMARY:
	INVOICE DATE PAYMENT DUE DATE Invoice Number Sprague Customer Number Payment Terms

HOW TO CONTACT SPRAGUE ENERGY:			
Customer Service 1-866-477-7248 Mon - Fri 8:00 AM - 5:00 PM	Remit Check Payment to Sprague Energy Solutions Inc. JP Morgan Chase Bank, ABA #: 021000021 Account #: 799760913	Visit our website www.spragueenergy.com	GAS EMERGENCY Northern NH / 1-800-842-6847

ACCOUNT SUMMARY FOR:		Prior Balance						
		Payments						
Utility Name:	Northern NH	Utility BT Meter Read:						
Utility Account Number:		MMBtu Conversion Factor:						
Meter Type:		Utility Fuel Loss Factor:						
Meter Number:		Invoiced CG MMBtu:						
Last Read Date:								
Current Read Date:								
TRANS. DATE	ITEM	DEAL NUMBER	FROM	TO	VOLUME MMBtu	COMMODITY PRICE	BASIS ADDER	AMOUNT
	Imbalance Contract to Usage		10/05/2011	11/02/2011				
TOTAL CURRENT CHARGES		(EXCLUDES FINANCE CHARGES)						
Finance Charges								
TOTAL CHARGES								
MESSAGE CENTER / CUSTOMER COMMUNICATIONS								



2
Two International Drive
Suite 200
Portsmouth, NH
03801-6809

INVOICE SUMMARY:

BILL TO:

BILLING SUMMARY:
INVOICE DATE
PAYMENT DUE DATE
Invoice Number
Sprague Customer Number
Payment Terms

HOW TO CONTACT SPRAGUE ENERGY:

Customer Service 1-866-477-7248 Mon - Fri 8:00 AM - 5:00 PM	Remit Check Payment to Sprague Energy Solutions Inc., JP Morgan Chase Bank, ABA #: 021000021 Account #: 799760913	Visit our website www.spragueenergy.com	GAS EMERGENCY Northern NH / 1-800-842-6847
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(continued from previous page)

Payment must be accompanied by bottom portion of this bill

100 International, LLC
 INVOICE DATE
 PAYMENT DUE DATE
 Invoice Number
 Sprague Customer Number
 Payment Terms

ACCOUNT SUMMARY:

Prior Balance
 Payments
 Current Charges
 Finance Charges

May not reflect payments received within three business days.

Please Remit to: Sprague Energy Solutions Inc. JP Morgan Chase Bank, ABA #: 021000021 Account #: 799760913
--

Total Amount Due **\$1,615.49**

Amount Enclosed

A finance charge of 1.50% per month (18.00% APR) will be assessed on all balances unpaid after due date.

Base Contract for Sale and Purchase of Natural Gas

This Base Contract is entered into as of the following date: The parties to this Base Contract are the following:

PARTY A <i>SPRAGUE ENERGY SOLUTIONS INC</i>	PARTY NAME	PARTY B
Two International Drive, Suite 200 Portsmouth, NH 03801	ADDRESS	
<u>www.spragueenergy.com</u>	BUSINESS WEBSITE	www. _____
	CONTRACT NUMBER	
	D-U-N-S® NUMBER	
<input checked="" type="checkbox"/> US FEDERAL: 02-0415440 <input type="checkbox"/> OTHER:	TAX ID NUMBERS	<input type="checkbox"/> US FEDERAL: <input type="checkbox"/> OTHER:
	JURISDICTION OF ORGANIZATION	
<input checked="" type="checkbox"/> Corporation <input type="checkbox"/> LLC <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Partnership <input type="checkbox"/> LLP <input type="checkbox"/> Other: _____	COMPANY TYPE	<input type="checkbox"/> Corporation <input type="checkbox"/> <input type="checkbox"/> LLC <input type="checkbox"/> Limited Partnership <input type="checkbox"/> <input type="checkbox"/> Partnership <input type="checkbox"/> LLP <input type="checkbox"/> <input type="checkbox"/> Other: _____
	GUARANTOR (IF APPLICABLE)	
CONTACT INFORMATION		
ATTN: Director of Supply TEL#: (603) 430-5364 FAX#: (603) 430-5317 EMAIL: spasalic@spragueenergy.com	COMMERCIAL	_____ ATTN: _____ _____ TEL#: _____ FAX#: _____ EMAIL: _____
ATTN: Manager Nat Gas Scheduling TEL#: (603) 430-5312 FAX#: (603) 430-5320 EMAIL: aronald@spragueenergy.com	▪ SCHEDULING	_____ ATTN: _____ _____ TEL#: _____ FAX#: _____ EMAIL: _____
ATTN: Contract Administration TEL#: (603) 430-5338 FAX#: (603) 430-5320 EMAIL: contractadministrationgroup@spragueenergy.com <i>For Force Majeure Notices: send copy of notice to originating office</i>	▪ CONTRACT AND LEGAL NOTICES	_____ ATTN: _____ _____ TEL#: _____ FAX#: _____ EMAIL: _____
ATTN: Credit Manager TEL#: (603) 430-7215 FAX#: (603) 430-5326 EMAIL: natgascredit@spragueenergy.com	▪ CREDIT	_____ ATTN: _____ _____ TEL#: _____ FAX#: _____ EMAIL: _____
ATTN: Contract Administration TEL#: (603) 430-5338 FAX#: (603) 430-5320 EMAIL: contractadministrationgroup@spragueenergy.com	▪ TRANSACTION CONFIRMATIONS	_____ ATTN: _____ _____ TEL#: _____ FAX#: _____ EMAIL: _____

ACCOUNTING INFORMATION

ATTN: Natural Gas Credit Dept. TEL#: (603) 766-7419 FAX#: (603) 430-5326	<ul style="list-style-type: none"> ▪ INVOICES ▪ PAYMENTS ▪ SETTLEMENTS 	_____ _____ ATTN: _____ _____ TEL#: _____ FAX#: _____ EMAIL: _____ _____
JP Morgan Chase Bank, New York, NY ABA" 021000021 ACCT: 799760913	ACH NUMBERS (IF APPLICABLE)	BANK: _____ ABA: _____ ACCT: _____ _____ OTHER DETAILS: _____ _____
ATTN: Accounts Payable _____ ADDRESS: P.O. Box 414380 Boston, MA 02241-4380 _____	CHECKS (IF APPLICABLE)	ATTN: _____ _____ ADDRESS: _____ _____ _____

Base Contract for Sale and Purchase of Natural Gas

(Continued)

This Base Contract incorporates by reference for all purposes the General Terms and Conditions for Sale and Purchase of Natural Gas published by the North American Energy Standards Board. The parties hereby agree to the following provisions offered in said General Terms and Conditions. In the event the parties fail to check a box, the specified default provision shall apply. Select the appropriate box(es) from each section:

Section 1.2 Transaction Procedure <input type="radio"/> Oral (default) <input checked="" type="radio"/> Written	Section 10.2 Additional Events of Default <input checked="" type="checkbox"/> No Additional Events of Default (default) <input type="checkbox"/> Indebtedness Cross Default <input type="checkbox"/> Party A: _____ <input type="checkbox"/> Party B: _____ <input type="checkbox"/> Transactional Cross Default Specified Transactions: _____ _____
Section 2.7 Confirm Deadline <input checked="" type="checkbox"/> 2 Business Days after receipt (default) <input type="radio"/> OR <input type="checkbox"/> 5 Business Days after receipt	
Section 2.8 Confirming Party <input checked="" type="checkbox"/> Seller (default) <input type="radio"/> OR <input type="checkbox"/> Buyer _____	
Section 3.2 Performance Obligation <input checked="" type="checkbox"/> Cover Standard (default) <input type="radio"/> OR <input type="checkbox"/> Spot Price Standard	Section 10.3.1 Early Termination Damages <input checked="" type="checkbox"/> Early Termination Damages Apply (default) <input type="radio"/> OR <input type="checkbox"/> Early Termination Damages Do Not Apply
Note: The following Spot Price Publication applies to both of the immediately preceding.	
Section 2.31 Spot Price Publication <input checked="" type="checkbox"/> Gas Daily Midpoint (default) <input type="radio"/> OR <input type="checkbox"/> _____	Section 10.3.2 Other Agreement Setoffs <input type="checkbox"/> Other Agreement Setoffs Apply (default) <input checked="" type="checkbox"/> Bilateral (default) <input type="checkbox"/> Triangular OR <input type="checkbox"/> Other Agreement Setoffs Do Not Apply
Section 6 Taxes <input checked="" type="checkbox"/> Buyer Pays At and After Delivery Point (default) <input type="radio"/> OR <input type="checkbox"/> Seller Pays Before and At Delivery Point	
Section 7.2 Payment Date <input checked="" type="checkbox"/> 25 th Day of Month following Month of delivery (default) <input type="radio"/> OR <input type="checkbox"/> Net 30 Days from the date of the invoice from Seller	Section 15.5 Choice Of Law _____
Section 7.2 Method of Payment <input checked="" type="checkbox"/> Wire transfer (default) <input type="checkbox"/> Automated Clearinghouse Credit (ACH) <input type="checkbox"/> Check	Section 15.10 Confidentiality <input checked="" type="checkbox"/> Confidentiality applies (default) <input type="radio"/> OR <input type="checkbox"/> Confidentiality does not apply
Section 7.7 Netting <input checked="" type="checkbox"/> Netting applies (default) <input type="radio"/> OR <input type="checkbox"/> Netting does not apply	
<input checked="" type="checkbox"/> Special Provisions Number of sheets attached: <u>Two (2)</u>	
<input type="checkbox"/> Addendum(s): _____	

IN WITNESS WHEREOF, the parties hereto have executed this Base Contract in duplicate.

SPRAGUE ENERGY SOLUTIONS INC	<i>PARTY NAME</i>	
By: _____	<i>SIGNATURE</i>	By: _____
Brian Weego	<i>PRINTED NAME</i>	
Vice President, Natural Gas	<i>TITLE</i>	

General Terms and Conditions

Base Contract for Sale and Purchase of Natural Gas

SECTION 1. PURPOSE AND PROCEDURES

1.1. These General Terms and Conditions are intended to facilitate purchase and sale transactions of Gas on a Firm or Interruptible basis. "Buyer" refers to the party receiving Gas and "Seller" refers to the party delivering Gas. The entire agreement between the parties shall be the Contract as defined in Section 2.9.

The parties have selected either the "Oral Transaction Procedure" or the "Written Transaction Procedure" as indicated on the Base Contract.

Oral Transaction Procedure:

1.2. The parties will use the following Transaction Confirmation procedure. Any Gas purchase and sale transaction may be effectuated in an EDI transmission or telephone conversation with the offer and acceptance constituting the agreement of the parties. The parties shall be legally bound from the time they so agree to transaction terms and may each rely thereon. Any such transaction shall be considered a "writing" and to have been "signed". Notwithstanding the foregoing sentence, the parties agree that Confirming Party shall, and the other party may, confirm a telephonic transaction by sending the other party a Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means within three Business Days of a transaction covered by this Section 1.2 (Oral Transaction Procedure) provided that the failure to send a Transaction Confirmation shall not invalidate the oral agreement of the parties. Confirming Party adopts its confirming letterhead, or the like, as its signature on any Transaction Confirmation as the identification and authentication of Confirming Party. If the Transaction Confirmation contains any provisions other than those relating to the commercial terms of the transaction (i.e., price, quantity, performance obligation, delivery point, period of delivery and/or transportation conditions), which modify or supplement the Base Contract or General Terms and Conditions of this Contract (e.g., arbitration or additional representations and warranties), such provisions shall not be deemed to be accepted pursuant to Section 1.3 but must be expressly agreed to by both parties; provided that the foregoing shall not invalidate any transaction agreed to by the parties.

Written Transaction Procedure:

1.2. The parties will use the following Transaction Confirmation procedure. Should the parties come to an agreement regarding a Gas purchase and sale transaction for a particular Delivery Period, the Confirming Party shall, and the other party may, record that agreement on a Transaction Confirmation and communicate such Transaction Confirmation by facsimile, EDI or mutually agreeable electronic means, to the other party by the close of the Business Day following the date of agreement. The parties acknowledge that their agreement will not be binding until the exchange of nonconflicting Transaction Confirmations or the passage of the Confirm Deadline without objection from the receiving party, as provided in Section 1.3.

1.3. If a sending party's Transaction Confirmation is materially different from the receiving party's understanding of the agreement referred to in Section 1.2, such receiving party shall notify the sending party via facsimile, EDI or mutually agreeable electronic means by the Confirm Deadline, unless such receiving party has previously sent a Transaction Confirmation to the sending party. The failure of the receiving party to so notify the sending party in writing by the Confirm Deadline constitutes the receiving party's agreement to the terms of the transaction described in the sending party's Transaction Confirmation. If there are any material differences between timely sent Transaction Confirmations governing the same transaction, then neither Transaction Confirmation shall be binding until or unless such differences are resolved including the use of any evidence that clearly resolves the differences in the Transaction Confirmations. In the event of a conflict among the terms of (i) a binding Transaction Confirmation pursuant to Section 1.2, (ii) the oral agreement of the parties which may be evidenced by a recorded conversation, where the parties have selected the Oral Transaction Procedure of the Base Contract, (iii) the Base Contract, and (iv) these General Terms and Conditions, the terms of the documents shall govern in the priority listed in this sentence.

1.4. The parties agree that each party may electronically record all telephone conversations with respect to this Contract between their respective employees, without any special or further notice to the other party. Each party shall obtain any necessary consent of its agents and employees to such recording. Where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, the parties agree not to contest the validity or enforceability of telephonic recordings entered into in accordance with the requirements of this Base Contract.

SECTION 2. DEFINITIONS

The terms set forth below shall have the meaning ascribed to them below. Other terms are also defined elsewhere in the Contract and shall have the meanings ascribed to them herein.

2.1. "Additional Event of Default" shall mean Transactional Cross Default or Indebtedness Cross Default, each as and if selected by the parties pursuant to the Base Contract.

2.2. "Affiliate" shall mean, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "control" of any entity or person means ownership of at least 50 percent of the voting power of the entity or person.

- 2.3. "Alternative Damages" shall mean such damages, expressed in dollars or dollars per MMBtu, as the parties shall agree upon in the Transaction Confirmation, 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.
- 2.4. "Base Contract" shall mean a contract executed by the parties that incorporates these General Terms and Conditions by reference; that specifies the agreed selections of provisions contained herein; and that sets forth other information required herein and any Special Provisions and addendum(s) as identified on page one.
- 2.5. "British thermal unit" or "Btu" shall mean the International BTU, which is also called the Btu (IT).
- 2.6. "Business Day(s)" shall mean Monday through Friday, excluding Federal Banking Holidays for transactions in the U.S.
- 2.7. "Confirm Deadline" shall mean 5:00 p.m. in the receiving party's time zone on the second Business Day following the Day a Transaction Confirmation is received or, if applicable, on the Business Day agreed to by the parties in the Base Contract; provided, if the Transaction Confirmation is time stamped after 5:00 p.m. in the receiving party's time zone, it shall be deemed received at the opening of the next Business Day.
- 2.8. "Confirming Party" shall mean the party designated in the Base Contract to prepare and forward Transaction Confirmations to the other party.
- 2.9. "Contract" shall mean the legally-binding relationship established by (i) the Base Contract, (ii) any and all binding Transaction Confirmations and (iii) where the parties have selected the Oral Transaction Procedure in Section 1.2 of the Base Contract, any and all transactions that the parties have entered into through an EDI transmission or by telephone, but that have not been confirmed in a binding Transaction Confirmation, all of which shall form a single integrated agreement between the parties.
- 2.10. "Contract Price" shall mean the amount expressed in U.S. Dollars per MMBtu to be paid by Buyer to Seller for the purchase of Gas as agreed to by the parties in a transaction.
- 2.11. "Contract Quantity" shall mean the quantity of Gas to be delivered and taken as agreed to by the parties in a transaction.
- 2.12. "Cover Standard", as referred to in Section 3.2, shall mean that if there is an unexcused failure to take or deliver any quantity of Gas pursuant to this Contract, then the performing party shall use commercially reasonable efforts to (i) if Buyer is the performing party, obtain Gas, (or an alternate fuel if elected by Buyer and replacement Gas is not available), or (ii) if Seller is the performing party, sell Gas, in either case, at a price reasonable for the delivery or production area, as applicable, consistent with: the amount of notice provided by the nonperforming party; the immediacy of the Buyer's Gas consumption needs or Seller's Gas sales requirements, as applicable; the quantities involved; and the anticipated length of failure by the nonperforming party.
- 2.13. "Credit Support Obligation(s)" shall mean any obligation(s) to provide or establish credit support for, or on behalf of, a party to this Contract such as cash, an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, guaranty, or other good and sufficient security of a continuing nature.
- 2.14. "Day" shall mean a period of 24 consecutive hours, coextensive with a "day" as defined by the Receiving Transporter in a particular transaction.
- 2.15. "Delivery Period" shall be the period during which deliveries are to be made as agreed to by the parties in a transaction.
- 2.16. "Delivery Point(s)" shall mean such point(s) as are agreed to by the parties in a transaction.
- 2.17. "EDI" shall mean an electronic data interchange pursuant to an agreement entered into by the parties, specifically relating to the communication of Transaction Confirmations under this Contract.
- 2.18. "EFP" shall mean the purchase, sale or exchange of natural Gas as the "physical" side of an exchange for physical transaction involving gas futures contracts. EFP shall incorporate the meaning and remedies of "Firm", provided that a party's excuse for nonperformance of its obligations to deliver or receive Gas will be governed by the rules of the relevant futures exchange regulated under the Commodity Exchange Act.
- 2.19. "Firm" shall mean that either party may interrupt its performance without liability only to the extent that such performance is prevented for reasons of Force Majeure; provided, however, that during Force Majeure interruptions, the party invoking Force Majeure may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by the Transporter.
- 2.20. "Gas" shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane.
- 2.21. "Guarantor" shall mean any entity that has provided a guaranty of the obligations of a party hereunder.
- 2.22. "Imbalance Charges" shall mean any fees, penalties, costs or charges (in cash or in kind) assessed by a Transporter for failure to satisfy the Transporter's balance and/or nomination requirements.
- 2.23. "Indebtedness Cross Default" shall mean if selected on the Base Contract by the parties with respect to a party, that it or its Guarantor, if any, experiences a default, or similar condition or event however therein defined, under one or more agreements or instruments, individually or collectively, relating to indebtedness (such indebtedness to include any obligation whether present or future, contingent or otherwise, as principal or surety or otherwise) for the payment or repayment of borrowed money in an aggregate amount greater than the threshold specified in the Base Contract with respect to such party or its Guarantor, if any, which results in such indebtedness becoming immediately due and payable.

2.24. "Interruptible" shall mean that either party may interrupt its performance at any time for any reason, whether or not caused by an event of Force Majeure, with no liability, except such interrupting party may be responsible for any Imbalance Charges as set forth in Section 4.3 related to its interruption after the nomination is made to the Transporter and until the change in deliveries and/or receipts is confirmed by Transporter.

2.25. "MMBtu" shall mean one million British thermal units, which is equivalent to one dekatherm.

2.26. "Month" shall mean the period beginning on the first Day of the calendar month and ending immediately prior to the commencement of the first Day of the next calendar month.

2.27. "Payment Date" shall mean a date, as indicated on the Base Contract, on or before which payment is due Seller for Gas received by Buyer in the previous Month.

2.28. "Receiving Transporter" shall mean the Transporter receiving Gas at a Delivery Point, or absent such receiving Transporter, the Transporter delivering Gas at a Delivery Point.

2.29. "Scheduled Gas" shall mean the quantity of Gas confirmed by Transporter(s) for movement, transportation or management.

2.30. "Specified Transaction(s)" shall mean any other transaction or agreement between the parties for the purchase, sale or exchange of physical Gas, and any other transaction or agreement identified as a Specified Transaction under the Base Contract.

2.31. "Spot Price " as referred to in Section 3.2 shall mean the price listed in the publication indicated on the Base Contract, under the listing applicable to the geographic location closest in proximity to the Delivery Point(s) for the relevant Day; provided, if there is no single price published for such location for such Day, but there is published a range of prices, then the Spot Price shall be the average of such high and low prices. If no price or range of prices is published for such Day, then the Spot Price shall be the average of the following: (i) the price (determined as stated above) for the first Day for which a price or range of prices is published that next precedes the relevant Day; and (ii) the price (determined as stated above) for the first Day for which a price or range of prices is published that next follows the relevant Day.

2.32. "Transaction Confirmation" shall mean a document, similar to the form of Exhibit A, setting forth the terms of a transaction formed pursuant to Section 1 for a particular Delivery Period.

2.33. "Transactional Cross Default" shall mean if selected on the Base Contract by the parties with respect to a party, that it shall be in default, however therein defined, under any Specified Transaction.

2.34. "Termination Option" shall mean the option of either party to terminate a transaction in the event that the other party fails to perform a Firm obligation to deliver Gas in the case of Seller or to receive Gas in the case of Buyer for a designated number of days during a period as specified on the applicable Transaction Confirmation.

2.35. "Transporter(s)" shall mean all Gas gathering or pipeline companies, or local distribution companies, acting in the capacity of a transporter, transporting Gas for Seller or Buyer upstream or downstream, respectively, of the Delivery Point pursuant to a particular transaction.

SECTION 3. PERFORMANCE OBLIGATION

3.1. Seller agrees to sell and deliver, and Buyer agrees to receive and purchase, the Contract Quantity for a particular transaction in accordance with the terms of the Contract. Sales and purchases will be on a Firm or Interruptible basis, as agreed to by the parties in a transaction.

The parties have selected either the "Cover Standard" or the "Spot Price Standard" as indicated on the Base Contract.

Cover Standard:

3.2. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the positive difference, if any, between the purchase price paid by Buyer utilizing the Cover Standard and the Contract Price, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually delivered by Seller for such Day(s) excluding any quantity for which no replacement is available; or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in the amount equal to the positive difference, if any, between the Contract Price and the price received by Seller utilizing the Cover Standard for the resale of such Gas, adjusted for commercially reasonable differences in transportation costs to or from the Delivery Point(s), multiplied by the difference between the Contract Quantity and the quantity actually taken by Buyer for such Day(s) excluding any quantity for which no sale is available; and (iii) in the event that Buyer has used commercially reasonable efforts to replace the Gas or Seller has used commercially reasonable efforts to sell the Gas to a third party, and no such replacement or sale is available for all or any portion of the Contract Quantity of Gas, then in addition to (i) or (ii) above, as applicable, the sole and exclusive remedy of the performing party with respect to the Gas not replaced or sold shall be an amount equal to any unfavorable difference between the Contract Price and the Spot Price, adjusted for such transportation to the applicable Delivery Point, multiplied by the quantity of such Gas not replaced or sold. Imbalance Charges shall not be recovered under this Section 3.2, but Seller and/or Buyer shall be responsible for Imbalance Charges, if any, as provided in Section 4.3. The amount of such unfavorable difference shall be payable five Business Days after presentation of the performing party's invoice, which shall set forth the basis upon which such amount was calculated.

Spot Price Standard:

3.2. The sole and exclusive remedy of the parties in the event of a breach of a Firm obligation to deliver or receive Gas shall be recovery of the following: (i) in the event of a breach by Seller on any Day(s), payment by Seller to Buyer in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the Contract Price from the Spot Price; or (ii) in the event of a breach by Buyer on any Day(s), payment by Buyer to Seller in an amount equal to the difference between the Contract Quantity and the actual quantity delivered by Seller and received by Buyer for such Day(s), multiplied by the positive difference, if any, obtained by subtracting the applicable Spot Price from the Contract Price. Imbalance Charges shall not be recovered under this Section 3.2, but Seller and/or Buyer shall be responsible for Imbalance Charges, if any, as provided in Section 4.3. The amount of such unfavorable difference shall be payable five Business Days after presentation of the performing party's invoice, which shall set forth the basis upon which such amount was calculated.

3.3. Notwithstanding Section 3.2, the parties may agree to Alternative Damages in a Transaction Confirmation executed in writing by both parties.

3.4. In addition to Sections 3.2 and 3.3, the parties may provide for a Termination Option in a Transaction Confirmation executed in writing by both parties. The Transaction Confirmation containing the Termination Option will designate the length of nonperformance triggering the Termination Option and the procedures for exercise thereof, how damages for nonperformance will be compensated, and how liquidation costs will be calculated.

SECTION 4. TRANSPORTATION, NOMINATIONS, AND IMBALANCES

4.1. Seller shall have the sole responsibility for transporting the Gas to the Delivery Point(s). Buyer shall have the sole responsibility for transporting the Gas from the Delivery Point(s).

4.2. The parties shall coordinate their nomination activities, giving sufficient time to meet the deadlines of the affected Transporter(s). Each party shall give the other party timely prior Notice, sufficient to meet the requirements of all Transporter(s) involved in the transaction, of the quantities of Gas to be delivered and purchased each Day. Should either party become aware that actual deliveries at the Delivery Point(s) are greater or lesser than the Scheduled Gas, such party shall promptly notify the other party.

4.3. The parties shall use commercially reasonable efforts to avoid imposition of any Imbalance Charges. If Buyer or Seller receives an invoice from a Transporter that includes Imbalance Charges, the parties shall determine the validity as well as the cause of such Imbalance Charges. If the Imbalance Charges were incurred as a result of Buyer's receipt of quantities of Gas greater than or less than the Scheduled Gas, then Buyer shall pay for such Imbalance Charges or reimburse Seller for such Imbalance Charges paid by Seller. If the Imbalance Charges were incurred as a result of Seller's delivery of quantities of Gas greater than or less than the Scheduled Gas, then Seller shall pay for such Imbalance Charges or reimburse Buyer for such Imbalance Charges paid by Buyer.

SECTION 5. QUALITY AND MEASUREMENT

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. Measurement of Gas quantities hereunder shall be in accordance with the established procedures of the Receiving Transporter.

SECTION 6. TAXES

The parties have selected either "Buyer Pays At and After Delivery Point" or "Seller Pays Before and At Delivery Point" as indicated on the Base Contract.

Buyer Pays At and After Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas at the Delivery Point(s) and all Taxes after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party's responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

Seller Pays Before and At Delivery Point:

Seller shall pay or cause to be paid all taxes, fees, levies, penalties, licenses or charges imposed by any government authority ("Taxes") on or with respect to the Gas prior to the Delivery Point(s) and all Taxes at the Delivery Point(s). Buyer shall pay or cause to be paid all Taxes on or with respect to the Gas after the Delivery Point(s). If a party is required to remit or pay Taxes that are the other party's responsibility hereunder, the party responsible for such Taxes shall promptly reimburse the other party for such Taxes. Any party entitled to an exemption from any such Taxes or charges shall furnish the other party any necessary documentation thereof.

SECTION 7. BILLING, PAYMENT, AND AUDIT

7.1. Seller shall invoice Buyer for Gas delivered and received in the preceding Month and for any other applicable charges, providing supporting documentation acceptable in industry practice to support the amount charged. If the actual quantity delivered is not known by the billing date, billing will be prepared based on the quantity of Scheduled Gas. The invoiced quantity will then be adjusted to the actual quantity on the following Month's billing or as soon thereafter as actual delivery information is available.

7.2. Buyer shall remit the amount due under Section 7.1 in the manner specified in the Base Contract, in immediately available funds, on or before the later of the Payment Date or 10 Days after receipt of the invoice by Buyer; provided that if the Payment Date is not a Business Day, payment is due on the next Business Day following that date. In the event any payments are due Buyer hereunder, payment to Buyer shall be made in accordance with this Section 7.2.

7.3. In the event payments become due pursuant to Sections 3.2 or 3.3, the performing party may submit an invoice to the nonperforming party for an accelerated payment setting forth the basis upon which the invoiced amount was calculated. Payment from the nonperforming party will be due five Business Days after receipt of invoice.

7.4. If the invoiced party, in good faith, disputes the amount of any such invoice or any part thereof, such invoiced party will pay such amount as it concedes to be correct; provided, however, if the invoiced party disputes the amount due, it must provide supporting documentation acceptable in industry practice to support the amount paid or disputed without undue delay. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section.

7.5. If the invoiced party fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under "Money Rates" by The Wall Street Journal, plus two percent per annum; or (ii) the maximum applicable lawful interest rate.

7.6. A party shall have the right, at its own expense, upon reasonable Notice and at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Contract. This right to examine, audit, and to obtain copies shall not be available with respect to proprietary information not directly relevant to transactions under this Contract. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under- or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two years after the Month of Gas delivery. All retroactive adjustments under Section 7 shall be paid in full by the party owing payment within 30 Days of Notice and substantiation of such inaccuracy.

7.7. Unless the parties have elected on the Base Contract not to make this Section 7.7 applicable to this Contract, the parties shall net all undisputed amounts due and owing, and/or past due, arising under the Contract such that the party owing the greater amount shall make a single payment of the net amount to the other party in accordance with Section 7; provided that no payment required to be made pursuant to the terms of any Credit Support Obligation or pursuant to Section 7.3 shall be subject to netting under this Section. If the parties have executed a separate netting agreement, the terms and conditions therein shall prevail to the extent inconsistent herewith.

SECTION 8. TITLE, WARRANTY, AND INDEMNITY

8.1. Unless otherwise specifically agreed, title to the Gas shall pass from Seller to Buyer at the Delivery Point(s). Seller shall have responsibility for and assume any liability with respect to the Gas prior to its delivery to Buyer at the specified Delivery Point(s). Buyer shall have responsibility for and assume any liability with respect to said Gas after its delivery to Buyer at the Delivery Point(s).

8.2. Seller warrants that it will have the right to convey and will transfer good and merchantable title to all Gas sold hereunder and delivered by it to Buyer, free and clear of all liens, encumbrances, and claims. EXCEPT AS PROVIDED IN THIS SECTION 8.2 AND IN SECTION 15.8, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR ANY PARTICULAR PURPOSE, ARE DISCLAIMED.

8.3. Seller agrees to indemnify Buyer and save it harmless from all losses, liabilities or claims including reasonable attorneys' fees and costs of court ("Claims"), from any and all persons, arising from or out of claims of title, personal injury (including death) or property damage from said Gas or other charges thereon which attach before title passes to Buyer. Buyer agrees to indemnify Seller and save it harmless from all Claims, from any and all persons, arising from or out of claims regarding payment, personal injury (including death) or property damage from said Gas or other charges thereon which attach after title passes to Buyer.

8.4. The parties agree that the delivery of and the transfer of title to all Gas under this Contract shall take place within the Customs Territory of the United States (as defined in general note 2 of the Harmonized Tariff Schedule of the United States 19 U.S.C. §1202, General Notes, page 3); provided, however, that in the event Seller took title to the Gas outside the Customs Territory of the United States, Seller represents and warrants that it is the importer of record for all Gas entered and delivered into the United States, and shall be responsible for entry and entry summary filings as well as the payment of duties, taxes and fees, if any, and all applicable record keeping requirements.

8.5. Notwithstanding the other provisions of this Section 8, as between Seller and Buyer, Seller will be liable for all Claims to the extent that such arise from the failure of Gas delivered by Seller to meet the quality requirements of Section 5.

SECTION 9. NOTICES

9.1. All Transaction Confirmations, invoices, payment instructions, and other communications made pursuant to the Base Contract ("Notices") shall be made to the addresses specified in writing by the respective parties from time to time.

9.2. All Notices required hereunder shall be in writing and may be sent by facsimile or mutually acceptable electronic means, a nationally recognized overnight courier service, first class mail or hand delivered.

9.3. Notice shall be given when received on a Business Day by the addressee. In the absence of proof of the actual receipt date, the following presumptions will apply. Notices sent by facsimile shall be deemed to have been received upon the sending party's receipt of its facsimile machine's confirmation of successful transmission. If the day on which such facsimile is received is not a Business Day or is after five p.m. on a Business Day, then such facsimile shall be deemed to have been received

on the next following Business Day. Notice by overnight mail or courier shall be deemed to have been received on the next Business Day after it was sent or such earlier time as is confirmed by the receiving party. Notice via first class mail shall be considered delivered five Business Days after mailing.

9.4. The party receiving a commercially acceptable Notice of change in payment instructions or other payment information shall not be obligated to implement such change until ten Business Days after receipt of such Notice.

SECTION 10. FINANCIAL RESPONSIBILITY

10.1. If either party ("X") has reasonable grounds for insecurity regarding the performance of any obligation under this Contract (whether or not then due) by the other party ("Y") (including, without limitation, the occurrence of a material change in the creditworthiness of Y or its Guarantor, if applicable), X may demand Adequate Assurance of Performance. "Adequate Assurance of Performance" shall mean sufficient security in the form, amount, for a term, and from an issuer, all as reasonably acceptable to X, including, but not limited to cash, a standby irrevocable letter of credit, a prepayment, a security interest in an asset or guaranty. Y hereby grants to X a continuing first priority security interest in, lien on, and right of setoff against all Adequate Assurance of Performance in the form of cash transferred by Y to X pursuant to this Section 10.1. Upon the return by X to Y of such Adequate Assurance of Performance, the security interest and lien granted hereunder on that Adequate Assurance of Performance shall be released automatically and, to the extent possible, without any further action by either party.

10.2. In the event (each an "Event of Default") either party (the "Defaulting Party") or its Guarantor shall: (i) make an assignment or any general arrangement for the benefit of creditors; (ii) file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; (iii) otherwise become bankrupt or insolvent (however evidenced); (iv) be unable to pay its debts as they fall due; (v) have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; (vi) fail to perform any obligation to the other party with respect to any Credit Support Obligations relating to the Contract; (vii) fail to give Adequate Assurance of Performance under Section 10.1 within 48 hours but at least one Business Day of a written request by the other party; (viii) not have paid any amount due the other party hereunder on or before the second Business Day following written Notice that such payment is due; or (ix) be the affected party with respect to any Additional Event of Default; then the other party (the "Non-Defaulting Party") shall have the right, at its sole election, to immediately withhold and/or suspend deliveries or payments upon Notice and/or to terminate and liquidate the transactions under the Contract, in the manner provided in Section 10.3, in addition to any and all other remedies available hereunder.

10.3. If an Event of Default has occurred and is continuing, the Non-Defaulting Party shall have the right, by Notice to the Defaulting Party, to designate a Day, no earlier than the Day such Notice is given and no later than 20 Days after such Notice is given, as an early termination date (the "Early Termination Date") for the liquidation and termination pursuant to Section 10.3.1 of all transactions under the Contract, each a "Terminated Transaction". On the Early Termination Date, all transactions will terminate, other than those transactions, if any, that may not be liquidated and terminated under applicable law ("Excluded Transactions"), which Excluded Transactions must be liquidated and terminated as soon thereafter as is legally permissible, and upon termination shall be a Terminated Transaction and be valued consistent with Section 10.3.1 below. With respect to each Excluded Transaction, its actual termination date shall be the Early Termination Date for purposes of Section 10.3.1.

The parties have selected either "Early Termination Damages Apply" or "Early Termination Damages Do Not Apply" as indicated on the Base Contract.

Early Termination Damages Apply:

10.3.1. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, (i) the amount owed (whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section 3.2), for which payment has not yet been made by the party that owes such payment under this Contract and (ii) the Market Value, as defined below, of each Terminated Transaction. The Non-Defaulting Party shall (x) liquidate and accelerate each Terminated Transaction at its Market Value, so that each amount equal to the difference between such Market Value and the Contract Value, as defined below, of such Terminated Transaction(s) shall be due to the Buyer under the Terminated Transaction(s) if such Market Value exceeds the Contract Value and to the Seller if the opposite is the case; and (y) where appropriate, discount each amount then due under clause (x) above to present value in a commercially reasonable manner as of the Early Termination Date (to take account of the period between the date of liquidation and the date on which such amount would have otherwise been due pursuant to the relevant Terminated Transactions).

For purposes of this Section 10.3.1, "Contract Value" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the Contract Price, and "Market Value" means the amount of Gas remaining to be delivered or purchased under a transaction multiplied by the market price for a similar transaction at the Delivery Point determined by the Non-Defaulting Party in a commercially reasonable manner. To ascertain the Market Value, the Non-Defaulting Party may consider, among other valuations, any or all of the settlement prices of NYMEX Gas futures contracts, quotations from leading dealers in energy swap contracts or physical gas trading markets, similar sales or purchases and any other bona fide third-party offers, all adjusted for the length of the term and differences in transportation costs. A party shall not be required to enter into a replacement transaction(s) in order to determine the Market Value. Any extension(s) of the term of a transaction to which parties are not bound as of the Early Termination Date (including but not limited to "evergreen provisions") shall not be considered in determining Contract Values and

Market Values. For the avoidance of doubt, any option pursuant to which one party has the right to extend the term of a transaction shall be considered in determining Contract Values and Market Values. The rate of interest used in calculating net present value shall be determined by the Non-Defaulting Party in a commercially reasonable manner.

Early Termination Damages Do Not Apply:

10.3.1. As of the Early Termination Date, the Non-Defaulting Party shall determine, in good faith and in a commercially reasonable manner, the amount owed (whether or not then due) by each party with respect to all Gas delivered and received between the parties under Terminated Transactions and Excluded Transactions on and before the Early Termination Date and all other applicable charges relating to such deliveries and receipts (including without limitation any amounts owed under Section 3.2), for which payment has not yet been made by the party that owes such payment under this Contract.

The parties have selected either "Other Agreement Setoffs Apply" or "Other Agreement Setoffs Do Not Apply" as indicated on the Base Contract.

Other Agreement Setoffs Apply:

Bilateral Setoff Option:

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party is hereby authorized to setoff any Net Settlement Amount against (i) any margin or other collateral held by a party in connection with any Credit Support Obligation relating to the Contract; and (ii) any amount(s) (including any excess cash margin or excess cash collateral) owed or held by the party that is entitled to the Net Settlement Amount under any other agreement or arrangement between the parties.

Triangular Setoff Option:

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option, and without prior Notice to the Defaulting Party, the Non-Defaulting Party is hereby authorized to setoff (i) any Net Settlement Amount against any margin or other collateral held by a party in connection with any Credit Support Obligation relating to the Contract; (ii) any Net Settlement Amount against any amount(s) (including any excess cash margin or excess cash collateral) owed by or to a party under any other agreement or arrangement between the parties; (iii) any Net Settlement Amount owed to the Non-Defaulting Party against any amount(s) (including any excess cash margin or excess cash collateral) owed by the Non-Defaulting Party or its Affiliates to the Defaulting Party under any other agreement or arrangement; (iv) any Net Settlement Amount owed to the Defaulting Party against any amount(s) (including any excess cash margin or excess cash collateral) owed by the Defaulting Party to the Non-Defaulting Party or its Affiliates under any other agreement or arrangement; and/or (v) any Net Settlement Amount owed to the Defaulting Party against any amount(s) (including any excess cash margin or excess cash collateral) owed by the Defaulting Party or its Affiliates to the Non-Defaulting Party under any other agreement or arrangement.

Other Agreement Setoffs Do Not Apply:

10.3.2. The Non-Defaulting Party shall net or aggregate, as appropriate, any and all amounts owing between the parties under Section 10.3.1, so that all such amounts are netted or aggregated to a single liquidated amount payable by one party to the other (the "Net Settlement Amount"). At its sole option and without prior Notice to the Defaulting Party, the Non-Defaulting Party may setoff any Net Settlement Amount against any margin or other collateral held by a party in connection with any Credit Support Obligation relating to the Contract.

10.3.3. If any obligation that is to be included in any netting, aggregation or setoff pursuant to Section 10.3.2 is unascertained, the Non-Defaulting Party may in good faith estimate that obligation and net, aggregate or setoff, as applicable, in respect of the estimate, subject to the Non-Defaulting Party accounting to the Defaulting Party when the obligation is ascertained. Any amount not then due which is included in any netting, aggregation or setoff pursuant to Section 10.3.2 shall be discounted to net present value in a commercially reasonable manner determined by the Non-Defaulting Party.

10.4. As soon as practicable after a liquidation, Notice shall be given by the Non-Defaulting Party to the Defaulting Party of the Net Settlement Amount, and whether the Net Settlement Amount is due to or due from the Non-Defaulting Party. The Notice shall include a written statement explaining in reasonable detail the calculation of the Net Settlement Amount, provided that failure to give such Notice shall not affect the validity or enforceability of the liquidation or give rise to any claim by the Defaulting Party against the Non-Defaulting Party. The Net Settlement Amount as well as any setoffs applied against such amount pursuant to Section 10.3.2, shall be paid by the close of business on the second Business Day following such Notice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the Net Settlement Amount as adjusted by setoffs, shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under "Money Rates" by The Wall Street Journal, plus two percent per annum; or (ii) the maximum applicable lawful interest rate.

10.5. The parties agree that the transactions hereunder constitute a "forward contract" within the meaning of the United States Bankruptcy Code and that Buyer and Seller are each "forward contract merchants" within the meaning of the United States Bankruptcy Code.

10.6. The Non-Defaulting Party's remedies under this Section 10 are the sole and exclusive remedies of the Non-Defaulting Party with respect to the occurrence of any Early Termination Date. Each party reserves to itself all other rights, setoffs, counterclaims and other defenses that it is or may be entitled to arising from the Contract.

10.7. With respect to this Section 10, if the parties have executed a separate netting agreement with close-out netting provisions, the terms and conditions therein shall prevail to the extent inconsistent herewith.

SECTION 11. FORCE MAJEURE

11.1. Except with regard to a party's obligation to make payment(s) due under Section 7, Section 10.4, and Imbalance Charges under Section 4, neither party shall be liable to the other for failure to perform a Firm obligation, to the extent such failure was caused by Force Majeure. The term "Force Majeure" as employed herein means any cause not reasonably within the control of the party claiming suspension, as further defined in Section 11.2.

11.2. Force Majeure shall include, but not be limited to, the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms or storm warnings, such as hurricanes, which result in evacuation of the affected area, floods, washouts, explosions, breakage or accident or necessity of repairs to machinery or equipment or lines of pipe; (ii) weather related events affecting an entire geographic region, such as low temperatures which cause freezing or failure of wells or lines of pipe; (iii) interruption and/or curtailment of Firm transportation and/or storage by Transporters; (iv) acts of others such as strikes, lockouts or other industrial disturbances, riots, sabotage, insurrections or wars, or acts of terror; and (v) governmental actions such as necessity for compliance with any court order, law, statute, ordinance, regulation, or policy having the effect of law promulgated by a governmental authority having jurisdiction. Seller and Buyer shall make reasonable efforts to avoid the adverse impacts of a Force Majeure and to resolve the event or occurrence once it has occurred in order to resume performance.

11.3. Neither party shall be entitled to the benefit of the provisions of Force Majeure to the extent performance is affected by any or all of the following circumstances: (i) the curtailment of interruptible or secondary Firm transportation unless primary, in-path, Firm transportation is also curtailed; (ii) the party claiming excuse failed to remedy the condition and to resume the performance of such covenants or obligations with reasonable dispatch; or (iii) economic hardship, to include, without limitation, Seller's ability to sell Gas at a higher or more advantageous price than the Contract Price, Buyer's ability to purchase Gas at a lower or more advantageous price than the Contract Price, or a regulatory agency disallowing, in whole or in part, the pass through of costs resulting from this Contract; (iv) the loss of Buyer's market(s) or Buyer's inability to use or resell Gas purchased hereunder, except, in either case, as provided in Section 11.2; or (v) the loss or failure of Seller's gas supply or depletion of reserves, except, in either case, as provided in Section 11.2. The party claiming Force Majeure shall not be excused from its responsibility for Imbalance Charges.

11.4. Notwithstanding anything to the contrary herein, the parties agree that the settlement of strikes, lockouts or other industrial disturbances shall be within the sole discretion of the party experiencing such disturbance.

11.5. The party whose performance is prevented by Force Majeure must provide Notice to the other party. Initial Notice may be given orally; however, written Notice with reasonably full particulars of the event or occurrence is required as soon as reasonably possible. Upon providing written Notice of Force Majeure to the other party, the affected party will be relieved of its obligation, from the onset of the Force Majeure event, to make or accept delivery of Gas, as applicable, to the extent and for the duration of Force Majeure, and neither party shall be deemed to have failed in such obligations to the other during such occurrence or event.

11.6. Notwithstanding Sections 11.2 and 11.3, the parties may agree to alternative Force Majeure provisions in a Transaction Confirmation executed in writing by both parties.

SECTION 12. TERM

This Contract may be terminated on 30 Day's written Notice, but shall remain in effect until the expiration of the latest Delivery Period of any transaction(s). The rights of either party pursuant to Section 7.6, Section 10, Section 13, the obligations to make payment hereunder, and the obligation of either party to indemnify the other, pursuant hereto shall survive the termination of the Base Contract or any transaction.

SECTION 13. LIMITATIONS

FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN OR IN A TRANSACTION, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

SECTION 14. MARKET DISRUPTION

If a Market Disruption Event has occurred then the parties shall negotiate in good faith to agree on a replacement price for the Floating Price (or on a method for determining a replacement price for the Floating Price) for the affected Day, and if the parties have not so agreed on or before the second Business Day following the affected Day then the replacement price for the Floating Price shall be determined within the next two following Business Days with each party obtaining, in good faith and from non-affiliated market participants in the relevant market, two quotes for prices of Gas for the affected Day of a similar quality and quantity in the geographical location closest in proximity to the Delivery Point and averaging the four quotes. If either party fails to provide two quotes then the average of the other party's two quotes shall determine the replacement price for the Floating Price. "Floating Price" means the price or a factor of the price agreed to in the transaction as being based upon a specified index. "Market Disruption Event" means, with respect to an index specified for a transaction, any of the following events: (a) the failure of the index to announce or publish information necessary for determining the Floating Price; (b) the failure of trading to commence or the permanent discontinuation or material suspension of trading on the exchange or market acting as the index; (c) the temporary or permanent discontinuance or unavailability of the index; (d) the temporary or permanent closing of any exchange acting as the index; or (e) both parties agree that a material change in the formula for or the method of determining the Floating Price has occurred. For the purposes of the calculation of a replacement price for the Floating Price, all numbers shall be rounded to three decimal places. If the fourth decimal number is five or greater, then the third decimal number shall be increased by one and if the fourth decimal number is less than five, then the third decimal number shall remain unchanged.

SECTION 15. MISCELLANEOUS

15.1. This Contract shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective parties hereto, and the covenants, conditions, rights and obligations of this Contract shall run for the full term of this Contract. No assignment of this Contract, in whole or in part, will be made without the prior written consent of the non-assigning party (and shall not relieve the assigning party from liability hereunder), which consent will not be unreasonably withheld or delayed; provided, either party may (i) transfer, sell, pledge, encumber, or assign this Contract or the accounts, revenues, or proceeds hereof in connection with any financing or other financial arrangements, or (ii) transfer its interest to any parent or Affiliate by assignment, merger or otherwise without the prior approval of the other party. Upon any such assignment, transfer and assumption, the transferor shall remain principally liable for and shall not be relieved of or discharged from any obligations hereunder.

15.2. If any provision in this Contract is determined to be invalid, void or unenforceable by any court having jurisdiction, such determination shall not invalidate, void, or make unenforceable any other provision, agreement or covenant of this Contract.

15.3. No waiver of any breach of this Contract shall be held to be a waiver of any other or subsequent breach.

15.4. This Contract sets forth all understandings between the parties respecting each transaction subject hereto, and any prior contracts, understandings and representations, whether oral or written, relating to such transactions are merged into and superseded by this Contract and any effective transaction(s). This Contract may be amended only by a writing executed by both parties.

15.5. The interpretation and performance of this Contract shall be governed by the laws of the jurisdiction as indicated on the Base Contract, excluding, however, any conflict of laws rule which would apply the law of another jurisdiction.

15.6. This Contract and all provisions herein will be subject to all applicable and valid statutes, rules, orders and regulations of any governmental authority having jurisdiction over the parties, their facilities, or Gas supply, this Contract or transaction or any provisions thereof.

15.7. There is no third party beneficiary to this Contract.

15.8. Each party to this Contract represents and warrants that it has full and complete authority to enter into and perform this Contract. Each person who executes this Contract on behalf of either party represents and warrants that it has full and complete authority to do so and that such party will be bound thereby.

15.9. The headings and subheadings contained in this Contract are used solely for convenience and do not constitute a part of this Contract between the parties and shall not be used to construe or interpret the provisions of this Contract.

15.10. Unless the parties have elected on the Base Contract not to make this Section 15.10 applicable to this Contract, neither party shall disclose directly or indirectly without the prior written consent of the other party the terms of any transaction to a third party (other than the employees, lenders, royalty owners, counsel, accountants and other agents of the party, or prospective purchasers of all or substantially all of a party's assets or of any rights under this Contract, provided such persons shall have agreed to keep such terms confidential) except (i) in order to comply with any applicable law, order, regulation, or exchange rule, (ii) to the extent necessary for the enforcement of this Contract, (iii) to the extent necessary to implement any transaction, (iv) to the extent necessary to comply with a regulatory agency's reporting requirements including but not limited to gas cost recovery proceedings; or (v) to the extent such information is delivered to such third party for the sole purpose of calculating a published index. Each party shall notify the other party of any proceeding of which it is aware which may result in disclosure of the terms of any transaction (other than as permitted hereunder) and use reasonable efforts to prevent or limit the disclosure. The existence of this Contract is not subject to this confidentiality obligation. Subject to Section 13, the parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with this confidentiality obligation. The terms of any transaction hereunder shall be kept confidential by the parties hereto for one year from the expiration of the transaction.

In the event that disclosure is required by a governmental body or applicable law, the party subject to such requirement may disclose the material terms of this Contract to the extent so required, but shall promptly notify the other party, prior to disclosure, and shall cooperate (consistent with the disclosing party's legal obligations) with the other party's efforts to obtain protective orders or similar restraints with respect to such disclosure at the expense of the other party.

15.11. The parties may agree to dispute resolution procedures in Special Provisions attached to the Base Contract or in a Transaction Confirmation executed in writing by both parties

15.12. Any original executed Base Contract, Transaction Confirmation or other related document may be digitally copied, photocopied, or stored on computer tapes and disks (the "Imaged Agreement"). The Imaged Agreement, if introduced as evidence on paper, the Transaction Confirmation, if introduced as evidence in automated facsimile form, the recording, if introduced as evidence in its original form, and all computer records of the foregoing, if introduced as evidence in printed format, in any judicial, arbitration, mediation or administrative proceedings will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither Party shall object to the admissibility of the recording, the Transaction Confirmation, or the Imaged Agreement on the basis that such were not originated or maintained in documentary form. However, nothing herein shall be construed as a waiver of any other objection to the admissibility of such evidence.

DISCLAIMER: The purposes of this Contract are to facilitate trade, avoid misunderstandings and make more definite the terms of contracts of purchase and sale of natural gas. Further, NAESB does not mandate the use of this Contract by any party. **NAESB DISCLAIMS AND EXCLUDES, AND ANY USER OF THIS CONTRACT ACKNOWLEDGES AND AGREES TO NAESB'S DISCLAIMER OF, ANY AND ALL WARRANTIES, CONDITIONS OR REPRESENTATIONS, EXPRESS OR IMPLIED, ORAL OR WRITTEN, WITH RESPECT TO THIS CONTRACT OR ANY PART THEREOF, INCLUDING ANY AND ALL IMPLIED WARRANTIES OR CONDITIONS OF TITLE, NON-INFRINGEMENT, MERCHANTABILITY, OR FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE (WHETHER OR NOT NAESB KNOWS, HAS REASON TO KNOW, HAS BEEN ADVISED, OR IS OTHERWISE IN FACT AWARE OF ANY SUCH PURPOSE), WHETHER ALLEGED TO ARISE BY LAW, BY REASON OF CUSTOM OR USAGE IN THE TRADE, OR BY COURSE OF DEALING. EACH USER OF THIS CONTRACT ALSO AGREES THAT UNDER NO CIRCUMSTANCES WILL NAESB BE LIABLE FOR ANY DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF ANY USE OF THIS CONTRACT.**

TRANSACTION CONFIRMATION
FOR IMMEDIATE DELIVERY

EXHIBIT A

Letterhead/Logo	Date: _____, _____ Transaction Confirmation #: _____	
This Transaction Confirmation is subject to the Base Contract between Seller and Buyer dated _____. The terms of this Transaction Confirmation are binding unless disputed in writing within 2 Business Days of receipt unless otherwise specified in the Base Contract.		
SELLER: _____ _____ Attn: _____ Phone: _____ Fax: _____ Base Contract No. _____ Transporter: _____ Transporter Contract Number: _____	BUYER: _____ _____ Attn: _____ Phone: _____ Fax: _____ Base Contract No. _____ Transporter: _____ Transporter Contract Number: _____	
Contract Price: \$ _____ /MMBtu or _____		
Delivery Period: Begin: _____, _____ End: _____, _____		
Performance Obligation and Contract Quantity: (Select One)		
Firm (Fixed Quantity): _____ MMBtus/day <input type="checkbox"/> EFP	Firm (Variable Quantity): _____ MMBtus/day Minimum _____ MMBtus/day Maximum subject to Section 4.2. at election of <input type="checkbox"/> Buyer or <input type="checkbox"/> Seller	Interruptible: Up to _____ MMBtus/day
Delivery Point(s): _____ (If a pooling point is used, list a specific geographic and pipeline location):		
Special Conditions:		
Seller: _____ By: _____ Title: _____ Date: _____	Buyer: _____ By: _____ Title: _____ Date: _____	

**SPECIAL PROVISIONS
To Base Contract for
Sale and Purchase of Natural Gas**

Between Sprague Energy Solutions Inc. and

Dated:, 2011

The following changes are hereby made to the General Terms and Conditions Base Contract for Sale and Purchase of Natural Gas:

- (1) Delete Section 2.10 in its entirety and replace with the following language:

“Contract Price” shall mean the amount expressed in U.S. Dollars per MMBtu to be paid by Buyer to Seller for the purchase of Gas as agreed to by the parties in a transaction. Contract Price may also be referred to as Price on the Transaction Confirmation.”

- (2) Delete Section 2.32 in its entirety and replace with the following language:

“Transaction Confirmation” shall mean Seller’s document, similar to the form of Exhibit A attached hereto to these Special Provisions setting forth the terms of a transaction formed pursuant to Section 1 for a particular Delivery Period”.

- (3) Delete Section 3.1 in its entirety and replace with the following language:

Seller agrees to sell and deliver, and Buyer agrees to receive and purchase, the Contract Quantity for a particular transaction in accordance with the terms of the Contract. Sales and purchases will be on a Firm basis unless otherwise stated in the Transaction Confirmation.

- (4) Delete Section 4.2 in its entirety and replace with the following language:

Buyer shall give Seller prior notice of the quantities of Gas to be delivered that is sufficient to meet the requirements of each Transporter involved in the transaction. If Buyer fails to give such notice, Seller may use the best available information to determine the quantities of Gas to be delivered, but Seller shall not be liable in any way for any resulting imbalance charge or penalty. Any such imbalance charge or penalty shall be Buyer’s responsibility under Section 4.3. Should a party become aware that an actual delivery at a delivery point is greater or lesser than the nominated volumes of Gas scheduled

to be delivered, such party shall promptly notify the other party. Buyer shall immediately notify Seller of any event reasonably known to Buyer that may materially increase or decrease Buyer's Gas usage, i.e. addition or removal of gas-fire equipment, other equipment installations or changes, outages, shutdowns, repairs, openings or closings, changes in operating hours or production schedules. Buyer shall also immediately notify Seller of, and fully comply with, all curtailment or interruption orders or similar notices Buyer receives from a pipeline or utility requiring the interruption or curtailment of Buyer's Gas usage.

(5) Delete Section 4.3 in its entirety and replace with the following language:

The parties shall use commercially reasonable efforts to avoid imbalance charges or penalties. If a Transporter invoices Buyer or Seller for an imbalance charge or penalty, the parties shall determine the validity of the charge. Upon request, Buyer shall provide to Seller copies of Buyer's Transporter statements, reports or meter readings related to any Gas deliveries performed under this Agreement. If the charge or penalty is determined valid, the party responsible for the imbalance charge or penalty shall be obligated to pay such charge or penalty. If either party pays a charge or penalty caused by the other party, upon receipt of notice, the other party shall reimburse such party the amount paid in accordance with such notice.

(6) Delete Section 7.5 in its entirety and replace with the following language:

If the invoiced party fails to remit the full amount payable when due, interest on the unpaid portion shall accrue at the rate of one and a half percent (1 1/2%) monthly or at an interest rate as otherwise agreed in the Transaction Confirmation on any late payment or the maximum legal rate, if lower.

(7) Delete Section 7.6 in its entirety and replace with the following language:

All invoices shall be conclusively presumed final and accurate. Buyer shall waive any associated claim for an inaccurate invoice and/or overpayment unless, within two (2) years from the date of the Gas delivery, in good faith, Buyer objects to the invoice in writing, including an adequate explanation and supporting industry-acceptable documentation. However, the last Transporter's meter reading shall control for the purpose of determining an invoice's accuracy, and the Buyer shall not dispute a Seller invoice based on a meter reading unless it possesses documentation from the Transporter, verifying an error in the meter reading and setting forth the accurate meter reading. Retroactive adjustments under this Section shall be invoiced accordingly. Nothing in this Section shall be deemed to preclude Seller from making a retroactive adjustment of an invoice within a reasonable time of receiving information from the last Transporter, indicating an error in a prior invoice, regardless of the original invoice date.

(8) Delete Section 10.1 in its entirety and replace with the following language:

If Seller (referred to as party (“X”) has reasonable grounds for insecurity regarding the performance of Buyer of any obligation under this Contract (whether or not then due) by the Buyer (referred to as (“Y”) (including, without limitation, the occurrence of a material change in the creditworthiness of Y or its Guarantor, if applicable), X may demand Adequate Assurance of Performance. “Adequate Assurance of Performance” shall mean sufficient security in the form, amount, for a term, and from an issuer, all as reasonably acceptable to X, including, but not limited to cash, a standby irrevocable letter of credit, a security interest in an asset, a prepayment, a performance bond, or a guaranty. Y hereby grants to X a continuing first priority security interest in, lien on, and right of setoff against all Adequate Assurance of Performance in the form of cash transferred by Y to X pursuant to this Section 10.1. Upon the return by X to Y of such Adequate Assurance of Performance, the security interest and lien granted hereunder on that Adequate Assurance of Performance shall be released automatically and, to the extent possible, without any further action by either party.

(9) Delete Section 10.3 in its entirety and replace with the following language:

If an Event of Default has occurred and is continuing, the Non-Defaulting Party shall have the right, by Notice to the Defaulting Party, to designate a Day, no earlier than the Day such Notice is given and no later than 20 Days after such Notice is given, as an early termination date (the “Early Termination Date”) for the liquidation and termination pursuant to Section 10.3.1 of all transactions under the Contract, each a “Terminated Transaction”. On the Early Termination Date, all transactions will terminate, other than those transactions, if any, that may not be liquidated and terminated under applicable law or that are, in the reasonable opinion of the Non-Defaulting Party, commercially impracticable to liquidate and terminate (“Excluded Transactions”), which Excluded Transactions must be liquidated and terminated as soon thereafter as is reasonably practicable, and upon termination shall be a Terminated Transaction and be valued consistent with Section 10.3.1 below. With respect to each Excluded Transaction, its actual termination date shall be the Early Termination Date for purposes of Section 10.3.1.

(10) The following is added at the end of Section 10.4:

Notwithstanding anything herein to the contrary, if the Non-Defaulting Party owes the Net Settlement Amount to the Defaulting Party, the Non-Defaulting Party shall not be required to pay to the Defaulting Party the Net Settlement Amount, nor shall interest be owed on such

amount, until (i) the Non-Defaulting Party receives confirmation satisfactory to it, in its reasonable discretion, that all other obligations of any kind whatsoever of the Defaulting Party to make any payments to the Non-Defaulting Party under this Contract and transactions hereunder, or otherwise, which are due and payable as of the Early Termination Date, have been paid (or netted, set off, recouped, or the like) in full; and (ii) the Defaulting Party executes a release in a form reasonably satisfactory to the Non-Defaulting Party that acts as the final resolution of the transactions hereunder. To the extent that either party believes that bankruptcy court approval of the release is required, the Non-Defaulting Party may withhold payment of the Net Settlement Amount until such time as appropriate court approval has been obtained and is final and non-appealable.

(11) Delete Section 10.5 in its entirety and replace with the following language:

The parties specifically agree that any transaction under the Contract are “forward contracts” as such term is defined in the United States Bankruptcy Code and that each party is a “forward contract merchant” as such term is defined in the United States Bankruptcy Code. Each party further agrees that the other party is not a “utility” as such term is used in 11 U.S.C. Section 366, and each party agrees to waive and not to assert the applicability of the provisions of 11 U.S.C. Section 366 in any bankruptcy proceeding involving such party.

(12) Section 12 is amended by deleting the second sentence and replacing it with the following:

The rights of either party pursuant to: Section 7.6, Section 10, Section 13, Section 15.10, waiver of jury trial provisions, the obligations to make payment hereunder, the obligation of either party to indemnify the other pursuant hereto, shall survive the termination of the Base Contract or any transaction.

(13) Delete Section 15.1 in its entirety and replace it with the following language:

This Contract shall be binding upon and inure to the benefit of the successors, assigns, personal representatives, and heirs of the respective parties hereto, and the covenants, conditions, rights and obligations of this Contract shall run for the full term of this Contract. This Agreement may not be assigned by either party without the prior written consent of the other, such consent may not be unreasonably withheld and will be subject to credit approval except that either party may (i) transfer, sell, pledge, encumber, or assign this Contract or the accounts, revenues, or proceeds herein in connection with any financing or other financial arrangements. Additionally, assignment shall be subject to (a) the other party providing at least thirty (30) days advance written notice of their intent to do so; (b) there are no Events of Default; and (c) the assignee assumes all of assignor’s obligations hereunder. Upon any such assignment, transfer and

assumption, the transferor shall remain liable for and shall not be relieved of or discharged from any obligations hereunder arising prior to the effective date of assignment.

(14) The following is added at the end of Section 15.5:

EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, SUIT OR PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS CONTRACT OR THE TRANSACTIONS CONTEMPLATED BY THIS CONTRACT.

(15) Delete Section 15.6 in its entirety and replace it with the following language:

This Contract and all provisions herein will be subject to all applicable and valid statutes, rules, orders and regulations of any governmental authority having jurisdiction over the parties, their facilities, or Gas supply, this Contract or transaction or any provision thereof. In the event any governmental authority or any law, rule, regulation, ordinance or an order of any court, tribunal or regulatory authority of competent jurisdiction adversely and materially impacts Seller's ability to perform under this Agreement and/or any Transaction Confirmation, Seller shall have the right, at its option, in its sole discretion, to either attempt to renegotiate the terms of this Agreement and/or the Transaction Confirmation at any time, or to entirely terminate this Agreement and/or the Transaction Confirmation, without penalty, upon sixty (60) days' notice.

(16) Delete Section 15.10 in its entirety and replace it with the following language:

Unless the parties have elected on the Base Contract not to make this Section 15.10 applicable to this Contract, neither party shall disclose directly or indirectly without the prior written consent of the other party the terms of any transaction or any financial information provided by one party to the other party under this Agreement to a third party (other than the employees, lenders, royalty owners, counsel, accountants and other agents of the party, or prospective purchasers of all or substantially all of a party's assets or of any rights under this Contract, provided such persons shall have agreed to keep such terms confidential) except (i) in order to comply with any applicable law, order, regulation, or exchange rule, (ii) to the extent necessary for the enforcement of this Contract, (iii) to the extent necessary to implement any transaction, (iv) to the extent necessary to comply with a regulatory agency's reporting requirements including but not limited to gas cost recovery proceedings; (v) to the extent such information is delivered to such third party for the sole purpose of calculating a published index; or (vi) to third-party credit rating agencies or to Seller's parent in conjunction with Seller's evaluation and/or review of Buyer's creditworthiness. Each party shall notify the other party of any proceeding of which it is aware which may result in disclosure of the terms of any transaction (other than as permitted hereunder) and use reasonable efforts to prevent or limit the disclosure. The existence of this Contract is not subject to this confidentiality obligation.

Subject to Section 13, the parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with this confidentiality obligation. The terms of any transaction hereunder shall be kept confidential by the parties hereto for one year from the expiration of the transaction.

SPRAGUE ENERGY SOLUTIONS INC.:

BUYER:

By: _____

By: _____

Name: Brian Weego

Name: _____

Title: Vice President, Natural Gas

Title: _____

Date: _____

Date: _____

EXHIBIT A

**SPRAGUE ENERGY SOLUTIONS INC.
NATURAL GAS TRANSACTION CONFIRMATION**

Date: _____ Buyer Fax Nbr: _____
Buyer: _____ Agreement Date: _____
Attn: _____ Contract Nbr: NGRA
Deal: _____
Facility Location: _____

This Transaction Confirmation is made pursuant to the terms and conditions of NAESB ("Agreement") entered into between the parties and dated [add date]. In the event that the parties have not executed an agreement governing this sale of natural gas, this Transaction Confirmation shall be subject to the NAESB Base Contract for the Purchase and Sale of Natural Gas version 6.3.1., dated September 5, 2006, which the parties agree Sprague has provided to Buyer. As already orally agreed, Sprague and Buyer agree to the following transaction terms:

Delivery Period	Contract Quantity (MMBTU/day)	Price*	Delivery Information **
-----------------	----------------------------------	--------	-------------------------

* The Price shall also include any other charges set forth herein and all applicable Taxes, as defined in the Agreement.

** The Delivery Information may include local distribution company ("LDC"), delivery pipeline, transportation tariff and other information relevant to natural gas delivery. Unless otherwise specified, the Delivery Point is the citygate interconnection between the LDC and delivery pipeline.

Transaction Terms:

Buyer may accept this Transaction Confirmation by signing below and faxing it to Sprague at 603-430-5320. Buyer shall be solely responsible for notifying Sprague in writing of any inaccuracies in this Transaction Confirmation not less than two (2) business days from Buyer's receipt of the Transaction Confirmation and a failure to do so shall be deemed an acceptance of this Transaction Confirmation.

Sprague Energy Solutions Inc.

Buyer

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

Account Manager: Salesman - (phone) () -

**SPECIAL PROVISIONS
To Base Contract for
Sale and Purchase of Natural Gas**

Between Sprague Energy Solutions Inc. and

Dated: _____, 2011

The following changes are hereby made to the General Terms and Conditions Base Contract for Sale and Purchase of Natural Gas:

(1) Delete Section 3.1 in its entirety and replace with the following language:

Seller agrees to sell and deliver, and Buyer agrees to receive and purchase, the Contract Quantity for a particular transaction in accordance with the terms of the Contract. Sales and purchases will be on a Firm basis unless otherwise stated in the Transaction Confirmation.

(2) The following is added at the end of Section 10.4:

Notwithstanding anything herein to the contrary, if the Non-Defaulting Party owes the Net Settlement Amount to the Defaulting Party, the Non-Defaulting Party shall not be required to pay to the Defaulting Party the Net Settlement Amount, nor shall interest be owed on such amount, until (i) the Non-Defaulting Party receives confirmation satisfactory to it, in its reasonable discretion, that all other obligations of any kind whatsoever of the Defaulting Party to make any payments to the Non-Defaulting Party under this Contract and transactions hereunder, or otherwise, which are due and payable as of the Early Termination Date, have been paid (or netted, set off, recouped, or the like) in full; and (ii) the Defaulting Party executes a release in a form reasonably satisfactory to the Non-Defaulting Party that acts as the final resolution of the transactions hereunder. To the extent that either party believes that bankruptcy court approval of the release is required, the Non-Defaulting Party may withhold payment of the Net Settlement Amount until such time as appropriate court approval has been obtained and is final and non-appealable.

(3) Section 12 is amended by deleting the second sentence and replacing it with the following:

The rights of either party pursuant to: Section 7.6, Section 10, Section 13, Section 15.10, waiver of jury trial provisions, the obligations to make payment hereunder, the obligation of either party to indemnify the other pursuant hereto, shall survive the termination of the Base Contract or any transaction.

(4) The following is added at the end of Section 15.5:

EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, SUIT OR PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS CONTRACT OR THE TRANSACTIONS CONTEMPLATED BY THIS CONTRACT.

(5) Delete Section 15.10 in its entirety and replace it with the following language:

Unless the parties have elected on the Base Contract not to make this Section 15.10 applicable to this Contract, neither party shall disclose directly or indirectly without the prior written consent of the other party the terms of any transaction or any financial information provided by one party to the other party under this Agreement to a third party (other than the employees, lenders, royalty owners, counsel, accountants and other agents of the party, or prospective purchasers of all or substantially all of a party's assets or of any rights under this Contract, provided such persons shall have agreed to keep such terms confidential) except (i) in order to comply with any applicable law, order, regulation, or exchange rule, (ii) to the extent necessary for the enforcement of this Contract, (iii) to the extent necessary to implement any transaction, (iv) to the extent necessary to comply with a regulatory agency's reporting requirements including but not limited to gas cost recovery proceedings; (v) to the extent such information is delivered to such third party for the sole purpose of calculating a published index; (vi) to disclose open accounts receivable information arising from transactions related to this contract, whether then due or not, to third-party reporting agencies. Each party shall notify the other party of any proceeding of which it is aware which may result in disclosure of the terms of any transaction (other than as permitted hereunder) and use reasonable efforts to prevent or limit the disclosure. The existence of this Contract is not subject to this confidentiality obligation. Subject to Section 13, the parties shall be entitled to all remedies available at law or in equity to enforce, or seek relief in connection with this confidentiality obligation. The terms of any transaction hereunder shall be kept confidential by the parties hereto for one year from the expiration of the transaction.

SPRAGUE ENERGY SOLUTIONS INC.:

By: _____

By: _____

Name: Brian Weego

Name: _____

Title: Vice President, Natural Gas

Title: _____

Date: _____

Date: _____

**EXHIBIT A
 SPRAGUE ENERGY SOLUTIONS INC.
 NATURAL GAS TRANSACTION CONFIRMATION**

Date:
 Buyer:
 Attn:
 Deal:

Buyer Fax Nbr:
 Agreement Date:
 Contract Nbr: NGRA

This Transaction Confirmation is made pursuant to the terms and conditions of Sprague Energy Solutions Inc. Natural Gas Sales Agreement ("Agreement") entered into between the parties and dated [add date]. In the event that the parties have not executed an agreement governing this sale of natural gas, this Transaction Confirmation shall be subject to the Sprague Energy Solutions Inc. Natural Gas Sales Agreement's terms and conditions, which the parties agree Sprague has provided to Buyer. As already orally agreed, Sprague and Buyer agree to the following transaction terms:

Delivery Period	Contract Quantity (MMBTU/day)	Price*	Delivery Information**
-----------------	----------------------------------	--------	------------------------

* The Price shall also include any other charges set forth herein and all applicable Taxes, as defined in the Agreement.

** The Delivery Information may include local distribution company ("LDC"), delivery pipeline, transportation tariff and other information relevant to natural gas delivery. Unless otherwise specified, the Delivery Point is the citygate interconnection between the LDC and delivery pipeline.

Payment Terms:

Transaction Terms:

Buyer may accept this Transaction Confirmation by signing below and faxing it to Sprague at 603-430-5320. Buyer shall be solely responsible for notifying Sprague in writing of any inaccuracies in this Transaction Confirmation not more than two (2) business days from Buyer's receipt of the Transaction Confirmation and a failure to do so shall be deemed an acceptance of this Transaction Confirmation.

Sprague Energy Solutions Inc.

Buyer

By: _____

By: _____

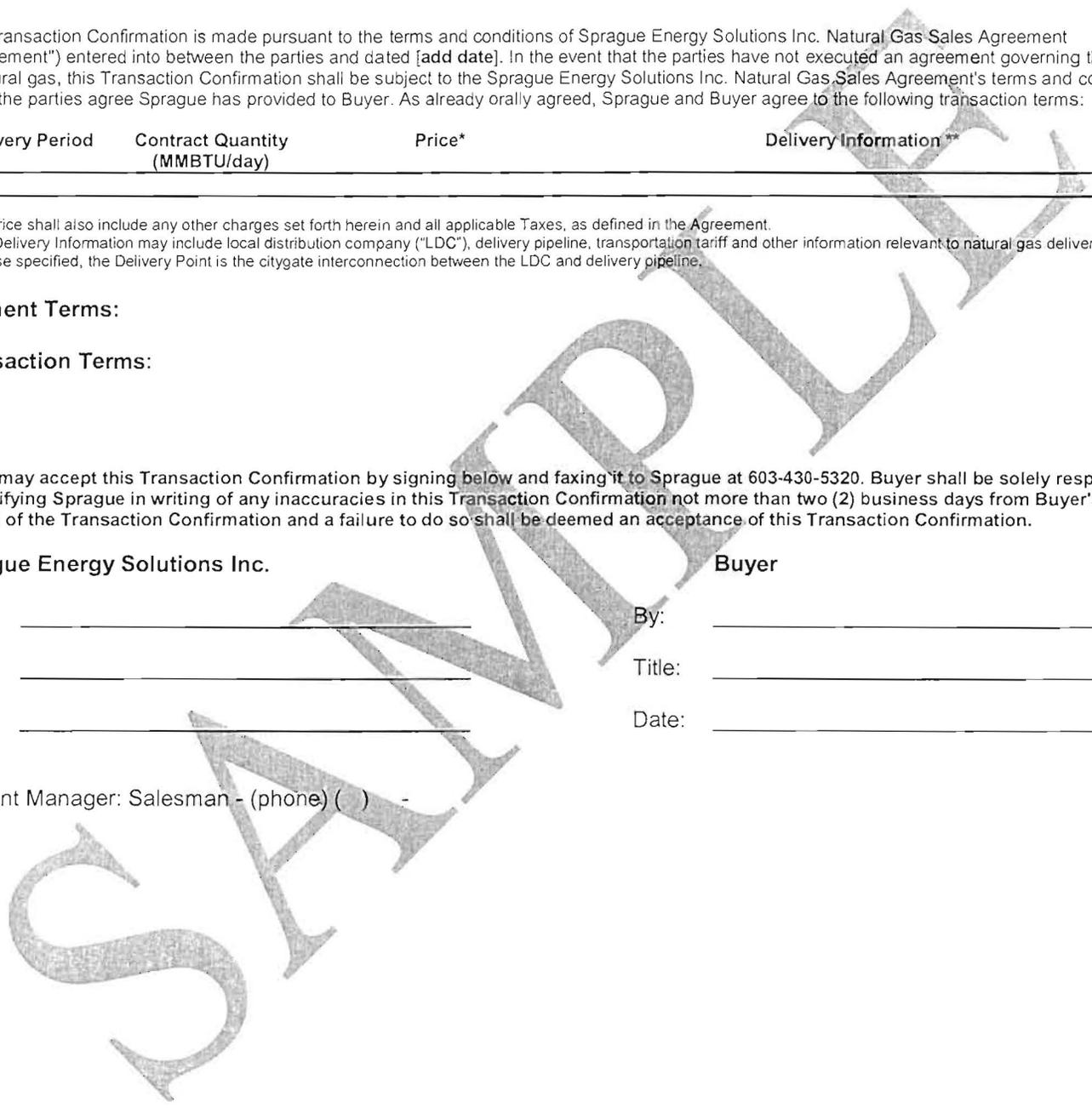
Title: _____

Title: _____

Date: _____

Date: _____

Account Manager: Salesman - (phone) () -



<p>Seller: Sprague Energy Solutions Inc. Two International Drive Suite 200 Portsmouth, NH 03801</p> <p>Account Manager:</p>	<p>Buyer:</p> <p>Federal Tax ID Number:</p>
<p>Attention: Contract Administration Department Phone: (603) 430-5338 Fax: (603) 430-5320</p>	<p>Attention:</p> <p>Phone:</p> <p>Fax:</p>
<p>Remit Payments To: Sprague Energy Solutions Inc. PO Box 414380 Boston, MA 02241-4380</p>	<p>Send Invoices To: Attn:</p>
<p>Governing Law: New Hampshire</p>	<p>Service Location(s): See attached</p>
<p>Initial Term:</p>	<p>Delivery Point:</p>
<p>Quantity: Buyer's full requirements for natural gas service at the Service Location(s).</p>	
<p>Price:</p>	
<p>Additional Provisions:</p>	
<p>Emergency Contact Information: In the event of a natural gas emergency, Buyer should contact their local gas utility at 000-000-0000. Buyer may contact Sprague at 1-800-225-1560, Monday through Friday between 8:00 AM and 5:00 PM Eastern Time. For additional information, customers may also contact their state regulatory agency.</p>	<p>New Hampshire Public Utilities Commission 21 S. Fruit St., Suite 10, Concord, NH 03301 (603) 271-2431 http://www.puc.state.nh.us/</p>
<p>This Agreement shall be subject to the attached Natural Gas Sales Terms and Conditions and may be executed in multiple counterparts. The parties may rely upon facsimile or electronically-produced counterparts and signatures of this Agreement as if originals. This Agreement shall not become effective unless accepted by Sprague. Buyer hereby authorizes its local distribution company ("LDC") to provide Sprague with all information regarding Buyer's gas requirements and that which is necessary for Sprague to perform its obligations hereunder. Buyer further authorizes Sprague to act as its agent in dealing with the LDC.</p>	
<p>SEEN AND AGREED: Sprague Energy Solutions Inc.</p> <p>Signature: _____</p> <p>Print Name: <u>Mark Roberts</u></p> <p>Title: <u>Managing Director - Natural Gas Sales and Marketing</u></p> <p>Date: _____</p>	<p>SEEN AND AGREED:</p> <p>Signature: _____</p> <p>Print Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>

Natural Gas Sales Terms and Conditions

1. **Delivery and Damages.** Natural gas ("Gas") is sold hereunder on a firm basis, meaning that either party may interrupt its performance without liability only when Force Majeure applies under Section 9. For any day that Sprague fails to deliver Gas or Buyer fails to receive Gas, the non-performing party shall be entitled to damages from the other party equal to the cost of cover plus any transportation and/or imbalance charges or \$0.09 per therm multiplied by the number of therms which should have been received or delivered that day, whichever is greater.
2. **Term.** The initial term shall commence as of the first date of service, which will occur in accordance with the LDC's tariff, rules and regulations. Upon the conclusion of the initial term, this Agreement shall automatically renew on a month-to-month basis at a rate equal to an index price plus applicable transportation fees and \$0.09 per therm until terminated by either party giving at least thirty (30) days' prior written notice to the other party; provided, however, that Buyer shall remain liable for Gas supplied by Sprague pursuant to the terms of this Agreement until such service can be terminated in accordance with the LDC's tariff, rules and regulations.
3. **Termination Event.** Sprague may terminate this Agreement upon 15-days' written notice to Buyer (and subject to the LDC's tariff, rules and regulations) if the Buyer a) commences a proceeding under any bankruptcy or similar law for the protection of its creditors or such proceeding is commenced against Buyer; b) otherwise becomes bankrupt or insolvent (however evidenced); or c) fails to pay Sprague's invoice when due. Upon termination, Buyer shall pay Sprague the cost of cover plus any transportation and/or imbalance charges or \$0.09 per therm multiplied by the number of therms in the remaining term, whichever is greater. Buyer shall be liable for all costs and reasonable attorney fees incurred by Sprague in collecting overdue payment from Buyer.
4. **Transportation, Nominations and Scheduling.** Sprague will deliver Gas in compliance with the applicable tariff's quality and measurement specifications and transport it to the delivery point(s), at which title shall pass to Buyer and Buyer will be responsible for transporting the Gas from such delivery point. Sprague expressly disclaims all other warranties of quality or fitness for a particular purpose. Buyer shall be responsible for all imbalance charges, penalties or other fees except those resulting from Sprague's failure to reasonably nominate and schedule Gas for Buyer. Upon request, Buyer shall provide to Sprague copies of Buyer's LDC statements, reports or meter readings.
5. **Operational Change.** Buyer shall immediately notify Sprague of any event that may materially alter Buyer's Gas usage, i.e. equipment installations, repairs, shutdowns, or production schedule changes. Buyer shall also immediately notify Sprague of, and fully comply with, all curtailment or interruption orders or similar notices.
6. **Taxes.** Sprague shall pay all taxes (including but not limited to sales, use, distribution, excise, or gross receipts), fees, levies, penalties, licenses or charges imposed, whether now or in the future, by any government authority ("Taxes") on or with respect to the Gas prior to the delivery point(s). Buyer shall pay all Taxes, whether stated separately or as part of the price, on or with respect to the Gas at and after the delivery point(s). Any party entitled to an exemption from any Taxes must furnish the other party with supporting documentation.
7. **Billing and Payment.** Sprague shall monthly invoice Buyer for delivered Gas based upon the best available information, including nominated volumes. Buyer shall make full payment within fifteen (15) days of the invoice date, and Sprague shall make any necessary adjustment in the invoice following discovery of the actual quantities. If the Buyer's LDC billing cycle is not based on a calendar month, Sprague shall establish a single price for the billing cycle on the closing date based on the applicable monthly prices. Sprague may charge Buyer an interest rate of one and a half percent (1½%) monthly or the maximum legal rate, if lower, on any late payment. The LDC's meter reading shall control for the purpose of determining an invoice's accuracy, and the Buyer shall not dispute an invoice based on a meter reading absent documentation from the LDC, verifying an error in the meter reading and setting forth the accurate meter reading.
8. **Credit.** Buyer agrees to provide its financial information as Sprague reasonably requests from time to time for the purpose of assessing and monitoring Buyer's financial condition.
9. **Force Majeure.** Except for a party's payment obligation, neither party shall be liable to the other for failure to perform an obligation to the extent caused by Force Majeure, meaning acts of God, fires, floods, explosions, storms, or storm warnings, breakage of machinery or pipelines, freezing of wells or pipelines, sudden failure of gas supply, failure or curtailment of transportation, strikes, lockouts or other industrial disturbances, acts of terrorism or war, or any other non-financial cause outside the control of the party claiming Force Majeure. If the party claiming Force Majeure promptly notifies the other party in writing as soon as reasonably possible, such party is relieved of its obligation to deliver or receive Gas from the onset of the Force Majeure event through its duration. Sprague may prorate its available supply at an affected delivery point based on nominated volumes among Sprague's firm customers receiving Gas at such delivery point.
10. **Tariffs, Laws and Regulations.** This Agreement shall be subject to all local, state and federal laws and regulations and any applicable order of a governmental body or official. Each party shall indemnify, defend and hold harmless the other party from any fines, penalties, assessments or liabilities imposed by any governmental authority relating to the failure of such party to comply with any applicable law, regulation or order. In the event any law, regulation or order of any governmental authority adversely and materially impacts Sprague's ability to perform, Sprague may, either attempt to renegotiate the terms of this Agreement at any time or terminate this Agreement without penalty, upon sixty (60) days' written notice. In the event of an approved change to a transporter tariff and/or utility capacity assignment resulting in a related rate increase, the contract price set forth in this Transaction Confirmation may be adjusted accordingly.
11. **Waiver and Severability.** No party's waiver of any breach of performance shall be deemed a waiver of any subsequent breach. Should a court of competent jurisdiction hold any provision herein invalid, illegal or unenforceable, that provision shall be eliminated or limited to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable.
12. **Integration and Assignability.** This Agreement contains the parties' entire understanding and supersedes any prior agreement between the parties. This Agreement shall be binding upon and inure to the benefit of the parties' successors and assigns and may only be modified by written agreement between the parties. Buyer shall not assign this Agreement without Sprague's consent.
13. **Confidentiality.** Buyer shall not disclose the terms stated herein, including price, without Sprague's consent.
14. **Limitations.** Neither party shall be liable for specific performance, consequential, incidental, punitive, exemplary or indirect damages, lost profits or other business interruption damages.
15. **Governing Law.** This Agreement shall be governed by and interpreted in accordance with the laws of the state identified on the first page. The parties hereby waive any right to a jury trial.

Natural Gas Sales Agreement – Exhibit A

Volumes: Buyer's Monthly Contract Quantities (stated in therms) during the Initial Term and any subsequent term shall be as follows:

Jan. 0	Feb. 0	Mar. 0	Apr. 0	May. 0	Jun. 0
Jul. 0	Aug. 0	Sep. 0	Oct. 0	Nov. 0	Dec. 0

Service Locations

Service Address	Utility Account Number	Utility Meter Number	Location Description	Capacity Assignment Quantity
				0.000

SPRAGUE ENERGY SOLUTIONS INC.

Assistant Secretary's Certificate

The undersigned, Katherine Kehoe Battles , being the Assistant Secretary of Sprague Energy Solutions Inc., a Delaware corporation (the "Company"), DOES HEREBY CERTIFY on behalf of the Company, that:

1. Sprague Energy Solutions Inc. is a wholly owned subsidiary of Sprague Operating Resources LLC.
2. Attached hereto as Exhibit A is the true and correct copy of the Certificate of Formation of Sprague Energy Solutions Inc.
3. Attached hereto as Exhibit B is a true and correct copy of the By-Laws of the Company in effect on the date hereof and at all times since July 7, 2011. Such By-Laws have not been amended or repealed since said date and are in full force and effect on the date hereof.
4. Attached hereto as Exhibit C are true and correct copies of Written Consents duly adopted by the Sole Incorporator on September 20, 2011 and September 21, 2011, respectively, and that such Consents have not been amended, modified or revoked and are in full force and effect as of the date hereof.

IN WITNESS WHEREOF, the undersigned has signed this Certificate on behalf of the Company as of the 7th day of February, 2012.

By: 
Name: Katherine K. Battles
Title: Assistant Secretary

The undersigned, Kevin G. Henry, being the Treasurer of the Company, DOES HEREBY CERTIFY that Katherine K. Battles has been duly elected (or appointed) and has duly qualified as, and on this day is, Assistant Secretary of the Company, and the signature above is her genuine signature.

IN WITNESS WHEREOF, the undersigned has signed this certificate on behalf of the Company as of this 7th day of February, 2012.

By: Kevin Henry
Name: Kevin G. Henry
Title: Treasurer

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "SPRAGUE ENERGY SOLUTIONS INC.", FILED IN THIS OFFICE ON THE SEVENTH DAY OF JULY, A.D. 2011, AT 12:07 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



5007282 8100

110798501

You may verify this certificate online
at corp.delaware.gov/authver.shtml


Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 8886444

DATE: 07-07-11

CERTIFICATE OF INCORPORATION
OF
SPRAGUE ENERGY SOLUTIONS INC.

FIRST: The name of the corporation is Sprague Energy Solutions Inc.

SECOND: The address of its registered office in the State of Delaware is The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801 in New Castle County, Delaware. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The nature of the business or purposes to be conducted or promoted by the corporation is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law.

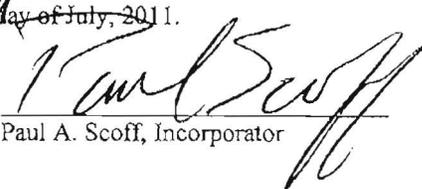
FOURTH: The total number of shares of all classes of stock which the corporation shall have authority to issue is One Thousand (1,000) shares of Common Stock of the par value of One Cent (\$.01) per share.

FIFTH: The name of the incorporator is Paul A. Scoff and his mailing address is:

Paul A. Scoff
c/o Sprague Energy Corp.
Two International Drive, Suite 200
Portsmouth, New Hampshire 30801

I, the undersigned, for the purpose of forming a corporation under the laws of the State of Delaware, do make, file and record this Certificate, and do certify that the facts herein stated are true, and I have accordingly hereunto set my hand this 7th day of July, 2011.

By:


Paul A. Scoff, Incorporator

**BYLAWS
OF
SPRAGUE ENERGY SOLUTIONS INC.**

A Delaware Corporation

Date of Adoption:

July [7], 2011

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BYLAWS
OF
SPRAGUE ENERGY SOLUTIONS INC.

ARTICLE I
OFFICES

Section 1. Registered Office. The registered office of Sprague Energy Solutions Inc. (the “Corporation”) required by the General Corporation Law of the State of Delaware (the “DGCL”) to be maintained in the State of Delaware, shall be the registered office named in the original Certificate of Incorporation of the Corporation (as the same may be amended and restated from time to time, the “Certificate of Incorporation”), or such other office as may be designated from time to time by the Board of Directors of the Corporation (the “Board of Directors”) in the manner provided by law. Should the Corporation maintain a principal office within the State of Delaware such registered office need not be identical to such principal office of the Corporation.

Section 2. Other Offices. The Corporation may have offices at such other places both within and without the State of Delaware as the Board of Directors may from time to time determine or as the business of the Corporation may require.

ARTICLE II
STOCKHOLDERS

Section 1. Place of Meetings. All meetings of the stockholders shall be held at the principal office of the Corporation, or at such other place within or without the State of Delaware as shall be specified or fixed in the notices or waivers of notice thereof.

Section 2. Quorum; Adjournment of Meetings. Unless otherwise required by law or provided in the Certificate of Incorporation or these bylaws, the holders of shares of stock with a majority of the voting power entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at any meeting of stockholders for the transaction of business and the act of the holders of a majority of the voting power of such stock so represented at any meeting of stockholders at which a quorum is present shall constitute the act of the meeting of stockholders. The stockholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Shares of its own stock belonging to the Corporation or to another corporation, if such shares of stock represent a majority of the voting power entitled to vote in the election of directors of such other corporation are held, directly or indirectly, by the Corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the Corporation or any subsidiary of the Corporation to vote stock, including but not limited to its own stock, held by it in a fiduciary capacity.

Notwithstanding the other provisions of the Certificate of Incorporation or these bylaws, the chairman of the meeting or the holders of shares of stock with a majority of the voting power present in person or represented by proxy at any meeting of stockholders, whether or not a

quorum is present, shall have the power to adjourn such meeting from time to time, without any notice other than announcement at the meeting of the time and place of the holding of the adjourned meeting; provided, however, if the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at such meeting. At any such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally called.

Section 3. Annual Meetings. An annual meeting of the stockholders, for the election of directors to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting, shall be held at such place, within or without the State of Delaware, on such date, and at such time as the Board of Directors shall fix and set forth in the notice of the meeting, which date shall be within thirteen (13) months subsequent to the later of the date of incorporation or the last annual meeting of stockholders.

Section 4. Special Meetings. Unless otherwise provided in the Certificate of Incorporation, special meetings of the stockholders for any purpose or purposes may be called at any time by the Chairman of the Board (if any), by the chief executive officer or by a majority of the Board of Directors, or by a majority of the executive committee (if any), and shall be called by the Chairman of the Board (if any), by the chief executive officer or the Secretary upon the written request therefor, stating the purpose or purposes of the meeting, delivered to such officer, signed by the holder(s) of at least seventy-five percent (75%) of the issued and outstanding stock entitled to vote at such meeting.

Section 5. Record Date. For the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders, or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors of the Corporation may fix, in advance, a date as the record date for any such determination of stockholders, which date shall not be more than sixty (60) days nor less than ten (10) days before the date of such meeting, nor more than sixty (60) days prior to any other action.

If the Board of Directors does not fix a record date for any meeting of the stockholders, the record date for determining stockholders entitled to notice of or to vote at such meeting shall be at the close of business on the day next preceding the day on which notice is given, or, if in accordance with Article VII, Section 3 of these bylaws notice is waived, at the close of business on the day next preceding the day on which the meeting is held. If, in accordance with Section 12 of this Article II, corporate action without a meeting of stockholders is to be taken, the record date for determining stockholders entitled to express consent to such corporate action in writing, when no prior action by the Board of Directors is necessary, shall be the day on which the first written consent is expressed. The record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

Section 6. Notice of Meetings. Written notice of the place, date and hour of all meetings, and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be given by or at the direction of the Chairman of the Board (if any) or the chief executive officer, the Secretary or the other person(s) calling the meeting to each stockholder entitled to vote thereat and shall be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting, personally, by electronic transmission or by mail. If mailed, notice is given when deposited in the United States mail, postage prepaid, directed to the stockholder at his or her address as it appears on the records of the Corporation. The Corporation may provide stockholders with notice of a meeting by electronic transmission provided such stockholders have consented to receiving electronic notice.

Section 7. Stock List. A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in the name of such stockholder, shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting, either on a reasonably accessible electronic network, provided that the information required to gain access to the list is provided with the notice of the meeting, or during ordinary business hours, at the principal place of business of the Corporation. The stock list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting.

Section 8. Proxies. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to a corporate action in writing without a meeting may authorize another person or persons to act for him by proxy. Proxies for use at any meeting of stockholders shall be filed with the Secretary, or such other officer as the Board of Directors may from time to time determine by resolution, before or at the time of the meeting. All proxies shall be received and taken charge of and all ballots shall be received and canvassed by the secretary of the meeting who shall decide all questions touching upon the qualification of voters, the validity of the proxies, and the acceptance or rejection of votes, unless an inspector or inspectors shall have been appointed by the chairman of the meeting, in which event such inspector or inspectors shall decide all such questions.

No proxy shall be valid after three (3) years from its date, unless the proxy provides for a longer period. Each proxy shall be revocable unless expressly provided therein to be irrevocable and coupled with an interest sufficient in law to support an irrevocable power.

Should a proxy designate two or more persons to act as proxies, unless such instrument shall provide the contrary, a majority of such persons present at any meeting at which their powers thereunder are to be exercised shall have and may exercise all the powers of voting or

giving consents thereby conferred, or if only one be present, then such powers may be exercised by that one; or, if an even number attend and a majority do not agree on any particular issue, each proxy so attending shall be entitled to exercise such powers in respect of the same portion of the shares as he or she is of the proxies representing such shares.

Section 9. Voting; Elections; Inspectors. Unless otherwise required by law or provided in the Certificate of Incorporation, each stockholder shall have one vote for each share of stock entitled to vote which is registered in his or her name on the record date for the meeting. Shares registered in the name of another corporation, domestic or foreign, may be voted by such officer, agent or proxy as the bylaw (or comparable instrument) of such corporation may prescribe, or in the absence of such provision, as the Board of Directors (or comparable body) of such corporation may determine. Shares registered in the name of a deceased person may be voted by his or her executor or administrator, either in person or by proxy.

All voting, except as required by the Certificate of Incorporation or where otherwise required by law, may be by a voice vote; provided, however, that upon demand therefor by stockholders holding shares of stock representing a majority of the voting power present in person or by proxy at any meeting a written ballot vote shall be taken. All elections for directors shall be by written ballot unless otherwise provided in the Certificate of Incorporation. Unless otherwise provided in the Certificate of Incorporation or these bylaws, directors shall be elected by a plurality of the votes cast by the holders of shares of stock entitled to vote in the election of directors at a meeting of stockholders at which a quorum is present. All other elections and questions presented to the stockholders at a meeting at which a quorum is present shall, unless otherwise provided by the Certificate of Incorporation, these by-laws, the rules or regulations of any stock exchange applicable to the Corporation, or applicable law or pursuant to any regulation applicable to the Corporation or its securities, be decided by the affirmative vote of the holders of a majority in voting power of the shares of stock of the Corporation which are present in person or by proxy and entitled to vote thereon. Every stock vote shall be taken by written ballots, each of which shall state the name of the stockholder or proxy voting and such other information as may be required under the procedure established for the meeting.

At any meeting at which a vote is taken by ballots, the chairman of the meeting may appoint one or more inspectors, each of whom shall subscribe an oath or affirmation to execute faithfully the duties of inspector at such meeting with strict impartiality and according to the best of his or her ability. Such inspector shall ascertain the number of shares of capital stock of the Corporation outstanding and the voting power of each such share, determine the shares of capital stock of the Corporation represented at the meeting and the validity of proxies and ballots, count all votes and ballots, determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and certify their determination of the number of shares of capital stock of the Corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the Corporation, the inspectors may consider such information as is permitted by applicable law. The chairman of the meeting may appoint any person to serve as inspector, except no candidate for the office of director shall be appointed as an inspector.

Unless otherwise provided in the Certificate of Incorporation, cumulative voting for the election of directors shall be prohibited.

Section 10. Conduct of Meetings. The meetings of the stockholders shall be presided over by the Chairman of the Board (if any), or if he or she is not present, by the chief executive officer, or if neither the Chairman of the Board (if any), nor chief executive officer is present, by a chairman elected at the meeting. The Secretary of the Corporation, if present, shall act as secretary of such meetings, or if he or she is not present, an Assistant Secretary shall so act; if neither the Secretary nor an Assistant Secretary is present, then a secretary shall be appointed by the chairman of the meeting. The chairman of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seem to him in order. Unless the chairman of the meeting of stockholders shall otherwise determine, the order of business shall be as follows:

- (a) Calling of meeting to order.
- (b) Election of a chairman and the appointment of a secretary if necessary.
- (c) Presentation of proof of the due calling of the meeting.
- (d) Presentation and examination of proxies and determination of a quorum.
- (e) Reading and settlement of the minutes of the previous meeting.
- (f) Reports of officers and committees.
- (g) The election of directors if an annual meeting, or a meeting called for that purpose.
- (h) Unfinished business.
- (i) New business.
- (j) Adjournment.

Section 11. Treasury Stock. The Corporation shall not vote, directly or indirectly, shares of its own stock owned by it or any other corporation, if a majority of shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly by the Corporation and such shares shall not be counted for quorum purposes.

Section 12. Action Without Meeting. Unless otherwise provided in the Certificate of Incorporation, any action permitted or required by law, the Certificate of Incorporation or these bylaws to be taken at a meeting of stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without

a meeting by less than a unanimous written consent shall be given by the Secretary to those stockholders who have not consented in writing.

ARTICLE III **BOARD OF DIRECTORS**

Section 1. Power; Number; Term of Office. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors, and subject to the restrictions imposed by law or the Certificate of Incorporation, they may exercise all the powers of the Corporation.

The number of directors of the Corporation shall be determined from time to time by resolution of the Board of Directors, unless the Certificate of Incorporation fixes the number of directors, in which case a change in the number of directors shall be made only by amendment of the Certificate of Incorporation. Each director shall hold office for the term for which he or she is elected, and until his or her successor shall have been elected and qualified or until his or her earlier death, resignation or removal.

Unless otherwise provided in the Certificate of Incorporation, directors need not be stockholders nor residents of the State of Delaware.

Section 2. Quorum. Unless otherwise provided in the Certificate of Incorporation, a majority of the total number of directors shall constitute a quorum for the transaction of business of the Board of Directors and the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 3. Place of Meetings; Order of Business. The directors may hold their meetings and may have an office and keep the books of the Corporation, except as otherwise provided by law, in such place or places, within or without the State of Delaware, as the Board of Directors may from time to time determine by resolution. At all meetings of the Board of Directors business shall be transacted in such order as shall from time to time be determined by the Chairman of the Board (if any), or in his or her absence by the chief executive officer, or by resolution of the Board of Directors.

Section 4. First Meeting. Each newly elected Board of Directors may hold its first meeting for the purpose of organization and the transaction of business, if a quorum is present, immediately after and at the same place as the annual meeting of the stockholders. Notice of such meeting shall not be required.

Section 5. Regular Meetings. Regular meetings of the Board of Directors shall be held at such times and places as shall be designated from time to time by resolution of the Board of Directors. Notice of such regular meetings shall not be required.

Section 6. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board (if any), the chief executive officer or, on the written request of any two directors, by the Secretary, in each case on at least twenty-four (24) hours personal or written notice or on at least twenty-four (24) hours notice by electronic transmission to each director. Such notice, or any waiver thereof pursuant to Article VII, Section 3 hereof,

need not state the purpose or purposes of such meeting, except as may otherwise be required by law or provided for in the Certificate of Incorporation or these bylaws.

Section 7. Removal. Any director or the entire Board of Directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors; provided that, unless the Certificate of Incorporation otherwise provides, if the Board of Directors is classified, then the stockholders may effect such removal only for cause; and provided further that, if the Certificate of Incorporation expressly grants to stockholders the right to cumulate votes for the election of directors and if less than the entire Board of Directors is to be removed, no director may be removed without cause if the votes cast against his or her removal would be sufficient to elect him or her if then cumulatively voted at an election of the entire Board of Directors, or, if there be classes of directors, at an election of the class of directors of which such director is a part.

Section 8. Vacancies; Increases in the Number of Directors. Unless otherwise provided in the Certificate of Incorporation, vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority of the directors then in office, although less than a quorum, or a sole remaining director; and any director so chosen shall hold office until the next annual election and until his or her successor shall be duly elected and shall qualify, unless sooner displaced.

If the directors of the Corporation are divided into classes, any directors elected to fill vacancies or newly created directorships shall hold office until the next election of the class for which such directors shall have been chosen, and until their successors shall be duly elected and shall qualify.

Section 9. Compensation. Unless otherwise restricted by the Certificate of Incorporation, the Board of Directors shall have the authority to fix the compensation of directors.

Section 10. Action Without a Meeting. Unless otherwise restricted by the Certificate of Incorporation, any action required or permitted to be taken at any meeting of the Board of Directors, or any committee designated by the Board of Directors, may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or committee. Such consent shall have the same force and effect as a unanimous vote at a meeting, and may be stated as such in any document or instrument filed with the Secretary of State of Delaware.

Section 11. Telephone Conference Meeting. Unless otherwise restricted by the Certificate of Incorporation, subject to the requirement for notice of meetings, members of the Board of Directors, or members of any committee designated by the Board of Directors, may participate in a meeting of such Board of Directors or committee, as the case may be, by means of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in such a meeting shall constitute presence in person at such meeting, except where a person participates in the meeting

for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 12. Approval or Ratification of Acts or Contracts by Stockholders. The Board of Directors in its discretion may submit any act or contract for approval or ratification at any annual meeting of the stockholders, or at any special meeting of the stockholders called for the purpose of considering any such act or contract, and any act or contract that shall be approved or be ratified by the vote of the holders of shares of stock representing a majority of the voting power entitled to vote and present in person or by proxy at such meeting (provided that a quorum is present), shall be as valid and as binding upon the Corporation and upon all the stockholders as if it has been approved or ratified by every stockholder of the Corporation. In addition, any such act or contract may be approved or ratified by the written consent of the holders of shares of stock representing a majority of the voting power entitled to vote and such consent shall be as valid and as binding upon the Corporation and upon all the stockholders as if it had been approved or ratified by every stockholder of the Corporation.

ARTICLE IV **COMMITTEES**

Section 1. Designation; Powers. The Board of Directors may, by resolution passed by a majority of the whole board, designate one or more committees, including, if they shall so determine, an executive committee, each such committee to consist of one or more of the directors of the Corporation. Any such designated committee shall have and may exercise such of the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation as may be provided in such resolution, except that no such committee shall have the power or authority of the Board of Directors in reference to amending the Certificate of Incorporation, adopting an agreement of merger or consolidation, recommending to the stockholders an agreement of merger, recommending to the stockholders the sale, lease or exchange of all or substantially all of the Corporation's property and assets, recommending to the stockholders a dissolution of the Corporation or a revocation of a dissolution of the Corporation, or amending, altering or repealing the bylaws or adopting new bylaws for the Corporation and, unless such resolution or the Certificate of Incorporation expressly so provides, no such committee shall have the power or authority to declare a dividend or to authorize the issuance of stock. Any such designated committee may authorize the seal of the Corporation to be affixed to all papers which may require it. In addition to the above, such committee or committees shall have such other powers and limitations of authority as may be determined from time to time by resolution adopted by the Board of Directors.

Section 2. Procedure; Meetings; Quorum. Any committee designated pursuant to Section 1 of this Article shall choose its own chairman, shall keep regular minutes of its proceedings and report the same to the Board of Directors when requested, shall fix its own rules or procedures, and shall meet at such times and at such place or places as may be provided by such rules, or by resolution of such committee or resolution of the Board of Directors. At every meeting of any such committee, the presence of a majority of all the members thereof shall constitute a quorum and the affirmative vote of a majority of the members present shall be necessary for the adoption by it of any resolution.

Section 3. Substitution of Members. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of such committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not constituting a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of the absent or disqualified member.

ARTICLE V **OFFICERS**

Section 1. Number, Titles and Term of Office. The officers of the Corporation shall be a chief executive officer and a Secretary and, if the Board of Directors so elects, a Chairman of the Board, one or more Vice Presidents (any one or more of whom may be designated Executive Vice President or Senior Vice President), a Treasurer and such other officers as the Board of Directors may from time to time elect or appoint. Each officer shall hold office until his or her successor shall be duly elected and shall qualify or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided. Any number of offices may be held by the same person, unless the Certificate of Incorporation provides otherwise. Except for the Chairman of the Board, if any, no officer need be a director.

Section 2. Salaries. The salaries or other compensation of the officers and agents of the Corporation shall be fixed from time to time by the Board of Directors.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed, either with or without cause, by the vote of a majority of the whole Board of Directors at a special meeting called for the purpose, or at any regular meeting of the Board of Directors. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 4. Vacancies. Any vacancy occurring in any office of the Corporation may be filled by the Board of Directors.

Section 5. Powers and Duties of the Chief Executive Officer. The President shall be the chief executive officer of the Corporation unless the Board of Directors designates the Chairman of the Board or any other officer as chief executive officer. Subject to the control of the Board of Directors and the executive committee (if any), the chief executive officer shall have general executive charge, management and control of the properties, business and operations of the Corporation with all such powers as may be reasonably incident to such responsibilities; he or she may agree upon and execute all leases, contracts, evidences of indebtedness and other obligations in the name of the Corporation and may sign all certificates for shares of capital stock of the Corporation; and shall have such other powers and duties as designated in accordance with these bylaws and as from time to time may be assigned to him by the Board of Directors.

Section 6. Powers and Duties of the Chairman of the Board. If elected, the Chairman of the Board shall preside at all meetings of the stockholders and of the Board of Directors; shall

have such other powers and duties as designated in these bylaws and as from time to time may be assigned to him by the Board of Directors.

Section 7. Powers and Duties of the President. Unless the Board of Directors otherwise determines, the President shall have the authority to agree upon and execute all leases, contracts, evidences of indebtedness and other obligations in the name of the Corporation; and, unless the Board of Directors otherwise determines, he or she shall, in the absence of the Chairman of the Board or if there be no Chairman of the Board, preside at all meetings of the stockholders and (should he or she be a director) of the Board of Directors; and he or she shall have such other powers and duties as designated in accordance with these bylaws and as from time to time may be assigned to him or her by the Board of Directors.

Section 8. Vice Presidents. In the absence of the chief executive officer, or in the event of his or her inability or refusal to act, a Vice President designated by the Board of Directors shall perform the duties of the chief executive officer, and when so acting shall have all the powers of and be subject to all the restrictions upon the chief executive officer. In the absence of a designation by the Board of Directors of a Vice President to perform the duties of the chief executive officer, or in the event of his or her absence or inability or refusal to act, the Vice President who is present and who is senior in terms of time as a Vice President of the Corporation shall so act. The Vice Presidents shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Section 9. Treasurer. The Treasurer, if any, shall have responsibility for the custody and control of all the funds and securities of the Corporation, and he or she shall have such other powers and duties as designated in these bylaws and as from time to time may be assigned to him or her by the Board of Directors. He or she shall perform all acts incident to the position of Treasurer, subject to the control of the chief executive officer and the Board of Directors; and he or she shall, if required by the Board of Directors, give such bond for the faithful discharge of his or her duties in such form as the Board of Directors may require.

Section 10. Assistant Treasurers. Each Assistant Treasurer, if any, shall have the usual powers and duties pertaining to his or her office, together with such other powers and duties as designated in these bylaws and as from time to time may be assigned to him or her by the chief executive officer or the Board of Directors. The Assistant Treasurers shall exercise the powers of the Treasurer during that officer's absence or inability or refusal to act.

Section 11. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors, committees of directors and the stockholders, in books provided for that purpose; he or she shall attend to the giving and serving of all notices; he or she may in the name of the Corporation affix the seal of the Corporation to all contracts of the Corporation and attest the affixation of the seal of the Corporation thereto; he or she may sign with the other appointed officers all certificates for shares of capital stock of the Corporation; he or she shall have charge of the certificate books, transfer books and stock ledgers, and such other books and papers as the Board of Directors may direct, all of which shall at all reasonable times be open to inspection of any director upon application at the office of the Corporation during business hours; he or she shall have such other powers and duties as designated in these bylaws and as from time to time may be assigned to him or her by the Board of Directors or the chief executive officer; and he or

she shall in general perform all acts incident to the office of Secretary, subject to the control of the chief executive officer and the Board of Directors.

Section 12. Assistant Secretaries. Each Assistant Secretary, if any, shall have the usual powers and duties pertaining to his or her office, together with such other powers and duties as designated in these bylaws and as from time to time may be assigned to him or her by the chief executive officer or the Board of Directors. The Assistant Secretaries shall exercise the powers of the Secretary during that officer's absence or inability or refusal to act.

Section 13. Action with Respect to Securities of Other Corporations. Unless otherwise directed by the Board of Directors, the chief executive officer shall have power to vote and otherwise act on behalf of the Corporation, in person or by proxy, at any meeting of security holders of or with respect to any action of security holders of any other corporation in which this Corporation may hold securities and otherwise to exercise any and all rights and powers which this Corporation may possess by reason of its ownership of securities in such other corporation.

ARTICLE VI **CAPITAL STOCK**

Section 1. Certificates of Stock. Except as provided in this Section 1 of Article VI, the certificates for shares of the capital stock of the Corporation shall be in such form, not inconsistent with that required by law and the Certificate of Incorporation, as shall be approved by the Board of Directors. The Chairman of the Board (if any), chief executive officer or a Vice President shall cause to be issued to each stockholder one or more certificates, under the seal of the Corporation or a facsimile thereof if the Board of Directors shall have provided for such seal, and signed by the Chairman of the Board (if any), chief executive officer or a Vice President and the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer certifying the number of shares (and, if the stock of the Corporation shall be divided into classes or series, the class and series of such shares) owned by such stockholder in the Corporation; provided, however, that any of or all the signatures on the certificate may be facsimile. The stock record books and the blank stock certificate books shall be kept by the Secretary, or at the office of such transfer agent or transfer agents as the Board of Directors may from time to time by resolution determine. In case any officer, transfer agent or registrar who shall have signed or whose facsimile signature or signatures shall have been placed upon any such certificate or certificates shall have ceased to be such officer, transfer agent or registrar before such certificate is issued by the Corporation, such certificate may nevertheless be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The stock certificates shall be consecutively numbered and shall be entered in the books of the Corporation as they are issued and shall exhibit the holder's name and number of shares. The Board of Directors may deem that any outstanding shares of the Corporation will be uncertificated and registered in such form on the stock books of the Corporation.

Section 2. Transfer of Shares. Subject to the provisions of the Certificate of Incorporation and any other applicable agreements regarding the transfer of stock, the shares of stock of the Corporation shall be transferable only on the books of the Corporation by the holders thereof in person or by their duly authorized attorneys or legal representatives upon surrender and cancellation of certificates for a like number of shares. Subject to the provisions of the

Certificate of Incorporation and any other applicable agreements regarding the transfer of stock, upon surrender to the Corporation or a transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its books.

Section 3. Ownership of Shares. The Corporation shall be entitled to treat the holder of record of any share or shares of capital stock of the Corporation as the holder in fact thereof and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of the State of Delaware.

Section 4. Regulations Regarding Certificates. The Board of Directors shall have the power and authority to make all such rules and regulations as they may deem expedient concerning the issue, transfer and registration or the replacement of certificates for shares of capital stock of the Corporation.

Section 5. Lost or Destroyed Certificates. The Board of Directors may determine the conditions upon which a new certificate of stock may be issued in place of a certificate which is alleged to have been lost, stolen or destroyed; and may, in their discretion, require the owner of such certificate or his or her legal representative to give bond, with sufficient surety, to indemnify the Corporation and each transfer agent and registrar against any and all losses or claims which may arise by reason of the issue of a new certificate in the place of the one so lost, stolen or destroyed.

ARTICLE VII

MISCELLANEOUS PROVISIONS

Section 1. Fiscal Year. The fiscal year of the Corporation shall be such as established from time to time by the Board of Directors.

Section 2. Corporate Seal. The Board of Directors may provide a suitable seal, containing the name of the Corporation. The Secretary shall have charge of the seal (if any). If and when so directed by the Board of Directors or a committee thereof, duplicates of the seal may be kept and used by the Treasurer or by the Assistant Secretary or Assistant Treasurer.

Section 3. Notice and Waiver of Notice. Whenever any notice is required to be given by law, the Certificate of Incorporation or under the provisions of these bylaws, said notice shall be deemed to be sufficient if given by electronic transmission or by deposit of the same in a post office box in a sealed prepaid wrapper addressed to the person entitled thereto at his or her post office address, as it appears on the records of the Corporation, and such notice shall be deemed to have been given on the day of such transmission or mailing, as the case may be.

Whenever notice is required to be given by law, the Certificate of Incorporation or under any of the provisions of these bylaws, a written waiver thereof, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a

meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the grounds that the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in any written waiver of notice unless so required by the Certificate of Incorporation or these bylaws.

Section 4. Resignations. Any director, member of a committee or officer may resign at any time. Such resignation shall be made in writing or by electronic transmission and shall take effect at the time specified therein, or if no time be specified, at the time of its receipt by the chief executive officer or Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

Section 5. Facsimile Signatures. In addition to the provisions for the use of facsimile signatures elsewhere specifically authorized in these bylaws, facsimile signatures of any officer or officers of the Corporation may be used whenever and as authorized by the Board of Directors.

Section 6. Reliance upon Books, Reports and Records. Each director and each member of any committee designated by the Board of Directors shall, in the performance of his or her duties, be fully protected in relying in good faith upon the books of account or reports made to the Corporation by any of its officers, or by an independent certified public accountant, or by an appraiser selected with reasonable care by the Board of Directors or by any such committee, or in relying in good faith upon other records of the Corporation.

Section 7. Form of Records. Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or by means of, or be in the form of, any information storage device or method, provided that the records so kept can be converted into clearly legible paper form within a reasonable time.

ARTICLE VIII **AMENDMENTS**

If provided in the Certificate of Incorporation of the Corporation, the Board of Directors shall have the power to adopt, amend and repeal from time to time bylaws of the Corporation, subject to the right of the stockholders entitled to vote with respect thereto to amend or repeal such bylaws as adopted or amended by the Board of Directors.

ARTICLE IX **INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS**

Section 1. Right to Indemnification. Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she or a person of whom he or she is the legal representative, whether the basis of such proceeding is alleged action in an official capacity as a director or officer or in any other capacity while serving or having agreed to serve as a director or officer, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General

Corporation Law, as the same exists or may hereafter be amended, (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment) against all expense, liability and loss (including without limitation, attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to serve in the capacity which initially entitled such person to indemnity hereunder and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof), other than a proceeding (or part thereof) brought under Section 3 of this Article, initiated by such person or his or her heirs, executors and administrators only if such proceeding (or part thereof) was authorized by the board of directors of the Corporation. The right to indemnification conferred in this Article shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that, if the Delaware General Corporation Law requires, the payment of such expenses incurred by a current, former or proposed director or officer in his or her capacity as a director or officer or proposed director or officer (and not in any other capacity in which service was or is or has been agreed to be rendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such indemnified person, to repay all amounts so advanced if it shall ultimately be determined that such indemnified person is not entitled to be indemnified under this Section or otherwise.

Section 2. Indemnification of Employees and Agents. The Corporation may, by action of its Board of Directors, provide indemnification to employees and agents of the Corporation, individually or as a group, with the same scope and effect as the indemnification of directors and officers provided for in this Article.

Section 3. Right of Claimant to Bring Suit. If a written claim received by the Corporation from or on behalf of an indemnified party under this Article is not paid in full by the Corporation within ninety days after such receipt, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the Delaware General Corporation Law for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

Section 4. Nonexclusivity of Rights. The right to indemnification and the advancement and payment of expenses conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any law (common or statutory), provision of the Certificate of Incorporation of the Corporation, bylaw, agreement, vote of stockholders or disinterested directors or otherwise.

Section 5. Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any person who is or was serving as a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

Section 6. Savings Clause. If this Article or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify and hold harmless each director and officer of the Corporation, as to costs, charges and expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative to the full extent permitted by any applicable portion of this Article that shall not have been invalidated and to the fullest extent permitted by applicable law. Any repeal or modification of the foregoing provisions of this Article shall not adversely affect any right or protection hereunder of any Covered Person in respect of any act or omission occurring prior to the time of such repeal or modification.

Section 7. Definitions. For purposes of this Article, reference to the "Corporation" shall include, in addition to the Corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger prior to (or, in the case of an entity specifically designated in a resolution of the Board of Directors, after) the adoption hereof and which, if its separate existence had continued, would have had the power and authority to indemnify its directors, officers and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article with respect to the resulting or surviving corporation as he or she would have with respect to such constituent corporation if its separate existence had continued.

**WRITTEN CONSENT OF
THE INCORPORATOR OF
SPRAGUE ENERGY SOLUTIONS INC.
IN LIEU OF AN ORGANIZATIONAL MEETING**

September 20, 2011

The undersigned, being the sole incorporator (the “*Incorporator*”) of Sprague Energy Solutions Inc., a Delaware corporation (the “*Corporation*”), acting on behalf of the Corporation, and pursuant to the authority contained in Section 108(c) of the Delaware General Corporation Law (the “*DGCL*”), hereby approves, consents to, and adopts the following recitals and resolutions and the actions therein authorized as the acts of the Incorporator by written consent in lieu of an organizational meeting.

WHEREAS, the Corporation has been formed pursuant to the Certificate of Incorporation filed in the office of the Secretary of the State of Delaware on July 7, 2011; and

WHEREAS, it is now appropriate for the Incorporator to elect members of the board of directors of the Corporation (the “*Board*”).

Appointment of Managers

NOW THEREFORE, BE IT RESOLVED, that the following persons are hereby appointed to serve as a members of the Board, each such person to serve until their successor is duly elected and qualified or until their earlier resignation, removal, death or disability:

Burton S. Russell

Thomas Flaherty

Steven Scammon

Joseph Smith

Brian Weego

(Signature Page Follows)

IN WITNESS WHEREOF, the Incorporator has approved, consented to and adopted the foregoing resolutions effective as of the date first above written.



Paul A. Scoff, Incorporator

**ACTION BY WRITTEN CONSENT
OF THE BOARD OF DIRECTORS
OF SPRAGUE ENERGY SOLUTIONS INC.
IN LIEU OF AN ORGANIZATIONAL MEETING**

September 21, 2011

The undersigned, being all of the members of the board of directors (the "**Board**") of Sprague Energy Solutions Inc., a Delaware corporation (the "**Corporation**"), acting on behalf of the Corporation, and pursuant to the authority contained in 141(f) of the Delaware General Corporation Law, hereby approve, consent to, and adopt the following recitals and resolutions and the actions therein authorized as the acts of the Board by written consent in lieu of an organizational meeting.

WHEREAS, on July 7, 2011, the Certificate of Incorporation of the Corporation (the "**Certificate of Incorporation**") was duly filed in the office of the Secretary of State of the State of Delaware; and

WHEREAS, it is now appropriate for the Board to complete the organization of the Corporation by the adoption of the Certificate of Incorporation, adoption of bylaws, election of officers, authorization of the issuance of capital stock and the transaction of such other business as may be necessary or advisable in connection with such organization.

Certificate of Incorporation

RESOLVED, that the form, terms and provisions of the Certificate of Incorporation, a copy of which is attached hereto as Exhibit A, are hereby in all respects approved, adopted, ratified and confirmed as the certificate of incorporation of the Corporation in effect as of July 7, 2011.

Bylaws

RESOLVED, that the form, terms and provisions of the Bylaws of the Corporation, a copy of which is attached hereto as Exhibit B (the "**Bylaws**"), are hereby in all respects approved, adopted, ratified and confirmed as the bylaws of the Corporation in effect as of July 7, 2011.

Ratification of Acts Taken by Incorporator

FURTHER RESOLVED, that all acts and deeds taken by Paul A. Scoff, in his capacity as the incorporator designated in the Certificate of Incorporation, prior to the date hereof that are within the authority conferred upon directors pursuant to applicable law and the Certificate of Incorporation and the Bylaws, each as amended from time to time, are hereby approved, ratified, and confirmed in all respects:

Appointment of Officers

RESOLVED, that the appointment of the following individuals to the office or offices of the Corporation set forth opposite his or her name be, and hereby is, approved, ratified, and

confirmed in all respects, and that each such individual shall serve in such capacity until his or her respective successor is appointed and qualified or until his or her earlier resignation, death, or removal, and that all acts and deeds taken by each such individual in such capacity prior to the date hereof that are within the authority conferred upon such offices pursuant to applicable law and the Certificate of Incorporation and the Bylaws, each as amended from time to time, are hereby approved, ratified, and confirmed in all respects:

<u>Name</u>	<u>Office</u>
Steven Levy	President
Paul A. Scoff	Vice President, General Counsel and Secretary
Kevin G. Henry	Treasurer
Katherine K. Battles	Assistant Secretary
Kevin Grant	Managing Director, Refined and Alternative Fuels
Burr Mosher III	Managing Director, Bid/Contract Management
Barry Panicola	Managing Director, Transportation
Mark Roberts	Managing Director, Natural Gas Marketing

Corporation Records

RESOLVED, that the Corporation shall maintain, as part of its organizational and management records, a minute book that shall include, but that shall not be limited to, the Certificate and amendments thereto, the Bylaws and amendments thereto, minutes of all meetings of Board and the shareholders, or consents in lieu thereof, the time and the place of each such meeting, whether the meeting was regular or special, the manner in which the meeting was authorized, the notice given, the names of those present or represented at the meeting and the proceedings of each meeting; and

RESOLVED FURTHER, that the Board and any officer of the Corporation (each an “***Authorized Person***”) be, and each of them hereby is, acting alone, authorized and directed to procure such a minute book and such other books and records as may be required by the Corporation; and

RESOLVED FURTHER, that the Board and any Authorized Person be, and each of them hereby is, acting alone, authorized and directed to insert the Certificate and the Bylaws into the Corporation’s minute book.

Licenses and Tax Permits

RESOLVED, that any Authorized Person be, and each of them hereby is, acting alone, authorized, empowered and directed to obtain, in the Corporation’s name, such licenses, tax permits, including any taxpayer or employer identification numbers, and other permits as may be required by any applicable federal, state, county or municipal governmental statute, ordinance or regulation for the conduct of the business of the Corporation within any jurisdiction in which the Corporation shall have qualified to do business.

Qualification in Other Jurisdictions

RESOLVED, that in any state of the United States or any foreign jurisdiction in which any of the Authorized Persons shall have determined it necessary or appropriate for the Corporation to qualify to do business, any Authorized Person be, and each of them hereby is, acting alone, authorized, empowered and directed on behalf of the Corporation to make and file such certificates, reports or other instruments as may be required by the law of such jurisdiction to be filed for that purpose; and

RESOLVED FURTHER, that any Authorized Person be, and each of them hereby is, acting alone, authorized to pay all fees and expenses incident to and necessary for the qualification of the Corporation to do business in any such jurisdiction and to reimburse any person who has made any disbursement therefore.

Payment of Incorporation Fees

RESOLVED, that any Authorized Person be, and each of them hereby is, acting alone, authorized and directed to pay all fees and expenses incident to and necessary for the incorporation of the Company and to reimburse any person who has made any disbursement therefore.

Banking Authority

RESOLVED, that any Authorized Person be, and each of them hereby is, acting alone, authorized and empowered to establish an account or accounts for deposit of the funds of the Corporation at such bank or banks as they shall select (the "***Bank(s)***"), and upon such terms and conditions as they shall deem advisable; and

RESOLVED FURTHER, that any resolutions required by the Bank(s) in order to establish such accounts, whether required prior or subsequent to the date of this written consent, be, and they hereby are, approved, adopted, ratified and affirmed, and incorporated herein by reference, as official banking resolutions of the Corporation; and

RESOLVED FURTHER, that any Authorized Person be, and each of them hereby is, acting alone, authorized and empowered to certify to the Bank(s) that such banking resolutions have been duly adopted and to verify to the Bank(s) the names and specimen signatures of the officers authorized by such banking resolutions to act for the Corporation with respect to the accounts established thereby.

Issuance of Common Stock

RESOLVED, that the form of stock certificate for shares of Common Stock, \$0.01 par value per share ("***Common Stock***"), of the Corporation attached hereto as Exhibit C and incorporated herein by reference be, and it hereby is, approved and adopted; and

RESOLVED FURTHER, that the Corporation issue to Sprague Energy Corp., a Delaware corporation, one thousand (1,000) shares of its Common Stock, in consideration for its contribution to the Corporation of \$1,000.00, and when issued, such shares shall be validly issued, fully paid and non-assessable shares of the Common Stock of the Corporation; and

RESOLVED FURTHER, that pursuant to Section 1 of Article VI of the Bylaws, any actions taken by any Authorized Person to cause Sprague Energy Corp.'s interest in the Corporation to be certificated is hereby authorized and approved.

General Authority and Ratification

RESOLVED, that the Authorized Persons be, and each of them hereby is, acting alone, authorized and empowered to sign in the name and on behalf of the Corporation, all documents necessary to be signed by the Corporation in the ordinary course of its business; and that the Authorized Persons be, and each of them hereby is, acting alone, authorized and empowered to sign in attestation on all documents of the Corporation; and

RESOLVED FURTHER, that the Authorized Persons be, and each of them hereby is, acting alone, authorized, empowered and directed, for and on behalf of the Corporation, to do and perform all such acts and things and to enter into, execute and deliver all such certificates, agreements, acknowledgments, instruments, contracts, statements and other documents that, in the judgment of the Authorized Person taking such action, are necessary or appropriate to effectuate and carry out the purposes and intent of the foregoing resolutions (such determination to be conclusively evidenced by the taking of such action); and

RESOLVED FURTHER, that all acts and deeds performed prior to the date of these resolutions by any Authorized Person or other authorized agent of the Corporation, for and on behalf of the Corporation, that are within the authority conferred by the foregoing resolutions, are hereby approved, ratified and confirmed in all respects as the authorized acts and deeds of the Corporation.

(Signature Page Follows)

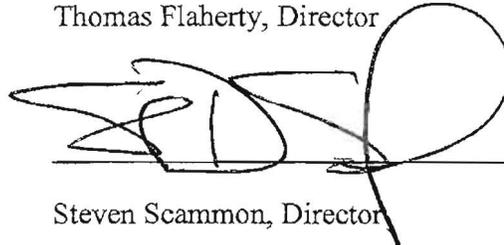
IN WITNESS WHEREOF, the undersigned, being all the members of the Board of the Corporation, have hereby duly executed this Action by Written Consent in lieu of an organizational meeting, as of the date first written above.



Burton S. Russell, Director



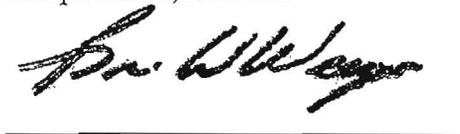
Thomas Flaherty, Director



Steven Scammon, Director



Joseph Smith, Director



Brian Weegp, Director

