

GENERAL TERMS AND CONDITIONS

Northern shall have the right to review a Shipper's creditworthiness on an ongoing basis and Shipper shall provide, upon Northern's request, updated financial statements periodically in order to determine the continuing creditworthiness of a Shipper. Shipper shall have at least 3 Business Days to respond to Northern's request for financial statements. Upon review of the Shipper's financial statements, Northern shall determine if the Shipper is creditworthy. If the Shipper is determined to be non-creditworthy, Northern may require Security as set forth herein. Shipper shall have at least 5 Business Days from Northern's written request to pay Northern for one month of service in advance. Shipper shall have at least 30 days to provide the next three (3) months of Security to continue service. If the Shipper fails to provide the required Security within these time periods, Northern may suspend service immediately. In addition, Northern will provide at least 30 days written notice to Shipper and the Commission that it will terminate service if the Shipper fails to provide the required Security.

Provided, however, Northern may limit a non-creditworthy Shipper's activity that would create or increase Northern's credit exposure to Shipper related to storage gas loans or delivery pursuant to the ILD Rate Schedule. Upon Shipper's providing financial assurance in a form acceptable to Northern in an amount equal to the outstanding value of any storage gas loaned to the Shipper and the value of any storage gas to be loaned, the Shipper may create or increase a storage loaned gas balance, up to the dollar value provided. Upon Shipper providing financial assurance in a form acceptable to Northern in an amount equal to the outstanding value of delivery of LNG under the ILD Rate Schedule to the Shipper and the value of LNG to be delivered, the Shipper may create or increase LNG deliveries, up to the dollar value provided. The requirements set forth in the paragraph above shall continue to apply to suspensions and terminations of all service.

Shipper shall have the right to request that its credit status be reevaluated by Northern at any time. If the Security requirements are terminated and the Shipper previously had provided Northern cash Security, the Shipper may elect to have the Security returned.

Northern may determine that a Shipper is no longer creditworthy if, in the reasonable opinion of Northern, a Shipper (or its guarantor) suffers a material adverse change (i.e., default on indebtedness, restatement of financials, non-payment) in its financial condition such that Shipper's ability to perform its obligations to Northern is materially impaired. If Shipper is no longer creditworthy, Northern may require financial statements and, when applicable, Security as set forth herein. Shipper shall have the right to demonstrate that the material adverse change has been remedied and request that Northern reevaluate the Shipper's creditworthiness to determine whether the Security requirements can be terminated.

If Shipper is unable to maintain creditworthiness and has not provided Security, any executed service agreement(s) may be terminated or suspended as set forth herein. Shipper is not responsible for reservation charges while service is suspended. If Shipper has defaulted under an agreement then, after providing 5 days written notice to Shipper to cure such default and Shipper's failure to cure such default, Northern shall net and/or setoff, as allowed by law, all positions (transportation, storage, imbalances, SBA, rate refunds, etc.) prior to settling outstanding account balances with the Shipper. For purposes of netting and/or setoff of obligations, gas balances shall first be dollar-valued based on the posted Midpoint Price for "Northern demarc" as published in "Gas Daily" for the most recent date available at the time the setoff occurs. Further, gas volumes loaned by Northern to Shipper, including quantities delivered to Shipper pursuant to the ILD Rate Schedule and gas volumes held by Northern on behalf of the Shipper shall be considered mutual debts owed. Northern shall have the right to assert any liens or other interests, consistent with applicable law, against any gas remaining on its system.

Northern and Shipper may enter into agreements to implement the provisions of this section or agreements related to credit and/or repayment for the cost of construction of mainline or lateral facilities. Any such agreement(s), along with the Shipper's service agreement(s), constitute one unitary unseverable agreement and memorialize the terms and conditions of a single transaction. A default under either agreement shall constitute a default under the other agreement. Upon Shipper's default, Northern shall have all rights granted to it by law or equity, including those contained in this Tariff and the agreements.