

[Company]  
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DD MM 2014

Tel: 6823 8780  
Fax: 6304 8222

Attn: Chief Executive Officer

Dear Sir

**SUPPLEMENTAL LETTER 7 -  
MODIFICATIONS TO THE VESTING CONTRACT DATED 23<sup>rd</sup> SEPTEMBER 2003**

The Holder (Name of entity) and the Issuer (SP Services) have in full force and effect the Vesting Contract dated 23<sup>rd</sup> September 2003 (the "Vesting Contract").

2. This Supplemental Letter 7 is supplemental to the Vesting Contract and the Supplemental Letters dated 25<sup>th</sup> May 2009, 3<sup>rd</sup> June 2009, 15<sup>th</sup> April 2010, 16<sup>th</sup> March 2011, 12<sup>th</sup> October 2012 and 11<sup>th</sup> September 2013 related thereto. Unless otherwise defined herein or if the context otherwise requires, the capitalized terms used in this Supplemental Letter shall have the meanings given to them in the Vesting Contract.

3. The Issuer hereby encloses the Modifications set out in Appendix 1, which have been mutually agreed by the Issuer and the Authority arising from the changes to the claw back mechanism for the LNG Vesting Scheme directed by the Authority. These Modifications shall take effect on [DD MM 2014], the commencement date of this Supplemental Letter 7.

4. Save as is otherwise stated herein, all the provisions contained in or subsisting in relation to the Vesting Contract shall continue to be applicable and binding and the Vesting Contract shall remain in full force and effect and shall be read and construed and be enforceable as if the terms of this Supplemental Letter 7 were inserted by way of addition, substitution or modification thereto as the case may be.

5. Please acknowledge your acceptance of this Supplemental Letter 7 by signing in the section marked below, as well as initialing all the pages in Appendix 1 and returning the attached duplicate of this Supplemental Letter 7 (and the Appendix 1) to the Issuer not later than seven (7) days from the date of this Supplemental Letter.

Yours faithfully

Jeanne Cheng  
Managing Director  
SP Services Ltd

To:

SP Services Ltd  
10 Pasir Panjang Road #03-01  
Maple Business City  
Singapore 117438

**ACCEPTANCE OF SUPPLEMENTAL LETTER 7**

We acknowledge and accept the provisions of your Supplemental Letter 7 dated DD MM 2014.

Signature: \_\_\_\_\_

Date of Signature: \_\_\_\_\_

Signed by: \_\_\_\_\_

Designation: \_\_\_\_\_  
For and on behalf of **[NAME OF ENTITY]**

Company Stamp: \_\_\_\_\_

The table below sets out the new sections or other amendments to the Vesting Contract as a consequence of the revisions to the claw back mechanism for the LNG Vesting Scheme directed by the Authority.

Save as provided for below, the Contract and all provisions thereof shall continue to be applicable and be in full force and effect as the legal, valid and binding obligations of the Holder and the Issuer.

Clause	EXISTING CLAUSE	AMENDED ADDITIONAL CLAUSE (S) <i>Deletions represented as strikethrough text and additions are represented as red underlined text.</i>
<b>13 LNG Vesting Scheme</b>		
<b>13.1 LNG Vesting Conditions</b>	(c) The Holder who is allocated LNG Vesting Quantities shall submit to the Authority the audited records on the LNG intake and usage for each calendar year (or part of the calendar year for the first year of the LNG Vesting Scheme) no later than 15 March (or the following business day) of the following calendar year.	<p>(c) <u>The regasified LNG quantities supplied, based on invoices issued, by BG Singapore Gas Marketing Pte. Ltd. to the Holder in each calendar year shall be deemed as the Holder's LNG usage quantities for the purpose of calculating the Holder's equivalent LNG usage quantities for that calendar year.</u></p> <p>The Holder who is allocated LNG Vesting Quantities shall submit to the Authority <u>a statement of its LNG</u> <del>the audited records on the LNG intake</del> and usage <u>quantities</u> for each calendar year (or part of the calendar year <del>in the case of for</del> the first year of the LNG Vesting Scheme) <u>no later than by 15<sup>th</sup> March the following calendar year or the next Business Day after 15<sup>th</sup> March if 15<sup>th</sup> March is a non-Business Day 15<sup>th</sup> March (whichever is earlier or the following business day) of the following calendar year.</u> Such a statement shall be in the form of a letter from BG Singapore Gas Marketing Pte. Ltd. to the Holder, stating the invoiced quantities with a breakdown of the actual LNG usage quantities and any shortfall LNG quantities below the Holder's Take or Pay obligations (or any LNG quantities drawn down from the banked LNG). The Holder is also required to submit a declaration to the Authority stating that the invoiced quantities had been used solely for</p>

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		<u>power generation.</u>
<b>13.2 Adjustments to LNG Vesting Quantities</b>	<p>(a) Upon failure of the Holder to fulfill the requirements to utilise the LNG purchased in accordance with clause 13.1(b), the Authority shall determine if the Holder has breached the LNG Vesting Scheme in each calendar year based on the following formula:</p> <p>Shortfall Quantities of Holder in Year x = Amount of regasified LNG equivalent to the LNG allocated quantities to the Holder in year x + Shortfall quantities of Holder in year x-1 – Amount of regasified LNG used by the Holder in year x</p>	<p>(a) <del>Upon failure of the Holder to fulfill the requirements to utilise the LNG purchased in accordance with clause 13.1(b),</del> <u>In respect of each calendar year,</u> the Authority shall determine <u>the Shortfall LNG Vesting Quantities (SLVQ) of each Holder determine whether the Holder had fulfilled the requirements to utilise the LNG purchased in accordance with clause 13.1(b) as follows:</u> <del>if the Holder has breached the LNG Vesting Scheme in each calendar year based on the following formula:</del></p> <p><del>Shortfall Quantities of Holder in Year x = Amount of regasified LNG equivalent to the LNG allocated quantities to the Holder in year x + Shortfall quantities of Holder in year x-1 – Amount of regasified LNG used by the Holder in year x</del></p> <p><u>If <math>ELUQ_i \geq ALVQ_i</math>, <math>SLVQ_i = 0</math>; and If <math>ELUQ_i &lt; ALVQ_i</math>, <math>SLVQ_i = ALVQ_i - ELUQ_i</math>.</u></p> <p><u>where:</u></p> <p><u><math>ELUQ_i</math> = the equivalent LNG usage quantities to Holder 'i'</u></p> <p><u><math>ALVQ_i</math> = the annual allocated LNG Vesting Quantities to Holder 'i' for the term of the LNG Vesting Scheme</u></p> <p><u><math>SLVQ_i</math> = the Shortfall LNG Vesting Quantities incurred by Holder 'i'</u></p>

Clause	EXISTING CLAUSE	AMENDED ADDITIONAL CLAUSE (s) <i>Deletions represented as strikethrough text and additions are represented as red underlined text.</i>
	<p>(i) In any given year during the LNG Vesting Scheme except the year of termination of the LNG Vesting Scheme</p> <p>- the LNG Vesting Quantities allocated to the Holder shall be reduced in the months of July to December in year x+1 by the shortfall amount of LNG Vesting Quantities that the Holder had failed to meet in year x as specified in Schedule B.</p>	<p>(i) In any given year during the LNG Vesting Scheme, except <u>in the event of the year of termination of the LNG Vesting Scheme the termination or suspension of the Holder's eligibility under the LNG Vesting Scheme,</u> the LNG Vesting Quantities allocated to the Holder shall be reduced <u>over a period of twelve months starting from July in the subsequent calendar year in the months of July to December in year x+1</u> by the <u>SLVQ incurred by shortfall amount of LNG Vesting Quantities that</u> the Holder <del>had failed to meet</del> in year x as specified in Schedule B.</p>
	<p>(i) in the year of termination of the LNG Vesting Scheme</p> <p>- If LVP is greater than BVP for the last year of the LNG Vesting Scheme, the Holder is required to make payment of the following amount through the Market Company to the Issuer:</p> <p><math>LVQC_i \times (LVP - BVP)</math></p> <p>Where</p> <p><math>LVQC_i</math> = the shortfall amount of Allocated LNG Vesting Quantities of Holder 'i'</p> <p>LVP = the average LNG Vesting Price for the last year of the LNG Vesting Scheme</p> <p>BVP = the average Balance Vesting Price for the last year of the LNG Vesting Scheme</p>	<p>(ii) <u>in the year of termination of the LNG Vesting Scheme Upon the termination or suspension of the Holder's eligibility under the LNG Vesting Scheme, the Holder shall make payment in respect of any outstanding SLVQ (O SLVQ) that the Holder has incurred in period T (i.e. the Holder's SLVQ not offset by the Holder's ELUQ prior to the termination or suspension), determined as follows:</u></p> <p><del>- If LVP is greater than BVP for the last year of the LNG Vesting Scheme, the Holder is required to make payment of the following amount through the Market Company to the Issuer:</del></p> <p><del><math>LVQC_i \times (LVP - BVP)</math></del></p> <p><del>Where</del></p> <p><del><math>LVQC_i</math> = the shortfall amount of Allocated LNG Vesting Quantities of Holder 'i'</del></p>

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	<p>- Otherwise, 0</p>	<p><del>LVP = the average LNG Vesting Price for the last year of the LNG Vesting Scheme</del></p> <p><del>BVP = the average Balance Vesting Price for the last year of the LNG Vesting Scheme</del></p> <p><del>Otherwise, 0</del></p> $\max \left[ 0, \sum_h^T \{ O\_SLVQ_i^h \times (LVP_i^h - BVP_i^h) \} \right]$ <p><u>where:</u></p> <p><math>\sum_h^T</math> = <u>the sum over all corresponding half-hour periods 'h' in period 'T'</u></p> <p><u>T = corresponding period over which O_SLVQ was incurred by Holder 'i'</u></p> <p><u><math>LVP_i^h</math> = LNG Vesting Price for half-hour period 'h' to Holder 'i'</u></p> <p><u><math>BVP_i^h</math> is the Balance Vesting Price for half-hour period 'h' to Holder 'i'</u></p> <ul style="list-style-type: none"> <li><u>Note: In the case where there is no BVQ attributable to the Holder in the period prior to the suspension or termination, the Vesting Contract Reference Price ("VCRP") or weighted average Market Energy Price that is used to allocate any Vesting Contract Settlement Credit or Debit to the Holder 'i' for half-hour period 'h' as specified under</u></li> </ul>

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		<p><u>the Market Rules will be used in instead of BVP. Accordingly, the portion of O SLVQ which the Holder is eligible for BVQ allocation will be settled using BVP as the reference price, and any remaining portion of O SLVQ will be settled using the Holder's VCRP as the reference price.</u></p> <p><u><math>O\_SLVQ_i^h = O\_SLVQ</math> incurred by the Holder 'i' for half-hour period 'h', determined as follows:</u></p> $O\_SLVQ_i^h = \frac{O\_SLVQ_i}{\text{Total No. of half - hour periods in period 'T'}}$ <p><u>The Authority will inform the Holder of the total amount payable by the Holder with respect to any O SLVQ incurred by the Holder 10 Business Days after the receipt of the Holder's statement of its LNG usage quantities. The Holder shall thereafter promptly make payment through the Market Company to MSSL 10 Business Days after the receipt of the letter from the Authority.</u></p>
<b>Schedule B Procedure, Algorithm and Parameters for Hedge Quantities</b>		
<b>3 Calculating Hedge Quantities</b>	<p>Step 8</p> <p>The total LNG Vesting Quantity allocated to each generator for each period of each day is specified as LNG_VESTING[Company,Date,Period] as determined by the Authority each Quarter.</p> <p>For the months January to June:</p> <p>LNG_VESTING [Company, Date, Period] = Annual LNG Vesting Quantities allocated at onset</p>	<p>Step 8</p> <p>The total LNG Vesting Quantity allocated to each generator for each period of each day is specified as LNG_VESTING[Company,Date,Period] as determined by the Authority each Quarter.</p> <p><u>The Shortfall LNG Vesting Quantities incurred by the Holder in each calendar year shall be used to reduce the LNG Vesting Quantities to be allocated to the Holder over a period of twelve months starting from July in the subsequent</u></p>

Clause	EXISTING CLAUSE	AMENDED ADDITIONAL CLAUSE (s) <i>Deletions represented as strikethrough text and additions are represented as red underlined text.</i>
	<p>Number of days in a year × 48 periods</p> <p>For the months July to December:</p> <p>LNG_VESTING [Company, Date, Period] =</p> <p><u>Annual LNG Vesting Quantities allocated at onset</u> Number of days (July – December) × 48 periods</p> <p>- <u>Shortfall LNG Vesting Quantities</u> Number of days in a year × 48 periods</p> <p>The units of LNG_VESTING [Company,Date,Period] are MWh.</p>	<p><u>calendar year.</u></p> <p>For the months January to June <u>in calendar year 'x+1':</u></p> <p>LNG_VESTING [Company, Date, Period] = <u>ALVQ<sub>i</sub> / (No. of days in year 'x+1' × 48 periods) – [SLVQ<sub>i</sub> in year 'x-1' / (No. of days from Jul to Dec in year 'x' and from Jan to Jun in year 'x+1' × 48 periods)]</u></p> <p><del>= Annual LNG Vesting Quantities allocated at onset</del> <del>— Number of days in a year × 48 periods</del></p> <p>For the months July to December <u>in calendar year 'x':</u></p> <p>LNG_VESTING [Company, Date, Period] = <u>ALVQ<sub>i</sub> / (No. of days in year 'x' × 48 periods) – [SLVQ<sub>i</sub> in year 'x-1' / (No. of days from Jul to Dec in year 'x' and from Jan to Jun in year 'x+1' × 48 periods)]</u></p> <p><del>Annual LNG Vesting Quantities allocated at onset</del> <del>Number of days (July – December) × 48 periods</del></p> <p><del>— Shortfall LNG Vesting Quantities</del> <del>— Number of days in a year × 48 periods</del></p> <p><u>Where:</u></p> <p><u>ALVQ<sub>i</sub> = the annual allocated LNG Vesting Quantities to Holder 'i' for the term of the LNG Vesting Scheme</u></p> <p><u>SLVQ<sub>i</sub> = the Shortfall LNG Vesting Quantities incurred by Holder 'i'</u></p>

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		The units of LNG_VESTING [Company,Date,Period] are MWh.