

November 29, 2018

Ms. Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, DC 20426

RE: Florida Gas Transmission Company, LLC  
Docket No. RP19-\_\_\_\_\_

Dear Ms. Bose:

Florida Gas Transmission Company, LLC (FGT) hereby electronically submits for filing with the Federal Energy Regulatory Commission (Commission) the tariff records listed on Appendix A to its FERC NGA Gas Tariff, Original Volume No. 1-A, proposed to be effective on December 1, 2018.

#### **STATEMENT OF NATURE, REASONS AND BASIS**

The purpose of this filing, made in accordance with Sections 154.1(d) and 154.112(b) of the Commission's Regulations, is to file herein an executed copy of the Rate Schedule FTS-WD non-conforming service agreement with Ascend Performance Materials Inc. (Ascend).

On July 19, 2018, FGT filed in Docket No. CP18-530-000, a prior notice request pursuant to the Commission's regulations under the Natural Gas Act and FGT's blanket certificate issued in Docket No. CP82-553-000, for authorization to construct/modify, own, maintain and operate, certain natural gas mainline facilities for its South Alabama Project (Project). This expansion Project provides additional capacity of up to 60,000 million British thermal units per day (MMBtu/d) of available firm transportation capacity for delivery to existing delivery points. Ascend has contracted for 5,000 MMBtu/day on the in-service date of the Project with a ramp up to its full MDTQ of 15,000 MMBtu/d under FGT's Rate Schedule FTS-WD. The Project facilities being constructed pursuant to the prior notice request and authorization will be ready for service on December 1, 2018.

The service agreement filed herein contains a non-conforming term of service that deviates from the creditworthiness provisions in FGT's General Terms and Conditions. The negotiated creditworthiness provisions are contained in Exhibit D of the service agreement. In addition, the Ascend service agreement provides a ramp up to full MDTQ effective October 1, 2019, or an earlier date determined by mutual agreement of the parties or by notice from Ascend. FGT requests that the Commission find the non-conforming negotiated credit provisions and right to flexible timing of the MDTQ ramp up to be permissible material deviations as these two negotiated items reflect unique circumstances involved with constructing new infrastructure, do not present a risk of undue discrimination, do not affect the operational conditions of providing service, and do not result in any customer receiving a different quality of service.

The service agreement filed herein also includes negotiated rates as detailed in the Negotiated Rate Agreement associated with the contract. The proposed tariff records provide the requisite information for negotiated rates including the name of the shipper, the negotiated rate, the type of service, the receipt and delivery points as well as the term applicable to the negotiated rate and the volume of gas to be transported under the negotiated rate agreement.

This filing contains a tariff record titled "Exhibits A, B, C" which will contain Exhibit A, Exhibit B and Exhibit C (if applicable). Exhibit C is used for amendments to the service agreement and is not applicable to an original service agreement. Therefore, there is no Exhibit C within the tariff record herein titled Exhibits A, B, C and there is no Exhibit C in Appendix B showing the executed service agreement marked against the form of service agreement in FGT's Fifth Revised Volume No. 1 Tariff.

Appendix B attached hereto reflects the Ascend executed service agreement compared to the Rate Schedule FTS-WD form of service agreement in FGT's Fifth Revised Volume No. 1 Tariff.

## **IMPLEMENTATION AND WAIVER REQUEST**

Pursuant to Section 154.7(a)(9) of the Commission's Regulations, FGT requests that the proposed tariff records submitted herein be accepted effective December 1, 2018, the effective date of the service agreement. FGT respectfully requests the Commission grant waiver of Section 154.207 of the Commission's Regulations and any other waivers of its Regulations that it deems necessary to allow the proposed tariff records in this filing to become effective on December 1, 2018.

## **CONTENTS OF THE FILING**

This filing is made in electronic format in compliance with Section 154.4 of the Commission's Regulations. The proposed tariff records in RTF format with metadata attached are being submitted as part of an XML filing package containing the following:

- . A transmittal letter with Appendix A in PDF format
- . A clean copy of the proposed tariff records in PDF format for publishing in eLibrary
- . A marked version of the proposed tariff changes in PDF format
- . Appendix B containing a marked version of the executed service agreement compared to the form of service agreement for Rate Schedule FTS-WD in FGT's Fifth Revised Volume No. 1 Tariff
- . A copy of the complete filing in PDF format for publishing in eLibrary

As the tariff records containing the new service agreement are new tariff records, there is no marked version of the Version 0.0.0 tariff records included in the Marked Tariff attachment.

## **COMMUNICATIONS, PLEADINGS AND ORDERS**

FGT requests that all Commission orders and correspondence as well as pleadings and correspondence from other parties concerning this filing be served on each of the following:

**Michael T. Langston**<sup>1</sup>  
Vice President  
Chief Regulatory Officer  
Florida Gas Transmission Company, LLC  
1300 Main Street  
Houston, TX 77002  
(713) 989-7610  
(713) 989-1205 (Fax)  
[michael.langston@energytransfer.com](mailto:michael.langston@energytransfer.com)

**Kevin P. Erwin**<sup>1</sup>  
General Counsel  
Florida Gas Transmission Company, LLC  
1300 Main Street  
Houston, TX 77002  
(713) 989-2745  
(713) 989-1212 (Fax)  
[kevin.erwin@energytransfer.com](mailto:kevin.erwin@energytransfer.com)

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<sup>1</sup> Designated to receive service pursuant to Rule 2010 of the Commission's Rules of Practice and Procedure. FGT respectfully requests that the Commission waive Rule 203(b)(3), 18 C.F.R. § 385.203(b)(3), in order to allow FGT to include additional representatives on the official service list.

Ms. Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
November 29, 2018  
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**Deborah A. Bradbury**<sup>1 2</sup>  
Sr. Director – Regulatory Tariffs & Reporting  
Florida Gas Transmission Company, LLC  
1300 Main Street  
Houston, TX 77002  
(713) 989-7571  
(713) 989-1205 (Fax)  
[debbie.bradbury@energytransfer.com](mailto:debbie.bradbury@energytransfer.com)

In accordance with Section 154.2(d) of the Commission's Regulations, a copy of this filing is available for public inspection during regular business hours at FGT's office at 1300 Main Street, Houston, Texas 77002. In addition, copies of this filing are being served electronically on jurisdictional customers, interested state regulatory agencies and all parties on the official service list for Docket No. CP18-530-000. FGT has posted this filing on its Internet web site accessible via <http://fgttransfer.energytransfer.com> under "Informational Postings, Regulatory."

Pursuant to Section 385.2005(a) of the Commission's Regulations, the undersigned has read this filing and knows its contents, and the contents are true as stated, to the best of her knowledge and belief, and possesses full power and authority to sign such filing.

Respectfully submitted,

FLORIDA GAS TRANSMISSION COMPANY, LLC

*/s/ Deborah A Bradbury*

Deborah A. Bradbury  
Sr. Director – Regulatory Tariffs & Reporting

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<sup>2</sup> Designated as responsible Company official under Section 154.7(a)(2) of the Commission's Regulations.

FLORIDA GAS TRANSMISSION COMPANY, LLC  
FERC NGA Gas Tariff  
Original Volume No. 1-A

Proposed to be Effective December 1, 2018

Tariff Record <u>Version</u>	<u>Description</u>	<u>Title</u>
8.0.0	Part I	Table of Contents
0.0.0	Contract No. 123145	Ascend Performance Materials Inc.
0.0.0	Contract No. 123145	Exhibits A, B, C
0.0.0	Contract No. 123145	Exhibit D
0.0.0	Contract No. 123145	Negotiated Rate Agreement

PART I  
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Contract No. 111145 Reserved	Florida Power & Light Company Reserved
Contract No. 3247 FPL Exhibit B	Florida Power & Light Company Florida Power & Light Company

Part III Non-Conforming Agreements with Negotiated Rates

Contract No. 122314	Seminole Electric Cooperative, Inc.
Contract No. 122314	Exhibits A, B, C
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Contract No. 122314	Negotiated Rate Agreement
Contract No. 122315	Seminole Electric Cooperative, Inc.
Contract No. 122315	Exhibits A, B, C
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Contract No. 122907	Shell Energy North America (US), L.P.
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Contract No. 122907	Exhibit D
Contract No. 122907	Negotiated Rate Agreement
Contract No. 123086	PowerSouth Energy Cooperative
Contract No. 123086	Exhibit A, B, C
Contract No. 123086	Exhibit D
Contract No. 123086	Negotiated Rate Agreement
Contract No. 123145	Ascend Performance Materials Inc.
Contract No. 123145	Exhibit A, B, C
Contract No. 123145	Exhibit D
Contract No. 123145	Negotiated Rate Agreement

FLORIDA GAS TRANSMISSION COMPANY, LLC

FERC NGA Gas Tariff

Original Volume No. 1-A

Effective on December 1, 2018

(Version 0.0.0, Contract No. 123145) Ascend Performance Materials Inc.

Option Code "A"

FOR INTERNAL USE ONLY  
Request No. 202396  
Contract No. 123145  
Legal Entity No. 15603  
DUNS No. 78749159

**SERVICE AGREEMENT**  
Firm Transportation Service-Western Division  
Rate Schedule FTS-WD  
Contract No. 123145

THIS AGREEMENT entered into this 21<sup>st</sup> day of November 2018, by and between Florida Gas Transmission Company, LLC, a limited liability company of the State of Delaware (herein called "Transporter"), and ASCEND PERFORMANCE MATERIALS INC. (herein called "Shipper"),

**WITNESSETH**

WHEREAS, Transporter has received and accepted a certificate from the FERC to construct, install, own and maintain certain pipeline facilities necessary to upgrade the horsepower at Compressor Station 12 A at a location at or near the Florida/Alabama border for its South Alabama project (the "South Alabama Project" or the "Project");

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, Transporter and Shipper do covenant and agree as follows:

**ARTICLE I**

**Definitions**

In addition to the definitions incorporated herein through Transporter's Rate Schedule FTS-WD, the following terms when used herein shall have the meanings set forth below:

1.1 The term "Rate Schedule FTS-WD" shall mean Transporter's Rate Schedule FTS-WD as filed with the FERC as changed and adjusted from time to time by Transporter in accordance with Section 5.2 hereof or in compliance with any final FERC order affecting such rate schedule.

1.2 The term "FERC" shall mean the Federal Energy Regulatory Commission or any successor regulatory agency or body, including the Congress, which has authority to regulate the rates and services of Transporter.

**ARTICLE II**

**Quantity**

2.1 The Maximum Daily Transportation Quantity ("MDTQ") shall be set forth on a seasonal basis, and by Division if applicable, on Exhibit B attached hereto. The applicable MDTQ shall be the largest daily quantity of gas expressed in MMBtu, that Transporter is obligated to transport and make available for delivery to Shipper under this Service Agreement on any one day.

2.2 During the term of this Agreement, Shipper may tender natural gas for transportation to Transporter on any day, up to the MDTQ plus Transporter's Fuel, if applicable. Transporter agrees to receive the aggregate of the quantities of natural gas that Shipper tenders for transportation at the Receipt Points, up to the maximum daily quantity specified for each receipt point as set out on Exhibit A, plus Transporter's Fuel, if applicable, and to transport and make available for delivery to Shipper at each Delivery Point specified on Exhibit B, up to the amount scheduled by Transporter less Transporter's Fuel, if applicable (as provided in Rate Schedule FTS-WD), provided however, that Transporter shall not be required to accept for transportation and make available for delivery more than the MDTQ on any day.

**ARTICLE III**

Reserved.

**ARTICLE IV**

**Payment and Rights in the Event of Non-Payment**

4.1 Upon the commencement of service hereunder, Shipper shall pay Transporter, for all service rendered hereunder, the rates established under Transporter's Rate Schedule FTS-WD as filed with the FERC and as said Rate Schedule may hereafter be legally amended or superseded.

4.2 Termination for Non-Payment. In the event Shipper fails to pay for the service provided under this Agreement, pursuant to the condition set forth in Section 15 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Transporter shall have the right to suspend or terminate this Agreement pursuant to the condition set forth in said Section 15.

## ARTICLE V

### Rights to Amend Rates and Terms and Conditions of Service

5.1 This Agreement in all respects shall be and remain subject to the provisions of said Rate Schedule and of the applicable provisions of the General Terms and Conditions of Transporter on file with the FERC (as the same may hereafter be legally amended or superseded), all of which are made a part hereof by this reference.

5.2 Transporter shall have the unilateral right to file with the appropriate regulatory authority and seek to make changes in (a) the rates and charges applicable to its Rate Schedule FTS-WD, (b) Rate Schedule FTS-WD, including the Form of Service Agreement and the existing Service Agreement pursuant to which this service is rendered; provided however, that the firm character of service shall not be subject to change hereunder by means of a Section 4 Filing by Transporter, and/or (c) any provisions of the General Terms and Conditions of Transporter's Tariff applicable to Rate Schedule FTS-WD. Transporter agrees that Shipper may protest or contest the aforementioned filings, or seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary in order to assure that the provisions in (a), (b) or (c) above are just and reasonable.

## ARTICLE VI

### Term of Agreement and Commencement of Service

6.1 This Agreement shall become effective on the later of the In-Service Date of the South Alabama Project or December 1, 2018 (the "South Alabama Project Effective Date"). The In-Service Date of the South Alabama Project shall be the first day of the calendar month following the day on which Transporter is able to provide firm service from the Primary Receipt Points set forth in Exhibit A to the Primary Delivery Points set forth in Exhibit B and shall continue in effect for twenty-five (25) years from the South Alabama Project Effective Date (the "Primary Term"). The "Full MDTQ Effective Date" shall be the earlier of (i) October 1, 2019, or (ii) the first day of the calendar month selected by Shipper pursuant to Shipper's written notice to Transporter at least thirty (30) days in advance of such day, or (iii) a date mutually agreed by the Parties. In accordance with the provisions of Section 20 of the General Terms and Conditions of Transporter's Tariff, Shipper has a Right of First Refusal.

6.2 In the event the capacity being contracted for was acquired pursuant to Section 18.C.2 of Transporter's Tariff, then this Agreement shall terminate on the date set forth in Section 6.1 above. Otherwise, upon the expiration of the primary term and any extension or roll-over, termination will be governed by the provisions of Section 20 of the General Terms and Conditions of Transporter's Tariff.

6.3 Service hereunder shall commence as set forth in Section 2 of Rate Schedule FTS-WD.

## ARTICLE VII

### Point(s) of Receipt and Delivery and Maximum Daily Quantities

7.1 The Primary Point(s) of Receipt and maximum daily quantity for each Primary Point of Receipt, for all gas delivered by Shipper into Transporter's pipeline system under this Agreement shall be at the Point(s) of Receipt on Transporter's pipeline system as set forth in Exhibit A attached hereto. In accordance with the provisions of Section 8.A. of Rate Schedule FTS-WD and Section 21.F. of the General Terms and Conditions of Transporter's Tariff, Shipper may request changes in its Primary Point(s) of Receipt. Transporter may make such changes in accordance with the terms of Rate Schedule FTS-WD and the applicable General Terms and Conditions of its Tariff.

7.2 The Primary Point(s) of Delivery and maximum daily quantity for each point for all gas made available for delivery by Transporter to Shipper, or for the account of Shipper, under this Agreement shall be at the Point(s) of Delivery as set forth in Exhibit B and shall be in Transporter's Western Division. In accordance with the provisions of Section 9.A. of Rate Schedule FTS-WD and Section 21.F. of the General Terms and Conditions of Transporter's Tariff, Shipper may request changes in its Primary Point(s) of Delivery provided that such new requested Primary Delivery Points must be located in Transporter's Western Division. Transporter may make such changes in accordance with the terms of Rate Schedule FTS-WD and the applicable General Terms and Conditions of its Tariff.

## ARTICLE VIII

### Notices

All notices, payments and communications with respect to this Agreement shall be in writing and sent to Transporter's address posted on Transporter's Internet website or to Shipper's address stated below or at any other such address as may hereafter be designated in writing:

Shipper:

ASCEND PERFORMANCE MATERIALS INC.  
1010 TRAVIS STREET, SUITE 900  
HOUSTON TX 77002  
Attention: Procurement Manager – Natural Gas

With a copy via email to Julian Camacho at [jcamac@ascendmaterials.com](mailto:jcamac@ascendmaterials.com)



ARTICLE IX

Construction of Facilities

To the extent that construction of new or requested facilities is necessary to provide service under this Service Agreement, such construction, including payment for the facilities, shall occur in accordance with Section 21 of the General Terms and Conditions of Transporter's Tariff.

ARTICLE X - Not Applicable

ARTICLE XI

Pressure

11.1 The quantities of gas delivered or caused to be delivered by Shipper to Transporter hereunder shall be delivered into Transporter's pipeline system at a pressure sufficient to enter Transporter's system, but in no event shall such gas be delivered at a pressure exceeding the maximum authorized operating pressure or such other pressure as Transporter permits at the Point(s) of Receipt.

11.2 Transporter shall have no obligation to provide compression and/or after its system operation to effectuate deliveries at the Point(s) of Delivery hereunder.

ARTICLE XII

Other Provisions

ARTICLE XIII

Miscellaneous

13.1 This Agreement shall bind and benefit the successors and assigns of the respective parties hereto; provided however, neither party shall assign this Agreement or any of its rights or obligations hereunder without first obtaining the written consent of the other party.

13.2 No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future defaults of a like or different character.

13.3 This Agreement contains Exhibits A, B, C (if applicable) and D which are incorporated fully herein.

13.4 THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REFERENCE TO ANY CONFLICT OF LAWS DOCTRINE WHICH WOULD APPLY THE LAWS OF ANOTHER JURISDICTION.

ARTICLE XIV

Superseding Prior Service Agreements

This Agreement supersedes and replaces the following Service Agreements between Transporter and Shipper: None.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers effective as of the date first written above.

TRANSPORTER

FLORIDA GAS TRANSMISSION COMPANY, LLC

By: [Signature]  
Name: Beter Hickey  
Title: SVP Interstate  
Date: 11/15/18

SHIPPER

ASCEND PERFORMANCE MATERIALS INC.

By: [Signature]  
Name: Carole I Wandt  
Title: SVP Procurement & CPO  
Date: 11/27/18

*MP*  
*Du*

FLORIDA GAS TRANSMISSION COMPANY, LLC

FERC NGA Gas Tariff

Original Volume No. 1-A

Effective on December 1, 2018

(Version 0.0.0, Contract No. 123145) Exhibits A, B, C

Option Code "A"

**EXHIBIT A**  
**TO**  
**RATE SCHEDULE FTS-WD SERVICE AGREEMENT**  
**BETWEEN**  
**FLORIDA GAS TRANSMISSION COMPANY, LLC**  
**AND**  
**ASCEND PERFORMANCE MATERIALS INC.**  
**DATED**  
11/27/2018  
**Contract No. 123145**  
**Amendment No. 0**

**Effective Date of this Exhibit A: South Alabama Project Effective Date to Full MDTQ Effective Date as defined in Article VI of this Agreement.**

<u>Point(s) of Receipt</u>			<u>Maximum Daily Quantity (MMBtu)*</u>											
<u>Point Description</u>	<u>Point</u>	<u>DRN</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
Zone 3														
<i>Destin P/L</i>	71298	241390	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000
<b>Zone 3 Total:</b>			5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000
<b>Total MDTQ:</b>			5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000

**\*Quantities are exclusive of Fuel Reimbursement. Shipper shall provide fuel pursuant to Fuel Reimbursement Charge Adjustment provisions of Transporter's F.E.R.C. Gas Tariff, General Terms and Conditions.**

**EXHIBIT A  
TO  
RATE SCHEDULE FTS-WD SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND  
ASCEND PERFORMANCE MATERIALS INC.**

**DATED**  
11/27/2018  
**Contract No. 123/45**  
**Amendment No. 0**

**Effective Date of this Exhibit A: Full MDTQ Effective Date to Primary Term as defined in Article VI of this Agreement.**

<u>Point(s) of Receipt</u>			<u>Maximum Daily Quantity (MMBtu)*</u>											
<u>Point Description</u>	<u>Point</u>	<u>DRN</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
Zone 3														
<i>Destin P/L</i>	71298	241390	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000
Zone 3 Total:			15000	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000
Total MDTQ:			15000	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000

**\*Quantities are exclusive of Fuel Reimbursement. Shipper shall provide fuel pursuant to Fuel Reimbursement Charge Adjustment provisions of Transporter's F.E.R.C. Gas Tariff, General Terms and Conditions.**

**EXHIBIT B  
TO  
RATE SCHEDULE FTS-WD SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND  
ASCEND PERFORMANCE MATERIALS INC.**

**DATED**  
11/27/2018  
**Contract No. 123145**  
**Amendment No. 0**

**Effective Date of this Exhibit B: South Alabama Project Effective Date to Full MDTQ Effective Date as defined in Article VI of this Agreement.**

<u>Point(s) of Delivery</u>			<u>Maximum Daily Quantity (MMBtu)*</u>											
<u>Point Description</u>	<u>Point</u>	<u>DRN</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
Pensacola – CUC**, formerly referred to as FPU Escambia	100717	79100027	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000	5000
<b>Total MDTQ:</b>			<b>5000</b>	<b>5000</b>	<b>5000</b>	<b>5000</b>	<b>5000</b>	<b>5000</b>	<b>5000</b>	<b>5000</b>	<b>5000</b>	<b>5000</b>	<b>5000</b>	<b>5000</b>

**\*Quantities are exclusive of Fuel Reimbursement.**

**\*\* Maximum Delivery Pressure Obligation: Transporter agrees to make deliveries on Shipper's behalf up to Shipper's MDTQ at the Primary Delivery Point at a pressure sufficient to enter the downstream facilities up to a pressure of 850 psig.**

**EXHIBIT B**  
**TO**  
**RATE SCHEDULE FTS-WD SERVICE AGREEMENT**  
**BETWEEN**  
**FLORIDA GAS TRANSMISSION COMPANY, LLC**  
**AND**  
**ASCEND PERFORMANCE MATERIALS INC.**  
**DATED**  
11/27/2018  
**Contract No. 123145**  
**Amendment No. 0**

Effective Date of this Exhibit B: Full MDTQ Effective Date to Primary Term as defined in Article VI of this Agreement.

<u>Point(s) of Delivery</u>			<u>Maximum Daily Quantity (MMBtu)*</u>											
<u>Point Description</u>	<u>Point</u>	<u>DRN</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
Pensacola – CUC**, formerly referred to as FPU Escambia	100717	79100027	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000	15000
<b>Total MDTQ:</b>			<b>15000</b>	<b>15000</b>	<b>15000</b>	<b>15000</b>	<b>15000</b>	<b>15000</b>	<b>15000</b>	<b>15000</b>	<b>15000</b>	<b>15000</b>	<b>15000</b>	<b>15000</b>

\*Quantities are exclusive of Fuel Reimbursement.

\*\* Maximum Delivery Pressure Obligation: Transporter agrees to make deliveries on Shipper's behalf up to Shipper's MDTQ at the Primary Delivery Point at a pressure sufficient to enter the downstream facilities up to a pressure of 850 psig.

FLORIDA GAS TRANSMISSION COMPANY, LLC

FERC NGA Gas Tariff

Original Volume No. 1-A

Effective on December 1, 2018

(Version 0.0.0, Contract No. 123145) Exhibit D

Option Code "A"

**EXHIBIT D  
CREDIT AGREEMENT  
TO  
RATE SCHEDULE FTS-WD SERVICE AGREEMENT  
BETWEEN  
FLORIDA GAS TRANSMISSION COMPANY, LLC  
AND  
ASCEND PERFORMANCE MATERIALS INC.**

**DATED**  
11/27/2018  
**Contract No. 123145**  
**Amendment No. 0**



*Confidential*

## CREDIT AGREEMENT

This Credit Agreement, dated as of this 31<sup>st</sup> day of May, 2018, is by and between Florida Gas Transmission Company, LLC ("Transporter") and Ascend Performance Materials Inc. ("Shipper"). Transporter and Shipper may sometimes be referred to herein individually as a "Party", or together as the "Parties".

WHEREAS, contemporaneously herewith, Transporter and Shipper have entered into a Precedent Agreement No. 2 concerning the construction of certain pipeline facilities ("Precedent Agreement"), and thereby expanding capacity, in its Western Division to effectuate deliveries in Escambia County, FL (the "Project") and pursuant to which the Parties, subject to certain terms and conditions set forth in the Precedent Agreement, will enter into a Firm Transportation Services Agreement ("FTS Agreement"), and associated Negotiated Rate Agreement (collectively, the "FTS-WD Agreements"); and

WHEREAS, pursuant to paragraph 7 of the Precedent Agreement, Shipper is required to comply with the requirements set forth in this Credit Agreement relating to its obligations and the level of expanded capacity subscribed under the Precedent Agreement and the FTS Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and intending to be legally bound, Transporter and Shipper agree to the following:

1. Shipper shall or shall cause a third party credit support provider on Shipper's behalf to, at all times following the tenth (10<sup>th</sup>) day after Transporter's filing of its application to the Federal Energy Regulatory Commission, satisfy the creditworthiness criteria, or otherwise provide such credit support, as set forth in this Credit Agreement:

(A) An entity shall be deemed "Creditworthy" hereunder, as of a particular time:

(i) if its long-term unsecured debt securities, at such time, are rated at least BBB- by Standard & Poor's Ratings Services or its successor ("S&P") or at least Baa3 by Moody's Investor Services, Inc. or its successor ("Moody's") (any such rating, as applicable, a "Debt Rating"), provided, however, that if the entity is rated by either S&P or Moody's alone, that Debt Rating alone shall be determinative. In the event the Debt Rating is BBB- and/or Baa3, respectively, the long-term outlook shall be Stable or Positive. In the event the entity has no Debt Rating(s), the S&P long-term Issuer Credit Rating or Moody's Long-Term Rating or Corporate Family Rating will be substituted, and as such, these ratings are also included in the defined term, "Debt Rating".

For the avoidance of any doubt, in the event the entity has no Debt Ratings at the time the of the execution of the Precedent Agreement, but subsequently receives a Debt Rating(s), then for purposes of determining creditworthiness, such Debt Rating(s) shall serve as original Debt Ratings effective as of execution of the Precedent Agreement.

(ii) In the event Shipper or its credit support provider, as applicable, cannot demonstrate Creditworthiness pursuant to Section (A)(i) above, Transporter shall

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initially conduct a creditworthiness review on a non-discriminatory basis, based on consistent financial evaluation of Shipper's or Shipper's credit provider's audited financial statements to reasonably determine the acceptability of such entity's overall financial condition. Shipper or Shipper's credit support provider, as applicable, shall provide audited financial statements for the most current two (2) fiscal years prepared in conformity with U.S. generally accepted accounting principles ("GAAP") in the United States of America or, for non-U.S. based Shippers, prepared in accordance with equivalent standards. In the event that audited financial statements are not available, then Shipper shall provide its certified unaudited financial statements for such years. In all cases, the financial statements shall be prepared in accordance with GAAP. In the event that certified unaudited financial statements for a particular fiscal year are provided in lieu of audited financial statements, then the Chief Executive Officer, the Chief Financial Officer, the Treasurer or Controller of Shipper (or Shipper's credit support provider, as applicable), shall certify that based on such officer's knowledge, the unaudited financial statements, and other financial information contained therein, present fairly, in all material respects, the financial position and results of operations of Ascend Performance Materials Holdings Inc. and its subsidiaries (or Shipper's credit support provider, as applicable) as of and for the periods presented in such unaudited financial statements, in accordance with GAAP.

(iii) Subsequently, on an annual basis during the term of this Precedent Agreement and the FTS Agreement while Shipper or Shipper's credit support provider is being determined to be Creditworthy pursuant to Section 1(A)(ii) hereof instead of Section 1(A)(i), Shipper or Shipper's credit support provider shall upon the request of Transporter, within one hundred twenty (120) days following the end of each fiscal year, provide to Transporter Shipper's or Shipper's credit support provider's, as applicable, audited financial statements with any notes thereto.

(B) If, at any time, Shipper is deemed not "Creditworthy" pursuant to (A)(i) and (ii) above, then within ten (10) business days after Shipper's receipt of written notice from Transporter, Shipper or Shipper's credit support provider, as the case may be, shall thereafter maintain, either:

(i) a guaranty in the form set forth in Appendix "A" hereof ("Guaranty"), from a direct or indirect parent or affiliate of Shipper or other third party that is "Creditworthy" pursuant to Section (A)(i) or (ii) above (such third party, ("Guarantor"), which Guaranty shall guarantee the full payment of all of Shipper's obligations under the FTS Agreement and, subject to Section G hereof, any such Guaranty will remain outstanding for the benefit of the Transporter throughout the term of the Precedent Agreement and the Primary Term of the FTS Agreement or until Shipper or Shipper's credit support provider becomes Creditworthy hereunder or alternate credit support hereunder is provided to Transporter; or

(ii) a cash deposit or an irrevocable standby letter of credit that is in a form and from a financial institution reasonably acceptable to Transporter, in its

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commercially reasonable discretion, in either case securing the payment obligations of Shipper under the FTS Agreement ("Credit Support"), equal to the total aggregate dollar value of the lesser of (a) twenty-four (24) months of reservation charges due from Shipper for the Contract MDTQ per the FTS Agreement, associated with expanded capacity under the FTS Agreement, (for purposes herein, the "Contract MDTQ") and (b) all reservation charges due from Shipper for the Contract MDTQ over the number of months remaining under the FTS Agreement. Subject to Section G hereof, the Credit Support shall be issued and maintained by Shipper or Shipper's credit support provider for the benefit of the Transporter until the earlier of (i) the later of the sixtieth (60<sup>th</sup>) day following the end of the term of the Precedent Agreement and the Primary Term of the FTS Agreement, and (ii) the time when Shipper or Shipper's credit support provider becomes Creditworthy hereunder pursuant to Section 1(A)(i) or 1(A)(ii) hereof or alternate credit support hereunder is provided to Transporter. Following the expiration of the Primary Term of the FTS Agreement, the credit requirements set forth herein shall apply to extensions, if any, of the FTS Agreement unless otherwise agreed in writing by the Parties.

- (C) At any time during the term of the Precedent Agreement and the FTS Agreement, in the event the Debt Ratings assigned to Shipper or Shipper's credit support provider, as applicable, (i) are at the minimum acceptable level to be deemed Creditworthy as established in Section 1(A)(i) above, and (ii) such Debt Rating becomes qualified or impacted by a negative outlook, then, during such time, credit support shall be required in an amount equal to the lesser of 12 months of reservation charges due from Shipper for the Contract MDTQ or the number of months remaining in the term under the FTS Agreement, as may be extended from time to time.

In the event that (i) if Creditworthiness was established hereunder pursuant to Section 1A(i), the Debt Ratings assigned to Shipper or Shipper's credit support provider decline below the levels required to be Creditworthy hereunder, or (ii) if Creditworthiness was established hereunder pursuant to Section 1A(ii), as a result of evaluation of Shipper's or Shipper's credit support provider's financial statements, as applicable, Transporter, in its reasonable judgment, determines that there has been a material adverse change in Shipper's or Shipper's credit support provider's financial condition (including, but not limited to, any of the following: (a) qualified auditor's opinion relating to the financial statements which indicates uncertainty as to Shipper's or Shipper's credit support provider's ability to exist as an ongoing concern; (b) pending or adjudged litigation or regulatory proceedings in state or Federal courts which could reasonably be expected to cause a condition of insolvency; or (c) significant lawsuits or outstanding judgments which could reasonably be expected to result in Shipper or Shipper's credit support provider becoming insolvent), then the amount of required credit support shall be the lesser of 30 months of reservation charges due from Shipper for the Contract MDTQ or the number of months remaining in the term under the FTS Agreement, as may be

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extended from time to time

- (D) At any time while either the Precedent Agreement or the FTS Agreement (through its Primary Term) is effective, if (i) any Guarantor of Shipper is no longer "Creditworthy", or (ii) any financial institution that is supporting a letter of credit in favor of Transporter in accordance with Section (B)(i) hereof is no longer acceptable to Transporter, in its commercially reasonable discretion, then Transporter may submit a written notice of such determination to Shipper (which notice shall provide Transporter's basis for such determination), and, assuming such notice was properly submitted hereunder, within nine (9) business days after Shipper's receipt of such notice from Transporter, Shipper shall deliver to Transporter, and shall thereafter maintain, alternative Credit Support in accordance with either Section 1(B)(i) or Section 1(B)(ii) hereof.
- (E) For any Credit Support in the form of an irrevocable standby letter of credit that is provided to Transporter pursuant to Section (B)(ii) (any such letter of credit, "Shipper's Letter of Credit"), such Shipper's Letter of Credit shall permit partial draws and shall have an expiry date no sooner than the shorter of (a) twelve (12) calendar months after issuance thereof and (b) sixty (60) days after the end of the term of the Precedent Agreement and the Primary Term of the FTS Agreement. With respect to any Shipper's Letter of Credit, Shipper shall furnish extensions or replacements of such letter of credit thirty (30) days prior to the expiration thereof, from time to time until the expiration of both the Precedent Agreement and the Primary Term of the FTS Agreement. All extensions, amendments and replacements of any Shipper's Letter of Credit shall be delivered to Transporter in the form of such outstanding Shipper's Letter of Credit, or in a form otherwise satisfactory to Transporter in its commercially reasonable discretion; provided, however, that any automatic renewal or extension of Shipper's Letter of Credit in accordance with the terms thereof shall be deemed to satisfy Shipper's obligation to furnish extensions or replacements of such Letter of Credit. Transporter shall have the right to draw against any outstanding Shipper's Letter of Credit upon: (a) Shipper's failure to make payment when due under the FTS Agreement, subject to any grace period set forth therein, if any; or (b) the failure or refusal of Shipper to deliver any applicable extension, amendment or replacement of an outstanding Shipper's Letter of Credit that Shipper is obligated to provide herein. In the event of a draw in accordance with clause (a) of the preceding sentence, the proceeds of such draw shall be applied against the payment Shipper failed to make. In the event of a draw due to the failure or refusal of Shipper to deliver any applicable extension, amendment or replacement of an outstanding Shipper's Letter of Credit, which draw may be in part or in whole, the proceeds of the draw shall be retained by Transporter until Transporter receives a replacement Shipper's Letter of Credit or until Transporter does in fact incur any reasonable costs, expenses or damages as a result of a breach by Shipper of any of its obligations under either this Precedent Agreement or the FTS Agreement (in which event, such monies shall be applied against the same). If drawn in part or in whole, Shipper shall within nine (9) business days thereafter provide a replacement Shipper's Letter of Credit in an amount equal to the amount required by this Credit Agreement. Any draw made

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by Transporter under an outstanding Shipper's Letter of Credit shall not relieve Shipper of any liabilities, deficiencies, costs, expenses or damages beyond what is drawn under such Shipper's Letter of Credit. Shipper's Letter of Credit (representing any undrawn portion thereof), to the extent it still remains, or any cash deposit held by Transporter shall be returned to Shipper on or before the thirtieth (30th) day after the later to occur of (i) the date on which both the Precedent Agreement and the FTS Agreement have terminated or expired and (ii) the date on which all of Shipper's performance and payment obligations under the Precedent Agreement and the FTS Agreement (including, without limitation, any damages arising from either such agreement) have been fulfilled.

- (F) Credit Support in the form of a cash deposit or proceeds from draws under Shipper's Letter of Credit shall first be applied to the non-payment that triggered the use of the credit support by Transporter and then may be applied by Transporter, in its reasonable discretion, against any losses, costs, expenses or damages reasonably incurred by Transporter as a result of a breach by Shipper of any of its obligations (including a breach arising out of the termination or rejection of either the Precedent Agreement or the FTS Agreement under the U.S. Bankruptcy Code or other applicable insolvency legal requirements) under either the Precedent Agreement or the FTS Agreement for which Transporter is legally entitled to receive payment. If drawn in part or in whole, Shipper shall within eight (8) business days thereafter provide a replacement Shipper's Letter of Credit in an amount equal to the amount required by this Credit Agreement. Any draw made by Transporter under an outstanding Shipper's Letter of Credit shall not relieve Shipper of any liabilities, deficiencies, costs, expenses or damages beyond what is drawn under such Shipper's Letter of Credit.
- (G) Notwithstanding anything to the contrary in this Credit Agreement, in the event Shipper or Shipper's credit support provider provides Credit Support pursuant to Section (B)(i) or Section (B)(ii) hereof, but thereafter satisfies Section (A), Shipper's or Shipper's credit support provider's Guaranty, Letter of Credit (representing any undrawn portion thereof, to the extent it still remains), or any cash deposit held by Transporter, as applicable, shall be returned to Shipper or Shipper's credit support provider, as applicable, within ten (10) days after written demand is received by Transporter; provided, however, that the provisions of Section (B) shall again apply should Shipper or Shipper's credit support provider fail to be "Creditworthy" at any time thereafter.
- (H) Shipper's or Shipper's credit support provider's Letter of Credit (representing any undrawn portion thereof), to the extent it still remains, or any Credit Support in the form of cash deposit held by Transporter shall terminate automatically and be returned to Shipper or Shipper's credit support provider on or before the thirtieth (30th) day after the date on which all of Shipper's payment obligations under the FTS Agreement (through its Primary Term) (including, without limitation, any damages arising therefrom) have been fulfilled.

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- (1) Except to the extent of any amounts paid to the Transporter, the use, application or retention of Credit Support, or any portion thereof, by Transporter shall not (subject to any applicable limitations on damages to which Transporter has agreed in writing) prevent Transporter from exercising any other right or remedy provided under the Precedent Agreement, the FTS Agreement, Transporter's FERC Gas Tariff, or which Transporter may have at law or in equity, by statute or regulation, and shall not operate as a limitation on any recovery to which Transporter may otherwise be entitled. For the avoidance of doubt, Transporter shall not be permitted any additional or duplicative recovery for any damages, payments, or other amounts for which Transporter has received payments or other compensation pursuant to the terms of this Credit Agreement, any Credit Support, or the FTS Agreement.

2. **Notice.** Except as herein otherwise provided, any notice, request, demand, statement, or bill provided for in this Credit Agreement, or any notice which either Party desires to give to the other, must be in writing and will be considered duly delivered only if delivered by hand, by nationally recognized overnight courier service, or by certified mail (postage prepaid, return receipt requested) to the other Party's address set forth below:

Transporter: Florida Gas Transmission Company, LLC  
1300 Main St.  
Houston, Texas 77056-5306  
Attention: Manager - Interstate Credit Risk

With copy to:

Florida Gas Transmission Company, LLC  
1300 Main St.  
Houston, Texas 77056-5306  
Attention: Commercial Operations

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**Shipper:** Ascend Performance Materials Inc.  
1010 Travis Street, Suite 900  
Houston, Texas 77002  
Attention: Julian Camacho

With a copy to:

Ascend Performance Materials Inc.  
1010 Travis Street, Suite 900  
Houston, Texas 77002  
Attention: General Counsel

or at such other address as either Party designates by written notice. Delivery shall be deemed to occur at the time of actual receipt; provided, however, that if receipt occurs after normal business hours or on a weekend or national holiday, then delivery shall be deemed to occur on the next business day.

3. **Modifications.** Except as provided otherwise in this Credit Agreement, no modification of the terms and provisions of this Credit Agreement shall be effective unless contained in writing and executed by both Transporter and Shipper.

4. **CHOICE OF LAW.** THIS CREDIT AGREEMENT SHALL BE INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCLUDING ANY CONFLICT OF LAW RULES THAT MAY REQUIRE THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION. ANY SUIT BROUGHT WITH RESPECT TO OR RELATING TO THIS CREDIT AGREEMENT SHALL BE BROUGHT IN, AND EACH OF THE PARTIES HEREBY SUBMITS TO THE EXCLUSIVE JURISDICTION OF, THE COURTS OF HARRIS COUNTY, TEXAS OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS LOCATED IN HOUSTON, TEXAS. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHTS TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS CREDIT AGREEMENT.

5. **Capacity Release or Assignment.** This Credit Agreement and the obligations of the Parties hereunder shall apply to any subsequent permissible acquiring shipper(s) under the FTS Agreement or assignee(s) of the Precedent Agreement; provided, however, if an acquiring shipper or assignee is not "Creditworthy" hereunder, Transporter shall have the right to demand Credit Support to securitize the acquiring shipper's full payment obligations in accordance with this Credit Agreement. In the event that Shipper (or its successors) desires to assign or release its interest in the Precedent Agreement or the executed FTS Agreement, as applicable, the assignee or acquiring shipper (under capacity release), shall be required to enter into a new Credit Agreement in its own name on substantially the same terms hereof. If the capacity is released permanently to the acquiring shipper, after the acquiring shipper enters into new Credit Agreement in its own name, this Credit Agreement shall terminate and be of no further force or effect.

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6. **Rules and Regulations.** This Credit Agreement and the obligations of the Parties hereunder are subject to all applicable laws, rules, orders and regulations of governmental authorities having jurisdiction and, in the event of conflict, such laws, rules, orders and regulations of governmental authorities having jurisdiction shall control.

7. **Counterparts.** This Credit Agreement may be executed by facsimile and in multiple counterparts or by other electronic means (including by PDF), each of which when so executed shall be deemed an original, but all of which shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Credit Agreement to be duly executed by their duly authorized officers as of the day and year first above written.

Florida Gas Transmission Company, LLC

Ascend Performance Materials Inc.

By: 

By: 

Title: VP Operations

Title: SV President/Logistics & CPO

Date: 6.4.2020

Date: 6/1/20





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**APPENDIX "A"**

**GUARANTY**

THIS GUARANTY (this "Guaranty") is made and entered into and effective as of [DATE], 2018, by \_\_\_\_\_, a \_\_\_\_\_ corporation, ("Guarantor"), in favor of Florida Gas Transmission Company, LLC, a Delaware limited liability company, ("FGT")

**WITNESSETH:**

WHEREAS, [SHIPPER], a [(STATE OF INCORPORATION) (CORP, LP OR LLC)], has entered into the Precedent Agreement, dated as of \_\_\_\_\_ (as such agreement may from time to time be modified, supplemented, amended, or extended, the "PA"). Except as otherwise defined herein, any capitalized term used herein and defined in the PA (as defined above) shall have the meaning given to such term by the PA;

WHEREAS, [SHIPPER] (including its successors and permitted assigns under Section [8] of the PA, "Shipper"), or Shipper's third party provider of credit support is an affiliate of Guarantor,

WHEREAS, the PA contemplates that, subject to the satisfaction of certain conditions specified in the PA, FGT and Shipper will enter into a firm transportation service agreement and a negotiated rate agreement for firm transportation service in accordance with the PA (as such agreements may from time to time be modified, supplemented, amended, or extended, the "FTS Agreements");

WHEREAS, Shipper has certain payment obligations, including the obligation of Shipper to pay all amounts due under the FTS Agreements, to FGT in connection with the PA and the FTS Agreements (all such obligations of Shipper referred to as the "Guaranteed Obligations");

WHEREAS, FGT entered into the PA with Shipper on the condition that FGT receive certain assurances regarding payment of the Guaranteed Obligations, and Guarantor is willing to provide such assurances in accordance with the terms and conditions of this Guaranty; and

WHEREAS, Guarantor acknowledges that it will be substantially benefited by the execution and delivery of the PA.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, Guarantor hereby agrees as follows:

1. Guarantor hereby absolutely, irrevocably, and unconditionally guarantees to FGT the due and punctual payment by Shipper of any and all Guaranteed Obligations, subject to any applicable grace period(s) or extensions to such due date, even if any such payments are deemed to be damages pursuant to the PA and the FTS Agreements. Guarantor shall not be liable hereunder for any consequential, incidental, punitive or indirect damages whether in tort or contract. As a condition precedent to each payment under this Guaranty, a demand by FGT for payment hereunder shall be in writing, signed by a duly authorized representative of FGT and delivered to Guarantor pursuant to Section 16 "Notices" hereof, and shall (a) reference this Guaranty, (b) specifically identify FGT, the nature of the default, the details of the contractual basis of the underlying claim, and the Guaranteed Obligations to be paid, and (c) set forth payment instructions, including bank name, routing number and bank account

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number. There are no other requirements of notice, presentment or demand. Guarantor shall pay, or cause to be paid, such Guaranteed Obligations within eight (8) business days of receipt of such demand.

2. This Guaranty shall constitute a guaranty of payment and not a guaranty of collection. This Guaranty (i) is a continuing guaranty and shall remain in full force and effect until all of the Guaranteed Obligations and other expenses, if any, payable pursuant to this Guaranty have been indefeasibly paid in full; and (ii) shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded, avoided or rendered void as a preferential transfer, impermissible set-off, fraudulent conveyance or must otherwise be returned or disgorged by FGT upon the insolvency, bankruptcy or reorganization of either Shipper or Guarantor or otherwise, all as though such rescinded, avoided or voided payment had not been made, and notwithstanding any action or failure to act on the part of FGT in reliance on such payment.
3. The liability of Guarantor hereunder is exclusive and independent of any security for or other guaranty of the payment by Shipper of the Guaranteed Obligations, whether executed by Guarantor, any other guarantor or any other party. Notwithstanding the other provisions of this Guaranty, this Guaranty shall automatically terminate and be of no more force and effect upon either (i) the full performance and full, final, and indefeasible payment or satisfaction in full of all Guaranteed Obligations, (ii) termination of the FTS Agreements, or (iii) as provided in the Credit Agreement dated May \_\_, 2018 between Shipper and Transporter.
4. Guarantor's obligations hereunder are independent of the obligations of any other guarantor, and a separate action or actions may be brought and prosecuted against Guarantor whether or not action is brought against any other guarantor and whether or not any other guarantor be joined in any such action or actions; provided, however, neither Guarantor nor Shipper shall be liable for any Guaranteed Obligations already fully and indefeasibly satisfied. If Shipper waives, to the fullest extent permitted by law, the benefit of any statute of limitations affecting its liability under the PA, the FTS Agreements and/or FGT's FERC Gas Tariff, Guarantor likewise waives, to the fullest extent permitted by law, the benefit of any statute of limitations affecting its liability hereunder or the enforcement thereof. Any payment by Shipper or other circumstance that operates to toll any statute of limitations as to Shipper shall operate to toll the statute of limitations as to Guarantor. Notwithstanding anything herein to the contrary, Guarantor does not waive and retains and reserves to itself all rights, counterclaims and other defenses to which Shipper is or may be entitled to, including those arising from or out of the PA, FTS Agreements, and/or FGT's FERC Gas Tariff, except for defenses arising out of the bankruptcy, receivership, reorganization, insolvency, dissolution, liquidation or similar status of Shipper, and the lack of power or authority of Shipper to enter into the PA and FTS Agreements and to perform its obligations thereunder (such retained and reserved and not waived or excluded rights, counterclaims and other defenses, the "Retained Defenses").
5. Subject to Section 1 hereof, Guarantor hereby waives notice of acceptance of this Guaranty and notice of any liability to which it may apply, and waives promptness, diligence, presentment, demand of payment, protest, notice of dishonor or nonpayment of any such liabilities, suit or taking of other action by FGT against, and any other notice to, any party liable thereon (including Guarantor or any other guarantor).
6. FGT, to the extent agreed to by Shipper in writing or as required in order to comply with applicable law or regulation, may (i) at any time and from time to time; (ii) upon or without any

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terms or conditions; (iii) in whole or in part; and (iv) without the consent of, but subject to notice to, Guarantor, without incurring responsibility to Guarantor, and without impairing or releasing the obligations of Guarantor hereunder:

(a) make any change, amendment, or modification in the terms of any Guaranteed Obligations, and the Guarantor's guaranty herein made shall apply to the Guaranteed Obligations as so changed, amended or modified; and/or

(b) take and hold security for the payment of the Guaranteed Obligations, and sell, exchange, release, surrender, impair, realize upon or otherwise deal with, in any manner and in any order, any property by whomsoever at any time pledged or mortgaged to secure, or howsoever securing, the Guaranteed Obligations or any liabilities (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof, and/or any offset there against, and/or release any person liable for all or any portion of the Guaranteed Obligations.

7. Other than with respect to the Retained Defenses, no invalidity, irregularity or unenforceability of all or any part of the Guaranteed Obligations or of any security therefor shall affect, impair or be a defense to this Guaranty, and this Guaranty shall be primary, absolute, irrevocable, and unconditional, notwithstanding the occurrence of any event or the existence of any other circumstances which might constitute a legal or equitable discharge of a surety or guarantor except full, final, and indefeasible payment or satisfaction in full of the Guaranteed Obligations.
8. This Guaranty is a continuing one. All liabilities to which this Guaranty applies, or to which it may apply, under the terms hereof shall be conclusively presumed to have been created in reliance hereon. No failure or delay on the part of FGT in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein expressly specified are cumulative and not exclusive of any rights or remedies which FGT would otherwise have. No notice to or demand on Guarantor in any case shall entitle Guarantor to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of FGT to any other or further action in any circumstances without notice or demand. It is not necessary for FGT to inquire into the capacity or powers of Shipper or the officers, directors, partners or employees acting or purporting to act on its behalf.
9. (a) Guarantor waives any right (except as shall be required by applicable statute and cannot be waived) to require FGT to: (i) proceed against Shipper, any other guarantor of the Guaranteed Obligations or any other party; (ii) proceed against or exhaust any security held from Shipper, any other guarantor of the Guaranteed Obligations or any other party; or (iii) pursue any other remedy in FGT's power whatsoever. Other than with respect to the Retained Defenses, Guarantor waives any defense based on or arising out of any defense of Shipper, Guarantor, any other guarantor of the Guaranteed Obligations or any other party other than full, final, and indefeasible payment or satisfaction in full of the Guaranteed Obligations, including, without limitation, other than with respect to the Retained Defenses, any defense based on or arising out of the disability of Shipper, Guarantor, any other guarantor of the Guaranteed Obligations or any other party or the cessation from any cause of the liability of Shipper other than full, final, and indefeasible payment or satisfaction in full of the Guaranteed Obligations.

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(b) Except as otherwise provided herein, Guarantor waives all presentments, demands for performance, protests and notices, including, without limitation, notices of nonperformance, notices of protest, notices of dishonor, notices of acceptance of this Guaranty, and notices of the existence, creation or incurring of new or additional indebtedness. Guarantor assumes all responsibility for being and keeping itself informed of Shipper's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations and the nature, scope and extent of the risks which Guarantor assumes and incurs hereunder, and agrees that FGT shall have no duty to advise Guarantor of information known to it regarding such circumstances or risks.

10. In order to induce FGT to enter into the Agreement, Guarantor represents, warrants, and covenants that:

(a) **Status.** Guarantor (i) is a duly organized and validly existing corporation, in good standing under the laws of the jurisdiction of its organization, (ii) has the corporate power and authority to own or lease its property and assets and to transact the business in which it is engaged and presently proposes to engage and (iii) is duly qualified and is authorized to do business and is in good standing in each jurisdiction where the conduct of its business requires such qualification, except for failures to be so qualified which, individually or in the aggregate, could not reasonably be expected to have a material adverse effect on the results of operations or financial condition of Guarantor and its subsidiaries, taken as a whole.

(b) **Power and Authority.** Guarantor has the corporate power and authority to execute, deliver and perform the terms and provisions of this Guaranty and has taken all necessary corporate action to authorize the execution, delivery and performance by it of this Guaranty. Guarantor has duly executed and delivered this Guaranty and this Guaranty constitutes the legal, valid and binding obligation of Guarantor enforceable in accordance with its terms, except to the extent that the enforceability hereof and thereof may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other similar laws affecting creditors' rights generally and by equitable principles (regardless of whether enforcement is sought in equity or at law).

(c) **No Violation.** Neither the execution, delivery, or performance by Guarantor of this Guaranty, nor compliance by it with the terms and provisions hereof and thereof (i) will contravene any applicable provision of any law, statute, rule, or regulation, or any order, writ, injunction, or decree of any court or governmental instrumentality, (ii) will conflict or be inconsistent with or result in any breach of any of the terms, covenants, conditions, or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any lien upon any of the property or assets of Guarantor or any of its subsidiaries pursuant to the terms of, any indenture, mortgage, deed of trust, credit agreement, or loan agreement or any other material agreement, contract, or instrument to which Guarantor or any of its subsidiaries is a party or by which it or any of its property or assets is bound or to which it may be subject, or (iii) will violate any provision of the certificate of incorporation, by-laws or similar documents, instruments, or certificates (including amendments thereto) executed, adopted or filed in connection with the creation, formation, or organization of Guarantor or any of its subsidiaries.

(d) **Governmental Approvals.** No order, consent, approval, license, authorization or validation of, or filing, recording or registration with (except as have been obtained or made), or exemption by, any governmental or public body or authority, or any subdivision thereof, is

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required to authorize, or is required in connection with, (i) the execution, delivery, and performance of this Guaranty or (ii) the legality, validity, binding effect, or enforceability of this Guaranty.

(e) **Litigation.** There are no actions, suits, or proceedings pending or, to the best knowledge of Guarantor, threatened (i) which purport to affect the legality, validity, or enforceability of this Guaranty or (ii) that could reasonably be expected to have a material adverse effect on the results of operations or financial condition of Guarantor and its subsidiaries, taken as a whole.

(f) The signatory party below has full authority to execute this Guaranty and bind the Guarantor.

11. In the event Guarantor fails to comply with this Guaranty and this Guaranty is collected or enforced by or through an attorney at law, Guarantor will reimburse FGT for all reasonable and documented out-of-pocket costs and expenses of collection or enforcement, including reasonable attorneys' fees and expenses actually incurred.
12. This Guaranty shall be binding upon Guarantor and the successors and assigns of Guarantor and shall inure to the benefit of and be enforceable by FGT and its successors and assigns. Guarantor may not assign or transfer any of its rights or obligations hereunder without the prior written consent of FGT which consent shall not be unreasonably withheld or delayed (and any such attempted assignment or transfer without such consent shall be null and void). Notwithstanding anything to the contrary herein, FGT may refuse to provide its consent (and the same shall not be deemed unreasonable) if the proposed assignee fails to meet FGT's credit requirements.
13. Except as otherwise provided herein, neither this Guaranty nor any provision hereof may be changed, waived, discharged or terminated except with the written consent of Guarantor and FGT.
14. Guarantor acknowledges that an executed (or conformed) copy of the PA has been made available to Guarantor and Guarantor is familiar with the contents thereof.
15. All notices, requests, demands and other communications hereunder will be in writing and will be deemed to have been duly given when (i) delivered by hand (with written acknowledgment of receipt), (ii) sent by facsimile or email transmission, as applicable, (with receipt confirmed by an electronically generated written confirmation) with a copy sent via US Mail or overnight courier, or (iii) received by the addressee, if sent by a nationally recognized delivery service or other traceable method, in each case to the appropriate addresses and facsimile numbers set forth below (or to such other addresses and facsimile numbers as a party may designate by notice to the others); provided that any such deliveries received after normal business hours in the place of business of the receiving party shall be deemed to be received on the next business day:

If to Guarantor, to:

Ascend Performance Materials Inc  
1010 Travis Street, Suite 900  
Houston, Texas 77002  
Attention: Julian Camacho

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Email: [jcamac@ascendmaterials.com](mailto:jcamac@ascendmaterials.com)

With a copy to:

Ascend Performance Materials Inc.  
1010 Travis Street, Suite 900  
Houston, Texas 77002  
Attention: General Counsel

If to FGT, to:

Florida Gas Transmission Company, LLC  
Attn: Interstate Credit Risk Management  
1300 Main St.  
Houston, Texas 77002-6803  
Facsimile: 281-714-2177

With a copy to:  
Florida Gas Transmission Company, LLC.  
Attn: Legal Department  
1300 Main St.  
Houston, Texas 77002-6803  
Facsimile: 713-989-1212

16. This Guaranty will continue to be effective or be reinstated, as the case may be, if at any time any payment of any Guaranteed Obligation is rescinded or must otherwise be returned upon the insolvency, bankruptcy, or reorganization of the Shipper or otherwise, all as though such payment had not been made. In such a situation, any prior release from the terms of this Guaranty shall be reinstated in full force and effect.

- (a) THIS GUARANTY AND THE RIGHTS AND OBLIGATIONS OF FGT AND OF GUARANTOR HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH UNITED STATES FEDERAL LAW AND THE LAW OF THE STATE OF TEXAS WITHOUT REGARD TO CONFLICTS OF LAW PROVISIONS. Any legal action or proceeding with respect to this Guaranty shall be brought in the courts of the State of Texas or of the United States of America for the Southern District of Texas, in each case which are located in Houston, and, by execution and delivery of this Guaranty, each of Guarantor and FGT hereby irrevocably accepts for itself and in respect of its property, generally and unconditionally, the exclusive jurisdiction of the aforesaid courts. Each of Guarantor and FGT hereby further irrevocably waives any claim that any such courts lack jurisdiction over it, and agrees not to plead or claim in any legal action or proceeding with respect to this Guaranty brought in any of the aforesaid courts that any such court lacks jurisdiction over it
- (b) Each of Guarantor and FGT hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with this Guaranty brought in the courts referred to in clause (a) above and hereby further irrevocably waives and agrees not to plead or claim in any such court that such action or proceeding brought in any such court has been brought in an inconvenient forum.

*Confidential*

(c) **WAIVER OF TRIAL BY JURY. EACH OF GUARANTOR AND FGT HEREBY IRREVOCABLY WAIVES ALL RIGHTS TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS GUARANTY OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.**

17. Guarantor hereby confirms that it is its intention that this Guaranty not constitute a fraudulent transfer or conveyance for purposes of any bankruptcy, insolvency or similar law, the Uniform Fraudulent Conveyance Act or any similar Federal, state or foreign law. To effectuate the foregoing intention, if enforcement of the liability of Guarantor under this Guaranty would be an unlawful or voidable transfer under any applicable fraudulent conveyance or fraudulent transfer law or any comparable law, then the liability of Guarantor hereunder shall be reduced to the maximum amount for which such liability may then be enforced without giving rise to an unlawful or voidable transfer under any such law.
18. Any provision of this Guaranty held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.
19. This Guaranty reflects the whole and entire agreement of the parties and, with the exception of the PA and FTS Agreements, supersedes all prior agreements related to the subject matter hereof.

*Confidential*

**IN WITNESS WHEREOF** each of Guarantor and FGT has caused this Guaranty to be executed and delivered as of the date first above written.

**GUARANTOR:**

*[name of Guarantor]*

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**FGT:**

**Florida Gas Transmission Company, LLC**

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_



FLORIDA GAS TRANSMISSION COMPANY, LLC

FERC NGA Gas Tariff

Original Volume No. 1-A

Effective on December 1, 2018

(Version 0.0.0, Contract No. 123145) Negotiated Rate Agreement

Option Code "A"



**Florida Gas Transmission Company**

An Energy Transfer/Kinder Morgan Affiliate

October 22, 2018

Ascend Performance Materials Inc.  
1010 Travis Street, Suite 900  
Houston, Texas 77002  
Attention: Julian Camacho

Re: Negotiated Rates for Transportation Service Under Florida Gas Transmission Company, LLC Rate Schedule FTS-WD, Contract No. 123145

Dear Julian:

This Negotiated Rate Agreement (“Agreement”) is made and entered into this ~~29<sup>th</sup>~~ 29<sup>th</sup> day of November, 2018 by and between Florida Gas Transmission Company, LLC (“Transporter”) and Ascend Performance Materials Inc. (“Shipper”). Transporter and Shipper are parties to that certain Precedent Agreement dated May 31, 2018 (“Precedent Agreement”). In accordance with the mutual covenants and agreements contained herein and in the Precedent Agreement, Transporter and Shipper desire to enter into this Agreement with respect to the rates for service under a service agreement under Transporter’s Rate Schedule FTS-WD (“Service Agreement”).

When used in this Agreement, and unless otherwise defined herein, capitalized terms shall have the meanings set forth in the Service Agreement and/or in Transporter’s FERC Gas Tariff (which includes without limitation the rate schedules, General Terms and Conditions (GT&C), and forms of service agreement), as amended from time to time (“Tariff”).

1. **Negotiated Rates:** During the term of this Agreement as set forth in Paragraph 6 of this Agreement and subject to all terms, conditions and limitations set forth in this Agreement including but not limited to Paragraph 2 of this Agreement, the rate Transporter will charge Shipper under the Service Agreement, and the rate Shipper will pay Transporter under the Service Agreement, is equal to the following negotiated rate and any other applicable current and future surcharges, whether reservation or usage (hereinafter referred to as the “Negotiated Rate”):

Fixed Negotiated Reservation Rate equal to \$0.10/Dth calculated on a 100% Load Factor Basis (inclusive of Reservation and Usage Fees), plus all applicable current and future Surcharges, whether reservation or usage.

2. **Applicability of Negotiated Rates:** Notwithstanding anything to the contrary in this Agreement, the Negotiated Rate set forth above will apply to deliveries under the Service Agreement at the Primary Delivery Points specified in the Service Agreement as well as to deliveries at Alternate Receipt and Delivery Points located in Transporter's Western Division. In the event that Shipper releases its firm transportation rights under the Service Agreement, Shipper shall continue to be obligated to pay Transporter for the difference, if any, by which the Negotiated Rate (and all other applicable rates contemplated in Paragraph 1 above) exceeds the release rate.
3. **Effect of Negotiated Rate:** Pursuant to the GT&C of Transporter's Tariff, the Negotiated Rate set forth herein shall collectively constitute a "negotiated rate." The Parties, by execution of this Agreement, agree that the otherwise generally applicable maximum Recourse Rate(s) in effect pursuant to Transporter's Tariff shall not apply to or be available to Shipper for service under the Service Agreement during the term of this Agreement, notwithstanding any adjustments to such generally applicable maximum Recourse Rates(s) which may become effective during the term of this Agreement.
4. **No Refund Obligations:** If, at any time after the date service commences under the Service Agreement and thereafter during the term of this Agreement, Transporter is collecting its effective maximum Recourse Rate(s) subject to refund under Section 4 of the Natural Gas Act, as amended ("NGA"), Transporter shall have no refund obligation to Shipper even if the final maximum recourse rates are reduced to a level below the Negotiated Rate provided herein. Shipper's right to receive credits relating to Transporter's penalty revenue or other similar revenue, if any, applicable to transportation service on Transporter's system shall be governed by Transporter's Tariff and any applicable FERC orders and/or regulations.
5. **Transporter's Tariff:** Shipper acknowledges and agrees that all terms and conditions of Transporter's Tariff, including provisions for filing of changes in Transporter's Tariff, are applicable to the Service Agreement. Except as it relates to rates, in the event of a conflict between this Agreement and Transporter's Tariff, Transporter's Tariff shall control. Transporter acknowledges and agrees that as of the date the Parties entered into this Agreement, there are no known conflicts between the provisions of this Agreement and Transporter's Tariff.
6. **Term:** This Agreement shall be effective as of the date first above written. Subject to Paragraphs 2 and 7 herein, the Negotiated Rate set forth herein shall apply to service under the Service Agreement commencing on the date service commences under the Service Agreement and shall, subject to the terms and conditions of this Agreement, continue in effect through the Primary Term.
7. **Regulatory Approval:** Transporter shall make a filing with the FERC for approval to implement the Negotiated Rate set forth herein pursuant to the NGA, the FERC's regulations promulgated under the NGA, and the FERC's Statement of Policy Alternatives to Traditional Cost of Service Ratemaking for Natural Gas Transporters and Regulation of Negotiated Transportation Service of Natural Gas Transporters

issued January 31, 1996, in Docket Nos. RM95-5-000 and RM96-7-000. This Agreement and the Negotiated Rate set forth herein shall not apply to service under the Service Agreement unless and until the FERC approves such filing without condition and/or modification. Should FERC disallow, modify or condition approval of any material term(s) of the Negotiated Rate, then the Parties (including senior management if necessary) agree to meet promptly after the order disallowing, modifying or conditioning approval of such term(s) and negotiate in good faith to reach mutual agreement on a substitute lawful arrangement, such that the Parties are placed in the same economic position as if such Negotiated rate had not been disallowed, modified or conditioned.

8. **Entire Agreement:** This Agreement and the Service Agreement contain the entire agreement of the Parties with regard to the matters set forth herein and shall be binding upon and inure to the benefit of the successors and permitted assigns of each Party.
9. **Notices:** All notices and communications regarding this Agreement shall be made in accordance with the notice provisions of the Service Agreement.

If the foregoing accurately sets forth your understanding of the matters covered herein, please so indicate by having a duly authorized representative sign in the space provided below and returning an original signed copy to the undersigned.

Sincerely,

Florida Gas Transmission Company, LLC

By: Beta Hickey  
Name: Beta Hickey  
Title: SVP Interstate

MP  
D

ACCEPTED AND AGREED TO:  
This 28<sup>th</sup> day of November, 2018

Ascend Performance Materials Inc.

By: Carole Wendt  
Name: Carole Wendt  
Title: SVP Procurement & CPO

MARKED VERSION

PART I  
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Part II Non-Conforming Service Agreements

Contract No. 111144	Florida Power Corporation d/b/a Progress Energy Florida, Inc.
Contract No. 111145 Reserved	Florida Power & Light Company Reserved
Contract No. 3247 FPL Exhibit B	Florida Power & Light Company Florida Power & Light Company

Part III Non-Conforming Agreements with Negotiated Rates

Contract No. 122314	Seminole Electric Cooperative, Inc.
Contract No. 122314	Exhibits A, B, C
Contract No. 122314	Exhibit D
Contract No. 122314	Negotiated Rate Agreement
Contract No. 122315	Seminole Electric Cooperative, Inc.
Contract No. 122315	Exhibits A, B, C
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Contract No. 123086	PowerSouth Energy Cooperative
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Contract No. 123086	Exhibit D
Contract No. 123086	Negotiated Rate Agreement
<u>Contract No. 123145</u>	<u>Ascend Performance Materials Inc.</u>
<u>Contract No. 123145</u>	<u>Exhibit A, B, C</u>
<u>Contract No. 123145</u>	<u>Exhibit D</u>
<u>Contract No. 123145</u>	<u>Negotiated Rate Agreement</u>

Executed Service Agreement  
Compared to Rate Schedule FTS-WD Form of Service Agreement  
In Florida Gas Transmission Company, LLC  
Fifth Revised Volume No. 1 Tariff

Ascend Performance Materials Inc.

(Contract No. 123145)

SERVICE AGREEMENT  
Firm Transportation Service - Western Division  
Rate Schedule FTS-WD

Contract No. 123145

THIS AGREEMENT entered into this 27th day of November, 2018, by and between Florida Gas Transmission Company, LLC, a limited liability company of the State of Delaware (herein called "Transporter"), and ASCEND PERFORMANCE MATERIALS INC. (herein called "Shipper"),

WITNESSETH

WHEREAS, Transporter has received and accepted a certificate from the FERC to construct, install, own and maintain certain pipeline facilities necessary to upgrade the horsepower at Compressor Station 12 A at a location at or near the Florida/Alabama border for its South Alabama project (the "South Alabama Project" or the "Project");

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, Transporter and Shipper do covenant and agree as follows:

ARTICLE I  
Definitions

In addition to the definitions incorporated herein through Transporter's Rate Schedule FTS-WD, the following terms when used herein shall have the meanings set forth below:

1.1 The term "Rate Schedule FTS-WD" shall mean Transporter's Rate Schedule FTS-WD as filed with the FERC as changed and adjusted from time to time by Transporter in accordance with Section 5.2 hereof or in compliance with any final FERC order affecting such rateschedule.

1.2 The term "FERC" shall mean the Federal Energy Regulatory Commission or any successor regulatory agency or body, including the Congress, which has authority to regulate the rates and services of Transporter.

ARTICLE II  
Quantity

2.1 The Maximum Daily Transportation Quantity ("MDTQ") shall be set forth on a seasonal basis, and by Division if applicable, on Exhibit B attached hereto. The applicable MDTQ shall be the largest daily quantity of gas expressed in MMBtu, that Transporter is obligated to transport and make available for delivery to Shipper under this Service Agreement on any one day.



2.2 During the term of this Agreement, Shipper may tender natural gas for transportation to Transporter on any day, up to the MDTQ plus Transporter's fuel, if applicable. Transporter agrees to receive the aggregate of the quantities of natural gas that Shipper tenders for transportation at the Receipt Points, up to the maximum daily quantity specified for each receipt point as set out on Exhibit A, plus Transporter's fuel, if applicable, and to transport and make available for delivery to Shipper at each Delivery Point specified on Exhibit B, up to the amount scheduled by Transporter less Transporter's fuel, if applicable (as provided in Rate Schedule FTS-WD), provided however, that Transporter shall not be required to accept for transportation and make available for delivery more than the MDTQ on any day.

ARTICLE III  
Reserved

ARTICLE IV  
Payment and Rights in the Event of Non-Payment

4.1 Upon the commencement of service hereunder, Shipper shall pay Transporter, for all service rendered hereunder, the rates established under Transporter's Rate Schedule FTS-WD as filed with the FERC and as said Rate Schedule may hereafter be legally amended or superseded.

4.2 Termination for Non-Payment. In the event Shipper fails to pay for the service provided under this Agreement, pursuant to the condition set forth in Section 15 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Transporter shall have the right to suspend or terminate this Agreement pursuant to the condition set forth in said Section 15.

ARTICLE V  
Rights to Amend Rates and Terms and Conditions of Service

5.1 This Agreement in all respects shall be and remain subject to the provisions of said Rate Schedule and of the applicable provisions of the General Terms and Conditions of Transporter on file with the FERC (as the same may hereafter be legally amended or superseded), all of which are made a part hereof by this reference.

5.2 Transporter shall have the unilateral right to file with the appropriate regulatory authority and seek to make changes in (a) the rates and charges applicable to its Rate Schedule FTS-WD, (b) Rate Schedule FTS-WD including the Form of Service Agreement and the existing Service Agreement pursuant to which this service is rendered; provided however, that the firm character of service shall not be subject to change hereunder by means of a Section 4 Filing by Transporter, and/or (c) any provisions of the General Terms and Conditions of Transporter's Tariff applicable to Rate Schedule FTS-WD. Transporter agrees that Shipper may protest or contest the aforementioned filings, or seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary in order to assure that the provisions in (a), (b) or (c) above are just and reasonable.

## ARTICLE VI

### Term of Agreement and Commencement of Service

6.1 This Agreement shall become effective on the later of the In-Service Date of the South Alabama Project or December 1, 2018 (the "South Alabama Project Effective Date"). The In-Service Date of the South Alabama Project shall be the first day of the calendar month following the day on which Transporter is able to provide firm service from the Primary Receipt Points set forth in Exhibit A to the Primary Delivery Points set forth in Exhibit B and shall continue in effect for twenty-five (25) years from the South Alabama Project Effective Date (the "Primary Term"). The "Full MDTQ Effective Date" shall be the earlier of (i) October 1, 2019, or (ii) the first day of the calendar month selected by Shipper pursuant to Shipper's written notice to Transporter at least thirty (30) days in advance of such day, or (iii) a date mutually agreed by the Parties. In accordance with the provisions of Section 20 of the General Terms and Conditions of Transporter's Tariff, Shipper has a Right of First Refusal. —and shall continue in effect \_\_\_\_\_ [include end date of primary term and any applicable rollover or Right of First Refusal details].

6.2 In the event the capacity being contracted for was acquired pursuant to Section 18.C.2. of Transporter's Tariff, then this Agreement shall terminate on the date set forth in Section 6.1 above. Otherwise, upon the expiration of the primary term and any extension or roll-over, termination will be governed by the provisions of Section 20 of the General Terms and Conditions of Transporter's Tariff.

6.3 Service hereunder shall commence as set forth in Section 2 of Rate Schedule FTS-WD.

## ARTICLE VII

### Point(s) of Receipt and Delivery and Maximum Daily Quantities

7.1 The Primary Point(s) of Receipt and maximum daily quantity for each Primary Point of Receipt, for all gas delivered by Shipper into Transporter's pipeline system under this Agreement shall be at the Point(s) of Receipt on Transporter's pipeline system as set forth in Exhibit A attached hereto. In accordance with the provisions of Section 8.A. of Rate Schedule FTS-WD and Section 21.F. of the General Terms and Conditions of Transporter's Tariff, Shipper may request changes in its Primary Point(s) of Receipt. Transporter may make such changes in accordance with the terms of Rate Schedule FTS-WD and the applicable General Terms and Conditions of its Tariff.

7.2 The Primary Point(s) of Delivery and maximum daily quantity for each point for all gas made available for delivery by Transporter to Shipper, or for the account of Shipper, under this Agreement shall be at the Point(s) of Delivery as set forth in Exhibit B and shall be in Transporter's Western Division. In accordance with the provisions of Section 9.A. of Rate Schedule FTS-WD and Section 21.F. of the General Terms and Conditions of Transporter's Tariff, Shipper may request changes in its Primary Point(s) of Delivery provided that such new requested Primary Delivery Points must be located in Transporter's Western Division. Transporter may make such changes in accordance with the terms of Rate Schedule FTS-WD and the applicable General Terms and Conditions of its Tariff.

ARTICLE VIII  
Notices

All notices, payments and communications with respect to this Agreement shall be in writing and sent to Transporter's address posted on Transporter's Internet website or to Shipper's address stated below or at any other such address as may hereafter be designated in writing:

Shipper: ASCEND PERFORMANCE MATERIAL INC.  
1010 TRAVIS STREET, SUITE 900  
HOUSTON TX 77002  
Attention: Procurement Manager - Natural Gas  
  
Telephone No. \_\_\_\_\_  
Fax No. \_\_\_\_\_  
With a copy via email to Julian Camacho  
at [jcamac@ascendmaterials.com](mailto:jcamac@ascendmaterials.com)

ARTICLE IX  
Construction of Facilities

To the extent that construction of new or requested facilities is necessary to provide service under this Service Agreement, such construction, including payment for the facilities, shall occur in accordance with Section 21 of the General Terms and Conditions of Transporter's Tariff.

ARTICLE X – Not Applicable

ARTICLE XI  
Pressure

11.1 The quantities of gas delivered or caused to be delivered by Shipper to Transporter hereunder shall be delivered into Transporter's pipeline system at a pressure sufficient to enter Transporter's system, but in no event shall such gas be delivered at a pressure exceeding the maximum authorized operating pressure or such other pressure as Transporter permits at the Point(s) of Receipt.

11.2 Transporter shall have no obligation to provide compression and/or alter its system operation to effectuate deliveries at the Point(s) of Delivery hereunder.

ARTICLE XII  
Other Provisions

ARTICLE XIII  
Miscellaneous

13.1 This Agreement shall bind and benefit the successors and assigns of the respective parties hereto; provided however, neither party shall assign this Agreement or any of its rights or obligations hereunder without first obtaining the written consent of the other party.

13.2 No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future defaults of a like or different character.

13.3 This Agreement contains Exhibits A, ~~and B~~, C (if applicable) and D which are incorporated fully herein.

13.4 THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT REFERENCE TO ANY CONFLICT OF LAWS DOCTRINE WHICH WOULD APPLY THE LAWS OF ANOTHER JURISDICTION.

ARTICLE XIV  
Superseding Prior Service Agreements

This Agreement supersedes and replaces the following Service Agreements between Transporter and Shipper: None

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers effective as of the date first written above.

TRANSPORTER

SHIPPER

FLORIDA GAS TRANSMISSION COMPANY, LLC

ASCEND PERFORMANCE MATERIALS INC.

By \_\_\_\_\_

By \_\_\_\_\_

Name \_\_\_\_\_

Name \_\_\_\_\_

*(Please type or print name)*

*(Please type or print name)*

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

**EXHIBIT A**  
**TO**  
**RATE SCHEDULE FTS-WD SERVICE AGREEMENT**  
**BETWEEN**  
**FLORIDA GAS TRANSMISSION COMPANY, LLC**  
**AND**  
**ASCEND PERFORMANCE MATERIALS INC.**  
**DATED**  
**11/27/2018**  
**Contract No. 123145**  
**Amendment No. 0**

Effective Date of this Exhibit A: South Alabama Project Effective Date to Full MDTQ Effective Date as defined in Article V of this Agreement.

<u>Point(s) of Receipt</u>	<u>Maximum Daily Quantity (MMBtu)*</u>													
<u>Point Description</u>	<u>Point</u>	<u>DRN</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
<u>Zone 3</u>														
<u>Destin P/L</u>	<u>71298</u>	<u>241390</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>
<u>Zone 3 Total:</u>			<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>
<u>Total MDTQ:</u>			<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>

\*Quantities are exclusive of Fuel Reimbursement. Shipper shall provide fuel pursuant to Fuel Reimbursement Charge Adjustment provisions of Transporter's F.E.R.C. Gas Tariff, General Terms and Conditions.

**EXHIBIT A**  
**TO**  
**RATE SCHEDULE FTS-WD SERVICE AGREEMENT**  
**BETWEEN**  
**FLORIDA GAS TRANSMISSION COMPANY, LLC**  
**AND**  
**ASCEND PERFORMANCE MATERIALS INC.**  
**DATED**  
**11/27/2018**  
**Contract No. 123145**  
**Amendment No. 0**

Effective Date of this Exhibit A: Full MDTQ Effective Date to Primary Term as defined in Article V of this Agreement.

<u>Point(s) of Receipt</u>	<u>Maximum Daily Quantity (MMBtu)*</u>													
<u>Point Description</u>	<u>Point</u>	<u>DRN</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
<u>Zone 3</u>														
<u>Destin P/L</u>	<u>71298</u>	<u>241390</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>
<u>Zone 3 Total:</u>			<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>
<u>Total MDTQ:</u>			<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>

\*Quantities are exclusive of Fuel Reimbursement. Shipper shall provide fuel pursuant to Fuel Reimbursement Charge Adjustment provisions of Transporter's F.E.R.C. Gas Tariff, General Terms and Conditions.

**EXHIBIT B**  
**TO**  
**RATE SCHEDULE FTS-WD SERVICE AGREEMENT**  
**BETWEEN**  
**FLORIDA GAS TRANSMISSION COMPANY, LLC**  
**AND**  
**ASCEND PERFORMANCE MATERIALS INC.**  
**DATED**  
**11/27/2018**  
**Contract No. 123145**  
**Amendment No. 0**

**Effective Date of this Exhibit B: South Alabama Project Effective Date to Full MDTQ Effective Date as defined in Article V of this Agreement.**

<u>Point(s) of Delivery</u>			<u>Maximum Daily Quantity (MMBtu)*</u>											
<u>Point Description</u>	<u>Point</u>	<u>DRN</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
<u>Pensacola – CUC**, formerly</u>	<u>100717</u>	<u>79100027</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>
<u>referred to as FPU Escambia</u>														
<u>Total MDTQ:</u>			<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>	<u>5000</u>

\*Quantities are exclusive of Fuel Reimbursement.

\*\* Maximum Delivery Pressure Obligation: Transporter agrees to make deliveries on Shipper’s behalf up to Shipper’s MDTQ at the Primary Delivery Point at a pressure sufficient to enter the downstream facilities up to a pressure of 850 psig.

**EXHIBIT B**  
**TO**  
**RATE SCHEDULE FTS-WD SERVICE AGREEMENT**  
**BETWEEN**  
**FLORIDA GAS TRANSMISSION COMPANY, LLC**  
**AND**  
**ASCEND PERFORMANCE MATERIALS INC.**  
**DATED**  
**11/27/2018**  
**Contract No. 123145**  
**Amendment No. 0**

**Effective Date of this Exhibit B: Full MDTQ Effective Date to Primary Term as defined in Article V of this Agreement.**

<u>Point(s) of Delivery</u>	<u>Maximum Daily Quantity (MMBtu)*</u>													
<u>Point Description</u>	<u>Point</u>	<u>DRN</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sept</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
<u>Pensacola – CUC**, formerly</u> <u>referred to as FPU Escambia</u>	<u>100717</u>	<u>79100027</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>
<u>Total MDTQ:</u>			<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>	<u>15000</u>

\*Quantities are exclusive of Fuel Reimbursement.

\*\* Maximum Delivery Pressure Obligation: Transporter agrees to make deliveries on Shipper’s behalf up to Shipper’s MDTQ at the Primary Delivery Point at a pressure sufficient to enter the downstream facilities up to a pressure of 850 psig.



**EXHIBIT D**  
**CREDIT AGREEMENT**  
**TO**  
**RATE SCHEDULE FTS-WD SERVICE AGREEMENT**  
**BETWEEN**  
**FLORIDA GAS TRANSMISSION COMPANY, LLC**  
**AND**  
**ASCEND PERFORMANCE MATERIALS INC.**  
**DATED**  
**11/27/2018**  
**Contract No. 123145**  
**Amendment No. 0**

## CREDIT AGREEMENT

This Credit Agreement, dated as of this 31st day of May, 2018, is by and between Florida Gas Transmission Company, LLC (“Transporter”) and Ascend Performance Materials Inc. (“Shipper”). Transporter and Shipper may sometimes be referred to herein individually as a “Party”, or together as the “Parties”.

WHEREAS, contemporaneously herewith, Transporter and Shipper have entered into a Precedent Agreement No. 2 concerning the construction of certain pipeline facilities (“Precedent Agreement”), and thereby expanding capacity, in its Western Division to effectuate deliveries in Escambia County, FL (the “Project”) and pursuant to which the Parties, subject to certain terms and conditions set forth in the Precedent Agreement, will enter into a Firm Transportation Services Agreement (“FTS Agreement”), and associated Negotiated Rate Agreement (collectively, the “FTS-WD Agreements”); and

WHEREAS, pursuant to paragraph 7 of the Precedent Agreement, Shipper is required to comply with the requirements set forth in this Credit Agreement relating to its obligations and the level of expanded capacity subscribed under the Precedent Agreement and the FTS Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and intending to be legally bound, Transporter and Shipper agree to the following:

1. Shipper shall or shall cause a third party credit support provider on Shipper’s behalf to, at all times following the tenth (10<sup>th</sup>) day after Transporter’s filing of its application to the Federal Energy Regulatory Commission, satisfy the creditworthiness criteria, or otherwise provide such credit support, as set forth in this Credit Agreement:

(A) An entity shall be deemed “Creditworthy” hereunder, as of a particular time:

(i) if its long-term unsecured debt securities, at such time, are rated at least BBB- by Standard & Poor’s Ratings Services or its successor (“S&P”) or at least Baa3 by Moody’s Investor Services, Inc. or its successor (“Moody’s”) (any such rating, as applicable, a “Debt Rating”), provided, however, that if the entity is rated by either S&P or Moody’s alone, that Debt Rating alone shall be determinative. In the event the Debt Rating is BBB- and/or Baa3, respectively, the long-term outlook shall be Stable or Positive. In the event the entity has no Debt Rating(s), the S&P long-term Issuer Credit Rating or Moody’s Long-Term Rating or Corporate Family Rating will be substituted, and as such, these ratings are also included in the defined term, “Debt Rating”.

For the avoidance of any doubt, in the event the entity has no Debt Ratings at the time the of the execution of the Precedent Agreement, but subsequently receives a Debt Rating(s), then for purposes of determining creditworthiness, such Debt Rating(s) shall serve as original Debt Ratings effective as of execution of the Precedent Agreement.

(ii) In the event Shipper or its credit support provider, as applicable, cannot demonstrate Creditworthiness pursuant to Section (A)(i) above, Transporter shall

initially conduct a creditworthiness review on a non-discriminatory basis, based on consistent financial evaluation of Shipper's or Shipper's credit provider's audited financial statements to reasonably determine the acceptability of such entity's overall financial condition. Shipper or Shipper's credit support provider, as applicable, shall provide audited financial statements for the most current two (2) fiscal years prepared in conformity with U.S. generally accepted accounting principles ("GAAP") in the United States of America or, for non-U.S. based Shippers, prepared in accordance with equivalent standards. In the event that audited financial statements are not available, then Shipper shall provide its certified unaudited financial statements for such years. In all cases, the financial statements shall be prepared in accordance with GAAP. In the event that certified unaudited financial statements for a particular fiscal year are provided in lieu of audited financial statements, then the Chief Executive Officer, the Chief Financial Officer, the Treasurer or Controller of Shipper (or Shipper's credit support provider, as applicable), shall certify that based on such officer's knowledge, the unaudited financial statements, and other financial information contained therein, present fairly, in all material respects, the financial position and results of operations of Ascend Performance Materials Holdings Inc. and its subsidiaries (or Shipper's credit support provider, as applicable) as of and for the periods presented in such unaudited financial statements, in accordance with GAAP.

(iii) Subsequently, on an annual basis during the term of this Precedent Agreement and the FTS Agreement while Shipper or Shipper's credit support provider is being determined to be Creditworthy pursuant to Section 1(A)(ii) hereof instead of Section 1(A)(i), Shipper or Shipper's credit support provider shall upon the request of Transporter, within one hundred twenty (120) days following the end of each fiscal year, provide to Transporter Shipper's or Shipper's credit support provider's, as applicable, audited financial statements with any notes thereto.

(B) If, at any time, Shipper is deemed not "Creditworthy" pursuant to (A)(i) and (ii) above, then within ten (10) business days after Shipper's receipt of written notice from Transporter, Shipper or Shipper's credit support provider, as the case may be, shall thereafter maintain, either:

(i) a guaranty in the form set forth in Appendix "A" hereof ("Guaranty"), from a direct or indirect parent or affiliate of Shipper or other third party that is "Creditworthy" pursuant to Section (A)(i) or (ii) above (such third party, ("Guarantor"), which Guaranty shall guarantee the full payment of all of Shipper's obligations under the FTS Agreement and, subject to Section G hereof, any such Guaranty will remain outstanding for the benefit of the Transporter throughout the term of the Precedent Agreement and the Primary Term of the FTS Agreement or until Shipper or Shipper's credit support provider becomes Creditworthy hereunder or alternate credit support hereunder is provided to Transporter; or

(ii) a cash deposit or an irrevocable standby letter of credit that is in a form and from a financial institution reasonably acceptable to Transporter, in its

commercially reasonable discretion, in either case securing the payment obligations of Shipper under the FTS Agreement (“Credit Support”), equal to the total aggregate dollar value of the lesser of (a) twenty-four (24) months of reservation charges due from Shipper for the Contract MDTQ per the FTS Agreement, associated with expanded capacity under the FTS Agreement, (for purposes herein, the “Contract MDTQ”) and (b) all reservation charges due from Shipper for the Contract MDTQ over the number of months remaining under the FTS Agreement. Subject to Section G hereof, the Credit Support shall be issued and maintained by Shipper or Shipper’s credit support provider for the benefit of the Transporter until the earlier of (i) the later of the sixtieth (60<sup>th</sup>) day following the end of the term of the Precedent Agreement and the Primary Term of the FTS Agreement, and (ii) the time when Shipper or Shipper’s credit support provider becomes Creditworthy hereunder pursuant to Section 1(A)(i) or 1(A)(ii) hereof or alternate credit support hereunder is provided to Transporter. Following the expiration of the Primary Term of the FTS Agreement, the credit requirements set forth herein shall apply to extensions, if any, of the FTS Agreement unless otherwise agreed in writing by the Parties.

- (C) At any time during the term of the Precedent Agreement and the FTS Agreement, in the event the Debt Ratings assigned to Shipper or Shipper’s credit support provider, as applicable, (i) are at the minimum acceptable level to be deemed Creditworthy as established in Section 1(A)(i) above, and (ii) such Debt Rating becomes qualified or impacted by a negative outlook, then, during such time, credit support shall be required in an amount equal to the lesser of 12 months of reservation charges due from Shipper for the Contract MDTQ or the number of months remaining in the term under the FTS Agreement, as may be extended from time to time.

In the event that (i) if Creditworthiness was established hereunder pursuant to Section 1A(i), the Debt Ratings assigned to Shipper or Shipper’s credit support provider decline below the levels required to be Creditworthy hereunder, or (ii) if Creditworthiness was established hereunder pursuant to Section 1A(ii), as a result of evaluation of Shipper’s or Shipper’s credit support provider’s financial statements, as applicable, Transporter, in its reasonable judgment, determines that there has been a material adverse change in Shipper’s or Shipper’s credit support provider’s financial condition (including, but not limited to, any of the following: (a) qualified auditor’s opinion relating to the financial statements which indicates uncertainty as to Shipper’s or Shipper’s credit support provider’s ability to exist as an ongoing concern; (b) pending or adjudged litigation or regulatory proceedings in state or Federal courts which could reasonably be expected to cause a condition of insolvency; or (c) significant lawsuits or outstanding judgments which could reasonably be expected to result in Shipper or Shipper’s credit support provider becoming insolvent), then the amount of required credit support shall be the lesser of 30 months of reservation charges due from Shipper for the Contract MDTQ or the number of months remaining in the term under the FTS Agreement, as may be extended from time to time.

- (D) At any time while either the Precedent Agreement or the FTS Agreement (through its Primary Term) is effective, if (i) any Guarantor of Shipper is no longer “Creditworthy”, or (ii) any financial institution that is supporting a letter of credit in favor of Transporter in accordance with Section (B)(ii) hereof is no longer acceptable to Transporter, in its commercially reasonable discretion, then Transporter may submit a written notice of such determination to Shipper (which notice shall provide Transporter’s basis for such determination), and, assuming such notice was properly submitted hereunder, within nine (9) business days after Shipper’s receipt of such notice from Transporter, Shipper shall deliver to Transporter, and shall thereafter maintain, alternative Credit Support in accordance with either Section 1(B)(i) or Section 1(B)(ii) hereof.
- (E) For any Credit Support in the form of an irrevocable standby letter of credit that is provided to Transporter pursuant to Section (B)(ii) (any such letter of credit, “Shipper’s Letter of Credit”), such Shipper’s Letter of Credit shall permit partial draws and shall have an expiry date no sooner than the shorter of (a) twelve (12) calendar months after issuance thereof and (b) sixty (60) days after the end of the term of the Precedent Agreement and the Primary Term of the FTS Agreement. With respect to any Shipper’s Letter of Credit, Shipper shall furnish extensions or replacements of such letter of credit thirty (30) days prior to the expiration thereof, from time to time until the expiration of both the Precedent Agreement and the Primary Term of the FTS Agreement. All extensions, amendments and replacements of any Shipper’s Letter of Credit shall be delivered to Transporter in the form of such outstanding Shipper’s Letter of Credit, or in a form otherwise satisfactory to Transporter in its commercially reasonable discretion; provided, however, that any automatic renewal or extension of Shipper’s Letter of Credit in accordance with the terms thereof shall be deemed to satisfy Shipper’s obligation to furnish extensions or replacements of such Letter of Credit. Transporter shall have the right to draw against any outstanding Shipper’s Letter of Credit upon: (a) Shipper’s failure to make payment when due under the FTS Agreement, subject to any grace period set forth therein, if any; or (b) the failure or refusal of Shipper to deliver any applicable extension, amendment or replacement of an outstanding Shipper’s Letter of Credit that Shipper is obligated to provide herein. In the event of a draw in accordance with clause (a) of the preceding sentence, the proceeds of such draw shall be applied against the payment Shipper failed to make. In the event of a draw due to the failure or refusal of Shipper to deliver any applicable extension, amendment or replacement of an outstanding Shipper’s Letter of Credit, which draw may be in part or in whole, the proceeds of the draw shall be retained by Transporter until Transporter receives a replacement Shipper’s Letter of Credit or until Transporter does in fact incur any reasonable costs, expenses or damages as a result of a breach by Shipper of any of its obligations under either this Precedent Agreement or the FTS Agreement (in which event, such monies shall be applied against the same). If drawn in part or in whole, Shipper shall within nine (9) business days thereafter provide a replacement Shipper’s Letter of Credit in an amount equal to the amount required by this Credit Agreement. Any draw made

by Transporter under an outstanding Shipper's Letter of Credit shall not relieve Shipper of any liabilities, deficiencies, costs, expenses or damages beyond what is drawn under such Shipper's Letter of Credit. Shipper's Letter of Credit (representing any undrawn portion thereof), to the extent it still remains, or any cash deposit held by Transporter shall be returned to Shipper on or before the thirtieth (30th) day after the later to occur of (i) the date on which both the Precedent Agreement and the FTS Agreement have terminated or expired and (ii) the date on which all of Shipper's performance and payment obligations under the Precedent Agreement and the FTS Agreement (including, without limitation, any damages arising from either such agreement) have been fulfilled.

- (F) Credit Support in the form of a cash deposit or proceeds from draws under Shipper's Letter of Credit shall first be applied to the non-payment that triggered the use of the credit support by Transporter and then may be applied by Transporter, in its reasonable discretion, against any losses, costs, expenses or damages reasonably incurred by Transporter as a result of a breach by Shipper of any of its obligations (including a breach arising out of the termination or rejection of either the Precedent Agreement or the FTS Agreement under the U.S. Bankruptcy Code or other applicable insolvency legal requirements) under either the Precedent Agreement or the FTS Agreement for which Transporter is legally entitled to receive payment. If drawn in part or in whole, Shipper shall within eight (8) business days thereafter provide a replacement Shipper's Letter of Credit in an amount equal to the amount required by this Credit Agreement. Any draw made by Transporter under an outstanding Shipper's Letter of Credit shall not relieve Shipper of any liabilities, deficiencies, costs, expenses or damages beyond what is drawn under such Shipper's Letter of Credit.
- (G) Notwithstanding anything to the contrary in this Credit Agreement, in the event Shipper or Shipper's credit support provider provides Credit Support pursuant to Section (B)(i) or Section (B)(ii) hereof, but thereafter satisfies Section (A), Shipper's or Shipper's credit support provider's Guaranty, Letter of Credit (representing any undrawn portion thereof, to the extent it still remains), or any cash deposit held by Transporter, as applicable, shall be returned to Shipper or Shipper's credit support provider, as applicable, within ten (10) days after written demand is received by Transporter; provided, however, that the provisions of Section (B) shall again apply should Shipper or Shipper's credit support provider fail to be "Creditworthy" at any time thereafter.
- (H) Shipper's or Shipper's credit support provider's Letter of Credit (representing any undrawn portion thereof), to the extent it still remains, or any Credit Support in the form of cash deposit held by Transporter shall terminate automatically and be returned to Shipper or Shipper's credit support provider on or before the thirtieth (30th) day after the date on which all of Shipper's payment obligations under the FTS Agreement (through its Primary Term) (including, without limitation, any damages arising therefrom) have been fulfilled.

- (I) Except to the extent of any amounts paid to the Transporter, the use, application or retention of Credit Support, or any portion thereof, by Transporter shall not (subject to any applicable limitations on damages to which Transporter has agreed in writing) prevent Transporter from exercising any other right or remedy provided under the Precedent Agreement, the FTS Agreement, Transporter's FERC Gas Tariff, or which Transporter may have at law or in equity, by statute or regulation, and shall not operate as a limitation on any recovery to which Transporter may otherwise be entitled. For the avoidance of doubt, Transporter shall not be permitted any additional or duplicative recovery for any damages, payments, or other amounts for which Transporter has received payments or other compensation pursuant to the terms of this Credit Agreement, any Credit Support, or the FTS Agreement.

2. Notice. Except as herein otherwise provided, any notice, request, demand, statement, or bill provided for in this Credit Agreement, or any notice which either Party desires to give to the other, must be in writing and will be considered duly delivered only if delivered by hand, by nationally recognized overnight courier service, or by certified mail (postage prepaid, return receipt requested) to the other Party's address set forth below:

Transporter: Florida Gas Transmission Company, LLC  
1300 Main St.  
Houston, Texas 77056-5306  
Attention: Manager – Interstate Credit Risk

With copy to:

Florida Gas Transmission Company, LLC  
1300 Main St.  
Houston, Texas 77056-5306  
Attention: Commercial Operations

Shipper: Ascend Performance Materials Inc.  
1010 Travis Street, Suite 900  
Houston, Texas 77002  
Attention: Julian Camacho

With a copy to:

Ascend Performance Materials Inc.  
1010 Travis Street, Suite 900  
Houston, Texas 77002  
Attention: General Counsel

or at such other address as either Party designates by written notice. Delivery shall be deemed to occur at the time of actual receipt; provided, however, that if receipt occurs after normal business hours or on a weekend or national holiday, then delivery shall be deemed to occur on the next business day.

3. Modifications. Except as provided otherwise in this Credit Agreement, no modification of the terms and provisions of this Credit Agreement shall be effective unless contained in writing and executed by both Transporter and Shipper.

4. CHOICE OF LAW. THIS CREDIT AGREEMENT SHALL BE INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, EXCLUDING ANY CONFLICT OF LAW RULES THAT MAY REQUIRE THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION. ANY SUIT BROUGHT WITH RESPECT TO OR RELATING TO THIS CREDIT AGREEMENT SHALL BE BROUGHT IN, AND EACH OF THE PARTIES HEREBY SUBMITS TO THE EXCLUSIVE JURISDICTION OF, THE COURTS OF HARRIS COUNTY, TEXAS OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS LOCATED IN HOUSTON, TEXAS. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHTS TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS CREDIT AGREEMENT.

5. Capacity Release or Assignment. This Credit Agreement and the obligations of the Parties hereunder shall apply to any subsequent permissible acquiring shipper(s) under the FTS Agreement or assignee(s) of the Precedent Agreement; provided, however, if an acquiring shipper or assignee is not "Creditworthy" hereunder, Transporter shall have the right to demand Credit Support to securitize the acquiring shipper's full payment obligations in accordance with this Credit Agreement. In the event that Shipper (or its successors) desires to assign or release its interest in the Precedent Agreement or the executed FTS Agreement, as applicable, the assignee or acquiring shipper (under capacity release), shall be required to enter into a new Credit Agreement in its own name on substantially the same terms hereof. If the capacity is released permanently to the acquiring shipper, after the acquiring shipper enters into new Credit Agreement in its own name, this Credit Agreement shall terminate and be of no further force or effect.



6. Rules and Regulations. This Credit Agreement and the obligations of the Parties hereunder are subject to all applicable laws, rules, orders and regulations of governmental authorities having jurisdiction and, in the event of conflict, such laws, rules, orders and regulations of governmental authorities having jurisdiction shall control.

7. Counterparts. This Credit Agreement may be executed by facsimile and in multiple counterparts or by other electronic means (including by PDF), each of which when so executed shall be deemed an original, but all of which shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Credit Agreement to be duly executed by their duly authorized officers as of the day and year first above written.

**Florida Gas Transmission Company, LLC**

**Ascend Performance Materials Inc.**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**APPENDIX "A"**

**GUARANTY**

THIS GUARANTY (this "Guaranty") is made and entered into and effective as of **[DATE], 2018**, by \_\_\_\_\_, a \_\_\_\_\_ corporation, ("Guarantor"), in favor of Florida Gas Transmission Company, LLC, a Delaware limited liability company, ("FGT").

**WITNESSETH:**

WHEREAS, **[SHIPPER]**, a [(STATE OF INCORPORATION) (CORP, LP OR LLC)], has entered into the Precedent Agreement, dated as of \_\_\_\_\_ (as such agreement may from time to time be modified, supplemented, amended, or extended, the "PA"). Except as otherwise defined herein, any capitalized term used herein and defined in the PA (as defined above) shall have the meaning given to such term by the PA;

WHEREAS, **[SHIPPER]** (including its successors and permitted assigns under Section [8] of the PA, "Shipper"), or Shipper's third party provider of credit support is an affiliate of Guarantor;

WHEREAS, the PA contemplates that, subject to the satisfaction of certain conditions specified in the PA, FGT and Shipper will enter into a firm transportation service agreement and a negotiated rate agreement for firm transportation service in accordance with the PA (as such agreements may from time to time be modified, supplemented, amended, or extended, the "FTS Agreements");

WHEREAS, Shipper has certain payment obligations, including the obligation of Shipper to pay all amounts due under the FTS Agreements, to FGT in connection with the PA and the FTS Agreements (all such obligations of Shipper referred to as the "Guaranteed Obligations");

WHEREAS, FGT entered into the PA with Shipper on the condition that FGT receive certain assurances regarding payment of the Guaranteed Obligations, and Guarantor is willing to provide such assurances in accordance with the terms and conditions of this Guaranty; and

WHEREAS, Guarantor acknowledges that it will be substantially benefited by the execution and delivery of the PA.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, Guarantor hereby agrees as follows:

1. Guarantor hereby absolutely, irrevocably, and unconditionally guarantees to FGT the due and punctual payment by Shipper of any and all Guaranteed Obligations, subject to any applicable grace period(s) or extensions to such due date, even if any such payments are deemed to be damages pursuant to the PA and the FTS Agreements. Guarantor shall not be liable hereunder for any consequential, incidental, punitive or indirect damages whether in tort or contract. As a condition precedent to each payment under this Guaranty, a demand by FGT for payment hereunder shall be in writing, signed by a duly authorized representative of FGT and delivered to Guarantor pursuant to Section 16 "Notices" hereof, and shall (a) reference this Guaranty, (b) specifically identify FGT, the nature of the default, the details of the contractual basis of the underlying claim, and the Guaranteed Obligations to be paid, and (c) set forth payment instructions, including bank name, routing number and bank account

number. There are no other requirements of notice, presentment or demand. Guarantor shall pay, or cause to be paid, such Guaranteed Obligations within eight (8) business days of receipt of such demand.

2. This Guaranty shall constitute a guaranty of payment and not a guaranty of collection. This Guaranty (i) is a continuing guaranty and shall remain in full force and effect until all of the Guaranteed Obligations and other expenses, if any, payable pursuant to this Guaranty have been indefeasibly paid in full; and (ii) shall continue to be effective or shall be reinstated, as the case may be, if at any time any payment of any of the Guaranteed Obligations is rescinded, avoided or rendered void as a preferential transfer, impermissible set-off, fraudulent conveyance or must otherwise be returned or disgorged by FGT upon the insolvency, bankruptcy or reorganization of either Shipper or Guarantor or otherwise, all as though such rescinded, avoided or voided payment had not been made, and notwithstanding any action or failure to act on the part of FGT in reliance on such payment.
3. The liability of Guarantor hereunder is exclusive and independent of any security for or other guaranty of the payment by Shipper of the Guaranteed Obligations, whether executed by Guarantor, any other guarantor or any other party. Notwithstanding the other provisions of this Guaranty, this Guaranty shall automatically terminate and be of no more force and effect upon either (i) the full performance and full, final, and indefeasible payment or satisfaction in full of all Guaranteed Obligations, (ii) termination of the FTS Agreements, or (iii) as provided in the Credit Agreement dated May \_\_\_\_, 2018 between Shipper and Transporter.
4. Guarantor's obligations hereunder are independent of the obligations of any other guarantor, and a separate action or actions may be brought and prosecuted against Guarantor whether or not action is brought against any other guarantor and whether or not any other guarantor be joined in any such action or actions; provided, however, neither Guarantor nor Shipper shall be liable for any Guaranteed Obligations already fully and indefeasibly satisfied. If Shipper waives, to the fullest extent permitted by law, the benefit of any statute of limitations affecting its liability under the PA, the FTS Agreements and/or FGT's FERC Gas Tariff, Guarantor likewise waives, to the fullest extent permitted by law, the benefit of any statute of limitations affecting its liability hereunder or the enforcement thereof. Any payment by Shipper or other circumstance that operates to toll any statute of limitations as to Shipper shall operate to toll the statute of limitations as to Guarantor. Notwithstanding anything herein to the contrary, Guarantor does not waive and retains and reserves to itself all rights, counterclaims and other defenses to which Shipper is or may be entitled to, including those arising from or out of the PA, FTS Agreements, and/or FGT's FERC Gas Tariff, except for defenses arising out of the bankruptcy, receivership, reorganization, insolvency, dissolution, liquidation or similar status of Shipper, and the lack of power or authority of Shipper to enter into the PA and FTS Agreements and to perform its obligations thereunder (such retained and reserved and not waived or excluded rights, counterclaims and other defenses, the "Retained Defenses").
5. Subject to Section 1 hereof, Guarantor hereby waives notice of acceptance of this Guaranty and notice of any liability to which it may apply, and waives promptness, diligence, presentment, demand of payment, protest, notice of dishonor or nonpayment of any such liabilities, suit or taking of other action by FGT against, and any other notice to, any party liable thereon (including Guarantor or any other guarantor).
6. FGT, to the extent agreed to by Shipper in writing or as required in order to comply with applicable law or regulation, may (i) at any time and from time to time; (ii) upon or without any terms or conditions; (iii) in whole or in part; and (iv) without the consent of, but subject to notice

to, Guarantor, without incurring responsibility to Guarantor, and without impairing or releasing the obligations of Guarantor hereunder:

- (a) make any change, amendment, or modification in the terms of any Guaranteed Obligations, and the Guarantor's guaranty herein made shall apply to the Guaranteed Obligations as so changed, amended or modified; and/or
  - (b) take and hold security for the payment of the Guaranteed Obligations, and sell, exchange, release, surrender, impair, realize upon or otherwise deal with, in any manner and in any order, any property by whomsoever at any time pledged or mortgaged to secure, or howsoever securing, the Guaranteed Obligations or any liabilities (including any of those hereunder) incurred directly or indirectly in respect thereof or hereof, and/or any offset there against, and/or release any person liable for all or any portion of the Guaranteed Obligations.
7. Other than with respect to the Retained Defenses, no invalidity, irregularity or unenforceability of all or any part of the Guaranteed Obligations or of any security therefor shall affect, impair or be a defense to this Guaranty, and this Guaranty shall be primary, absolute, irrevocable, and unconditional, notwithstanding the occurrence of any event or the existence of any other circumstances which might constitute a legal or equitable discharge of a surety or guarantor except full, final, and indefeasible payment or satisfaction in full of the Guaranteed Obligations.
8. This Guaranty is a continuing one. All liabilities to which this Guaranty applies, or to which it may apply, under the terms hereof shall be conclusively presumed to have been created in reliance hereon. No failure or delay on the part of FGT in exercising any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein expressly specified are cumulative and not exclusive of any rights or remedies which FGT would otherwise have. No notice to or demand on Guarantor in any case shall entitle Guarantor to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of FGT to any other or further action in any circumstances without notice or demand. It is not necessary for FGT to inquire into the capacity or powers of Shipper or the officers, directors, partners or employees acting or purporting to act on its behalf.
9. (a) Guarantor waives any right (except as shall be required by applicable statute and cannot be waived) to require FGT to: (i) proceed against Shipper, any other guarantor of the Guaranteed Obligations or any other party; (ii) proceed against or exhaust any security held from Shipper, any other guarantor of the Guaranteed Obligations or any other party; or (iii) pursue any other remedy in FGT's power whatsoever. Other than with respect to the Retained Defenses, Guarantor waives any defense based on or arising out of any defense of Shipper, Guarantor, any other guarantor of the Guaranteed Obligations or any other party other than full, final, and indefeasible payment or satisfaction in full of the Guaranteed Obligations, including, without limitation, other than with respect to the Retained Defenses, any defense based on or arising out of the disability of Shipper, Guarantor, any other guarantor of the Guaranteed Obligations or any other party or the cessation from any cause of the liability of Shipper other than full, final, and indefeasible payment or satisfaction in full of the Guaranteed Obligations.

(b) Except as otherwise provided herein, Guarantor waives all presentments, demands for performance, protests and notices, including, without limitation, notices of nonperformance, notices of protest, notices of dishonor, notices of acceptance of this Guaranty, and notices of the existence, creation or incurring of new or additional indebtedness. Guarantor assumes all responsibility for being and keeping itself informed of Shipper's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations and the nature, scope and extent of the risks which Guarantor assumes and incurs hereunder, and agrees that FGT shall have no duty to advise Guarantor of information known to it regarding such circumstances or risks.

10. In order to induce FGT to enter into the Agreement, Guarantor represents, warrants, and covenants that:

(a) Status. Guarantor (i) is a duly organized and validly existing corporation, in good standing under the laws of the jurisdiction of its organization, (ii) has the corporate power and authority to own or lease its property and assets and to transact the business in which it is engaged and presently proposes to engage and (iii) is duly qualified and is authorized to do business and is in good standing in each jurisdiction where the conduct of its business requires such qualification, except for failures to be so qualified which, individually or in the aggregate, could not reasonably be expected to have a material adverse effect on the results of operations or financial condition of Guarantor and its subsidiaries, taken as a whole.

(b) Power and Authority. Guarantor has the corporate power and authority to execute, deliver and perform the terms and provisions of this Guaranty and has taken all necessary corporate action to authorize the execution, delivery and performance by it of this Guaranty. Guarantor has duly executed and delivered this Guaranty and this Guaranty constitutes the legal, valid and binding obligation of Guarantor enforceable in accordance with its terms, except to the extent that the enforceability hereof and thereof may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other similar laws affecting creditors' rights generally and by equitable principles (regardless of whether enforcement is sought in equity or at law).

(c) No Violation. Neither the execution, delivery, or performance by Guarantor of this Guaranty, nor compliance by it with the terms and provisions hereof and thereof (i) will contravene any applicable provision of any law, statute, rule, or regulation, or any order, writ, injunction, or decree of any court or governmental instrumentality, (ii) will conflict or be inconsistent with or result in any breach of any of the terms, covenants, conditions, or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any lien upon any of the property or assets of Guarantor or any of its subsidiaries pursuant to the terms of, any indenture, mortgage, deed of trust, credit agreement, or loan agreement or any other material agreement, contract, or instrument to which Guarantor or any of its subsidiaries is a party or by which it or any of its property or assets is bound or to which it may be subject, or (iii) will violate any provision of the certificate of incorporation, by-laws or similar documents, instruments, or certificates (including amendments thereto) executed, adopted or filed in connection with the creation, formation, or organization of Guarantor or any of its subsidiaries.

(d) Governmental Approvals. No order, consent, approval, license, authorization or validation of, or filing, recording or registration with (except as have been obtained or made), or exemption by, any governmental or public body or authority, or any subdivision thereof, is required to authorize, or is required in connection with, (i) the execution, delivery, and

performance of this Guaranty or (ii) the legality, validity, binding effect, or enforceability of this Guaranty.

(e) Litigation. There are no actions, suits, or proceedings pending or, to the best knowledge of Guarantor, threatened (i) which purport to affect the legality, validity, or enforceability of this Guaranty or (ii) that could reasonably be expected to have a material adverse effect on the results of operations or financial condition of Guarantor and its subsidiaries, taken as a whole.

(f) The signatory party below has full authority to execute this Guaranty and bind the Guarantor.

11. In the event Guarantor fails to comply with this Guaranty and this Guaranty is collected or enforced by or through an attorney at law, Guarantor will reimburse FGT for all reasonable and documented out-of-pocket costs and expenses of collection or enforcement, including reasonable attorneys' fees and expenses actually incurred.
12. This Guaranty shall be binding upon Guarantor and the successors and assigns of Guarantor and shall inure to the benefit of and be enforceable by FGT and its successors and assigns. Guarantor may not assign or transfer any of its rights or obligations hereunder without the prior written consent of FGT which consent shall not be unreasonably withheld or delayed (and any such attempted assignment or transfer without such consent shall be null and void). Notwithstanding anything to the contrary herein, FGT may refuse to provide its consent (and the same shall not be deemed unreasonable) if the proposed assignee fails to meet FGT's credit requirements.
13. Except as otherwise provided herein, neither this Guaranty nor any provision hereof may be changed, waived, discharged or terminated except with the written consent of Guarantor and FGT.
14. Guarantor acknowledges that an executed (or conformed) copy of the PA has been made available to Guarantor and Guarantor is familiar with the contents thereof.
15. All notices, requests, demands and other communications hereunder will be in writing and will be deemed to have been duly given when (i) delivered by hand (with written acknowledgment of receipt), (ii) sent by facsimile or email transmission, as applicable, (with receipt confirmed by an electronically generated written confirmation) with a copy sent via US Mail or overnight courier, or (iii) received by the addressee, if sent by a nationally recognized delivery service or other traceable method, in each case to the appropriate addresses and facsimile numbers set forth below (or to such other addresses and facsimile numbers as a party may designate by notice to the others); provided that any such deliveries received after normal business hours in the place of business of the receiving party shall be deemed to be received on the next business day:

If to Guarantor, to:

Ascend Performance Materials Inc.  
1010 Travis Street, Suite 900  
Houston, Texas 77002  
Attention: Julian Camacho  
Email: [jcamac@ascendmaterials.com](mailto:jcamac@ascendmaterials.com)

With a copy to:

Ascend Performance Materials Inc.  
1010 Travis Street, Suite 900  
Houston, Texas 77002  
Attention: General Counsel

If to FGT, to:

Florida Gas Transmission Company, LLC  
Attn: Interstate Credit Risk Management  
1300 Main St.  
Houston, Texas 77002-6803  
Facsimile: 281-714-2177

With a copy to:  
Florida Gas Transmission Company, LLC.  
Attn: Legal Department  
1300 Main St.  
Houston, Texas 77002-6803  
Facsimile: 713-989-1212

16. This Guaranty will continue to be effective or be reinstated, as the case may be, if at any time any payment of any Guaranteed Obligation is rescinded or must otherwise be returned upon the insolvency, bankruptcy, or reorganization of the Shipper or otherwise, all as though such payment had not been made. In such a situation, any prior release from the terms of this Guaranty shall be reinstated in full force and effect.

(a) THIS GUARANTY AND THE RIGHTS AND OBLIGATIONS OF FGT AND OF GUARANTOR HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH UNITED STATES FEDERAL LAW AND THE LAW OF THE STATE OF TEXAS WITHOUT REGARD TO CONFLICTS OF LAW PROVISIONS. Any legal action or proceeding with respect to this Guaranty shall be brought in the courts of the State of Texas or of the United States of America for the Southern District of Texas, in each case which are located in Houston, and, by execution and delivery of this Guaranty, each of Guarantor and FGT hereby irrevocably accepts for itself and in respect of its property, generally and unconditionally, the exclusive jurisdiction of the aforesaid courts. Each of Guarantor and FGT hereby further irrevocably waives any claim that any such courts lack jurisdiction over it, and agrees not to plead or claim in any legal action or proceeding with respect to this Guaranty brought in any of the aforesaid courts that any such court lacks jurisdiction over it.

(b) Each of Guarantor and FGT hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue of any of the aforesaid actions or proceedings arising out of or in connection with this Guaranty brought in the courts referred to in clause (a) above and hereby further irrevocably waives and agrees not to plead or claim in any such court that such action or proceeding brought in any such court has been brought in an inconvenient forum.

(c) **WAIVER OF TRIAL BY JURY.** EACH OF GUARANTOR AND FGT HEREBY IRREVOCABLY WAIVES ALL RIGHTS TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS GUARANTY OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

17. Guarantor hereby confirms that it is its intention that this Guaranty not constitute a fraudulent transfer or conveyance for purposes of any bankruptcy, insolvency or similar law, the Uniform Fraudulent Conveyance Act or any similar Federal, state or foreign law. To effectuate the foregoing intention, if enforcement of the liability of Guarantor under this Guaranty would be an unlawful or voidable transfer under any applicable fraudulent conveyance or fraudulent transfer law or any comparable law, then the liability of Guarantor hereunder shall be reduced to the maximum amount for which such liability may then be enforced without giving rise to an unlawful or voidable transfer under any such law.
18. Any provision of this Guaranty held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.
19. This Guaranty reflects the whole and entire agreement of the parties and, with the exception of the PA and FTS Agreements, supersedes all prior agreements related to the subject matter hereof.

IN WITNESS WHEREOF each of Guarantor and FGT has caused this Guaranty to be executed and delivered as of the date first above written.

**GUARANTOR:**

*[name of Guarantor]*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**FGT:**

Florida Gas Transmission Company, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_





October 22, 2018

Ascend Performance Materials Inc.  
1010 Travis Street, Suite 900  
Houston, Texas 77002  
Attention: Julian Camacho

Re: Negotiated Rates for Transportation Service Under Florida Gas Transmission Company, LLC Rate Schedule FTS-WD, Contract No. 123145

Dear Julian:

This Negotiated Rate Agreement (“Agreement”) is made and entered into this 28<sup>th</sup> day of November, 2018 by and between Florida Gas Transmission Company, LLC (“Transporter”) and Ascend Performance Materials Inc. (“Shipper”). Transporter and Shipper are parties to that certain Precedent Agreement dated May 31, 2018 (“Precedent Agreement”). In accordance with the mutual covenants and agreements contained herein and in the Precedent Agreement, Transporter and Shipper desire to enter into this Agreement with respect to the rates for service under a service agreement under Transporter’s Rate Schedule FTS-WD (“Service Agreement”).

When used in this Agreement, and unless otherwise defined herein, capitalized terms shall have the meanings set forth in the Service Agreement and/or in Transporter’s FERC Gas Tariff (which includes without limitation the rate schedules, General Terms and Conditions (GT&C), and forms of service agreement), as amended from time to time (“Tariff”).

1. Negotiated Rates: During the term of this Agreement as set forth in Paragraph 6 of this Agreement and subject to all terms, conditions and limitations set forth in this Agreement including but not limited to Paragraph 2 of this Agreement, the rate Transporter will charge Shipper under the Service Agreement, and the rate Shipper will pay Transporter under the Service Agreement, is equal to the following negotiated rate and any other applicable current and future surcharges, whether reservation or usage (hereinafter referred to as the “Negotiated Rate”):

Fixed Negotiated Reservation Rate equal to \$0.10/Dth calculated on a 100% Load Factor Basis (inclusive of Reservation and Usage Fees), plus all applicable current and future Surcharges, whether reservation or usage.

2. Applicability of Negotiated Rates: Notwithstanding anything to the contrary in this Agreement, the Negotiated Rate set forth above will apply to deliveries under the Service Agreement at the Primary Delivery Points specified in the Service Agreement as well as to deliveries at Alternate Receipt and Delivery Points located in Transporter's Western Division. In the event that Shipper releases its firm transportation rights under the Service Agreement, Shipper shall continue to be obligated to pay Transporter for the difference, if any, by which the Negotiated Rate (and all other applicable rates contemplated in Paragraph 1 above) exceeds the release rate.
3. Effect of Negotiated Rate: Pursuant to the GT&C of Transporter's Tariff, the Negotiated Rate set forth herein shall collectively constitute a "negotiated rate." The Parties, by execution of this Agreement, agree that the otherwise generally applicable maximum Recourse Rate(s) in effect pursuant to Transporter's Tariff shall not apply to or be available to Shipper for service under the Service Agreement during the term of this Agreement, notwithstanding any adjustments to such generally applicable maximum Recourse Rates(s) which may become effective during the term of this Agreement.
4. No Refund Obligations: If, at any time after the date service commences under the Service Agreement and thereafter during the term of this Agreement, Transporter is collecting its effective maximum Recourse Rate(s) subject to refund under Section 4 of the Natural Gas Act, as amended ("NGA"), Transporter shall have no refund obligation to Shipper even if the final maximum recourse rates are reduced to a level below the Negotiated Rate provided herein. Shipper's right to receive credits relating to Transporter's penalty revenue or other similar revenue, if any, applicable to transportation service on Transporter's system shall be governed by Transporter's Tariff and any applicable FERC orders and/or regulations.
5. Transporter's Tariff: Shipper acknowledges and agrees that all terms and conditions of Transporter's Tariff, including provisions for filing of changes in Transporter's Tariff, are applicable to the Service Agreement. Except as it relates to rates, in the event of a conflict between this Agreement and Transporter's Tariff, Transporter's Tariff shall control. Transporter acknowledges and agrees that as of the date the Parties entered into this Agreement, there are no known conflicts between the provisions of this Agreement and Transporter's Tariff.
6. Term: This Agreement shall be effective as of the date first above written. Subject to Paragraphs 2 and 7 herein, the Negotiated Rate set forth herein shall apply to service under the Service Agreement commencing on the date service commences under the Service Agreement and shall, subject to the terms and conditions of this Agreement, continue in effect through the Primary Term.
7. Regulatory Approval: Transporter shall make a filing with the FERC for approval to implement the Negotiated Rate set forth herein pursuant to the NGA, the FERC's regulations promulgated under the NGA, and the FERC's Statement of Policy Alternatives to Traditional Cost of Service Ratemaking for Natural Gas Transporters and Regulation of Negotiated Transportation Service of Natural Gas Transporters

issued January 31, 1996, in Docket Nos. RM95-5-000 and RM96-7-000. This Agreement and the Negotiated Rate set forth herein shall not apply to service under the Service Agreement unless and until the FERC approves such filing without condition and/or modification. Should FERC disallow, modify or condition approval of any material term(s) of the Negotiated Rate, then the Parties (including senior management if necessary) agree to meet promptly after the order disallowing, modifying or conditioning approval of such term(s) and negotiate in good faith to reach mutual agreement on a substitute lawful arrangement, such that the Parties are placed in the same economic position as if such Negotiated rate had not been disallowed, modified or conditioned.

8. Entire Agreement: This Agreement and the Service Agreement contain the entire agreement of the Parties with regard to the matters set forth herein and shall be binding upon and inure to the benefit of the successors and permitted assigns of each Party.

9. Notices: All notices and communications regarding this Agreement shall be made in accordance with the notice provisions of the Service Agreement.

If the foregoing accurately sets forth your understanding of the matters covered herein, please so indicate by having a duly authorized representative sign in the space provided below and returning an original signed copy to the undersigned.

Sincerely,

Florida Gas Transmission Company, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

ACCEPTED AND AGREED TO:

This 28th day of November, 2018

Ascend Performance Materials Inc.

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_