#### LARGE VOLUME NATURAL GAS SERVICE AGREEMENT

THIS LARGE VOLUME NATURAL GAS SERVICE AGREEMENT ("Service Agreement") is made and entered into as of the 24<sup>th</sup> day of April, 2019, by and between ATMOS ENERGY CORPORATION, a Texas and Virginia corporation, ("Atmos Energy") and GENCANNA GLOBAL USA, INC., a Delaware corporation, ("Customer"). Atmos Energy and Customer may also be referred to herein as a Party and collectively as the "Parties."

### WITNESSETH:

WHEREAS, Customer is desirous of securing an extension of facilities to the gas distribution system now owned and operated by Company in order to enable Company to increase Company's capacity to provide firm natural gas service to Customer

WHEREAS, Company is willing to construct such extension (the "Extension") as described in Section 4, subject to the terms and conditions set forth herein; and

WHEREAS, in consideration thereof, Customer agrees to exclusively use Company for the delivery of its natural gas requirements subject to the terms and conditions described below; and

Whereas, Customer agrees to meet certain minimum annual consumption and margin requirements, and

WHEREAS, Atmos Energy desires to provide to Customer, and Customer desires to obtain natural gas service in accordance with the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the Parties hereto agree as follows:

 <u>Natural Gas Service Type and Volume Levels</u>. Customer agrees to purchase from Atmos Energy or deliver to Atmos Energy for transportation, such service type being specified below, all of Customer's natural gas service requirements for Customer's facility located at or near Mayfield, Kentucky (the "Premises"). Atmos Energy agrees to provide service to Customer of the type specified below, subject to the provisions of Atmos Energy's then current tariff as approved by the Kentucky Public Service Commission ("Tariff"), referenced or the type specified schedules thereunder and the related Rules and Regulations for Customer Direction gas service as set forth in the Tariff and this Service Agreement in the Tariff and the Service Agreement in the Direction attached General Terms and Conditions, Exhibit "A", Appual Executive Director Requirements, and Exhibit "B," Receipt Point(s) and Deli Such Conditions of Atmos Point (s) and Deli Such Conditions of Point (s) and Point Point (s) and Point Point (s) and Point

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made a part hereof, provided, however that in the event of any inconsistency between the terms and conditions this Agreement, including the General Terms and Conditions, and those of the Atmos Energy's Tariff, the terms and conditions of this Service Agreement shall prevail..

Atmos Energy shall have no obligation to provide for deliveries in excess of the maximum daily and hourly volumes hereinafter specified, or to provide sales gas to Customer in the event Customer chooses a transportation service only. Atmos Energy shall not receive volumes for transportation service in excess of the daily volume hereinafter specified (MDQ):

Service	Туре	Maximum Mcf/Day Delivery	Maximum Mcf/Hr. Delivery	Maximum Mcf/Day Receipt (MDQ)
Sales	G-1	3700	310	3700

During any billing period, volumes delivered to Customer shall, regardless of nominations, be deemed to first satisfy the T-4 volumes, if any; and then the T-3 volumes, if any.

2. <u>Price</u>. The price to be paid by Customer shall be in accordance with the rate schedule under which the service is rendered. Such rates, including gas cost adjustments, shall be subject to change as permitted by law. Any federal, state or other legal taxes, other than those based upon or measured by Atmos Energy's income which apply now or may hereafter be imposed, shall be paid by the Customer, in addition to the rates as specified.

3. <u>Term</u>. This Service Agreement shall become effective on August 1, 2019 (the "Effective Date"), and shall continue in full force and effect for five (5) years (the "Primary Term"), and for a five year renewal term thereafter (the "Renewal Term") and shall continue for successive five year terms following the Renewal Term (each a "Rollover Term") provided that either Party may terminate this Service Agreement at the end of the Primary Term, or at the end of the Renewal Term or at the end of any subsequent Rollover Term upon providing one hundred twenty (120) days prior written notice to the other Party. The Primary Term, the Renewal Term and subsequent Rollover Terms may be referred to collectively as the "Term". Customer agrees that while this Service Agreement is in effect, all natural gas consumed by Customer at Customer's Facility shall be delivered KENTUCKY PUBLIC SERVICE COMMISSION

in the event Customer plans to make a filing, or direct another party to make Siecior filing on its behalf with the Federal Energy Regulatory Commission

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body, seeking authority to receive direct gas service following the termination of this Service Agreement, Customer agrees to notify Atmos Energy of such plans not less than 30 days prior to the date of such filing.

During the Term, Atmos Energy and Customer may mutually agree to amend this Agreement to change the type of service provided for under this agreement, i.e. sales, transportation, firm or interruptible, if Customer's needs or qualifications change. Any amendment changing the type of service must be in writing and will not, unless mutually agreed by the Parties in such amendment, change the Term of this Agreement.

4. <u>Extension of Facilities</u> – The extension shall consist of approximately 1800 feet of 6-inch steel natural gas pipeline situated in Graves County and extending from General Street, approximately ¼ mile east of Hwy 45 N to the Premises following General Street and Hwy 1276.

5. <u>Gross Margin Requirements.</u> Company agrees to construct the Extension, provided that the annual gross margin derived by Company from service for Customer to the Premises via the rates set forth in Appendix A, line (7) shall be equal to or exceed the "Required Annual Gross Margin" as set forth in Appendix A, line (5). "Required Annual Gross Margin" as used herein is defined as the amount of Gross Margin which Company must derive from service to the Premises in each year of the five (5) years of the Primary Term of this Agreement and which is set forth in line (5) of Appendix A. "Gross Margin" is defined herein as the amount paid by Customer to Company for the transportation of natural gas delivered to the Premises and which exceeds the cost incurred by Company to transport the natural gas that is transported and delivered by Company to the Premises, plus facility charges over the applicable period.

At the end of each one (1) year period during the Primary Term beginning on the Effective Date, if the actual gross margin derived by Company during such one (1) year period, as determined by Company, does not meet or exceed the Required Annual Gross Margin of that corresponding year shown on Appendix A, the Customer agrees to pay promptly to Company the difference between the Required Annual Gross Margin, as shown on Appendix A, and the actual gross margin for such one (1) year period, as determined by Company, plus any applicable taxes. The Required Annual Gross Margin obligation for each year as set forth in this Section 5 and in Appendix A is not contingent upon Customer taking delivery of gas from Company during any such year or upon the Premises being operational during the Primary Term, and in the event that Customer ceases to take deliveries of gas from Company at the Premises prior to the expiration of the Primary Term of this Agreement, any Required Annual Gross Margin shortfall for the then current year plus the Required Annual Gross Margin for each year remaining in the Primary Term shall be due and payable within (30) days following the date of the operation invoice therefore; such invoice setting forth in reasonable detail th

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the basis therefore. Each year stands alone and Customer shall not be entitled to any credit carryover in the event the Required Annual Gross Margin is exceeded in any year of the Primary Term. In the event that Customer requires and takes natural gas deliveries from Company to new additional facilities other than the Premises via a direct connection to the Extension, the margin derived from any future delivered volumes that flow through such a direct connection to the Extension to the Extension to the Extension to such new additional facilities of Customer after the Effective Date shall be credited towards the Required Annual Gross Margin amount during the Primary Term

6. <u>Parking</u>. Subject to the terms of the Tariff, Customer may "park" positive monthly imbalance volumes, up to 10% of the T-3 and T-4 volumes delivered by Atmos Energy into Customer's facilities. The cost to Customer of parking such imbalance volumes shall be as set forth in the Tariff. Unless otherwise provided in the Tariff, Atmos Energy shall provide the parking service on a "best efforts" basis, and the parked volumes shall be deemed "first through the meter" delivered to Customer in the month following delivery to Atmos Energy on Customer's account.

7. <u>Electronic Flow Measurement and Communications Equipment</u>. Under the Tariff, it will be the responsibility of Customer to pay all costs for additional facilities and/or equipment which will be required as a result of receiving Interruptible (Rate T-3) and/or Firm (Rate T-4) service including installation, repair, maintenance and replacement of such additional facilities and/or equipment. The additional facilities and/or equipment include electronic flow measurement ("EFM") equipment and cellular communications support services which shall be installed, maintained, operated, and owned by Atmos Energy. Customer is responsible for providing and maintaining the electric support services related to the EFM equipment. A new Customer that is not renewing an existing service agreement will pay a monthly charge of \$75.00 to cover all initial EFM costs and all ongoing EFM maintenance, repair and replacement costs (the "\$75.00 Monthly Facilities Charge") and a monthly charge of \$25.00 covering the cost of cellular communication support services (the "\$25.00 Monthly Cellular Charge").

8. <u>Notices</u>. Any notice required to be given under this Agreement, or any notice that either Party hereto may desire to give the other Party, shall be in writing and shall be considered duly delivered when deposited in the United States mail, postage prepaid, registered or certified, or sent by facsimile and addressed as follows:

If to Atmos Energy: ATMOS ENERGY CORPORATION (Kentucky/Mid-States Division) **KENTUCKY ERVICE COMMISSION** 5430 LBJ Freeway, Suite 160 **Gwen R. Pinson** Dallas, Texas 75240-2601 **Executive Director** Attention: Contract Adminis en R. Punso 4 **EFFECTIVE** 8/1/2019 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

Telephone:(214) 206-2574Facsimile:(214) 206-2101

If to Customer:

GENCANNA GLOBAL USA, INC. 3155 US Highway 45 N Mayfield, KY 42066

#### Attention:

or such other address as Atmos Energy, Customer or their respective successors or permitted assigns shall designate by written notice given in the manner described above. Routine communications, including monthly invoices, may be mailed by ordinary mail, postage prepaid, and addressed to the above-designated name and address.

7. <u>Attachments</u>. General Terms and Conditions, Exhibit "A" Annual Gross Margin Requirements and Exhibit "B" Receipt Point(s) and Delivery Point(s), attached hereto are expressly incorporated herein and made a part of this Service Agreement for all purposes, and all references herein and therein to "this Service Agreement" include the same and their respective terms and provisions.

IN WITNESS WHEREOF, the Parties hereto have executed this Service Agreement as of the date first above written.

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GENCANNA GLOBAL USA, INC.

Bv:

Richard H. Drennen Title: Director, Administration ATMOS ENERGY CORPORATION

Dertal By:

Danny Bertoct/ Vice President, Marketing Kentucky/Mid-States Division

KENTUCKY PUBLIC SERVICE COMMISSION	
Gwen R. Pinson Executive Director	
Shwen R. Punson	
EFFECTIVE	
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# GENERAL TERMS AND CONDITIONS TO LARGE VOLUME NATURAL GAS SERVICE AGREEMENT

1. This Service Agreement is subject to all applicable and valid statutes, ordinances, and the rules, regulations and orders of the Kentucky Public Service Commission., and subject to approval, on such conditions as are acceptable to Atmos Energy, by the Kentucky Public Service Commission.

2. If not presently installed, the necessary regulating and metering equipment constructed to Atmos Energy' specifications shall be installed for delivery of the gas as specified herein, and the Customer shall install or cause to be installed additional regulating equipment to provide suitable operating pressure at the various points of utilization. A suitable location for the regulating and metering equipment shall be provided by the Customer without charge, and Atmos Energy shall have the right to operate, maintain and alter this equipment as is necessary or desirable. Each Party hereto agrees to maintain any equipment owned by it and used in the performance of its obligations herein in good, safe and efficient operating condition and repair.

3. Title to sales gas shall pass from Atmos Energy to Customer, upon the delivery thereof, at the Customer's service address. The title to all gas transported hereunder shall remain with the Customer while such gas is on Atmos Energy's local distribution facilities. The Receipt Point(s) at which the Customer will deliver transportation gas to Atmos Energy and the Delivery Point(s) at which Atmos Energy will redeliver transportation gas to Customer are designated on Exhibit "A" attached hereto.

4. As between the Parties hereto solely, for transportation services, Atmos Energy shall be deemed in exclusive control and possession of the gas after the delivery thereof at the Receipt Point(s) and prior to the redelivery thereof, to or for the account of Customer at the Delivery Point(s). At all other times, as between the Parties hereto solely, Customer shall be deemed in exclusive control and possession of the gas and responsible for any damages, losses or injuries caused by Customer's handling, delivery or receipt thereof. For sales services, Atmos Energy shall be deemed in exclusive control and possession of the gas prior to the delivery thereof, to or for the account of Customer at the Customer's service address. Upon delivery thereof, as between the Parties hereto solely, Customer shall be deemed in exclusive control and possession of the gas and responsible for any damages, losses or injuries caused by Customer's handling, delivery thereot solely, Customer shall be deemed in exclusive control and possession of the gas and responsible for any damages, losses or injuries caused by Customer's handling, delivery thereot solely, Customer shall be deemed in exclusive control and possession of the gas and responsible for any damages, losses or injuries caused by Customer's handling, delivery thereof. Each Party agrees to indemnify, defend and hold harmless the other Party from and against any and all claims, liabilities, damages, losses, costs and expenses the other Party from such other Party arising from or relating to any damages, losses o

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indemnifying Party is responsible pursuant to the provisions of this paragraph, except to the extent such damages, losses or expenses shall have been caused by the negligence of the indemnified Party.

5. In the event that either Atmos Energy or Customer is rendered unable, wholly or in part, by reason of an event of force majeure, to perform its obligations under this Service Agreement, other than to make payment due hereunder, and such Party has given notice and full particulars of such force majeure in writing to the other Party as soon as possible after the occurrence of the cause relied on, then the obligations of the Parties, insofar as they are affected by such force majeure, shall be suspended during the continuance of such inability, but for no longer period, and such cause shall, insofar as possible, be remedied with all reasonable dispatch; provided, however, that the settlement of strikes or lock-outs shall be entirely within the discretion of the Party having such difficulty, and the above requirement that any force majeure be remedied with all reasonable dispatch shall not require the settlement of strikes or lock-outs by acceding to the demands of the opposing party when such course is inadvisable in the discretion of the Party having the difficulty.

The term "force majeure" as used herein shall mean any cause not reasonably within the control of the Party claiming suspension and includes, but is not limited to, acts of God; strikes; lock-outs; wars; acts of terrorism; rlots; orders or decrees of any lawfully constituted federal, state or local body; fires; storms; floods; wash-outs; explosions; breakage or accident to machinery or lines of pipe; inability to obtain or delay in obtaining rights-of-way, materials, supplies or labor permits; temporary or permanent failure of gas supply or transportation services; capacity constraints; repair, maintenance or replacement of facilities used in the performance of the obligations contained in this Service Agreement; or any other cause of a similar nature whether of the kind herein enumerated or otherwise.

6. During each billing period involving transportation services, Customer agrees to maintain its deliveries of gas to Atmos Energy and its receipt of gas from Atmos Energy in continuous balance or as near thereto as practicable on an Mcf or MMBtu basis, as designated by Atmos Energy. Further, the Customer agrees to be liable to Atmos Energy for all cost, expense and liability incurred by Atmos Energy, which directly relates to the Customer's transportation activities on the interstate pipeline system. To the extent that imbalances owed to Customer by Atmos Energy occur, such "parked" volumes of the Customer shall be deemed, for billing purposes, to be the first volumes delivered to the Customer during the succeeding billing period. When the volume of gas taken by Customer during a billing period exceeds the aggregate of its T-3 and T 4 transportation nominations and its available "parked" volumes, Customer shall pay Atmos Energy for stervice COMMISSION volumes at the applicable cash out rate.

7. If Atmos Energy has reasonable grounds for insecurity regard

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**Executive Director** 

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any obligation under this Service Agreement (whether or not then due) by Customer (including, without limitation, the occurrence of a material change in the creditworthiness of Customer or its Guarantor, if applicable), Atmos Energy may demand Adequate Assurance of Performance. "Adequate Assurance of Performance" shall mean sufficient security in the form, amount, for a term, and from an issuer, all as reasonably acceptable to Atmos Energy, including, but not limited to cash, a standby irrevocable letter of credit, a prepayment, a security interest in an asset or guaranty. Customer hereby grants to Atmos Energy a continuing first priority security interest in, lien on, and right of setoff against all Adequate Assurance of Performance in the form of cash transferred by Customer to Atmos Energy pursuant to this Section 7. Upon the return by Atmos Energy to Customer of such Adequate Assurance of Performance, the security interest and lien granted hereunder on that Adequate Assurance of Performance shall be released automatically and, to the extent possible, without any further action by either party.

8. In the event of default hereunder by either Party, in addition to all rights and remedies at law or in equity to which the non-defaulting Party may be entitled, the defaulting Party agrees to reimburse the non-defaulting Party for all court costs and other expenses incurred. Further, each Party agrees to indemnify and hold the other Party harmless with regard to any and all fees, costs and expenses incurred by the non-defaulting Party in relation to all claims, disputes and suits which arise under or are related to the defaulting Party's default under this Service Agreement, except to the extent such claims, disputes and suits shall have been caused by the negligence of the non-defaulting Party. In no event shall either Party be liable for indirect, special, consequential or punitive damages.

9. This Service Agreement shall be binding upon the Parties hereto and their respective successors and assigns.

10. This Service Agreement constitutes the entire agreement between the Parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral and written, between the Parties hereto with respect to the subject matter hereof.

G.	KENTUCKY PUBLIC SERVICE COMMISSION
	Gwen R. Pinson Executive Director
	Steven R. Punson
	EFFECTIVE
	8/1/2019 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
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### **APPENDIX A**

To " LARGE VOLUME NATURAL GAS SERVICE AGREEMENT Agreement by and between Atmos Energy Corporation and GenCanna, Dated  $-\frac{4}{24}$ .

### ANNUAL GROSS MARGIN REQUIREMENTS

(1) Customer	GENCANNA GLOBAL	USA, INC.		
(2) Estimated maxin	num hourly requirement	310		_Mcf
(3) Estimated maxin	num daily requirement	3700	Mcf	

- (4) Customer's maximum hourly and daily requirements may not be exceeded without consent of Company.
- (5) Required Annual Gross Margin

Year 1:	\$130,000
Year 2:	\$130,000
Year 3:	\$130,000
Year 4:	\$130,000
Year 5:	\$130,000.

(6) Estimated Annual Volumes

Year 1:	165,000 Mcf
Year 2:	165,000 Mcf
Year 3:	165,000 Mcf
Year 4	165,000 Mcf
Year 5:	165,000 Mcf

## (7) Pricing

Customer shall pay Company's applicable monthly charge as well as Company's applicable distribution charge per Mcf. as defined by company's current tariff rate schedule, delivered to Customer at the Premister Aurily the PUBLIC SERVICE COMMISSION Term of this Agreement.

**Gwen R. Pinson Executive Director** wen R. Punso

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This Appendix A is attached to and made a part of the Large Volume Service Agreement by and between Atmos Energy Corporation and GenCanna Global USA, Inc. Dated  $\underline{4/34/19}$ , as though the same was copied verbatim therein.

### EXHIBIT "B"

### RECEIPT POINT (S) AND

### **DELIVERY POINT (S)**

### **Receipt Point(s)**

A metering station located in Graves County, Kentucky, at Longitude -88.60225588, Latitude 36.73345842, approximately 2.05 miles East of Mayfield, Kentucky. (Meter No. 1889)

## **Delivery Point(s)**

KY Hwy 1276 Mayfield, Kentucky 42066

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Shwen R. Punson	
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