

NOVATION AGREEMENT

Dated: 1st December 2015

- (1) **Veetra SA**, with registered office at 36-38 avenue Kléber, 75116 Paris, France (the “**Transferor**”);
- (2) **Veolia Environnement Finance**, with registered office at 36-38 avenue Kléber, 75116 Paris, France (the “**Transferee**”); and
- (3) **Veolia Energy Varna EAD** (formerly known as “**Dalkia Varna EAD**”), with registered office at 47 Maria Luiza boulevard, 1202, Sofia, Bulgaria (the “**Remaining Party**”);

(each of the Transferor, the Transferee and the Remaining Party is also hereinafter referred to individually as a “**Party**” and together as the “**Parties**”).

PREAMBLE:

WHEREAS, the Transferor and the Remaining Party have entered into a CO2 Allowances Master Agreement dated as of 10th May 2010 and as amended by the amendment dated as of 30th November 2015 (the “**Agreement**”).

WHEREAS, with effect from and including the Effective Date (as specified below) the Transferor wishes to transfer by novation to the Transferee, and the Transferee wishes to accept the transfer by novation of all the rights, liabilities, duties and obligations of the Transferor under and in respect of the Agreement.

WHEREAS, Remaining Party hereby expresses its consent to such transfer by novation between the Transferor and Transferee on the terms set forth below.

Accordingly, the Parties agree as follows:

1. Novation.

With effect from 1st January 2016 CET (the “**Effective Date**”) and in consideration of the mutual representations, warranties and covenants contained in this Novation Agreement and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the Parties):

- (a) any and all rights of the Transferor under the Agreement and the obligations of the Transferor under the Agreement are transferred by novation to the Transferee with the effect at 00:00:00 CET on the Effective Date;
- (b) the Transferor is released and discharged from further obligations with respect to the Agreement;
- (c) subject to the terms relating to the Agreement, the Transferee agrees to perform all the duties and to discharge all the obligations of the Transferor under the Transactions (as defined in the Agreement) arising after the Effective Date and to be bound by the terms and conditions of the Transactions arising after the Effective Date and accepts and assumes the duties, obligations and liabilities of the Transferor under the Agreement, as if the Transferee was named in the Agreement as a party in place of the Transferor; and
- (d) the Remaining Party agrees to accept the Transferee as its sole counterparty with respect to the Transactions and the Remaining Party is therefore released and discharged from all obligations, claims and demands whatsoever *vis-à-vis* the Transferor with respect to the outstanding Transactions arising on or after the Effective Date.

2. Representations and Warranties.

- (a) On the Effective Date, each of the Parties makes following representations and warranties to the other Parties:
 - (i) it has the legal right and full power and authority to enter into and perform this Novation Agreement;

- (ii) it has all approvals and consents necessary for it to legally perform its obligations under this Novation Agreement;
 - (iii) it has taken all corporate action required by it to authorise it to enter into and to perform this Novation Agreement;
 - (iv) this Novation Agreement will, when executed, constitute valid and binding obligations on the Party, in accordance with its respective terms;
 - (v) it is not insolvent, and to the best of its knowledge there are no pending or threatened legal or administrative proceedings to which it is a party which would materially adversely affect its ability to perform this Novation Agreement; and
 - (vi) the choice of French law as the governing law of the Agreement will be recognised and enforced in its jurisdiction of incorporation.
- (b) Each of the Transferor and the Remaining Party represents and warrants to the Transferee that it has made no prior transfer (whether by way of security or otherwise) of the Agreement or any interest or obligation in or under any of the Transactions and it has not accepted or made any payment which would impair purpose of this Novation Agreement.
- (c) The Transferor and the Remaining Party hereby represent and warrant that the Agreement is valid, effective and enforceable.

3. Continuing Effect.

It is hereby agreed that the Transactions shall continue in full force and effect as between the Transferee and Remaining Party and that as from the Effective Date its terms and conditions have only changed to the extent set out in this Novation Agreement.

4. Amendments

The terms of the Agreement shall remain unchanged, except that the Transferor shall be replaced with the Transferee throughout the Agreement.

5. Counterparts.

This Novation Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in counterparts, each of which will be deemed an original.

6. Costs and Expenses.

The Parties will each pay their own costs and expenses (including legal fees) incurred in connection with this Novation Agreement and as a result of the negotiation, preparation and execution of this Novation Agreement.

7. Governing Law and Jurisdiction

This Novation Agreement is governed by and to be construed in accordance with French law.

The Parties agree that any difference or dispute arising under, out of or in connection with this Novation Agreement that the Parties are unable to settle between themselves is to be resolved by arbitration in accordance with the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules, as in effect at the time of commencement of arbitration. The number of arbitrators is to be one and the place of arbitration is to be Paris (France). The language of arbitration is French.

8. Third Party Rights

No provision of this Novation Agreement shall be construed as creating any rights enforceable by a third party and all third party rights implied by law are, to the extent permissible by law, excluded from this Novation Agreement.

9. Effectiveness.

This Novation Agreement shall become effective on the Effective Date.

IN WITNESS WHEREOF the Parties have executed this Novation Agreement on the respective dates specified below.

Veetra SA
Date: 1st December 2015



Veolia Environnement Finance
Date: 1st December 2015



Veolia Energy Varna EAD
Date: 1st December 2015

