**AGREEMENT**

**between**

**[THE HOST OWNERS]**

**and**

**[THE HOST OPERATOR]**

**and**

**[THE TIE-IN OWNERS]**

**and**

**[THE TIE-IN OPERATOR]**

**relating to the**

**CONSTRUCTION AND TIE-IN OF THE [insert name of TIE-IN FACILITIES] TO THE [insert name of HOST FACILITIES]**

**INDEX**

[1 Definitions 4](#_Toc531641967)

[2 Commencement and Termination 13](#_Toc531641968)

[3 Roles of the Parties 15](#_Toc531641969)

[4 Obligations and Rights of the Tie-In Operator 16](#_Toc531641970)

[5 Obligations and Rights of the Host Operator 19](#_Toc531641971)

[6 Readiness and Commissioning 22](#_Toc531641972)

[7 Variation 24](#_Toc531641973)

[8 Shutdown Compensation 26](#_Toc531641974)

[9 Ownership of Facilities, Risk and Insurance 29](#_Toc531641975)

[10 Liabilities and Indemnities 31](#_Toc531641976)

[11 Joint Obligations and Project Execution 35](#_Toc531641977)

[12 Costs and Payment 37](#_Toc531641978)

[13 Default 41](#_Toc531641979)

[14 Force Majeure 42](#_Toc531641980)

[15 Assignment 44](#_Toc531641981)

[16 Notices 46](#_Toc531641982)

[17 Confidentiality and Public Announcements 48](#_Toc531641983)

[18 Expert 50](#_Toc531641984)

[19 Miscellaneous 52](#_Toc531641985)

[20 Contracts (Rights of Third Parties) Act 1999 54](#_Toc531641986)

[21 Governing Law 55](#_Toc531641987)

[SCHEDULE 1 – Scope of Work 57](#_Toc531641988)

[SCHEDULE 2 – Work Schedule 58](#_Toc531641989)

[SCHEDULE 3 – Budget 59](#_Toc531641990)

[[SCHEDULE 4 – Accounting Procedure] 60](#_Toc531641991)

[[SCHEDULE 5 – Free Issue Equipment] 68](#_Toc531641992)

THIS AGREEMENT is made this day of 20[●]

**BETWEEN**

1. **[●]** in its capacities as the Host Operator and as a Host Owner; and
2. **[●]** [*list all Host Owners*];
3. **[●]** in its capacities as the Tie-In Operator and as a Tie-In Owner; [and]
4. **[●]** [*list all Tie-In Owners*].

**WHEREAS:**

* 1. The Host Owners each have a legal and beneficial interest in the Host Facilities and the Host Operator is the operator of the Host Facilities and certain associated facilities which are owned by the Host Owners.
  2. The Tie-In Owners each have a legal and beneficial interest in, and wish to develop, the Tie-In Field.
  3. The Tie-In Owners wish to tie the Tie-In Facilities to the Host Facilities to enable production from the Tie-In Field to be tendered for acceptance and received into, and processed in, the Host Facilities on the terms and conditions set out in the Tie-In Field Transportation Processing [and Operating Services] Agreement.
  4. The Parties wish to enter into this Agreement to establish the terms and conditions relating to the construction, installation and the tie-in of the Tie-In Facilities.

**NOW THEREFORE IT IS HEREBY AGREED AS FOLLOWS:**

# Definitions

## In this Agreement the following terms shall have the following meanings:

**“Accounting Procedure”** means the accounting procedure set out in Schedule 4;

**“Advanced Payment”** means a cash call payment in Pounds Sterling to be made by the Tie-In Operator to the Host Operator in accordance with the Advanced Payment Schedule;

**“Advanced Payment Schedule”** means the schedule of cash call payments for the costs of the Host Work [and/or Reinstatement Work] as set out in Attachment B to Schedule 4 as the same may be amended from time to time in accordance with Clause 12;

**“Affiliate”** means in relation to a Party:

(a) if the Party is a subsidiary of another company, the Party’s ultimate holding company and any subsidiary (other than the Party itself) of the Party’s ultimate holding company; or

(b) if the Party is not a subsidiary of another company, any subsidiary of the Party;

and for the purposes of this definition, “holding company” and “subsidiary” have the meanings given to those expressions in Section 1159 of the Companies Act 2006; provided that a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c) of the Companies Act 2006, as a member of another company even if its shares in that other company are registered in the name of (i) another Person (or its nominee) by way of security or in connection with the taking of security, or (ii) its nominee; and provided further that such Person (or nominee) referred to in (i) or such nominee referred to in (ii) shall not be Affiliates by reason of holding shares in such capacity;

**“Agreement”** means this agreement and schedules hereto;

“**Basis of Design**” means the document [document number [●]] shared with all Parties on [date] and referred to in Schedule 1 Part C, as the same may be amended pursuant to Clause 7.1 and which shall form the basis of design for the Tie-In Facilities and Host Additional Facilities;

**“Budget”** means the budget agreed among the Parties in respect of the Host Work as it may be amended from time to time in accordance with this Agreement. The Budget at the date of this Agreement is set out in Schedule 3;

**“Business Day”** means any calendar day (other than a Saturday or Sunday) on which the major banks in both Aberdeen and London are open for normal business;

**“Claim”** means any and all claims, liens, losses, liabilities, demands, obligations, judgements, damages, expenses, proceedings, causes of action of whatever nature, penalties, fines, awards, costs (including reasonable legal expenses and costs) and sums paid by way of settlement or compromise;

**“Commissioning”** means all the activities undertaken, subsequent to Pre-Commissioning and prior to completion of the Run-In Tests, which are necessary in order to make the relevant facility and/or system forming part of the Tie-In Facilities or Host Additional Facilities ready for use on a safe and continuous operational basis for the delivery of Tie-In Field Fluids, all to the reasonable satisfaction of the Host Operator and the Tie-In Operator, including those activities necessary to confirm compliance with all relevant statutory and regulatory requirements, the testing and/or operation of the equipment, facility and/or system in question (including any control and/or protective equipment forming part of such system) to demonstrate that the equipment, facility and/or system in question is fit for its intended purpose, complies with all relevant design, procurement and installation documentation, and certification of the equipment, facility and/or system in question; and **“Commission”** and **“Commissioned”** shall be construed accordingly;

**“Commissioning Completion Notice”** has the meaning given to it in Clause 6.10;

**“Commissioning Procedures”** means the Pre-Commissioning procedures and the Commissioning procedures in respect of the Tie-In Facilities to be approved by the Tie-In Operator pursuant to Clause 4.1.4 and 5.1.3;

**“Conditions Precedent”** has the meaning given to it in Clause 2.2;

**“Consequential Loss”** means

(a) any indirect or consequential loss; and/or

(b) the following irrespective of whether direct, indirect or consequential loss:

(i) loss or damage arising out of any delay, postponement, interruption or loss of production, any inability to produce, deliver or process hydrocarbons or any loss of or anticipated loss of use, profit or revenue;

(ii) loss or damage incurred or liquidated or pre-estimated damages of any kind whatsoever borne or payable under any contract for the sale, exchange, transportation, processing, storage or other disposal of hydrocarbons;

(iii) losses associated with business interruption including the cost of overheads incurred during business interruption;

(iv) loss of bargain, contract, expectation or opportunity; and/or

(v) any other loss or anticipated loss or damage whatsoever in the nature of or consequential upon the foregoing;

in either case (a) or (b) above, howsoever caused or arising whether under contract, by virtue of any fiduciary duty, in tort or delict (including negligence), as a consequence of breach of any duty (statutory or otherwise) or under any other legal doctrine or principle whatsoever whether or not recoverable at common law or in equity and whether or not foreseeable at the date of this Agreement, but excluding any loss or damage in the nature of that referred to in (b) (i) above which is compensated by way of Shutdown Compensation subject to and in accordance with Clause 8.3.2;

**“Default Notice Period”** has the meaning given to it in Clause 13.1;

**“Deferred Tariff Compensation”** has the meaning given to it in Clause 8.3.1;

“**Entry Point**” means [●];

“**Expert**” means an expert appointed pursuant to Clause 18;

**“Force Majeure”** has the meaning given to it in Clause 14.2;

[**“Free Issue Equipment”** means that equipment and associated materials and spares to be provided by the Tie-In Owners to the Host Owners as set out in Schedule 5;]

**“Good Oilfield Practice”** means the application of those methods and practices customarily used in good and prudent oil and gas field practice in the UKCS with that degree of diligence and prudence reasonably and ordinarily exercised by experienced operators engaged in the UKCS in a similar activity under similar circumstances and conditions;

**“Handover Date”** means 00.01 hours on the day after the date of the Commissioning Completion Notice;

**“Host Additional Facilities”** means [●];

**“Host Certificate of Completion”** has the meaning given to it in Clause 6.8;

**“Host Certificate of Readiness”** has the meaning given to it in Clause 6.2;

**“Host Existing Facilities”** means [●];

**“Host Facilities”** means the Host Existing Facilities and the Host Additional Facilities;

**“Host Facilities Safety Zone”** means any point within [two/five] hundred ([200/500]) metres of the Host Facilities;

**“Host Field”** means [●];

**“Host Indemnity Group”** means

* + 1. each of the Host Owners, the Host Operator and their respective employees (including agency personnel), directors, officers and agents;
    2. the Affiliates of the Host Owners or the Host Operator and their employees (including agency personnel), directors, officers and agents (to the extent such Affiliates and their employees (including agency personnel), directors, officers and agents are engaged in connection with the Host Field); [and
    3. the contractors and sub-contractors of any tier of the Host Owners, the Host Operator or their respective Affiliates and their respective employees (including agency personnel), directors, officers and agents (to the extent such contractors and sub-contractors of any tier and their respective employees (including agency personnel), directors, officers and agents are engaged in connection with the Host Field);]

and a reference to “Host Indemnity Group” shall be a reference to all or any member of the Host Indemnity Group;

**“Host Operator”** means the Person appointed from time to time by the Host Owners to operate the Host Field, when acting in that capacity and not as a Host Owner, which at the date of this Agreement is [●];

**“Host Owners”** means those Persons having a legal and/or beneficial interest in the Host Field from time to time acting in that capacity, who at the date hereof are [●];

**“Host Platform Safety Case”** means [●];

**“Host Work”** means the work to be carried out by the Host Operator on behalf of the Host Owners as described in Clause 5.1 and Schedule 1 Part B, as amended from time to time in accordance with this Agreement;

**“IMHH Deed”** means the industry Mutual Indemnity and Hold Harmless Deed dated 2 November 2009 (as same may be amended, adhered to and/or replaced from time to time);

**“Insolvency Event”** means, in respect of any Person that is a Party, any one of the following:-

* + 1. that Person is unable to pay its debts as they fall due within the meaning of section 123(1)(e) of the Insolvency Act 1986 (but as if the words “if it is proved to the satisfaction of the court that” were deleted) or has a voluntary arrangement proposed under section 1 of the Insolvency Act 1986 or admits in writing its inability to pay its debts as they mature or declares a moratorium on the payment of all or a substantial part of its indebtedness or makes a general assignment for the benefit of creditors or applies for winding-up or liquidation proceedings or is successfully put into compulsory or voluntary liquidation (except for the purpose of voluntary reorganisation not involving the insolvency of that Person); or
    2. that Person or any creditor or shareholder of that Person petitions or applies to any court, tribunal or authority for the appointment of any examiner, administrator, administrative receiver, receiver, liquidator, trustee or similar officer of it, its undertaking or any substantial part of its assets (and in the case of a petition or application by a creditor, such petition or application is not dismissed within [fifteen] ([15]) Business Days of it being presented or made); or
    3. that Person (or its directors) files with the court a notice of intention to appoint an administrator under the Insolvency Act 1986; or
    4. that Person has or suffers to be appointed, any examiner, administrator, administrative receiver, receiver, liquidator, trustee or similar officer of it, its undertaking or any substantial part of its assets;
    5. that Person shall suffer a distress, execution, sequestration or other process or the same is being levied or enforced upon or sued out against the whole or a substantial part of the assets, rights or revenues of that Person, and such distress, execution, sequestration or other process is not dismissed or released within [fifteen] ([15]) Business Days; or
    6. any act or event shall occur or any proceedings shall be taken having the same or similar effect to those described in paragraphs (a) to (e) above (and whether or not pursuant to the Insolvency Act 1986 as amended and/or supplemented by the Insolvent Partnerships Order 1994) in relation to any partnership or unregistered company of which that Person is a member; or
    7. that Person otherwise enters into any settlement or takes any corporate action or that Person or any creditor or shareholder of that Person takes any steps in relation to that Person under any law, regulation or decree of any applicable jurisdiction whether now or hereafter in effect relating to or which has an equivalent effect to any of paragraphs (a) to (f) above taking into account the grace period provided for in paragraphs (b) and (e);

**“LIBOR”** means the one (1) Month London Interbank Offered Rate (or its successor) for Pounds Sterling as quoted by ICE Benchmark Administration Limited (or its successor administrator) which appears on Bloomberg page BBAM at 11.00 a.m. London time on the applicable day, or if the applicable day is not a Business Day, then on the immediately preceding Business Day. If the applicable period for which interest is being calculated extends beyond the end of the Month, the rate will be reset and compounded at the end of the Month in accordance with the foregoing and in the event that the LIBOR rates are not quoted or published by Bloomberg, the rates will be obtained from such other source as the Parties may decide. If any such rate is less than zero, LIBOR shall be deemed to be zero;

**“Month”** means a calendar month and **“Monthly”** shall be construed accordingly;

**“Non-CTIA Work”** means any work, which does not require a shutdown for its execution, which is carried out at or to the Host Facilities other than work forming part of the Tie-In Work and/or the Host Work;

**“OPOL”** means the Offshore Pollution Liability Agreement dated 4 September 1974 or any replacement scheme;

**“Party”** means any party to this Agreement in that capacity and “**Parties**” shall be construed accordingly;

**“Person”** means any person, company, firm, partnership, association or body corporate;

**“Planned Host Shutdowns”** means those periods of time including any part of a day during which the Host Operator has planned not to accept and process hydrocarbons in the Host Facilities, other than any Shutdown the primary purpose of which is associated with the Tie-In Work and/or the Host Work;

**“Post-Commissioning Works”** has the meaning given to it in Clause 6.12;

**“Pounds Sterling”** or **“£”** means the lawful currency of the United Kingdom, provided that if a replacement legal currency is introduced, all monetary values expressed to be in “Pounds Sterling” or “£” in this Agreement shall be modified in accordance with applicable law with effect from the date of such introduction;

**“Pre-Commissioning”** means all the activities undertaken prior to issuing a Certificate of Readiness which are necessary in order to make the relevant facility and/or system forming part of the Tie-In Facilities or Host Additional Facilities ready for the delivery of Tie-In Field Fluids for the purpose of carrying out Commissioning, including those activities necessary to confirm compliance with all relevant statutory and regulatory requirements, the testing and/or operation of the equipment, facility and/or system in question (including any control and/or protective equipment forming part of such system) to demonstrate that the equipment, facility and/or system in question is fit for its intended purpose, complies with all relevant design, procurement and installation documentation, the certification of the equipment, facility and/or system in question; and **“Pre-Commission”** and **“Pre-Commissioned”** shall be construed accordingly;

**“Pre-contractual Statement”** has the meaning given to it in Clause 19.1;

**“Proposed Amended Budget”** has the meaning given to it in Clause 12.3;

**“Reasonable and Prudent Operator”** means a Party seeking in good faith to perform its obligations under this Agreement in a proper and workmanlike manner in accordance with methods and practices customarily used in Good Oilfield Practice and with that degree of skill, diligence, prudence and foresight reasonably and ordinarily exercised by experienced operators operating on the UKCS engaged in a similar activity under similar circumstances and conditions and in compliance with all relevant laws and regulations and the expression “**Standard of a Reasonable and Prudent Operator**” will be construed accordingly;

“**Reinstatement** **Shutdown**” means that period of time including any part of a day during which the Host Operator cannot accept and process hydrocarbons in the Host Facilities due to carrying out Reinstatement Work;

“**Reinstatement Work**” means work that is required to be done on the Host Facilities and within the Host Facilities Safety Zone to the extent reasonably necessary as a consequence of the termination of the Host Work to reinstate the operational capability to that which existed immediately prior to the commencement of the Host Work including repairs, replacement and removal of any wreck and/or debris and subject to any necessary consents, the abandonment or decommissioning of any part of the Host Facilities that has been altered and/or installed pursuant to the terms of this Agreement and which was adversely affected as a direct result of the Host Work or Tie-In Work;

**“Relevant Body”** has the meaning given to it in Clause 18.3;

**“Run-In Tests”** has the meaning given to it in Clause 6.9;

**“Scope of Work”** means the Host Work and the Tie-In Work;

**“Senior Management Personnel”** means in relation to any Party, any person employed by it or any of its Affiliates as a director or senior manager. For the purposes of this definition, “senior manager” shall mean [●];

[(a) in relation to the Host Operator [ ];

(b) in relation to the Tie-In Operator [ ];

(c) in relation to any other Host Owner [ ]; and

(d) in relation to any other Tie-In Owner [ ].]

[*Drafting Note: Insert company specific formulation or alternative based on one or more of the following examples:*

*(i) any person who has overall responsibility for both the commercial and operational management of [●]’s upstream production assets in the United Kingdom and the UKCS and any person more senior to such person and to whom such person reports either directly or indirectly; and*

*any person performing the same or substantially the same function as the person described in [(i)] above and any person more senior than such person and to whom such person reports either directly or indirectly;*

*(ii) any member of the management committee which has overall responsibility for both the commercial and operational management of the upstream production assets and interests of such Party in the United Kingdom and the UKCS (or if no such management committee exists, any person who has such overall responsibility) and any person more senior to such person and to whom such person reports either directly or indirectly;*

*(iii) any member of the executive committee comprised of senior managers which has overall responsibility for the management of the assets and interests of [●] and its subsidiaries and any person employed by [●] or its Affiliates who directly reports to any such committee or to any member of it in his capacity as a member of such committee; and*

*any person more senior than a member of the executive committee referred to in [(iii)] above to whom the said member referred to in [(iii)] above reports either directly or indirectly;*

*(iv) the person who has overall responsibility for both the commercial and operational management of [●]’s interests in the [●], being as at the date hereof the person occupying the position of [●] and any person more senior to such person and to whom such person reports either directly or indirectly;];*

**“Shutdown”** means that period of time including any part of a day during which the Host Operator cannot accept and process hydrocarbons in the Host Facilities due to the Tie-In Work and/or the Host Work;

**“Shutdown Compensation”** has the meaning given to it in Clause 8.3.2;

**“Shutdown Period”** shall be the aggregate of the period(s) of Shutdown which occur between the earliest of the date of commencement of the Tie-In Work or the Host Work and the date of termination of this Agreement;

**“Steering Committee”** has the meaning given to it in Clause 11.4;

**“Third Party”** means any Person other than the Parties (acting in the capacity in which it enters into this Agreement) and any member of the Host Indemnity Group or the Tie-In Indemnity Group;

**“Third Party Claims”** means any Claim made by a Third Party against any of the Parties of whatsoever nature (including Consequential Loss) suffered or incurred by a Third Party arising out of or in connection with the performance, non-performance or mis-performance of any part of this Agreement;

**“Tie-In Certificate of Completion”** has the meaning given to it in Clause 6.7;

**“Tie-In Certificate of Readiness**” has the meaning given to it in Clause 6.1;

**“Tie-In Facilities”** means [●];

**“Tie-In Facilities Safety Zone”** means any point within [two/five] hundred ([200/500]) metres of the Tie-In Facilities;

**“Tie-In Field”** means [●];

**“Tie-In Field Fluids”** means all crude oil, natural gas and base sand and water which the Tie-In Owners are entitled to produce from the Tie-In Field;

**“Tie-In Field Transportation Processing [and Operating Services] Agreement” or “Tie-In Field TP[OS]A”** means the transportation and processing [and operating services] agreement [of even date herewith/to be entered into on or around the date of execution hereof] in respect of the Tie-In Field between the Tie-In Owners and Tie-In Operator and the Host Owners and Host Operator;

**“Tie-In Indemnity Group”** means

(a) each of the Tie-In Owners, the Tie-In Operator and their respective employees (including agency personnel), directors, officers and agents;

(b) the Affiliates of the Tie-In Owners or the Tie-In Operator and their employees (including agency personnel), directors, officers and agents (to the extent such Affiliates and their employees (including agency personnel), directors, officers and agents are engaged in connection with the Tie-In Field); [and

(c) the contractors and sub-contractors of any tier of the Tie-In Owners, the Tie-In Operator or their respective Affiliates and their respective employees (including agency personnel), directors, officers and agents (to the extent such contractors and sub-contractors of any tier and their respective employees (including agency personnel), directors, officers and agents are engaged in connection with the Tie-In Field);]

and a reference to “Tie-In Indemnity Group” shall be a reference to all or any member of the Tie-In Indemnity Group;

**“Tie-In Operator”** means the Person appointed from time to by the Tie-In Owners to operate the Tie-In Field, when acting in that capacity and not as a Tie-In Owner, which at the date of this Agreement is [●];

**“Tie-In Owners”** means those Persons having a legal and/or beneficial interest in the Tie-In Field from time to time acting in that capacity, who at the date hereof are [●];

**“Tie-In Work”** means the work to be carried out by the Tie-In Operator on behalf of the Tie-In Owners as described in Clause 4.1 and Schedule 1 Part A, as amended from time to time in accordance with this Agreement;

“**Tie-In Work Acceptance Notice**” has the meaning given to it in Clause 6.3;

**“Trade Control Laws”** shall mean any applicable trade or economic sanctions, export control, embargo or similar laws, regulations, rules, measures, restrictions, restricted or designated party lists, licenses, orders, or requirements, including without limit those of the E.U., the U.K., the U.S. and the U.N;

**“UKCS”** means the United Kingdom Continental Shelf;

**“US$” or “US Dollar”** means the lawful currency of the United States of America, provided that if a replacement legal currency is introduced, all monetary values expressed to be in “US$” or “US Dollar” in this Agreement shall be modified in accordance with applicable law with effect from the date of such introduction;

**“VAT”** means value added tax as that expression is defined in the Value Added Tax Act 1994;

**“Wilful Misconduct”** means an intentional, conscious or reckless disregard by Senior Management Personnel of Good Oilfield Practice or of any terms of this Agreement in utter disregard of avoidable and harmful consequences but shall not include any act, omission, error of judgement or mistake made in the exercise in good faith of any function, authority or discretion vested in or exercisable by such Senior Management Personnel and which in the exercise of such good faith is justifiable by special circumstances including the safeguarding of life, property or the environment and other emergencies;

**“Work Schedule”** means the overall schedule for execution and completion of the Tie-In Work and the Host Work, which is attached to this Agreement as Schedule 2, as the same may be updated and amended from time to time by any amendment thereto agreed hereunder; and

**“Year”** means a calendar year.

## For the purposes of this Agreement, except as otherwise expressly provided:

### In the event of conflict, the provisions of the main body of this Agreement shall prevail over the provisions of any Schedule.

### The rule known as the *ejusdem generis* rule shall not apply and accordingly words introduced by words and phrases such as “include”, “including”, “other” and “in particular” shall not be given a restrictive meaning or limit the generality of any preceding words or be construed as being limited to the same class as the preceding words where a wider construction is possible.

### Unless the context otherwise requires, reference herein to the singular shall include the plural and vice versa and reference to any gender shall include all genders.

### The table of contents and the titles and headings of the Clauses and the Schedules are inserted for reference purposes only and are not to be construed as limiting or extending the meaning of any of the provisions contained in them.

### Unless the context requires otherwise, references in this Agreement to Clauses shall be to clauses of the main body of this Agreement, to Schedules shall be to schedules of this Agreement and to Paragraphs shall be to paragraphs in the Schedules.

### References to any statutory provisions or laws shall include any act, regulation, order or secondary legislation issued pursuant thereto, and, except in relation to the references to Section 1159 of the Companies Act 2006 in the definition of Affiliate set out in Clause 1.1, any amendment, modification and re-enactment thereof.

### Reference to time shall be construed as a reference to the time statutorily in force in the United Kingdom.

### Reference to any agreement (including this Agreement) is to that agreement as amended, novated or supplemented from time to time.

## The Parties agree that the rates of interest in this Agreement on late payments or repayments of overpayments represent a substantial commercial remedy for the purposes of the Late Payment of Commercial Debts (Interest) Act 1998.

# Commencement and Termination

## Subject to Clause 2.2, this Agreement shall be effective on and from the date hereof and shall remain in full force and effect until termination in accordance with its terms.

## The provisions of this Agreement (other than Clause 2.3, Clause 14 (Force Majeure), Clause 15 (Assignment), Clause 16 (Notices), Clause 17 (Confidentiality and Public Announcements), Clause 19 (Miscellaneous) and Clause 21 (Governing Law)), shall not be enforceable until the following conditions precedent have either been satisfied or waived (the **“Conditions Precedent”**):

### the Tie-In Operator has provided written confirmation to the reasonable satisfaction of the Host Operator that the Tie-In Owners have obtained [all necessary approvals, licences and regulatory consents from all governmental or other authorities required to commence the performance of the Tie-In Operator’s and Tie-In Owners’ obligations under this Agreement]/[field development consent from the relevant governmental or other authorities to proceed with the development of the Tie-In Field];

### [the Host Operator and the Host Owners have obtained all necessary approvals, licences and regulatory consents from all governmental or other authorities required for the performance of their respective obligations under this Agreement;]

### [all Parties have executed the Tie-In Field TP[OS]A; and]

### [*others*].

## The Parties shall, either individually or in co-operation with each other, use reasonable endeavours to do all things that are reasonably necessary to achieve satisfaction of the Conditions Precedent as soon as practicable.

## The Parties shall keep each other informed on a regular basis regarding progress in satisfying the Conditions Precedent.

## The Host Operator shall have the right to waive the Condition Precedent referred to in Clause 2.2.1 [and others] upon written notice to the Tie-In Operator.

## The Tie-In Operator shall have the right to waive the Condition Precedent referred to in Clause 2.2.2 [and others] upon written notice to the Host Operator.

## This Agreement shall terminate upon the earliest of the following to occur:

### the receipt of written notice given by either the Host Operator or the Tie-In Operator to the other Parties if [any of] the Conditions Precedent are not satisfied or waived by [date]; or

### subject to Clause 6.12, the Handover Date; or

### termination pursuant to Clauses 7.3.3 [failure to agree revised work]; or

### termination pursuant to Clause 12.11 [failure to agree Proposed Amended Budget];

### termination pursuant to Clause 13.1.2 [Tie-In Owners’ default]; or

### termination pursuant to Clause 14.8 [Host Owners’ Force Majeure]; or

### termination pursuant to Clause 14.9 [Tie-In Owners’ Force Majeure]; or

### the receipt of written notice from the Host Operator to the Tie-In Operator following an Insolvency Event affecting a Tie-In Owner that is not remedied by the remaining Tie-In Owners assuming the liabilities of the insolvent Tie-In Owner’s participating interest in the Tie-In Field or otherwise assuming ownership of such participating interest within [●] Business Days of the Insolvency Event; or

### the receipt of written notice from the Tie-In Operator to the Host Operator following an Insolvency Event affecting a Host Owner that is not remedied by the remaining Host Owners assuming the liabilities of the insolvent Host Owner’s participating interest in the Host Field or otherwise assuming ownership of such participating interest within [●] Business Days of the Insolvency Event; or

### the receipt of written notice from the Host Operator to the Tie-In Operator following an incident where the Host Facilities and/or any part of the downstream evacuation route necessary for the operation of this Agreement are damaged beyond economic repair in the opinion of the Host Operator, acting reasonably; or

### the receipt of written notice from the Tie-In Operator to the Host Operator following an incident where the Tie-In Facilities are damaged beyond economic repair in the opinion of the Tie-In Operator, acting reasonably; or

### following a period of suspension of the Host Work for reasons other than Force Majeure and for a period of more than [twelve (12)] Months;

### provided that if Reinstatement Work is to be performed the date of termination of this Agreement will be deemed to occur on completion of such Reinstatement Work. Termination of this Agreement shall be without prejudice to any rights and liabilities which may have accrued to or been incurred by any of the Parties prior to the date of such termination including the liability to pay all monies due in accordance with this Agreement.

## If this Agreement terminates pursuant to Clauses 2.7.3 to 2.7.12 then:

### the Host Operator shall be entitled to, at the sole cost and expense of the Tie-In Owners undertake the Reinstatement Work; and

### the obligation on the Tie-In Operator to pay to the Host Operator all costs and expenses in accordance with Clause 12.1 shall, for the avoidance of doubt, include the obligation to pay all costs and expenses in relation to the Host Work; (i) incurred up to the date of termination; and (ii) engaged or scheduled before termination but invoiced or cash called after termination.

## Any such Reinstatement Work conducted pursuant to Clause 2.8 shall be deemed to form part of the Host Work except for the purposes of Clause 12 (Costs and Payment}.

## Clauses 1, 2.8, 6, 8, 9, 10, 12, 13, 16, 17, 18 and 21 and Schedule 4 shall survive termination of this Agreement.

# Roles of the Parties

## Notwithstanding anything in this Agreement, express or implied, to the contrary, the Host Operator (in performing its obligations under this Agreement or the obligations of the Host Owners under this Agreement) shall act as agent for and on behalf of the Host Owners and any and all rights and obligations of the Host Owners (other than the obligations to provide an indemnity hereunder), limitations or exclusions of liability and/or indemnities granted to or in favour of the Host Owners under this Agreement shall apply in like manner to the Host Operator as agent for and on their behalf.

## Each Host Owner shall be jointly and severally liable for the obligations of all Host Owners under this Agreement and shall be so liable for all acts or omissions of the Host Operator under or in connection with this Agreement.

## The Host Owners and the Host Operator shall act at all times to the Standard of a Reasonable and Prudent Operator and shall perform their respective obligations under this Agreement in compliance with applicable laws.

## Notwithstanding anything in this Agreement, express or implied, to the contrary, the Tie-In Operator (in performing its obligations under this Agreement or the obligations of the Tie-In Owners under this Agreement) shall act as agent for and on behalf of the Tie-In Owners and any and all rights and obligations of the Tie-In Owners (other than the obligations to provide an indemnity hereunder), limitations or exclusions of liability and/or indemnities granted to or in favour of the Tie-In Owners under this Agreement shall apply in like manner to the Tie-In Operator as agent for and on their behalf.

## Each Tie-In Owner shall be jointly and severally liable for the obligations of all Tie-In Owners under this Agreement and shall be so liable for all acts or omissions of the Tie-In Operator under or in connection with this Agreement.

## The Tie-In Owners and the Tie-In Operator shall act at all times to the Standard of a Reasonable and Prudent Operator and shall perform their respective obligations under this Agreement in compliance with applicable laws.

## The Parties agree to collaborate and co-operate with each other in the performance of their respective obligations under this Agreement.

# Obligations and Rights of the Tie-In OPERATOR

## The Tie-In Operator shall, on behalf of and at the sole expense of the Tie-In Owners:

### ensure that the Tie-In Facilities (where required) are compatible with the Host Facilities and that any such facilities and systems meet the safety and environmental standards required by the Host Operator including compliance with the Host Platform Safety Case;

### design, procure, fabricate and construct the Tie-In Facilities in accordance with the Basis of Design (as required) and the Scope of Work, and undertake the assembly and installation of the Tie-In Facilities in accordance with the Work Schedule;

### [permit the Host Operator to] connect the Tie-In Facilities to the Host Facilities in accordance with the Scope of Work and the Work Schedule;

### approve, in a timely manner, the Commissioning Procedures, such approval not to be unreasonably withheld;

### perform or procure the performance of the Pre-Commissioning and Commissioning of the Tie-In Facilities in accordance with Clause 6 and the Commissioning Procedures;

### obtain and maintain at its sole cost and expense, and shall ensure that its contractors and/or subcontractors shall, obtain and maintain, at their sole cost and expense, all necessary licences, governmental consents, certificates (including tax certificates), work permits and other permissions required for the Tie-In Work (including but not limited to the field development consent and the relevant pipeline works authorisation), and shall promptly, on request from the Host Operator, supply copies of such documents to the Host Operator;

### provide such information and support as shall be necessary to assist the Host Operator to obtain and maintain all necessary licences, consents and permissions required for the Host Work in accordance with Clause 5.1.9;

### [submit to the Host Operator for review and approval (such approval not to be unreasonably withheld or delayed) the operating manual for those parts of the Tie-In Facilities which may have an impact on the operation of the Host Facilities;]

### in conjunction with the Host Operator, in relation to Planned Host Shutdowns (if any) as advised by the Host Operator, use reasonable endeavours to schedule and co-ordinate and carry out those parts of the Tie-In Work which may impact the Host Facilities so as to minimise Shutdowns; and

### [develop in conjunction with the Host Operator operational, health, safety and environmental procedures and systems together with training manuals as may be required and implemented in accordance with the Tie-In Field TP[OS]A;]

### all and any of which matters, together with any other work performed by the Tie-In Operator pursuant to this Agreement, are referred to as the **“Tie-In Work**” and are more fully described in Part A of Schedule 1.

## [To the extent that the Tie-In Operator carries out Tie-In Work under this Agreement at the Host Facilities or Host Facilities Safety Zone, such activities shall be carried out by the Tie-In Operator:

### subject to the prior approval of the Host Operator such approval not to be unreasonably withheld or delayed; and

### subject to the overall supervision of the Host Operator.]

## The Tie-In Operator shall have the right at any time to request that the Host Operator suspend all or any part of the Host Work if, in the opinion of the Tie-In Operator (acting reasonably), the performance of such Host Work is likely to:

### result in damage or loss to or adversely affect the safe or efficient operation of any part of the Tie-In Facilities;

### cause pollution;

### endanger the safety of personnel; or

### breach any legal or statutory requirement.

## In the event of a request by the Tie-In Operator pursuant to Clause 4.3, the Host Operator and/or the Host Owners may, or may procure that its (or their) contractors and sub-contractors as the case may be, suspend the relevant Host Work.

## The Host Operator and the Host Owners shall have no liability to the Tie-In Operator and/or the Tie-In Owners as a result of any suspension pursuant to Clause 4.3 and/or Clause 5.3 and the Tie-In Owners shall be responsible for and shall indemnify and keep indemnified the Host Operator and the Host Owners against, any Claim arising therefrom, other than where caused by the Wilful Misconduct of the Host Operator or any of the Host Owners.

## The Tie-In Operator shall as soon as practicable after any suspension of the Host Work, meet with the Host Operator to discuss and agree (i) any action required to allow the Host Work to be recommenced and (ii) any revisions necessary to the Work Schedule and/or the Basis of Design and/or Host Work as a consequence of the suspension. The Host Operator shall prepare and submit any amendment (as required) to the Budget in accordance with Clause 12 and advise the Tie-In Operator of the amount (if any) by which the Budget will be exceeded (with documentary support therefor).

## [The Tie-In Owners (including their employees, agents, contractors and subcontractors) shall upon giving reasonable notice and at their sole risk and expense have a right of reasonable access to the Host Facilities subject to the prior approval of the Host Operator to inspect the Work (such approval shall be at the sole discretion of the Host Operator in so far as it may relate to, or have implications for (directly or indirectly) health, safety or the environment, but otherwise shall not be unreasonably withheld). The Host Operator shall, at the sole cost, risk and expense of the Tie-In Owners, provide transportation to and from the Host Facilities for the Tie-In Owners’ and/or the Tie-In Operator’s personnel, and its or their agents’, contractors’ and subcontractors’ personnel and its or their equipment and supplies on a seat and/or berth available basis.]

## [The Tie-In Operator shall ensure that all personnel, whether employees, contractors, sub-contractors or agents of the Tie-In Operator shall whilst inside the Host Facilities Safety Zone and at all times whilst present on the Host Facilities or any other installation or vessel operated by or under the control of or contracted by the Host Operator comply with environmental, fire, health and safety procedures, rules and regulations of the Host Operator.]

## [Free Issue Equipment

### The Tie-In Owners shall at their own cost, purchase and deliver to the Host Operator at [●] (or such other location as notified by the Host Operator) the Free Issue Equipment with all applicable certification and documentation at such times as reasonably requested by the Host Operator in order to allow the Host Operator to comply with its obligations under this Agreement. The Host Operator shall be permitted to witness, inspect and monitor (at the cost of the Tie-In Owners) the manufacture and certification of all Free Issue Equipment.

### The Host Operator shall visually inspect all Free Issue Equipment which has been delivered to it and shall notify the Tie-In Operator of any discrepancy or damage within [ten] ([10]) Business Days of delivery. In the event that the Host Operator notifies the Tie-In Operator that the Free Issue Equipment delivered is damaged or incorrect then the Tie-In Operator shall procure that such Free Issue Equipment is as soon as is reasonably practicable either repaired or replaced as appropriate. The Host Operator shall have no liability in the event that such inspection fails to reveal any discrepancy or damage. All handling, storage and transportation of the Free Issue Equipment shall be carried out in accordance with the Host Operator's or the vendor's preservation instructions.]

# Obligations and Rights of the Host OPERATOR

## The Host Operator (on behalf of the Host Owners) shall at the sole expense of the Tie-In Owners:

### carry out the design, procurement, fabrication, construction and installation of the Host Additional Facilities in accordance with the Basis of Design, Scope of Work, Budget and Work Schedule;

### [permit the Tie-In Operator to] connect the Tie-In Facilities to the Host Facilities in accordance with the Scope of Work and the Work Schedule;

### prepare, in consultation with the Tie-In Operator, Commissioning Procedures for the Tie-In Facilities, such procedures to be approved by the Tie-In Operator prior to Pre-Commissioning and Commissioning;

### perform the Pre-Commissioning and Commissioning of the Host Additional Facilities and engage in a timely manner and co-operate with the Tie-In Operator to facilitate the performance of Pre-Commissioning and Commissioning of the Tie-In Facilities by, or procured by, the Tie-In Operator in accordance with Clause 6 and the Commissioning Procedures;

### provide advance notice to the Tie-In Operator as soon as is reasonably practicable, of Planned Host Shutdowns in order to schedule and co-ordinate those parts of the Tie-In Work which require a shutdown of the Host Facilities;

### use reasonable endeavours to carry out and complete those elements of the Host Work requiring a shutdown of the Host Facilities, during Planned Host Shutdowns;

### use reasonable endeavours to carry out the Host Work to optimise and minimise Shutdowns;

### [develop in conjunction with the Tie-In Operator operational, health, safety and environmental procedures and systems together with training manuals as may be required and implemented in accordance with the Tie-In Field TP[OS]A;]

### obtain and maintain necessary licences, consents and permissions required for the Host Work;

### provide such information and support as shall be necessary to assist the Tie-In Operator to obtain and maintain all necessary licences, governmental consents, certificates (including tax certificates), work permits and other permissions required for the Tie-In Work in accordance with Clause 4.1.6; and

### co-operate with the Tie-In Operator in order that the Tie-In Operator can ensure that the Tie-In Facilities are compatible with the Host Facilities and that any such facilities and systems meet the safety and environmental standards of the Host Operator and comply with the provisions of the Host Platform Safety Case,

all and any of which matters, together with any other work performed by the Host Operator pursuant to this Agreement, are referred to as the **“Host Work”** and are more fully described in Part B of Schedule 1.

## The Host Operator shall have the right to refuse to install any systems and/or facilities provided by the Tie-In Operator which are not, in its sole opinion, compatible with the Host Facilities and/or which do not meet its health, safety and environmental standards, procedures and specifications prevailing at the relevant time.

## The Host Operator shall have the right at any time to suspend all or any of the Host Work, or give an instruction to require the Tie-In Operator to suspend all or any of the Tie-In Work [being performed in the Host Facilities Safety Zone] if, in the opinion of the Host Operator (acting reasonably), the performance of such Host Work and/or Tie-In Work is likely to:

### result in damage or loss to, or adversely affect the safe or efficient operation of, any part of the Host Facilities and/or Third Party property and/or Third Party production being delivered, transported and processed in and through the Host Facilities;

### lead to a defect in the integrity, condition or fitness for purpose of any part of the Tie-In Facilities and/or Host Additional Facilities;

### cause an interruption to processing, production or transportation of hydrocarbons from the Host Field;

### cause pollution;

### endanger the safety of personnel;

### breach any legal or statutory requirement.

## In the event of an instruction by the Host Operator pursuant to Clause 5.3, the Tie-In Operator and/or the Tie-In Owners shall, or shall procure that its (or their) contractors and/or sub-contractors as the case may be, suspend the relevant Tie-In Work.

## The Host Operator shall as soon as practicable after any suspension of the Host Work and/or Tie-In Work, meet with the Tie-In Operator to notify the Tie-In Operator of (i) any action required to allow the Host Work and or Tie-In Work to be recommenced and (ii) any revisions necessary to the Work Schedule, Budget and/or the Basis of Design and/or Host Work and/or Tie-In Work (with documentary support therefor) as a consequence of the suspension. The Host Operator shall prepare and submit any amendment (as required) to the Budget in accordance with Clause 12 and advise the Tie-In Operator of the amount (if any) by which the Budget will be exceeded (with documentary support therefor).

## Following notification in accordance with Clause 5.5:

### the Host Operator shall recommence the Host Work, which shall be deemed to incorporate the revisions notified to the Tie-In Operator in Clause 5.5; and

### the Tie-In Operator shall either:

#### forthwith carry out those actions, if any, necessary to allow the resumption of the Tie-In Work reasonably required by the Host Operator prior to the resumption of the Tie-In Work (or the part thereof which is suspended), all at the Tie-In Owners’ expense, and the Tie-In Work may recommence upon completion of such actions to the reasonable satisfaction of the Host Operator and any revisions notified to the Tie-In Operator in Clause 5.5 shall be deemed to be incorporated; or

#### the Tie-In Operator shall recommence the Tie-In Work, which shall be deemed to incorporate the revisions notified to the Tie-In Operator in Clause 5.5.

## [The Host Owners (including their employees, agents, contractors and subcontractors) shall upon giving reasonable notice have a right of reasonable access to the Tie-In Facilities subject to the prior approval of the Tie-In Operator to inspect the Tie-In Work (such approval shall be at the sole discretion of the Tie-In Operator in so far as it may relate to, or have implications for (directly or indirectly) health, safety or the environment, but otherwise shall not be unreasonably withheld). The Tie-In Operator shall, at the sole cost, risk and expense of the Tie-In Owners, provide transportation to and from the Tie-In Facilities for the Host Owners’ and/or the Host Operator’s personnel, and its or their agents’, contractors’ and subcontractors’ personnel and its or their equipment and supplies on a seat and/or berth available basis.]

## [The Host Operator shall ensure that all personnel, whether employees, contractors, sub-contractors or agents of the Host Operator shall whilst inside the Tie-In Facilities Safety Zone and at all times whilst present on the Tie-In Facilities or any other installation or vessel operated by or under the control of or contracted by the Tie-In Operator comply with environmental, fire, health and safety procedures, rules and regulations of the Tie-In Operator.]

## .

# Readiness and Commissioning

## Subject to Clause 6.13, upon completion of both (i) the Tie-In Work to the extent necessary to make the Tie-In Facilities safe for hydrocarbon operations and (ii) Pre-Commissioning, the Tie-In Operator shall issue a written completion notice to the Host Operator (the “**Tie-In Certificate of Readiness**”). For the avoidance of doubt the Tie-In Certificate of Readiness shall be issued prior to Commissioning in accordance with this Clause 6.

## Subject to Clause 6.12, upon completion of both (i) the Host Work to the extent necessary to make the Host Facilities safe for hydrocarbon operations and (ii) Pre-Commissioning, the Host Operator shall issue a written completion notice to the Tie-In Operator (the “**Host Certificate of Readiness**”) which confirms its readiness to accept Tie-In Fluids at the Entry Point for the purposes of Commissioning.

## Subject to the Tie-In Certificate of Readiness and the Host Certificate of Readiness having been issued, and once the Host Operator is satisfied that, to the extent necessary to make the Tie-In Facilities safe for hydrocarbon operations, the Tie-In Work has been carried out and completed in accordance with this Agreement, the Host Operator shall issue a notice to the Tie-In Operator accepting the Tie-In Work (the “**Tie-In Work Acceptance Notice”).**

## Upon issuance of the Tie-In Work Acceptance Notice and upon receipt of written confirmation from the Tie-In Operator that the Commissioning Procedures have been agreed pursuant to Clause 4.1.4, the Host Operator shall, upon request by the Tie-In Operator, be entitled to introduce commissioning hydrocarbons into the Tie-In Facilities associated with the Commissioning.

## The Host Operator shall use reasonable endeavours to make sufficient capacity available in the Host Facilities to enable Commissioning to take place.

## Subject to Clause 6.3, the Tie-In Operator shall use its reasonable endeavours to deliver or procure the delivery of such quantities of Tie-In Field Fluids to the Entry Point at any time upon a request by the Host Operator for the purposes of Commissioning.

## The Tie-In Operator, upon completion of Commissioning of the Tie-In Facilities (excluding the Run-In Tests) to the extent necessary to make the Tie-In Facilities safe for continuous operations and forward flow of hydrocarbons from the Tie-In Field shall issue a written certificate to the Host Operator in respect of completion of Commissioning for countersignature and redelivery thereof (“**Tie-In Certificate of Completion**”).

## The Host Operator, upon completion of Commissioning of the Host Facilities (excluding the Run-In Tests) to the extent necessary to make the Host Facilities safe to receive and transport hydrocarbons produced from the Tie-In Field shall issue a written certificate to the Tie-In Operator in respect of completion of Commissioning for countersignature and redelivery thereof. (“**Host Certificate of Completion**”).

## The Host Operator shall include in the Commissioning procedures for the Host Additional Facilities and the Tie-In Operator shall include in the Commissioning Procedures, tests which shall demonstrate to the reasonable satisfaction of the Host Operator that the Tie-In Facilities and Host Additional Facilities shall meet normal operating parameters, including peak operating capacity as set out in the Basis of Design and reliability of operation for a period of [●] (the “**Run-In Tests**”).

## Upon the countersignature and redelivery of the Tie-In Certificate of Completion and the Host Certificate of Completion in accordance with Clause 6.7 and Clause 6.8, and upon completion of the Run-In Tests, the Host Operator shall promptly issue a written certificate to the Tie-In Operator (the “**Commissioning Completion Notice**”). The Commissioning Completion Notice shall be irrevocable.

## The delivery of Tie-In Field Fluids to the Entry Point and processing of Tie-In Field Fluids in the Host Facilities for the purposes of Commissioning shall be subject to the provisions of Clause [●] (Services provided by Host for Commissioning of Tie-In Facilities), Clause [●] (Tariff and Costs), Clause [●] (Quality), Clause [●] (Quantities) and Clause [●] (Allocation) of the Tie-In Field TP[OS]A. For the avoidance of doubt, notwithstanding reference to the Tie-In Field TP[OS]A, Clause 10 of this Agreement shall apply for the purposes of this Clause 6.11 during performance of Commissioning.

## Notwithstanding the provisions of Clause 6.2 the Host Operator may issue the Host Certificate of Readiness and/or Commissioning Completion Notice, notwithstanding that parts of the Host Work which are not critical to the safe and continuous provision of the services under the Tie-In Field TP[OS]A, have not been completed. During Pre-Commissioning, Commissioning and the Run-In Tests and prior to the issue of the Commissioning Completion Notice, the Host Operator shall identify and list and/or certify any minor outstanding or additional parts of the Host Work which may be required to be remedied and/or completed and made good within [●] Month(s) of the Handover Date (the **“Post-Commissioning Works”**). The Host Operator shall provide notice of the Post Commissioning Works to the Tie-In Operator together with an estimate of the costs of carrying out the Post-Commissioning Works. The Parties shall thereafter seek to agree the scope and costs of carrying out the Post Commissioning Works such agreement not to be unreasonably withheld. If the Host Operator and the Tie-In Operator do not agree the scope and costs of carrying out the Post-Commissioning Works the Host Operator shall be under no obligation to issue the Commissioning Completion Notice until all the Host Work has been completed. Where Post-Commissioning Works are agreed, the provisions of Clause 10 (Liabilities and Indemnities) and Clause 12 (Costs and Payment) shall continue to apply in respect of the Post-Commissioning Works notwithstanding termination of this Agreement pursuant to Clause 2.7.2 (termination on Handover Date).

## Notwithstanding the provisions of Clause 6.1 the Tie-In Operator may issue the Tie-In Certificate of Readiness, notwithstanding that parts of the Tie-In Work which the Host Operator and Tie-In Operator agree (acting reasonably), are not critical to safe and continuous hydrocarbon operations have not been completed. The Tie-In Operator shall identify and list and/or certify any minor outstanding or additional parts of the Tie-In Work which may be required to be remedied and/or completed and made good following the Handover Date and shall use reasonable endeavours to complete such outstanding parts of the Tie-In Work within [●] Months of the Handover Date. The provisions of Clause 10 (Liabilities and Indemnities) shall continue to apply in respect of the outstanding parts of the Tie-In Work notwithstanding termination of this Agreement pursuant to Clause 2.7.2 (termination on Handover Date).

# Variation

## In relation to the Tie-In Work the Tie-In Operator may propose an amendment to the Basis of Design, the Tie-In Work and/or the Work Schedule and the Tie-In Operator shall promptly advise the Host Operator in writing of the proposed amendments, the reasons and supporting documentation for such amendments and provide a revised schedule of milestones for completion of the Tie-In Work. On receipt of such written advice the Host Operator and Tie-In Operator shall meet to discuss such proposed amendments including the reasons for and the potential impact of not implementing the proposed amendments and seek to collaborate and agree on any necessary amendment to the Basis of Design, Work Schedule and/or the Scope of Work. The Host Operator shall within [five] ([5]) Business Days consider the impact of such amendment and shall prepare and submit any amendment to the Budget and/or the Advanced Payment Schedule for approval in accordance with Clause 12 and advise the Tie-In Operator of the amount (if any) by which the Budget will be exceeded and will provide documentary evidence of the additional costs. The Tie-In Operator and the Host Operator shall co-operate to agree a variation of the Basis of Design and/or Scope of Work and/or the Work Schedule. The Host Operator shall only be entitled to object if such amendments are or may be, in the reasonable opinion of the Host Operator:

### likely to adversely affect the Work Schedule in relation to the Host Work by a period in excess of [●] weeks; or

### likely to adversely affect the operation and/or safety of the Host Facilities.

## The Host Operator may propose an amendment to the Basis of Design, the Scope of Work and/or in relation to the Host Work, the Work Schedule and shall promptly advise the Tie-In Operator in writing of the proposed amendment, the reasons and supporting documentation for such amendments. On receipt of such written reasons the Host Operator and the Tie-In Operator shall meet to discuss within [five] ([5]) Business Days to consider the impact and consider such amendment and shall prepare and submit an amendment to the Budget and/or Advanced Payment Schedule and advise the Tie-In Operator of the amount (if any) by which the Budget will be exceeded (with documentary support thereof). The Host Operator shall prepare and submit any amendment to the Budget and/or the Advanced Payment Schedule for approval in accordance with Clause 12. The Host Operator and the Tie-In Operator shall co-operate to agree a variation of the Basis of Design, Host Work, Scope of Work and/or Work Schedule. Subject to the Tie-In Operator’s rights to approve any amendment to the Budget in accordance with Clause 12, the Tie-In Operator shall only be entitled to object if such amendments are or may be, in the reasonable opinion of the Tie-In Operator:

### likely, itself or in aggregate with other variations to affect the Work Schedule in relation to the Tie-In Work by a period in excess of [●] weeks;

### likely, itself or in aggregate with other variations to increase the period of Shutdown by [●] days;

### likely to adversely affect the operation and/or safety of the Tie-In Facilities; or

### not required to provide services to the Tie-In Owners under the Tie-In Field TP[OS]A.

## The Parties shall use reasonable endeavours to agree on any variation proposed pursuant to Clauses 7.1 or 7.2, respectively within [fifteen] ([15]) Business Days including referring the matter to the Steering Committee for resolution if required. In the event that the Parties fail to agree on any variation within [fifteen] ([15]) Business Days then:

### the Host Operator shall have the right to:

#### cease carrying out any part of the Host Work; and/or

#### require the Tie-In Operator to suspend or defer the tie-in of the Tie-In Facilities to the Host Facilities;

### and the Host Operator shall give notice to the Tie-In Operator upon exercising its right under Clause 7.3.1.1. and/or 7.3.1.2;

### notwithstanding the Host Operator’s rights under Clause 7.3.1, the Tie-In Operator shall have the right to refer its decision to object to the variation to an Expert for expedited determination in accordance with Clause 18 and the Tie-In Operator shall give notice to the Host Operator upon exercising such right under this Clause 7.3.2;

### subject to any Expert referral made by the Tie-In Operator pursuant to Clause 7.3.2 and subject to any determination by the Expert following a referral pursuant to Clause 7.3.2, if no agreement has been reached within [twenty] ([20]) Business Days of the expiry of the [fifteen] ([15]) Business Day period the Host Operator and the Host Owners shall have the right to terminate this Agreement and the Host Operator shall give notice to the Tie-In Operator upon exercising such right under this Clause 7.3.3. In the event of such termination, the Tie-In Owners shall (other than where caused by the Wilful Misconduct of the Host Operator or any of the Host Owners) indemnify, and keep indemnified, the Host Owners:

#### in respect of all costs the Host Owners incur in carrying out the Host Work on and from the date of execution of this Agreement until and including the date of termination; and

#### to the extent not included in Clause 7.3.3.1, for all costs incurred by the Host Owners in:

##### terminating the Host Work, including the carrying out of any works necessary to safely terminate the Host Work;

##### to the extent necessary as a consequence of terminating the Host Work, making safe the Host Additional Facilities and the Host Facilities; and

##### undertaking any Reinstatement Work;

#### for all losses incurred by the Host Owners during any period of Reinstatement Shutdown and the provisions of Clause 8 shall apply *mutatis mutandis* to the calculation and payment of any such losses.

# SHUTDOWN COMPENSATION

## In the event that it is determined by the Host Operator, acting reasonably, that a Shutdown will be required then the Parties shall meet and discuss the requirements for any such Shutdown, the timing, schedule of work and estimated number of days of Shutdown necessary to carry out and complete those elements of the Tie-In Work and/or the Host Work requiring a Shutdown.

## Notwithstanding the terms of Clause 10.11, the Tie-In Operator shall pay to the Host Operator:

### amounts in respect of the Shutdown Period which shall be calculated in accordance with Clause 8.3 below and shall be paid by the Tie-In Operator pursuant to the provisions of this Clause 8; and

### amounts in respect of the Reinstatement Shutdown which shall be calculated in accordance with Clause 8.3 below and shall be paid by the Tie-In Operator pursuant to the provisions of this Clause 8.

## *[Drafting Note: In reference to a Shutdown and a Reinstatement Shutdown Host Owners should be compensated by Tie-In Owners for all and any shutdown/curtailed production days on a monetary basis or as may be otherwise agreed – the following shutdown compensation calculation is given by way of an example only and further considerations are set out in the accompanying Guidance Notes]*

## [The Tie-In Owners shall pay to the Host Owners amounts calculated as follows:-

### in respect of deferred tariff income, the Tie-In Owners shall pay the Host Owners an amount (**“Deferred Tariff Compensation”**) as applicable for each relevant Third Party and calculated as follows:

TC = ( GT \* {SD \* GDC – AGD} + LT \* {SD \* LDC – ALD} ) \* DF1

where

**TC** means the deferred tariff compensation, in Pounds Sterling, to be paid to the Host Owners by the Tie-In Owners in the event that TC is positive, or be deemed to be null if TC is negative;

**GT** means the gas tariff applicable, in [£/unit volume], at the time of the Shutdown and/or Reinstatement Shutdown and which would have been paid by the relevant Third Party to the Host Owners;

**GDC** means the gas delivery capacity, in [volume/day], of the relevant Third Party which will be calculated as the lower of the (i) average of the Third Party’s daily gas production volume (through the Host Facilities) over the most recent [thirty] ([30]) days of normal operations (excluding any periods of Planned Host Shutdowns) immediately prior to the start of the first day of a Shutdown and/or Reinstatement Shutdown, or (ii) average of the Third Party’s daily gas production volume (through the Host Facilities) over the most recent [thirty]([30]) days of normal operations (excluding any period of Planned Host Shutdowns) immediately after the last day of a Shutdown and/or Reinstatement Shutdown. Such average calculations shall exclude any days of zero (0) production volume from the relevant Third Party resulting from a Planned Host Shutdown or planned Third Party shutdown;

**AGD** means actual gas delivered by the Relevant Third Party during the Shutdown and/or Reinstatement Shutdown;

**LT** means the liquids tariff applicable, in [£/unit volume], at the time of Shutdown and/or Reinstatement Shutdown and which would have been paid by the relevant Third Party to the Host Owners;

**LDC** means the liquids delivery capacity, in [volume/day], of the relevant Third Party which will be calculated as the lower of the (i) average of the Third Party’s daily liquids production volume (through the Host Facilities) over the most recent [thirty] ([30]) days of normal operations (excluding any periods of Planned Host Shutdowns) immediately prior to the start of the first day of a Shutdown and/or Reinstatement Shutdown, or (ii) average of the Third Party’s daily liquids production volume (through the Host Facilities) over the most recent [thirty] ([30]) days of normal operations (excluding any periods of Planned Host Shutdowns) immediately after the last day of a Shutdown and/or Reinstatement Shutdown. Such average calculations shall exclude any days of zero (0) production volume from the relevant Third Party resulting from a Planned Host Shutdown or planned Third Party shutdown;

**ALD** means actual liquids delivered by the Relevant Third Party during the Shutdown and/or Reinstatement Shutdown;

**SD** means the actual number of days of Shutdown and/or Reinstatement Shutdown; [Actual days of Shutdown and/or Reinstatement Shutdown should be measured in hours and quantified in decimalised days eg. actual Shutdown and/or Reinstatement Shutdown days of 42 hours would be applied as 1.75 in the calculation]

**DF1** means the deferment factor [to be agreed by the Parties as a percentage between 0-100% to reflect loss and/or deferment of Host Owners’ tariff income during the Shutdown];

and,

### in respect of deferral of production, the Tie-In Owners shall pay the Host Owners amounts (“**Shutdown Compensation**”) as calculated as follows:

SC = { (SD \* HOP – AOP) \* OP \* ER + (SD \* HGP – AGP) \* GP } \* DF2

where

**SC** means the shutdown compensation, in Pounds Sterling, to be paid to the Host Owners by the Tie-In Owners in the event that SC is positive, or be deemed to be null if SC is negative;

**SD** means the actual number of days of Shutdown and/or Reinstatement Shutdown;

[Actual days of Shutdown and/or Reinstatement Shutdown should be measured in hours and quantified in decimalised days e.g. actual Shutdown days of 42 hours would be applied as 1.75 in the calculation];

**HOP** means average daily Host Owners’ oil production (through the Host Facilities), in barrels of oil per day, over the most recent [thirty] ([30]) days of normal operations (excluding any periods of Planned Host Shutdowns) immediately prior to the start of the first day of a Shutdown and/or Reinstatement Shutdown. Such average calculations shall exclude any days of zero (0) oil production resulting from a Planned Host Shutdown;

**AOP** means the actual Host Owners’ oil production (if any), in barrels of oil, produced during the Shutdown and/or Reinstatement Shutdown;

**OP** means the average of the daily Brent oil price, in US$ per barrel, on each trading day during the Shutdown and/or Reinstatement Shutdown;

**ER** means the average of the daily exchange rate for US Dollar to Pounds Sterling, [as quoted in the Financial Times], on each trading day during the Shutdown and/or Reinstatement Shutdown;

**HGP** means the average daily Host Owners’ gas production (through the Host Facilities), in million standard cubic feet per day, over the most recent [thirty] ([30]) days of normal operations (excluding any periods of Planned Host Shutdowns) immediately prior to the start of the day of a Shutdown and/or Reinstatement Shutdown. Such average calculations shall exclude any days of zero (0) gas production resulting from a Planned Host Shutdown;

**AGP** means the actual Host Owners’ gas production (if any), in million standard cubic feet (mmscf), produced during the Shutdown and/or Reinstatement Shutdown;

**GP** means average daily [NBP gas price (per Heren index)], in £/mmscf, on each trading day during the Shutdown and/or Reinstatement Shutdown. GP to be converted from [£/therm] to £/mmscf using a fixed gas calorific value of [●];

**DF2** means the deferment factor [to be agreed by the Parties as a percentage between 0-100% to reflect the deferment of Production during the Shutdown.]

## The Host Operator shall issue an invoice to the Tie-In Operator at the end of each period of Shutdown and/or Reinstatement Shutdown in respect of the amounts of Shutdown Compensation and Deferred Tariff Compensation to be paid by the Tie-In Owners to the Host Owners for such Shutdown and/or Reinstatement Shutdown. The provisions of Clauses 12.14 and 12.15 shall apply to payments to be made pursuant to this Clause 8.

## The Parties agree that any amounts payable pursuant to the provisions of this Clause 8 shall be dealt with and recovered under this Clause 8 only and shall not also be recoverable pursuant to Clause 10.1.2. The rights of the Host Owners and the limitations of the Tie-In Owners’ liability in Clause 8.3 are separate and distinct from and apply in addition to the rights and limitations in Clause 10.2.

## During a Shutdown the Host Operator will be able to perform Non-CTIA Work without impacting the Tie-In Owners liability for Deferred Tariff Compensation and/or Shutdown Compensation pursuant to Clause 8.3, provided that those elements of the Tie-In Work and/or the Host Work requiring a Shutdown shall take priority during the Shutdown and performance of the Non-CTIA Work does not impact or extend the duration of the Shutdown.

# Ownership of Facilities, Risk and Insurance

## The Tie-In Facilities shall at all times be the property of the Tie-In Owners. Any and all liability for decommissioning of the Tie-In Facilities shall be borne by the Tie-In Owners.

## Title and risk in and to the [Entry Point]/[Free Issue Equipment] shall transfer to the Host Owners upon the Handover Date.

## The Host Facilities shall at all times be the property of the Host Owners. Any and all liability for decommissioning of the Host Facilities shall be borne by the Host Owners. [Prior to [the Handover Date] the Host Additional Facilities shall be at the risk of the Tie-In Owners.]

## [The Tie-In Owners and Tie-In Operator shall be responsible for procuring and maintaining insurance with reputable insurers for the Tie-In Work and to cover their liabilities under this Agreement in aggregate at their sole cost and/or shall self-insure at a level in aggregate commensurate with their respective obligations under this Agreement. Such insurance shall be in such amounts and cover such risks commensurate with the Tie-In Owners’ and Tie-In Operator’s obligations under this Agreement and as is customary for companies engaged in similar business.]

## [To the extent that a Tie-In Owner or Tie-In Operator respectively maintains insurance with an insurer, the Tie-In Owners and Tie-In Operator undertake that all of the policies of insurance, as applicable, obtained by it shall contain a waiver of any rights of recourse (including in particular subrogation rights) in favour of the Host Indemnity Group but only with respect to and to the extent of the indemnities set out in this Agreement and shall make available appropriate evidence of such insurance policies at the request of any other Party. [The Tie-In Owners and Tie-In Operator undertake to arrange for the insurance procured pursuant to Clause 9.4 to include the Host Indemnity Group as additional assureds to the extent of the indemnities set out in this Agreement and to the extent permitted by law. The Tie-In Owners undertake that the policy contains a cross-liability provision to ensure that the Tie-In Owners insurance may be used to satisfy the Tie-In Owners' liabilities under this Clause 9.5 notwithstanding the Host Indemnity Group status as additional assureds.]]

## [***Alternative wording for Clauses 9.4 and 9.5***

## 9.4 The Tie-In Owners and the Tie-In Operator shall, prior to commencement of the Scope of Work, arrange and maintain insurance, with reputable insurers (having a credit rating of [●] or better as granted by Standard and Poor’s Corporation and/or a Financial Strength Rating of [●] or better as granted by A.M. Best Company Inc. and/or rating of [●] or better as granted by Moody’s Investors Service Inc.) to cover their liabilities under this Agreement in aggregate [and shall name the Host Indemnity Group as additional assureds thereon as is customary for companies engaged in similar business.] Such insurance shall contain a waiver of any rights of recourse (including in particular subrogation rights) in favour of the Host Indemnity Group to the extent of the indemnities given by the Tie-In Owners and the Tie-In Operator under Clause 10 of this Agreement. [The Tie-In Owners and Tie-In Operator undertake to arrange for the insurance procured pursuant to this Clause 9.4 to include the Host Indemnity Group as additional assureds to the extent of the indemnities set out in this Agreement and to the extent permitted by law. The Tie-In Owners undertake that the policy contains a cross-liability provision to ensure that the Tie-In Owners insurance may be used to satisfy the Tie-In Owners' liabilities under this Clause 9.4 notwithstanding the Host Indemnity Group status as additional assureds.]

## 9.5 For the avoidance of doubt, all deductibles, exceptions and exclusions applicable to the insurance procured under Clause 9.4 shall be for the account of, and paid by the Tie-In Owners and the Tie-In Operator. In addition, any loss arising from breach of conditions and/or warranties contained in such insurance policy shall be for the account of the Tie-In Owners and the Tie-In Operator.]

## Prior to commencement of the Scope of Work the Tie-In Operator shall supply the Host Operator with evidence, to the reasonable satisfaction of the Host Operator, that the Tie-In Owners insurance meets the requirements of Clause 9.5. Details of cover may be provided by broker letter, certificate of insurance or policy document.

## The Tie-In Operator shall provide that the Host Operator shall be given immediate written notice of cancellation or material change to Tie-In Owners insurance cover.

## The Host Owners and Host Operator shall be responsible for procuring and maintaining insurance with reputable insurers for the Host Work and to cover their liabilities under this Agreement in aggregate at the sole cost of the Tie-In Owners and/or shall self-insure at a level in aggregate commensurate with their respective obligations under this Agreement. Such insurance shall be in such amounts and cover such risks commensurate with the Host Owners’ and Host Operator’s obligations under this Agreement and as is customary for companies engaged in similar business. [If the Host Owners and Host Operator add the Host Work to an existing insurance policy the Tie-In Owners shall pay to the Host Owners the amount of any incremental costs incurred by the Host Owners in procuring and maintaining such insurance as may be required in connection with the Host Work.]

## [To the extent that a Host Owner or Host Operator respectively maintains insurance with an insurer, the Host Owners and Host Operator undertake that all of the policies of insurance, as applicable obtained by it shall contain a waiver of any rights of recourse (including in particular subrogation rights) in favour of the Tie-In Indemnity Group but only with respect to and to the extent of the indemnities set out in this Agreement and shall make available appropriate evidence of such insurance policies at the request of any other Party. [The Host Owners and Host Operator undertake to arrange for the insurance procured pursuant to Clause 9.8 to include the Tie-In Indemnity Group as additional assureds to the extent of the indemnities set out in this Agreement and to the extent permitted by law. The Host Owners undertake that the policy contains a cross-liability provision to ensure that the Host Owners insurance may be used to satisfy the Host Owners’ liabilities under this Clause 9.9 notwithstanding the Tie-In Indemnity Group status as additional assureds.]]

## [Notwithstanding Clause 9.2, if as part of any Reinstatement Work pursuant to Clause 2.8.1, the Host Owners agree in writing and prior to the date of termination of this Agreement that any Host Additional Facilities installed as part of the Host Work should remain on the Host Facilities, such equipment and/or facilities shall become the property of the Host Owners from the effective date of termination of this Agreement, and title and risk shall pass from the Tie-In Owners to the Host Owners accordingly. For the avoidance of doubt, in the event that title and risk so passes to the Host Owners, the Tie-In Owners shall have no further obligations in respect of such equipment and/or facilities pursuant to Clause 9.]

# Liabilities and Indemnities

## **Tie-In Owners Liability for Damage to Host Facilities, Consequential Loss [and/,] Third Party Claims [and Pollution]**

Subject to Clause 10.2, the Tie-In Owners shall defend, hold harmless and indemnify the Host Indemnity Group from and against:

### any and all Claims in connection with any loss of, recovery of, damage to, or destruction of the Host Facilities and/or property (owned, hired or leased) of the Host Indemnity Group;

### any and all Claims in connection with any Consequential Loss suffered or incurred by the Host Indemnity Group;

### any and all Third Party Claims;

### [any and all Claims (including clean-up costs) in respect of pollution (including the Host Operator’s obligations under OPOL) emanating from the Host Facilities; and/or the Host Field reservoirs; and/or the property (owned, hired or leased) of the Host Indemnity Group];

in each case arising out of or in connection with the performance, misperformance or non-performance of this Agreement by whomsoever caused and howsoever arising regardless of any negligence or breach of duty (statutory or otherwise) by any member of the Host Indemnity Group except to the extent such Claim has arisen as a result of the Wilful Misconduct of the Host Operator or any of the Host Owners.

## **Liability Cap**

The total aggregate liability of the Tie-In Owners to the Host Indemnity Group in respect of the indemnities set out in Clause 10.1 shall be limited to the sum of [●] Pounds Sterling ([●]) in aggregate for any one event or series of connected events.

## 

### Save as provided for in Clause 10.3.2 and without prejudice to Clauses 4.5, 7.3.3, 8.2, 12.12 and 13.1.2, Clause 10 sets out the entire liabilities of the Parties in respect of loss or damage caused by or arising out of the performance, misperformance or non-performance of this Agreement and no Party shall be entitled, in relation to any other Party, to any further or other remedy in respect of any such loss or damage (whether under this Agreement of otherwise at law) irrespective of the negligence or breach of duty (statutory or otherwise) of that other Party.

### Clause 10.3.1 shall not however,

#### apply in respect of the loss or damage specified therein to the extent that it is attributable to the Wilful Misconduct of the Party in relation to whom such further or other remedy is sought such that a Party shall then be entitled to pursue a further or other remedy at law or in equity notwithstanding the provisions of Clause 10.2; or

#### Without prejudice to Clauses 10.1.3 and 10.2, in respect of demands or claims threatened or made by a Third Party, apply so as to limit the liability of any Party to any other Party, or to prevent further or other remedies being sought by a Party from any other Party at law or in equity.

#### **Mutual Hold Harmless and Indemnity**

## **Damage to Tie-In Facilities**

The Tie-In Owners shall defend, hold harmless and indemnify the Host Indemnity Group from and against any and all Claims in connection with loss of, recovery of, damage to, or destruction of the (i) the Tie-In Facilities, and/or (ii) property (owned, hired or leased) of the Tie-In Indemnity Group; in each case arising out of or in connection with the performance, misperformance or non-performance of this Agreement by whomsoever caused and howsoever arising regardless of any negligence or breach of duty (statutory or otherwise) by any member of the Host Indemnity Group except to the extent such Claim has arisen as a result of the Wilful Misconduct of the Host Operator or any of the Host Owners.

## **Damage to Host Facilities**

Subject to Clause 10.1, the Host Owners shall defend, hold harmless and indemnify the Tie-In Indemnity Group from and against any and all Claims in connection with loss of, recovery of, damage to, or destruction of the (i) the Host Facilities [except the Host Additional Facilities], and/or (ii) property (owned, hired or leased) of the Host Indemnity Group; in each case arising out of or in connection with the performance, misperformance or non-performance of this Agreement by whomsoever caused and howsoever arising regardless of any negligence or breach of duty (statutory or otherwise) by any member of the Tie-In Indemnity Group except to the extent such Claim has arisen as a result of the Wilful Misconduct of the Tie-In Operator or any of the Tie-In Owners.

## **Tie-In Personnel**

The Tie-In Owners shall defend, hold harmless and indemnify the Host Indemnity Group from and against any and all Claims in respect of:

### personal injury to; and/or

### illness, death or disease of; and/or

### loss or recovery of, or destruction of, making good of and/or damage to personal property of,

any member of the Tie-In Indemnity Group arising out of or in connection with the performance, misperformance or non-performance of this Agreement by whomsoever caused and howsoever arising regardless of any negligence or breach of duty (statutory or otherwise) by any member of the Host Indemnity Group except to the extent such Claim has arisen as a result of the Wilful Misconduct of the Host Operator or any of the Host Owners.

## **Host Personnel**

The Host Owners shall defend, hold harmless and indemnify the Tie-In Indemnity Group from and against any and all Claims in respect of:

### personal injury to; and/or

### illness, death or disease of; and/or

### loss or recovery of, or destruction of, making good of and/or damage to personal property of,

any member of the Host Indemnity Group arising out of or in connection with the performance, misperformance or non-performance of this Agreement by whomsoever caused and howsoever arising regardless of any negligence or breach of duty (statutory or otherwise) by any member of the Tie-In Indemnity Group except to the extent such Claim has arisen as a result of the Wilful Misconduct of the Tie-In Operator or any of the Tie-In Owners.

## **Tie-In Pollution**

The Tie-In Owners shall defend, hold harmless and indemnify the Host Indemnity Group from and against any and all Claims (including clean-up costs) in respect of pollution (including the Tie-In Operator’s obligations under OPOL) emanating from:

### the Tie-In Facilities; and/or

### the Tie-In Field reservoirs; and/or

### the property (owned, hired or leased) of the Tie-In Indemnity Group,

arising out of or in connection with the performance, misperformance or non-performance of this Agreement by whomsoever caused and howsoever arising regardless of any negligence or breach of duty (statutory or otherwise) by any member of the Host Indemnity Group except to the extent such Claim has arisen as a result of the Wilful Misconduct of the Host Operator or any of the Host Owners.

## **Host Pollution**

## [Subject to Clause 10.1,] the Host Owners shall defend, hold harmless and indemnify the Tie-In Indemnity Group from and against any and all Claims (including clean-up costs) in respect of pollution (including the Host Operator’s obligations under OPOL) emanating from:

### the Host Facilities; and/or

### the Host Field reservoirs; and/or

### the property (owned, hired or leased) of the Host Indemnity Group,

arising out of or in connection with the performance, misperformance or non-performance of this Agreement by whomsoever caused and howsoever arising regardless of any negligence or breach of duty (statutory or otherwise) by any member of the Tie-In Indemnity Group except to the extent such Claim has arisen as a result of the Wilful Misconduct of the Tie-In Operator or any of the Tie-In Owners.

## **Tie-In Consequential Loss**

The Tie-In Owners shall defend, hold harmless and indemnify the Host Indemnity Group from and against any and all Consequential Loss of the Tie-In Indemnity Group arising out of or in connection with the performance, misperformance or non-performance of this Agreement by whomsoever caused and howsoever arising regardless of any negligence or breach of duty (statutory or otherwise) by any member of the Host Indemnity Group, except to the extent such Claim has arisen as a result of the Wilful Misconduct of the Host Operator or any of the Host Owners.

## **Host Consequential Loss**

## Subject to Clause 10.1, the Host Owners shall defend, hold harmless and indemnify the Tie-In Indemnity Group from and against any and all Consequential Loss of the Host Indemnity Group arising out of or in connection with the performance, misperformance or non-performance of this Agreement by whomsoever caused and howsoever arising regardless of any negligence or breach of duty (statutory or otherwise) by any member of the Tie-In Indemnity Group, except to the extent such Claim has arisen as a result of the Wilful Misconduct of the Tie-In Operator or any of the Tie-In Owners.

## **General**

## Each Party shall advise the others as soon as reasonably practicable of any Claim which such Party considers is relevant to or affected by the provisions of this Clause 10.

## The Parties shall use reasonable endeavours to ensure that the handling and defence of any Claim which is relevant to or affected by the indemnity provisions contained in this Clause 10 is carried out in all material respects in accordance with the reasonable written instructions of the indemnifying Party(ies).

## The indemnities given in this Agreement shall be full and primary and shall apply in respect of the full liability of the indemnifying Party, notwithstanding that the indemnified Party or party may be entitled to contribution thereto from any other Person.

## [[Notwithstanding any provision to the contrary in this Agreement no contractor or subcontractor of the Host Operator or the Host Owners or the Tie-In Operator or the Tie-In Owners shall be entitled to rely on or seek to enforce any hold harmless and/or indemnity under this Clause 10 to the extent such hold harmless and indemnity is covered under the IMHH Deed.] The Host Operator and the Tie-In Operator shall use reasonable endeavours to procure that all contractors and subcontractors are party to the IMHH Deed.]

# Joint Obligations and Project Execution

## The Host Operator shall keep the Tie-In Operator advised by Monthly written reports detailing, *inter alia*, the following information:

### health, safety and environmental performance data;

### the timetable for, and the progress of, the Host Work with particular reference to the anticipated date of Commissioning of the Tie-In Facilities and the Host Additional Facilities;

### the completion date of each material work item and any anticipated delay or schedule risks;

### details of the costs of the Host Work carried out, the expected costs to completion of the Host Work and any cost overrun risks;

### the likely duration, or likely continued duration, of any Shutdown for the performance of any part of the Scope of Work;

### an updated estimate of the Shutdown Period; and

### an estimate of the cost of Reinstatement Work.

## The Tie-In Operator shall keep the Host Operator advised by Monthly written reports of the timetable for, and the progress of, the Tie-In Work, the completion date of each material work item and any anticipated delay or schedule risk, with a particular reference to the anticipated date of Commissioning of the Tie-In Facilities.

## Each of the Host Operator and the Tie-In Operator shall notify the other of an individual nominated to act on its behalf in all matters relating to this Agreement and may from time to time change the nominated individual by giving notice thereof to the other.

## The Host Operator and the Tie-In Operator shall establish a committee (the “**Steering Committee**”) to keep all Parties informed regarding the progress of the Scope of Work and/or Work Schedule, and to collaborate on all matters affecting the efficient execution of the Work Schedule in accordance with the Budget.

## The Steering Committee shall consist of representatives from the Host Operator and the Tie-In Operator as notified pursuant to Clause 11.3 and at least one (1) representative from each of the Host Owners and the Tie-In Owners.

## At the request of either the Host Operator or the Tie-In Operator one (1) representative of the primary contractor engaged by the Host Operator for the performance of the Host Work, and/or one (1) representative of the primary contractor engaged by the Tie-In Operator for the Tie-In Work may be invited to attend relevant sections of meetings of the Steering Committee.

## Meetings of the Steering Committee shall be held as required (and in any event no less frequently than once per Month) in the offices of the Host Operator (or such other location as the Parties may agree). The Host Operator shall convene such meetings upon not less than [●] ([●]) Business Days' notice to all the representatives and / or alternates of the time and date for the meeting, such notice to specify an agenda and indicate whether any matters to be discussed require the approval of the Parties. The Host Operator shall act as the chairman at each meeting of the Steering Committee. By notice to the other Steering Committee members, any member may, not less than [●] ([●]) Business Days prior to the meeting, advise of additional matters which such member wishes to be included in the agenda for such meeting. Minutes setting out the main action points arising from each meeting of the Steering Committee shall be prepared by the Host Operator and circulated for approval not later than [●] ([●]) Business Days after the meeting.

## The Parties may submit any matter or dispute arising from Clauses [●] of this Agreement to the Steering Committee for resolution. In the event the Steering Committee is unable to resolve the dispute the matter shall be referred to an Expert for resolution in accordance with Clause 18.

## All day to day communications concerning performance of the Tie-In Work and the Host Work shall be directly between the Tie-In Operator and the Host Operator representatives notified pursuant to Clause 11.3 (or such other communication channels agreed between the representatives) and each such representative shall provide information to and consult with the other in respect of all matters relating to the Scope of Work.

# Costs and Payment

## The Host Operator shall charge, and the Tie-In Operator (on behalf of the Tie-In Owners) shall pay, all costs and expenses properly incurred by the Host Owners in respect of and associated with the performance of the Host Work, as set out in the Budget and Advanced Payment Schedule and charged in accordance with the Accounting Procedure, or otherwise in accordance with this Agreement. The Host Operator shall cash call the Tie-In Operator [Monthly / quarterly] in advance in accordance with the Advanced Payment Schedule and the Tie-In Operator shall be obliged to make Advanced Payments to the Host Operator within [●] Business Days of receipt of such cash call.

## Without prejudice to the Tie-In Operator’s obligation to make Advanced Payments to the Host Operator, the Host Operator shall be permitted to incur expenditure on the Host Work only up to the Budget.

## If at any time (i) the Host Operator considers that expenditure on the Host Work is likely to exceed the Budget and/or the applicable Advanced Payments [by more than [●] per cent ([●]%) or [●] million Pounds Sterling (£[●]), whichever is the lower,] and/or (ii) the Host Operator considers that there should be a change to the Advanced Payment Schedule or (iii) there is a variation to the Budget proposed pursuant to Clause 7, the Host Operator shall advise the Tie-In Operator of the amount by which the Budget and/or the Advanced Payment is expected to be exceeded and/or the proposed changes to the Advanced Payment Schedule, with documentary support therefor and shall prepare and submit an amendment to the Budget and/or the Advanced Payment Schedule (the **“Proposed Amended Budget”**).

## The Host Operator shall obtain the Tie-In Operator’s approval of the Proposed Amended Budget prior to continuing the Host Work which is the subject thereof. The Parties shall meet to discuss the Proposed Amended Budget and seek to agree an amendment to the Budget and/or the Advanced Payment Schedule. If the Proposed Amended Budget is approved by the Tie-In Operator within [ten] ([10]) Business Days of receipt of the Proposed Amended Budget, then the Budget and/or the Advanced Payment Schedule shall be deemed to be so amended and the Parties shall update Schedule 3 (Budget) and the Advanced Payment Schedule accordingly. If the Proposed Amended Budget is not approved by the Tie-In Operator within [ten] ([10]) Business Days of receipt of the Proposed Amended Budget then the Host Operator shall be entitled to:-

### carry out, at the Tie-In Owners’ sole expense, (i) such works as are necessary to complete the relevant part of the Host Work pursuant to the previously approved Advanced Payment Schedule and the Advanced Payments made by the Tie-In Operator and (ii) such works as are necessary to make the Host Facilities operationally safe whether or not these are covered by the previously approved Advanced Payment Schedule and if they are not covered, the costs associated with such works shall be invoiced by the Host Operator to the Tie-In Operator in accordance with the Accounting Procedure; and

### suspend the performance of any further Host Work pending agreement on an amendment to the Budget and/or the Advanced Payment Schedule.

## Where expenditure on the Host Work exceeds the Budget and an amendment to the Budget is agreed pursuant to Clause 12.3, the Parties acknowledge and agree that the [●] Operator shall be solely and exclusively liable for the incremental costs to be incurred in respect of the amended Budget.

## [Notwithstanding the provisions of Clause 12.5, in the event of any increase to the Budget arising as a result of variation proposed pursuant to Clause 7.1, the Parties acknowledge and agree that the [●] Operator shall be liable for the incremental costs to be incurred in respect of such amended Budget.]

## [Notwithstanding the provisions of Clause 12.5, in the event of any increase to the Budget arising as a result of variation proposed pursuant to Clause 7.2, the Parties acknowledge and agree that the [●] Operator shall be liable for the incremental costs to be incurred in respect of such amended Budget.]

## If after [●] Business Days from receipt of the Proposed Amended Budget, the Proposed Amended Budget is not approved by the Tie-In Operator, then the Parties shall meet to discuss the Proposed Amended Budget and seek to agree an amendment to the Budget and/or the Advanced Payment Schedule.

## The Tie-In Operator shall, within [●] Business Days of the meeting referred to in Clause 12.8 either:

### issue a notice confirming that the Tie-In Owners are agreeable to the Proposed Amended Budget or a revised amended budget and/or revised Advance Payment Schedule agreed in the meeting referred to in Clause 12.8 and the Budget and/or the Advance Payment Schedule shall be deemed to be so amended and the Host Operator shall update Schedule 3 (Budget) and the Advanced Payment Schedule accordingly; or

### issue a notice confirming that the Tie-In Owners are not agreeable to the Proposed Amended Budget.

## In the event that the Proposed Amended Budget is not agreed within [●] Business Days of the meeting referred to in Clause 12.8, each of the Tie-In Operator and the Host Operator shall have the right to refer any issues of dispute in relation to the Proposed Amended Budget to an Expert for expedited determination in accordance with Clause 18.

## In the event that (i) no referral to an Expert is made pursuant to Clause 12.10, or (ii) following a referral pursuant to Clause 12.10 the Expert determines that the Proposed Amended Budget is correct and notwithstanding Clause 18.10, the Tie-In Owners still do not approve the Proposed Amended Budget, then each of the Host Operator and the Tie-In Operator shall have the right to terminate this Agreement by providing notice to the other (such notice to be effective immediately on the date of receipt).

## In the event of such termination referred to in Clause 12.11, the Tie-In Owners shall indemnify, and keep indemnified, the Host Operator and the Host Owners:

### for all costs the Host Operator incurs in carrying out the Host Work on and from the date of execution of this Agreement until and including the date of termination pursuant to Clause 12.11; and

### to the extent not included in Clause 12.4.1, for all costs incurred by the Host Operator in:

#### terminating the Host Work, including the carrying out of any works necessary to terminate the Host Work;

#### (to the extent necessary as a consequence of terminating the Host Work} making safe the Host Facilities; and

#### undertaking such Reinstatement Work;

#### to the extent not included in Clause 12.4.1, for all losses incurred by the Host Owners during any period of Reinstatement Shutdown and the provisions of Clause 8 shall apply mutatis mutandis to the calculation and payment of any such losses.

## All costs incurred by the Tie-In Operator or the Tie-In Owners or the Host Operator or the Host Owners in respect of or in connection with the Tie-In Work shall be borne exclusively by the Tie-In Owners.

## Where applicable under the terms of this Agreement and to the extent not covered by the Advanced Payments Schedule, the Host Operator shall invoice the Tie-In Operator within [●] Business Days of the end of the Month in respect of the costs and expenses payable by the Tie-In Owners in accordance with the Accounting Procedure, and the Tie-In Operator shall pay the full amount thereof within [●] Business Days of receipt of such invoice.

## All charges provided for under this Agreement are exclusive of VAT. Where VAT is applicable in accordance with the relevant regulations at the time of supply, the Tie-In Operator agrees to pay such VAT upon receipt from the Host Operator of a valid VAT invoice.

## Whether or not the amount of any sum contained in any invoice is disputed, the whole amount shall be paid except in the case of fraud or manifest error. Where the amount of any sum is disputed, the Tie-In Operator shall notify the Host Operator of the amount in dispute as soon as possible and, in any event, no later than [twenty] ([20]) Business Days from the date of receipt of the invoice. Without prejudice to Clause 13, for a period of [twenty] ([20]) Business Days from the date of receipt by the Host Operator of the notification of any disputed amount, the Host Operator and the Tie-In Operator shall exercise reasonable endeavours to resolve the dispute. If the disputed amount is not resolved within such [twenty] ([20]) Business Days of receipt of the notification, the disputed amount may be referred to an Expert for determination in accordance with Clause 18 hereof. If the disputed amount is ultimately resolved or determined in favour of the Tie-In Operator, the Host Operator shall repay to the Tie-In Operator the difference between the original invoice amount and the final agreed or determined amount together with interest thereon equal to the LIBOR plus [one] percent ([1]%), such interest being calculated from the first (1st) day following receipt of payment of the original invoice until the date of repayment.

## If any amount due by the Tie-In Operator is not paid in full by the due date then, without prejudice to any other rights or remedies that the Host Operator may have under contract or at law, interest shall be payable thereon calculated at a rate of LIBOR plus [three/five] per cent ([3/5]%) for the period from the due date for payment until the actual date of payment.

## Audit

### Any audit of the accounts, records and documents of the Host Operator shall be carried out in accordance with the provisions of the Accounting Procedure.

## [Capital allowances]

## [The Host Operator (on behalf of the Host Owners) will incur the capital costs of the Host Work to the extent that such works become part of the Host Facilities. Any re-charges of the capital cost of the Host Work to the Tie-In Operator in accordance with Clause 12 shall be capital contributions towards the cost thereof and capital allowances in respect of such payments shall be available to the Tie-In Owners to the extent that the provisions of Part 11 of the Capital Allowances Act 2001 apply and the Parties agree to file their tax returns on this basis.]

## Reconciliation

## Within [●] Months of the Handover Date or if earlier, the date of termination of this Agreement, the Host Operator shall perform a reconciliation of:

### the costs actually incurred by the Host Operator in carrying out the Scope of Work; and

### the aggregate amount of all payments made by the Tie-In Operator to the Host Operator hereunder

### and a payment shall be made from the Tie-In Operator to the Host Operator, or from the Host Operator to the Tie-In Operator, as the case may be, within [●] Business Days of the receipt of the invoice to achieve the result that the Host Operator has been reimbursed for such costs of the Scope of Work as were incurred by the Host Operator in accordance with the terms hereof.

# Default

## Subject to Clause 13.2, upon [twenty] ([20]) Business Days’ written notice to the Tie-In Operator (the “**Default Notice Period**”), in the event of any of the Tie-In Owners and/or the Tie-In Operator being in breach of any of their respective obligations under this Agreement which breach is (i) incapable of remedy; or (ii) has not been remedied by or on behalf of the Party (or Parties) in breach within the Default Notice Period, the Host Operator shall have:

### the right to:

#### cease to carry out any part of the Host Work as relates to the Tie-In Facilities; or

#### require the Tie-In Operator to suspend or defer the tie-in of the Tie-In Facilities to the Host Facilities;

### the right to terminate this Agreement on giving [●] Business Days’ notice to the Tie-In Operator. In the event of such termination, the Tie-In Owners shall indemnify, and keep indemnified, the Host Operator and the Host Owners:

#### for all costs the Host Operator incurs in carrying out the Host Work on and from the date of execution of this Agreement until and including the date of termination pursuant to this Clause 13; and

#### to the extent not included in Clause 13.1.2.1, for all costs incurred by the Host Operator in:

##### terminating the Host Work, including the carrying out of any works necessary to terminate the Host Work;

##### (to the extent necessary as a consequence of terminating the Host Work) making safe the Host Facilities; and

##### undertaking such Reinstatement Work;

#### for all losses incurred by the Host Owners during any period of Reinstatement Shutdown and the provisions of Clause 8 shall apply *mutatis mutandis* to the calculation and payment of any such losses.

## If the Party (or Parties) in breach of its (or their) obligation(s) has (or have), acting reasonably, commenced action to remedy such breach within the Default Notice Period and continues such action until such breach is remedied (and provided such breach is remedied no later than [twenty] ([20]) Business Days following the expiry of the Default Notice Period or such longer period as may be agreed between the Host Operator and the Party (or Parties) in breach), the Host Operator shall not be entitled to terminate this Agreement pursuant to Clause 13.1.2.

## If the Tie-In Operator pays part only of the amount due in respect of a default the amount so received shall first be applied to the payment of interest and then to payment of the principal sum due in respect of such default.

## 

# Force Majeure

## A Party shall be excused for failing to perform any of its obligations, in whole or in part, or for otherwise being in breach of any covenant or undertaking hereunder (other than the obligation to make payment of any money due) to the extent and for the duration that such failure is caused by Force Majeure.

## “**Force Majeure**” shall, subject to Clauses 14.3 and 14.4, mean any event or circumstance or chain of events or circumstances, the occurrence of which is beyond the reasonable control of the Party concerned (acting and having acted as a Reasonable and Prudent Operator).

## Without limitation to the generality of Clause 14.2, the following events or circumstances shall qualify as Force Majeure provided the requirements of Clause 14.2 are also satisfied in respect of any such event or circumstance;

### acts of God, earthquake, flood, lightning, fires, storm;

### strikes, lockouts or other industrial disturbances;

### breakdown of plant or machinery (excluding breakdown caused by normal wear and tear which could be anticipated, taking into account all reasonable circumstances including equipment maintenance policies), whether owned, hired or leased;

### acts of war, civil disturbances, blockades, insurrections, riots, occupation of premises or facilities, terrorism, epidemics, acts of protestors or activist organisations; or

### any unforeseen change in law, order, rule, regulation, act, restraint, omission or failure to act of any governmental body or authority, civil or military (whether or not in fact legally valid).

## Notwithstanding Clause 14.2, the following events or circumstances shall not, in any event, constitute Force Majeure:

### financial hardship or the inability of a Party, and/or any Affiliate of a Party, to make a profit or achieve a satisfactory rate of return resulting from performance or failure to perform its obligations under this Agreement; or

### loss of customers, loss of market share or reduction in demand of [product] derived from the Tie-In Owners [field/facilities]; or

### failure by a contractor to perform.

## It shall be a condition precedent to claiming relief for Force Majeure, and a Party shall not be entitled to relief pursuant to this Clause 14 unless, as soon as reasonably practicable and in any event within [five (5)] Business Days of becoming aware of the event or circumstance amounting to Force Majeure arising, it gives notice thereof to the other Parties of its intention to claim relief under this Clause 14, containing such information as is available regarding the particulars of the occurrence, the affected Party’s good faith estimate of the expected duration of the Force Majeure, the date it expects that full performance will be resumed and the expected extent of the affected Party’s inability to perform.

## Any of the Parties whose obligations have been suspended as aforesaid shall resume the performance of its obligations as soon as reasonably practicable after the cessation of the event or circumstance amounting to Force Majeure and shall promptly notify the other Parties accordingly.

## Relief under this Clause 14 shall cease to be available to a Party in respect of an event or circumstance of Force Majeure, if it fails, as soon as reasonably practicable, to take all such steps as a Reasonable and Prudent Operator would and which may be taken at reasonable cost to remedy its inability to perform the relevant obligation and minimise the consequences of the event or circumstance amounting to Force Majeure.

## If all or substantially all of the Host Owners’ obligations are suspended pursuant to Clause 14.1 and the Host Owners do not overcome or bring to an end the event or circumstance giving rise to suspension and resume performance of its obligations within [twelve/eighteen/twenty-four] ([12/18/24]) Months after giving notice of suspension, the Tie-In Owners may terminate this Agreement forthwith by giving notice to that effect to the Host Owners.

## If all or substantially all of the Tie-In Owners’ obligations are suspended pursuant to Clause 14.1 and the Tie-In Owners do not overcome or bring to an end the event or circumstance giving rise to suspension and resume performance of its obligations within [twelve/eighteen/ twenty-four] ([12/18/24]) Months after giving notice of suspension, the Host Owners may terminate this Agreement forthwith by giving notice to that effect to the Tie-In Owners.

## [The occurrence of an event or circumstance constituting Force Majeure shall not be construed as or result in extending the duration of this Agreement.]

# Assignment

## No assignment or transfer of any rights and obligations hereunder by any Party shall be made otherwise than in accordance with the provisions of this Clause 15.

## A Host Owner may assign or transfer any or all of its rights and obligations under this Agreement to any Person provided that:

### the Host Owner in question contemporaneously assigns or transfers a corresponding right in the Host Field and the Host Facilities to the assignee; and

### the Host Owner in question enters into a written agreement with the assignee pursuant to which the assignee agrees to be bound by this Agreement; and

### the Host Owner in question arranges for execution by all Parties and the assignee of a novation of this Agreement in a form approved by the Parties, such approval not to be unreasonably withheld, conditioned or delayed.

## A Tie-In Owner may assign or transfer any or all of its rights and obligations under this Agreement to any Person provided that:

### the Tie-In Owner in question contemporaneously assigns or transfers a corresponding right in the Tie-In Field and the Tie-In Facilities to the assignee; and

### the Tie-In Owner in question enters into a written agreement with the assignee pursuant to which the assignee agrees to be bound by this Agreement; and

### the Tie-In Owner in question arranges for execution by all Parties and the assignee of a novation of this Agreement in a form approved by the Parties, such approval not to be unreasonably withheld, conditioned or delayed.

## If the Host Owners intend to replace the Host Operator or the Host Operator intends to resign, then the Host Owners or the Host Operator (as the case may be) shall provide the Tie-In Owners with as much notice as is reasonably practicable. The successor Host Operator shall assume all rights and obligations as the Host Operator in respect of this Agreement at the same time as it assumes all other rights and obligations as operator of the Host Field.

## If the Tie-In Owners intend to replace the Tie-In Operator or the Tie-In Operator intends to resign, then the Tie-In Owners or the Tie-In Operator (as the case may be) shall provide the Host Owners with as much notice as is reasonably practicable. The successor Tie-In Operator shall assume all rights and obligations as the Tie-In Operator in respect of this Agreement at the same time as it assumes all other rights and obligations as operator of the Tie-In Field.

## If the Host Operator or the Tie-In Operator (as the case may be) is replaced or resigns, then the Parties shall ensure as far as is reasonably practicable that there shall be an obligation upon the successor operator and the incumbent operator to co-operate fully to facilitate an efficient transfer of responsibilities.

## Nothing in this Clause 15 shall prevent a Party from:

### mortgaging, charging, pledging or otherwise encumbering, or

### assigning to a bank or trustee,

### all or part of its interest in this Agreement provided that;

### such encumbrance or assignment shall be solely for the purpose of security relating to finance;

### such Party shall give notice to the other Parties and provide written confirmation that it will remain liable for all obligations relating to such interest;

### such encumbrance or assignment shall expressly be in terms that prevent it taking effect as either to impair or detract from the rights under this Agreement of any other Party; and

### such Party shall ensure that any Person to which such interest is mortgaged, charged, pledged or otherwise encumbered shall agree that in the event of it exercising such mortgage, charge, pledge or encumbrance it will continue to fulfil all the obligations of such Party under this Agreement.

## All costs and expenses pertaining to any assignment permitted under this Clause 15 shall be the responsibility for the assigning Party.

# Notices

## Any notice under this Agreement shall be in writing and shall be sufficiently given by delivering it by hand, or by sending it by facsimile transmission, or by sending by tracked courier or recorded delivery mail [or if sent by other agreed electronic means] to the relevant details and marked for the attention of the relevant Person(s) set out in Clause 16.5.

## Subject to Clause 16.3, any notice given as aforesaid shall be deemed to have been received in accordance with the following:

### if delivered by hand, at the time of delivery;

### if delivered by facsimile transmission, at the date shown on the unqualified transmission confirmation report;

### if sent by tracked courier or recorded delivery, on the date of receipt at the relevant address[./;]

### [if sent by other electronic means, at the time agreed in writing by the Parties.]

## In relation to any notice served in accordance with Clause 16.2, if the time of such deemed receipt is after 5.00pm on any Business Day at the place of receipt, or occurs on any day which is not a Business Day, notice shall be deemed to have been received at 10.00am on the first Business Day thereafter.

## Each Host Owner appoints the Host Operator to accept service of notices and any other process pursuant to this Agreement on its behalf and each Tie-In Owner appoints the Tie-In Operator to accept service of notices and any other process pursuant to this Agreement on its behalf. Notwithstanding the foregoing, in the event a notice in respect of any default or any service of process is to be served under this Agreement, all Parties shall be served with a copy thereof at the same time as it is served on the Tie-In Operator or Host Operator, as the case may be.

## The respective details for service are:-

**Host Operator**

Fax:

[Email:]

Attention:

**Host Owner 1**

Fax:

[Email:]

Attention:

**Tie-In Operator**

Fax:

[Email:]

Attention:

**Tie-In Owner 1**

Fax:

[Email:]

Attention:

or such other details as a Party may notify to the other Parties in writing from time to time.

# Confidentiality and Public Announcements

## The terms and conditions of this Agreement and all data and information disclosed under or pursuant to this Agreement (**“Confidential Information”**)shall be kept confidential during the term of this Agreement and for a period of [five] ([5]) Years thereafter, and shall not be disclosed or otherwise used, in whole or in part, without the prior written approval of the other Parties, provided that any Party may, without such approval, disclose such Confidential Information to:

### its Affiliates;

### its and its Affiliates’ respective officers, directors, employees or contract personnel;

### any governmental department or governmental authority having a statutory right to require the same or to any recognised stock exchange, or the Securities Exchange Commission, in compliance with the rules thereof or to the extent required by any applicable law or by any court of competent jurisdiction;

### any outside professional consultant or adviser or auditor or insurer or insurance broker;

### (i) any bona fide prospective assignee of the whole or part of such Party’s rights and obligations hereunder and such prospective assignee’s professional and financial advisers; or (ii) to any bona fide prospective purchaser of such Party’s share capital or the holding company of such Party or a controlling interest in respect therefor and such prospective purchaser’s professional advisers;

### any bank or financial institution from whom such Party or its Affiliates is/are seeking or obtaining finance or financial advice;

### any Expert appointed pursuant to Clause 18 to the extent relevant to the determination of the matter referred to the Expert;

### any representative from the primary contractor engaged by the Host Owner for the performance of the Host Work and/or any representative from the primary contractor engaged by the Tie-In Owner for the performance of the Tie-In Work who is invited to attend the Steering Committee pursuant to Clause 11.5; and

### another shipper or shipper operator within the Host Facilities [to the extent necessary to enable the Host Operator to discharge its obligations under its agreements with such shipper group].

### Each Party shall procure that any Confidential Information disclosed pursuant to Clauses 17.1.1 and 17.1.2 shall be held confidential by such Affiliate(s) or Person(s) on the same terms as set out herein.

### Prior to the disclosure of any Confidential Information by a Party to any Person referred to in Clauses 17.1.4 - 17.1.9 (inclusive), the Party shall, unless such Person is under a duty or is subject to an obligation of confidentiality owed to such Party which covers the Confidential Information, procure that such Person shall undertake in writing to maintain such Confidential Information as confidential on terms no less onerous than those set out in this Agreement but without the benefit of the provisos in Clause 17.1.

## The provisions of Clause 17.1 shall not apply to Confidential Information which:

### is at the time of disclosure in the public domain other than by breach of this Agreement; or

### at the time of disclosure, a Party can demonstrate was already lawfully known by it or its Affiliates outside this Agreement (other than by breach of this Agreement) under no applicable obligations of confidentiality or restrictions on use (as evidenced by its normal written records); or

### at the time of disclosure has been lawfully acquired by a Party from a Third Party on terms under which it may be freely disclosed and/or used by the Party.

## No Party or Affiliate of a Party shall issue or make any public announcement or statement regarding this Agreement, other than in respect of routine operational matters, unless prior thereto the other Parties are furnished with a copy of such announcement or statement and their approval of such announcement or statement is obtained (such approval not to be unreasonably withheld or delayed) provided that, notwithstanding any failure to obtain approval, no Party or Affiliate of such Party shall be prohibited from issuing or making any such public announcement or statement if it is necessary to do so in order to comply with any applicable laws, any court of competent jurisdiction, the regulations of a recognised stock exchange, or if the information is in the public domain (other than by breach of this Agreement).

# Expert

## If any dispute, difference or matter of any kind arises which, under this Agreement, is required or permitted to be referred to an Expert for determination, then the relevant Party, who, being so entitled wishes to refer the matter may serve notice on the other Parties requiring the matter to be so determined in accordance with this Clause 18.

## The Expert shall be selected by unanimous vote of the Parties. Any Party may nominate a Person for consideration as a potential Expert. The Expert shall be qualified or experienced in a discipline appropriate to the nature of the matter in dispute.

## If the Parties have not agreed upon the identity of the Person to be appointed as the Expert within [ten] ([10]) Business Days of service of the notice under Clause 18.1, any Party may apply to the relevant body (the “**Relevant Body**”) to appoint an individual to act as the Expert in the reference requesting that the appointment be made within [five] ([5]) Business Days of receipt of the application.

## For the purposes of Clause 18.3, the Relevant Body is

### the President for the time being of the Institute of Chartered Accountants, where the referral for Expert determination is made pursuant to Clauses 12.10 or 12.16; or

### the [ ] , where the referral for Expert determination is made pursuant to Clause 7.3.2 or pursuant to any other provision of this Agreement.

## No Person shall be appointed as an Expert under this Clause 18 in any dispute in respect of which that Person has any financial or personal interest in the result of the Expert determination except by the prior written consent of all of the Parties.

## The Expert shall be required as a condition of appointment to:

### keep all matters relating to the appointment, the dispute and his determination confidential;

### if the appointed Expert is a firm or company, nominate an individual as its representative; and

### agree to keep expenditure incurred in the determination as low as may be practicable given the nature of the matter in dispute.

## The Expert shall establish the procedure of the Expert determination so as to ensure the fair, expeditious and economical determination of the matter referred for determination. Without prejudice to the generality of its powers, the Expert may:

### require the delivery of written or oral submissions by the Parties and limit or extend the time for delivery of such submissions;

### require the production of documents or the attendance of people whom he considers could assist;

### meet and question the Parties and their representatives together or separately;

### limit the length of any written or oral submission; and/or

### obtain legal or technical advice with the consent of all the Parties,

## and the Parties shall comply with any request or direction of the Expert in relation to the conduct of the Expert determination provided that the Expert shall ensure that any written submission received from any Party is copied to all of the other Parties.

## The Expert shall reach his decision on such basis as is fair and reasonable, taking into account Good Oilfield Practice, the terms of this Agreement and the objectives of the Parties in entering into this Agreement, his duty of care to all Parties and all of the circumstances that the Expert believes are relevant to enable him to make his decision.

## The Expert shall notify the Parties of his preliminary decision within [thirty] ([30]) Business Days of the date of acceptance of his appointment (or such longer period as the Parties may agree in writing or the Expert may decide provided that in the absence of agreement of the Parties he shall not extend the period of [thirty] ([30]) Business Days for reaching his decision by more than [ten] ([10]) Business Days in total). The Parties shall have [ten] ([10]) Business Days from issue of the preliminary decision to them to make representations on the preliminary decision and the Expert shall, having taken account of such representations, reach his final decision within [thirty] ([30]) Business Days of notification of his preliminary decision to the Parties.

## The final decision of the Expert shall be binding on all the Parties to this Agreement except in the case of fraud or manifest error. The Expert shall act as expert and not as arbitrator.

## If the Expert fails to reach a final decision in accordance with Clause 18.9, any Party may request the appointment of another Expert, which shall be appointed in the same manner as the first Expert. On acceptance of appointment by the new Expert the appointment of the previous Expert shall cease. If prior to such acceptance the previous Expert shall have reached his decision, such decision shall be final and binding on the Parties in accordance with Clause 18.10 and the instruction of the new Expert shall be withdrawn.

## The following provisions shall apply as to the Expert’s fees and expenses including those of any legal or technical advice obtained pursuant to Clause 18.7:

### the Expert shall have discretion to make directions with regard to those fees and expenses;

### if no such directions are made the Host Operator and the Tie-In Operator shall be jointly liable for the Expert’s fees and expenses and shall bear such fees and expenses in two equal shares.

## The Parties shall bear their own legal and other costs in relation to any determination.

## Where reference is made in Clauses 7.3.2 and 12.10 of this Agreement to a matter being referred to an Expert for expedited determination the time periods in Clause 18 shall be amended as follows:

### In Clause 18.3 the time period for agreeing the identity of the Expert shall be reduced from [ten] ([10]) Business Days to [five] ([5]) Business Days;

### In Clause 18.9 the time period for the Expert notifying the Parties of his preliminary decision shall be reduced from [thirty] ([30]) Business Days to [fifteen] ([15]) Business Days and the time period for the Parties to make representations on the preliminary decision shall be reduced from [ten] ([10]) Business Days to [five] ([5]) Business Days.

# Miscellaneous

## **Entire Agreement**

This Agreement represents the entire agreement between the Parties in relation to the subject matter hereof and cancels and supersedes any previous agreement or understanding between the Parties in relation to the subject matter of this Agreement. Each of the Parties acknowledges and agrees that in entering into this Agreement, it does not rely on, and has no remedy in respect of, any statement, representation, warranty or understanding, whether written or oral, (a **“Pre-contractual Statement”**) (whether negligently or innocently made) of any Person (whether party to this Agreement or not) other than as expressly set out in this Agreement and waives all rights and remedies which might otherwise be available to it in respect thereof, provided always that nothing in this Agreement, shall operate to limit or exclude any liability of a Party for fraud.

## **Successors**

This Agreement shall be binding upon and enure to the benefit of the Parties, their successors and permitted assigns.

## **Waivers**

No waiver by any Party of any term of this Agreement is binding unless it is made expressly and confirmed in writing. Any such waiver shall be effective only in respect of the matter, non-compliance or breach to which it expressly relates and will not apply to any subsequent or other matter, non-compliance or breach. A failure of any Party to enforce from time to time any or all of the terms or conditions of this Agreement shall not be deemed to act as a waiver of such terms or conditions.

## **No Partnership**

This Agreement is not intended to create, nor shall it be construed as creating any association, partnership or trust, nor shall it give rise to the imposition of any partnership obligation or liability with regard to either of the Parties.

## **Conflict with other agreements**

If there is any conflict between the terms of this Agreement and any other agreement, this Agreement shall prevail as between the Parties to this Agreement unless (i) such other agreement expressly states that it overrides this Agreement in the relevant respect and (ii) the Parties are either also parties to that other agreement and have otherwise expressly agreed in writing that such other agreement shall override this Agreement in that respect.

## **Set-off**

All payments due to be paid by a Party under this Agreement shall be paid as provided for in this Agreement without any set-off or counterclaim and free from any deduction or withholding except to the extent required by law.

## **Amendment**

Except as expressly provided for in Clause 7 and Clause 12 this Agreement may not be amended except by an agreement in writing signed on behalf of each of the Parties.

## **Counterparts**

This Agreement may be executed in any number of counterparts with the same effect as if the signature on the counterparts were upon a single engrossment of this Agreement provided that this Agreement shall not be effective until each Party has executed and delivered any such one counterpart of this Agreement.

## **Costs**

Except as otherwise expressly provided in this Agreement, each of the Parties shall bear its own legal and other costs incurred in relation to the negotiation, preparation and completion of this Agreement.

## **Severance**

If any provision (or part of it) of, or pursuant to, this Agreement is or becomes unlawful, void or unenforceable, the legality, validity or enforceability of any other part of that provision or any other provision is not affected but will continue in full force and effect.

## **Anti-bribery, corruption and sanctions**

Each Party (including each Host Owner and each Tie-In Owner) undertakes that it will comply with all applicable anti-bribery and corruption, anti-money laundering and anti-tax evasion laws and regulations in connection with the transactions contemplated to be undertaken in accordance with this Agreement, and shall procure that no employees or service providers (including contractors, subcontractors, agents and other intermediaries) employed or engaged by them (or any of their Affiliates) shall offer, give or agree to give any Person whosoever, or solicit, accept or agree to accept from any Person, either directly or indirectly, anything of value in order to obtain, influence, induce or reward any improper advantage in connection with the transactions contemplated by this Agreement.

At the date of this Agreement, no Party has any knowledge of or has been made aware of any agreement or other arrangement to export or transfer any goods, technology or software included in their interests in the Host Field or the Tie-In Field, respectively (including the Host Facilities or the Tie-In Facilities), or otherwise to deal with such goods, technology or software in breach of any Trade Control Laws.

# Contracts (Rights of Third Parties) Act 1999

## Except in the case of any relief from liability, hold harmless, indemnity or benefit given to the Tie-In Indemnity Group or the Host Indemnity Group by the provisions of Clause 10, the Parties intend that no provision of this Agreement shall confer any benefit on, nor be enforceable by any Third Party by virtue of the Contracts (Rights of Third Parties) Act 1999 (in this Clause 20, the “Act”).

## The Parties may rescind, vary and/or amend any of the terms of this Agreement (including in respect of any relief from liability, hold harmless, indemnity or benefit given to any Person other than a Party by the provisions of Clause 10) or terminate or novate this Agreement without notice to or the consent of any such Person even if, as a result, that Person’s right to enforce a term of this Agreement may be varied or extinguished.

## In enforcing any right to which it is entitled by virtue of the Act and the provisions of this Agreement, the remedies of a Person who is not a Party shall be limited to a claim for damages only.

## No Person who is not a Party shall be entitled to assign any benefit or right conferred on it under this Agreement by virtue of the Act.

# Governing Law

This Agreement and any non-contractual obligations arising out of or in connection with it is governed and construed in accordance with English law and (subject to Clause 18) each of the Parties hereby submits to the exclusive jurisdiction of the courts of England and Wales to settle any disputes arising out of or in connection with this Agreement (including a dispute relating to any non-contractual obligations arising out of or in connection with this Agreement).

**IN WITNESS WHEREOF** the Parties have entered into this Agreement the day and year first above written.

# SCHEDULE 1 – Scope of Work

**A. TIE-IN WORK**

***[Drafting Note: Insert detailed description of Tie-In Work]***.

**B. HOST WORK**

***[Drafting Note: Insert detailed description of Host Work]***.

**C. BASIS OF DESIGN**

***[Drafting Note: Insert Basis of Design]***.

# SCHEDULE 2 – Work Schedule

***[Drafting Note: To be inserted]***

# SCHEDULE 3 – Budget

***[Drafting Note: Insert a Cost Estimate and Schedule Report and/or approved Budget]***

# [SCHEDULE 4 – Accounting Procedure]

**1 SCOPE**

The purpose of this Accounting Procedure is to define the responsibilities and procedures for accounting for the financial transactions relating to this Agreement.

**2 PAYMENT PROCEDURE**

2.1 Payment for the Scope of Work

2.1.1 The Tie-In Operator shall make payment of the Advanced Payments to the Host Operator in accordance with the terms of this Agreement.

2.1.2 The Advanced Payment shall be made in accordance with the Advance Payment Schedule as agreed in Attachment B to Schedule 4 [as the same may be varied from time to time in accordance with Clauses 12.3 and 12.4 of the Agreement].

**3 ACCOUNTING BASIS**

3.1 The Host Operator shall open and maintain [a separate account / separately identifiable accounting records] to record in a full and proper manner the costs charged to the Tie-In Operator under this Agreement (the “**CTIA Account**”). [The CTIA Account shall be interest bearing and maintained in Pounds Sterling. The Host Operator shall be kept whole by the Tie-In Operator for any costs associated with opening, maintaining and closing a currency account.]

3.2 The Host Operator shall charge and credit the account on the basis of its accounting policies in effect on the date on which the transaction is charged or credited to the account for all the costs and income properly incurred and received in performing its obligations hereunder, including:

(a) all time-written charges will be calculated in accordance with Paragraph 1.1 of Attachment A to Schedule 4 (Schedule of Reimbursement);

(b) all allocated shared and support costs will be calculated in accordance with Paragraph 1.1 and Paragraph 6.0 of Attachment A to Schedule 4 (Schedule of Reimbursement);

(c) contract services will be charged in accordance with Paragraph 1.3 of Attachment A to Schedule 4 (Schedule of Reimbursement);

(d) the cost or credit, as appropriate, for material purchased, used, returned (including any reconditioning costs) or disposed of in performing this Agreement. Materials purchased will incur the Host Operator administration charge according to Paragraph 1.2 of Attachment A to Schedule 4 (Schedule of Reimbursement);

(e) If stocks of materials [and/or Free Issue Equipment] are held, the cost of holding stock, if any material is so held prior to that material being charged to the account, shall be charged using the Host Operator's standard warehouse allocation basis including the cost of insurance; and

(f) If specific advice or services are obtained from any of the Host Operator's Affiliates they shall be charged on the basis of salaries, wages and labour burden, including overheads, calculated in accordance with that Affiliate's normal accounting procedure.

3.3 The Host Operator shall keep records of equipment and materials purchased in respect of the Agreement and ensure their safe custody. Material and/or equipment shall only be purchased, or transferred from stock, for the Scope of Work as may be reasonably required for operational use. The accumulation of surplus materials and equipment for the Scope of Work shall be minimised.

**4 MONTHLY BILLING PACKAGE**

4.1 Within [ten] ([10]) Business Days of the end of each Month, the Host Operator shall provide a billing statement. The billing statement shall show the net total of all expenditures (less all receipts to be separately disclosed where appropriate) relating to the Scope of Work and the amount thereof paid by the Host Owners and shall be accompanied by supporting schedules which shall divide expenditures and receipts into main classifications and sub-classifications consistent with the payment schedules hereunder. The supporting schedules shall show Monthly, Year to date and inception to date net totals of all expenditures (less all receivables, to be separately disclosed where appropriate), and shall provide sufficient information to allow reconciliation of the cash position. All billing statements and supporting schedules shall give totals in Pounds Sterling. The Host Operator shall show its estimate of accrued expenditure for each main budget heading.

**5 PAYMENT OF INVOICES**

5.1 The Tie-In Operator shall pay the amount stated on the invoice in respect of any other costs or liabilities not forming part of the Advanced Payments but arising hereunder to the bank account stated on the invoice on or before the due date, that being within [ten] ([10]) Business Days of receipt of a correctly prepared and substantiated invoice delivered to:

[insert recipient invoice details – address, email, contact & telephone number]

**6 AUDIT**

6.1 Between the Handover Date or, if earlier, the date of termination of this Agreement, and [twenty-four] ([24]) Months after that date, the Tie-In Operator shall have the right at its cost, upon giving the Host Operator not less than [forty] ([40]) Business Days’ notice, to conduct a single audit of the bank account and expenditure under this Agreement. If the Host Operator considers that any information is confidential or proprietary it shall request its statutory auditors to confirm the details and facts as required by the auditing Tie-In Operator and such confirmation shall be carried out in accordance with the instructions of the auditing Tie-In Operator which shall be agreed with the Host Operator, such agreement not to be unreasonably withheld or delayed. The calculation of the Host Operator’s man-hour rates and support costs are not subject to audit. In the event that the Host Operator's statutory auditors are unwilling to carry out such work, the auditing Tie-In Operator shall appoint an auditor of international standing to carry out such work. The appointment of an international auditor shall be subject to the agreement of the Host Operator, such agreement not to be unreasonably withheld or delayed. The Host Operator shall endeavour to settle outstanding matters by the conclusion of the audit. The Tie-In Operator shall submit an audit report to the Host Operator within [three] ([3]) Months of the completion of the audit. The Host Operator shall reply to any audit points therein within a further [three] ([3]) Months.

6.2 Any errors or omissions found within the account and agreed between the Tie-In Operator and the Host Operator shall be rectified promptly by the Host Operator within the account and any payment resulting made within [ten] ([10]) Business Days.

6.3 All accounting, invoicing and payments shall be presumed to be true and correct from [twenty-four] ([24]) Months after the Handover Date or, if earlier, the date of termination of this Agreement, unless within the [twenty-four] ([24]) Months the Host Operator or the Tie-In Operator has made a claim in writing to the other for an adjustment. Notwithstanding the foregoing, adjustments that arise from an audit commenced within [twenty-four] ([24]) Months from the Handover Date or, if earlier, the date of termination of this Agreement may be made after the expiry of the [twenty-four] ([24]) Month period. Adjustments relating to claims from third parties or governmental authority may be made at any time. If any claims are submitted by third parties or government authorities outside of the twenty-four (24) Months after the date of completion, only the claim itself is subject to audit.

6.4 In the event that the Host Operator and the Tie-In Operator are unable to agree an audit finding, either Party may refer the matter to an Expert for determination in accordance with Clause 18 of the Agreement.

**ATTACHMENT A**

**TO SCHEDULE 4**

**SCHEDULE OF REIMBURSEMENT**

**1.0 HOST OPERATOR’S MANAGEMENT, SUPERVISION, ADMINISTRATION AND PLATFORM SERVICE CHARGES**

**GENERAL**

In respect of personnel assigned or deployed by the Host Operator under the Agreement, the Tie-In Operator shall reimburse to the Host Operator the relevant charges as set out herein:

**1.1 PERSONNEL COSTS**

The cost of salary and related benefits of all personnel who work on Host Work under the direct control of the Host Operator or any of its Affiliates, as set out below:

**1.1.1 TIMEWRITING**

* + - * 1. All personnel, other than those described in Paragraph (b), who work on Host Work under the direct control of the Host Operator or any of its Affiliates will maintain timesheets for the purpose of charging salary and related benefits direct to the CTIA Account. Timesheets will record time worked either as hours or a percentage of the total time spent during the accounting period on Host Work. Timesheets will show the time worked on other projects and other classifications of cost to enable costs to be allocated to CTIA Account classifications. Costs for time writing personnel will be recovered through the application of Man Hour Rates as defined in Paragraph 1.1.2.
        2. Notwithstanding the foregoing, time sheets may not be maintained by certain personnel who are employed in or supporting the Host Work, the salary, benefits and related costs of such personnel shall be recovered in accordance with the cost allocation system of the Host Operator.
        3. For personnel employed, seconded, contracted or hired by the Host Operator or any of their Affiliates the amount to be charged to the relevant CTIA Account for such personnel (other than those who do not maintain timesheets as referred to in Paragraph 1.1.1(b) ) shall be determined from the product of the hours recorded for such person in relation to the Host Work, as shown on the time sheets, and the Man Hour Rates as detailed in Paragraph 1.1.2 below.
        4. For Operators who have onshore contractors timewriting these costs should be allocated based on the Man Hour Rate noted in Paragraph 1.1.2.1.

**1.1.2 MAN HOUR RATES**

1.1.2.1 Man Hour Rates shall be deemed to cover all costs of personnel directly controlled by the Host Operator or their Affiliates who work on Host Work not specifically provided as chargeable to the relevant CTIA Account elsewhere in this Agreement.

1.1.2.2 The Man Hour Rates shall comprise the following:

(a) salary plus related allowances and benefits payable by the Host Operator or any of their Affiliates from whom personnel are seconded or who provide services in relation to the Host Work as part of its standard terms of employment in force in the relevant period;

(b) The Host Operator shall recover non-direct time such as annual holidays, public holidays, sickness, staff training, general administration and other like items both from Host Work and other operations conducted each year on an equitable basis;

(c) pension costs (assessed as a percentage of salary cost for all the Host Operator or their Affiliates’ employees from time to time);

(d) National Insurance cost;

(e) any governmental tax, duty, levy and/or impost that may be levied upon the Host Operator or any of their Affiliates from whom personnel are seconded or who provide services to the relevant CTIA Accounts; and

(f) in the case of personnel hired from third party agencies, the cost invoiced by the third party agency;

1.1.2.3 administrative overhead costs and support costs comprise the items detailed below which are incurred by the Host Operator or any of their Affiliates. These shall be allocated in accordance with the Host Operator’s standard accounting policies and practices in force from time to time as appropriate;

(a) salary and related benefits (as described in Paragraph 1.1.2.2) of the personnel referred to in Paragraph 1.1.1 who are employed in or support the Host Work. Such personnel may be employed by, seconded to or hired from any third party agency by the Host Operator or any of their Affiliates; and

(b) overhead costs incurred in supporting Host Work such as property costs, personnel department costs, office services, routine computer applications and costs of other support departments and like items; and

(c) all other costs of the Host Operator and any of their Affiliates in respect of personnel supporting Host Work which are not specifically provided as chargeable to the relevant CTIA Account elsewhere in this Attachment A other than any other type of expenditure which may be specifically approved by the Tie-In Operator as being separately chargeable.

1.1.2.4 The Man Hour Rates shall be calculated for each cost area in the Host Operator organisation, reflecting the costs defined in Paragraph 1.1.2 above.

1.1.2.5 The Man Hour Rates calculated for each cost area are based on the total annual cost of the personnel as defined in Paragraph 1.1.1 divided by the annual time writing hours both in respect of each cost area.

1.1.2.6 The Man Hour Rates shall not include redundancy costs which shall be borne by the Host Owners.

**1.2 PURCHASE ORDERS FOR THE PROVISION OF MATERIALS**

In the event that materials are required and those materials are not provided by the Tie-In Operator pursuant to the provision of this Agreement, or free-issued by the Tie-In Operator, they shall be procured by or on behalf of the Host Operator in accordance with the applicable programme and budget at the sole risk and cost of the Tie-In Owners (including the costs of storage and the procurement of insurance). The Host Operator shall use its reasonable endeavours to obtain such materials on best available terms and the Tie-In Operator shall reimburse the actual costs incurred.

**1.3 AGENCY, CONSULTANTS AND/OR SERVICE CONTRACT PERSONNEL**

1.3.1 GENERAL

The cost of all agency, consultants or service contract personnel assigned or deployed under the Agreement shall be reimbursed to the Host Operator by the Tie-In Operator. The Host Operator shall negotiate the costs of all agency, consultants or service contract personnel deployed on the Agreement, on normal “arms-length” market terms.

### 1.3.2 REIMBURSEMENT

### (a) In respect of agency, consultancy or service contracts relating to personnel under contract to the Host Operator, the reimbursement of costs shall be based on the invoiced cost.

(b) In the event that in order to perform the obligations under the Agreement it is necessary to enter into contracts and/or service agreements to secure the services of necessary personnel, then unless such personnel are provided without charge to the Host Operator, the Tie-In Operator shall reimburse the Host Operator for the deployment of such personnel as provided in Paragraph 1.3.2(a) of this Attachment A to Schedule 4 (Schedule of Reimbursement).

**2.0 DEPLOYMENT OF PERSONNEL**

The Host Operator shall assign in accordance with the Scope of Work and Work Schedule (as may be developed and revised from time to time) necessary personnel and the deployment of such personnel will be recorded on time sheets and approved by discipline managers in accordance with Host Operator’s internal control procedures. The Host Operator shall use its reasonable endeavours to ensure the efficient use and deployment of personnel as necessary to perform the Scope of Work.

**3.0 REIMBURSEMENT OF TRAVEL AND BUSINESS EXPENSES**

In the event that personnel are required to undertake business travel and incur business expenses during performance of the Agreement and providing such personnel have complied with the Host Operator’s internal procedures for travel and business expense authorisations, the Tie-In Operator shall reimburse to the Host Operator all such reasonable business and travel costs.

**4.0 CONTRACT ADMINISTRATION PROCEDURES**

Subject to the other terms and conditions of this Agreement, the Host Operator shall in carrying out its part of the Scope of Work ensure compliance with its usual company procedures and practices.

**5.0 PLATFORM SERVICES**

For the provision of offshore accommodation, messing and recreational facilities a charge per member of personnel per night shall be applied to all offshore time expended in conjunction with this Agreement.

The platform services rates apply to all persons visiting the platform in relation to the Scope of Work i.e. personnel covered by Paragraphs 1.1 and 1.3 of this Attachment A to Schedule 4 (Schedule of Reimbursement) plus any personnel of the Tie-In Owners.

**6.0 LOGISTICS**

The provision of scheduled helicopter transportation and marine vessel usage shall be charged in accordance with the Host Operator’s accounting procedures and cost allocation system.

**7.0 TAXES**

The Tie-In Operator will be responsible for all VAT and excise taxes which may be incurred or chargeable as a result of the services provided under this Agreement.

**ATTACHMENT B**

**TO SCHEDULE 4**

**ADVANCED PAYMENT SCHEDULE**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 1. *A* | 1. *[B]* | 1. *C* | 1. *D* |
|  | 1. Budget \* 2. (£) | 1. [Cost of Reinstatement Work \*] 2. (£) | 1. **Advance Payments** 2. **(£)** | 1. **Due Date** |
|  |  |  | 1. **[sum of Column A & B]** |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| 1. **Total:** |  |  |  |  |

**\*** phased in association with Work Schedule

# [SCHEDULE 5 – FREE ISSUE EQUIPMENT]