

THE FEDERAL REPUBLIC OF NIGERIA

---

**CONCESSION CONTRACT**

---

## **CONTENTS**

1.0	DEFINITIONS AND INTERPRETATIONS.....	2
2.0	EFFECTIVE DATE AND TERM.....	5
3.0	DESCRIPTION OF THE ACREAGE.....	6
4.0	CONDITIONS PRECEDENT.....	6
5.0	MINIMUM WORK OBLIGATIONS.....	6
6.0	WORK PROGRAMME COMMITMENTS .....	7
7.0	RENTS.....	8
8.0	ROYALTY.....	8
9.0	NOT USED.....	8
10.0	TAXES .....	9
11.0	ENVIRONMENTAL REMEDIATION FUND.....	9
12.0	NOT USED.....	9
13.0	NOT USED.....	9
14.0	OPERATORSHIP .....	9
15.0	REPRESENTATIONS AND WARRANTIES.....	10
16.0	FORCE MAJEURE .....	12
17.0	DEFAULT, TERM AND TERMINATION.....	12
18.0	GOVERNING LAW AND DISPUTE RESOLUTION .....	12
19.0	NOTICES .....	13
20.0	GENERAL PROVISIONS .....	14

This Concession Contract (the "**Contract**") is made this 13<sup>TH</sup> day of February 2023

**BETWEEN**

**NIGERIAN UPSTREAM PETROLEUM REGULATORY COMMISSION**, whose address is at No. 7 Sylvester Ugoh Crescent, Jabi, Abuja, Nigeria (hereinafter referred to as the "**Commission**"), of the one part;

**AND**

**WALTERSMITH PETROMAN OIL LIMITED**, company incorporated under the laws of the Federal Republic of Nigeria with RC No. 302804, whose registered address is at 47, Glover Road, Ikoyi, Lagos, Nigeria (hereinafter referred to as the "**Holder**"), of the other part.

Both the Commission and the Holder are also referred to in this Contract, each as a "**Party**" and together as the "**Parties**".

**WHEREAS:**

- A. The property and ownership of Petroleum within Nigeria, its territorial waters, continental shelf and exclusive economic zone is vested in the Government of the Federation of Nigeria.
- B. Pursuant to the Petroleum Industry Act 2021 (the "**Act**"), the Minister of Petroleum Resources (the "**Minister**") is vested with the power to grant Petroleum Prospecting Licences on behalf of the Government.
- C. The Commission is responsible for the technical and commercial regulation of the upstream petroleum industry in Nigeria, including the determination and recommendation of applicants who have fulfilled the conditions for the grant of upstream petroleum licences and leases as well as the applicable model contract for the said licences and leases.
- D. The Holder is the sole concessionaire of the Assa Marginal Field, which is a non-producing marginal field. In accordance with Section 94(2) of the Act, the Assa Marginal Field mandatorily converted to a petroleum prospecting licence on 15<sup>th</sup> February 2023. The Commission has recommended to the Minister that this Licence be granted to the Holder in respect of the Licence Area, which is derived from the erstwhile marginal field area.
- E. Pursuant to Section 85 of the Act, as a precursor to the grant of the Licence, the Commission and the Holder have agreed to enter into this Contract to provide for the fiscal obligations relating to the Licence as well as other contractual terms and conditions relevant to the conduct of Upstream Petroleum Operations within the Licence Area.

**NOW THEREFORE, the Parties hereto agree as follows:**

## **1.0 DEFINITIONS AND INTERPRETATIONS**

### **1.1 Definitions**

In this Contract, the following words shall have the meanings ascribed to them below, and other Capitalised words used in this Contract and not defined below shall carry the meanings and definitions given to them in the General Conditions, the Act and other Regulations made thereto, at the time of the execution of this Contract:

**“Acceptable Financial Institution”** means a [commercial bank duly licensed by the Central Bank of Nigeria with a minimum credit rating of ‘A’ issued by a rating agency incorporated in Nigeria and registered with the Securities and Exchange Commission. Provided that where the credit rating of any bank which issues the WP Performance Security declines below the prescribed rating as provided herein, the Licensee shall within [one (1) month], provide a performance security from a bank with the prescribed rating.

**“Act or PIA”** means the Petroleum Industry Act, 2021.

**“Bopd”** means barrel of crude oil per day.

**“Business Day”** means a day other than a Saturday, Sunday or public holiday in Nigeria.

**“Commencement Date”** has the meaning ascribed to it in Clause 2.1.

**“Conversion Date”** means 16<sup>th</sup> February 2023.

**“Development Period”** means the period stipulated in the Field Development Plan or as indicated in the Licence, for the Holder to initiate Regular Commercial Production.

**“Environmental Remediation Fund”** means the environmental remediation fund established by the Commission for the Holder in accordance with Section 103 of the Act.

**“Financial Commitment”** has the meaning ascribed to it in Clause 6.1.

**“Gas”** means natural gas and natural gas liquids.

**“General Conditions”** means the General Licence Conditions

**“General Licence Conditions”** means the general licence conditions attached as Schedule A to the Licence Instrument.

**“Lease”** means any lease derived from the Licence in accordance with the terms of the Licence and the Act

**“Lease Area”** means any Lease Area subsequently derived from the Licence Area, in accordance with the terms of the Licence and the Act.

**“Lease Commencement Date”** means the commencement date indicated in the lease instrument of a Lease.

**“Licence”** means the Petroleum Prospecting Licence issued to the Holder in respect of the Licence Area.

**“Licence Area”** means the area in respect of which the Licence is granted as more particularly described in the document attached as Schedule B of the Licence Instrument.

**“Licence Instrument”** means the instrument conveying the grant of the Licence to the Holder.

**“Longstop Date”** means the date falling sixty (60) days after the date this Contract is executed or any other date agreed by the Commission, being the deadline for the Holder to fulfil the Conditions or other pre-conditions to the grant of the Licence by the Minister.

**“Oil Production”** means the production of Crude Oil and Condensates.

**“Operator”** means Waltersmith Petroman Oil Limited or any successor operator appointed by the Holder pursuant to Clause 14.3.

**“Paying Quantities”** means in relation to the level of production of a field, the production of volumes of Oil Production or Gas or both, of which the value exceeds the Royalty and operating costs on a regular basis, based on levels of production that are aimed at achieving maximum economic recovery of Petroleum.

**“Regular Commercial Production”** means the production of Gas and/or Oil Production in Paying Quantities.

**“Regulations”** means regulations issued by the Commission from time to time pursuant to the PIA.

**"SOFR"** means the secured overnight financing rate published by the Federal Reserve Bank of New York on its website at <[newyorkfed.org/markets/reference-rates/sofr](http://newyorkfed.org/markets/reference-rates/sofr)> every Business Day (New York) at 8.00 am Eastern Time (or any other medium used by the Bank of New York from time to time for this purpose).

**"Unrecovered Proven Costs"** means costs expended by the Holder for development and production activities as part of Upstream Petroleum Operations in respect of the Licence and shall not include any expenditure for bonuses, penalties, interests, premiums or markups on costs, as well as any other disallowed costs enumerated in Section 264 of the Act.

**"Work Programme"** means the work programme containing details of the programme of activities the Holder has committed to undertake within the Licence Area, submitted by the Holder to the Commission prior to the execution of this Contract, either as part of a winning bid or otherwise, which the Commission has approved and is attached to the Licence Instrument as Annexure 2.

## **1.2 Interpretation**

1.2.1 Reference to any statute or statutory provision includes a reference to that statute or statutory provision as amended, extended or re-enacted from time to time.

1.2.2 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under the statute or statutory provision.

1.2.3 Timelines regarding obligations of the Holder which are not prescribed in this Contract, or the General Conditions shall be as provided in Regulations issued by the Commission.

1.2.4 In the computation of periods of time from a specified day to a later specified day:

- (a) the first specified day is not included in the computation of the of period, whereas the other specified day is included in the computation of the period; and
- (b) any requirement that an action may or shall be taken within a specified number of days means that such action may or shall be taken within the number of days so specified starting at 00:00 hours on the day on which the requirement to take such action arose;

- 1.2.5 Headings of this Contract are for convenience of reference only and not intended to define, interpret, limit, or describe the scope or intent of any of the provisions of this Licence.
- 1.2.6 A Person includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.2.7 A reference to a company shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.2.8 Unless the context otherwise requires, words in the singular shall include the plural and, in the plural, shall include the singular.
- 1.2.9 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.2.10 The terms of this Contract shall be read in tandem with the Act, the Regulations and the Licence or Lease as applicable. Where there is any ambiguity or contradiction among these documents, they shall be construed in the following order of priority to resolve the said ambiguity or contradiction:
- (a) the Act;
  - (b) the Regulations;
  - (c) the Licence Instrument ;
  - (d) this Contract; and
  - (e) the General Licence Conditions.

## **2.0 EFFECTIVE DATE AND TERM**

- 2.1 This Contract shall become effective upon the satisfaction of the Conditions listed in Clause 4.0 (the "**Commencement Date**"), save for Clauses 1.0, 2.0 4.0, 15.0, 17.0, 18.0, and 19.0 which shall become effective upon execution of the Contract. The Contract shall, except as provided in Clause 17.0, continue in full force and effect from the Commencement Date for as long as the Holder continues to hold title to the Licence in respect of the Licence Area or any part thereof.
- 2.2 Notwithstanding the commencement date of this Contract, the Holder shall require fiscal adjustments, which shall be effective from the Conversion Date, to enable the Holder benefit from the fiscal provisions under Chapter 4 of the Act.

### **3.0 DESCRIPTION OF THE ACREAGE**

3.1 The Licence Area is an onshore acreage whose boundaries may be modified from time to time as a result of relinquishments and surrenders or any other reason pursuant to the terms of the Licence, the provisions of the Act as well as the delineation of any Lease Area.

### **4.0 CONDITIONS PRECEDENT**

4.1 Where applicable, the following conditions (the "**Conditions**") shall be fulfilled no later than the Longstop Date:

4.1.1 The Holder must have:

- (a) furnished the Commission with the WP Performance Security issued by an Acceptable Financial Institution, to guarantee the Holder's Financial Commitment to implement the Work Programme;
- (b) [Not Used];
- (c) [Not Used];
- (d) paid the Rent for the first year of the Licence at the rate prescribed in Clause 7.0;
- (e) where applicable, delivered to the Commission evidence of the Holder's appointment of the Operator; and
- (f) fulfilled such other conditions as prescribed by the Regulations.

4.2 Where the Holder fails to satisfy all the Conditions listed in Clause 4.1.1 by the Longstop Date, the Contract shall stand terminated on the next date following the Longstop Date.

### **5.0 MINIMUM WORK OBLIGATIONS**

5.1 Notwithstanding the provisions in the General Licence Conditions relating to Minimum Work Obligations the following terms shall apply to this Licence:

5.1.1 During the Initial Exploration Period, the Holder shall perform the following minimum activities as part of the Work Programme:

- (a) Drill one firm well (Extended Well Test (EWT) and Appraisal) and one contingent well subject to Appraisal result; and
- (b) Installation of critical crude handling and evacuation facilities

5.2 Not Used.

5.3 Not Used.

5.4 Not Used.

5.5 Not Used

## **6.0 WORK PROGRAMME COMMITMENTS**

6.1 The Holder shall no later than 60 days from the execution of this Contract, furnish the Commission with the WP Performance Security issued by an Acceptable Financial Institution, to guarantee the Holder's Financial Commitment to implement the Work Programme.

6.1.1 Where the Commission opts to grant the Holder the Extension Period in accordance with the Act and Regulations, the Holder shall be obligated to expend monetary sums equal to:

- (a) the sum stated in the work programme; or
- (b) such sum that the Commission subsequently anticipates will achieve the full implementation of the outstanding portion of the Work Programme in accordance with procedures set forth in the Licence and Regulations.

6.2 The Holder shall expend the minimum value of financial resources equivalent to the Appraisal Financial Commitment and the FDP Financial Commitment as provide in the General Licence Conditions. The Holder shall in accordance with the terms of the General Licence Conditions, provide:

6.2.1 the WP Performance Security issued by an Acceptable Financial Institution in favour of the Commission, before the grant of the Licence, to guarantee the Financial Commitment;

6.2.2 the Appraisal Performance Security issued by an Acceptable Financial Institution in favour of the Commission, along with its application for the approval of the Appraisal Programme, to guarantee the Appraisal Financial Commitment; and

6.2.3 the FDP Performance Security issued by an Acceptable Financial Institution in favour of the Commission, along with its application for the approval of the Field Development Plan, to guarantee the FDP Financial Commitment.

## **7.0 RENTS**

- 7.1 The Holder shall pay a yearly Rent for the surface area of the Licence Area and any Lease Area deriving therefrom as prescribed in the Petroleum Drilling & Production Regulations or any other Regulations issued by the Commission from time to time.
- 7.2 Where the Holder fails to pay the Rent as prescribed above and, in the Regulations, interest shall accrue on the Rent at the rate of SOFR or other successor rates, plus ten percent (10%).

## **8.0 ROYALTY**

- 8.1 All production of Petroleum from any field within the Licence Area, including Petroleum produced during production tests shall be subject to Royalty in accordance with Section 306 and Schedule 7 of the Act and as further prescribed by Regulations from time to time.
- 8.2 [Not Used]
- 8.3 [ Not Used].
- 8.4 The determination of production volumes and prices for royalty purposes shall be in accordance with Paragraph 7 and Paragraph 8 of Schedule 7 to the Act and applicable Regulations.
- 8.5 The price benchmarks of the royalty payable shall be subject to escalation in the manner prescribed by the Regulations.
- 8.6 Where the Commission elects to receive the above Royalties in kind, the Commission shall provide the Holder with prior notice and in accordance with the procedures stipulated in the Regulations and relevant guidelines.
- 8.7 Where the Holder fails to pay all or part of Royalties due for a period of two (2) months after the month in which the Royalty falls due, the outstanding Royalty payment shall constitute a debt owed by the Holder and attract interest as provided in Section 100 and Schedule 7 of the Act and as further prescribed by Regulations from time to time.

## **9.0 NOT USED**

## **10.0 TAXES**

- 10.1 The Holder shall be responsible for paying all duties, levies and lawful impositions applicable to the Licence in accordance with applicable laws.
- 10.2 The Holder shall be responsible for reporting and discharging its own tax obligations as prescribed by law.

## **11.0 ENVIRONMENTAL REMEDIATION FUND**

- 11.1 The Holder shall no later than 60 days from the notification by the Commission of the sum payable as the Holder's financial contribution to the Environmental Remediation Fund, pay the prescribed sum into the Environmental Remediation Fund.
- 11.2 The Holder shall in addition to Clause 11.1, increase its contributions into the Environmental Remediation Fund by an amount derived from the Holder's annual self-assessment of the environmental liability arising from Upstream Petroleum Operations or as otherwise determined by the Commission where an assessment is conducted by an independent assessor appointed by the Commission.

## **12.0 NOT USED**

## **13.0 NOT USED**

## **14.0 OPERATORSHIP**

- 14.1 The Holder shall be the Operator with the responsibility of performing Petroleum Upstream Operations within the Licence Area.
- 14.2 The Operator shall conduct Upstream Petroleum Operations and shall be responsible for:
  - 14.2.1 the giving and receiving of all notices, communication and information as may be required under this Contract, the Licence, Act or Regulations;
  - 14.2.2 communication and attendance of all meetings with the Commission and any other government authority with respect to the Licence;

- 14.2.3 making relevant assessments and payments due to the Commission in respect of the Licence, unless as otherwise stipulated under the Act or Regulations; and
  - 14.2.4 performing all the responsibilities of the Holder as required under the Act, Regulations, this Contract and the Licence.
- 14.3 In the event that the Operator retires, resigns, is removed, replaced or is otherwise unable to act as operator for the conduct of Upstream Petroleum Operations, the Holder shall promptly appoint some other Person to act as operator for the conduct of Upstream Petroleum Operations and shall promptly notify such appointment in writing to the Commission.
- 14.4 Any change in Operator shall require the prior written approval of the Commission, such approval not to be unreasonably withheld.

## **15.0 REPRESENTATIONS AND WARRANTIES**

- 15.1 The Holder hereby represents and warrants that on the date of execution of this Contract and on the Commencement Date:
- 15.1.1 the Holder is duly incorporated and validly existing in accordance with Nigerian law, is a separate legal entity capable of suing and being sued and has the power, capacity and authority to own its assets and to conduct its business as currently conducted and as contemplated in this Contract;
  - 15.1.2 this Contract constitutes a valid, binding and enforceable obligation of the Holder in accordance with its terms and this Contract is in the proper legal form for enforcement against the Holder;
  - 15.1.3 the Holder has not entered into any agreements or obligations which would have an adverse effect on the Holder's ability to fulfill its commitments and perform its obligations in accordance with this Contract;
  - 15.1.4 it has full power and authority to perform all its obligations under this Contract;
  - 15.1.5 there are no bankruptcy, insolvency, reorganization or receivership proceedings pending, being contemplated by, or to the best of its knowledge, threatened against it;

- 15.1.6 it is not party to any litigation, arbitration or other proceedings nor subject to any investigation or enquiry nor bound by any order, injunction, declaration, judgment or award of any court, arbitrator or other forum which could adversely affect the ability of the Holder to perform its covenants or obligations under this Contract.
- 15.1.7 it has access to sufficient financial resources and technical capacity to implement the work programmes and fulfil the financial obligations it has committed to under this Contract, the terms of Licence and the terms of any Lease derived therefrom;
- 15.1.8 It possesses the technical competence, capacity, skilled personnel and expertise required to exploit the Licence Area;
- 15.1.9 It and its employees, agents and/or representatives has not and will not violate the corrupt practices and money laundering laws, directly or indirectly, in connection with this Contract and the business resulting therefrom, offer, pay, promise to pay, or authorize the giving of anything of value to a government official (including employees of a government oil company), to any employee of the Commission, to any officer or employee of a public international organization, to any political party or official thereof or to any candidate for political office, or to any Person, while knowing or being aware of a high probability that all or a portion of such thing of value will be offered, given or promised, directly or indirectly, to any government official, to any officer or employee of a public international organization, to any political party or official thereof, or to any candidate for political office, for the purpose of:
- (a) influencing any act or decision of such official, officer, employee, political party, party official, or candidate in his or its official capacity, including a decision to fail to perform his or its official functions; or
  - (b) inducing such official, officer, employee, political party, or candidate to use his or its influence with the government or instrumentality thereof (including a government oil company) or organization to affect or influence any act or decision of such government or instrumentality or organization to obtain or retain business related to this Agreement, to direct business related to this Agreement to any Person or to obtain any improper advantage or benefit in order to assist in obtaining or retaining business for or with, or directing business to any other Person in relation to this Agreement.

15.2 The Holder repeats the representations and warranties in this clause 15.0 on each day of the duration of this Contract, except for those in clause 15.1.6 which is deemed repeated on the first day of each calendar quarter.

15.3 For the avoidance of doubt, any breach of the representations and warranties in this Clause (f) by the Holder, will constitute a breach, of the terms of the Licence and any Lease derived therefrom.

#### **16.0 FORCE MAJEURE**

16.1 The occurrence of Force Majeure shall not excuse the obligations of the Holder under Clauses 7.0, 8.0, 10.0 and 9.0.

#### **17.0 DEFAULT, TERM AND TERMINATION**

17.1 This Contract shall be deemed to have been terminated if the Licence and all Leases that derive from the Licence have either expired or have in accordance with the Act, Regulations, Licence been surrendered in full or have been lawfully revoked in accordance with the Act.

#### **18.0 GOVERNING LAW AND DISPUTE RESOLUTION**

18.1 The terms of this Contract shall be subject to and governed by the Laws of the Federal Republic of Nigeria.

18.2 A dispute shall be deemed to have arisen when either Party notifies the other Party in writing to that effect (Dispute Notice). Such notice shall contain the nature of the dispute and the relief requested.

18.3 Any dispute arising out of or in connection with this Contract shall be subjected to good faith negotiations between the duly nominated representatives of the Parties, towards achieving an amicable resolution.

18.4 In the event that the disputing Parties are unable to reach an amicable settlement within forty-five (45) days of the Dispute Notice, the dispute shall be finally settled under the UNCITRAL Arbitration Rules contained in the Schedule to the Arbitration and Mediation Act 2023.

18.5 arbitration shall take place at the Regional Centre for International Commercial Arbitration Lagos, its successor, or at any other venue to be mutually agreed by the Parties before a panel of three (3) arbitrators appointed further to the UNCITRAL Arbitration Rules.

- 18.6 The arbitration shall be held in English. Any decision of the arbitrators shall be final and binding upon the parties to the arbitration. The Seat of the arbitration shall be Nigeria.
- 18.7 Where the disputing Licensee is unsuccessful in any litigation or arbitration proceedings against the Commission, the Minister or the Government, instituted in relation to the Licence, the disputing Licensee shall be liable to reimburse the legal and other associated costs incurred by the Commission, Minister or Government to participate in such proceedings.
- 18.8 Provided that the Commission shall either elect to resolve a dispute under this Clause 18.0 or pursuant to the process under Section 217 of the Act where applicable.

## **19.0 NOTICES**

- 19.1 All notices or other communication required to be given under this Contract by either party to the other, shall be in writing and delivered by hand or courier and addressed to the Chief Executive of either party at the address stated in this clause 19.1 as follows:

- 19.1.1 For the Holder at:

The Chief Executive Officer,  
Waltersmith Petroman Oil Limited  
47, Glover Road,  
Ikoyi, Lagos  
[info@waltersmithng.com](mailto:info@waltersmithng.com)

- 19.1.2 For the Commission at:

The Commission Chief Executive  
Nigerian Upstream Petroleum Regulatory Commission  
7, Sylvester Ugoh Street  
Jabi, Abuja, Nigeria  
[nuprc@nuprc.gov.ng](mailto:nuprc@nuprc.gov.ng)

- 19.1.3 A party may change its address by notifying the other party in writing from time to time.

- 19.2 Any notice or other communication that the Commission gives to the Operator/Holder under or in connection with this Contract, Act or Regulation shall be deemed to have been received:

- 19.2.1 if delivered by hand or courier, at the time the notice is left at the address stipulated in Clause 19.1; and
- 19.2.2 if sent by email, upon acknowledgement by the other Party or its representative.
- 19.3 A notice or other communication given as described in Clause 19.2 on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.
- 19.4 Any notice or other communication given to the Commission by the Operator/Holder shall be deemed to have been received only on actual receipt and acknowledgement by the Commission.
- 19.5 A notice or other communication given under or in connection with the Licence is only valid if sent by email upon acknowledgement by the other party or its representative.
- 19.6 Notwithstanding the above, general notices issued by the Commission shall be deemed delivered, three (3) days after they are issued or posted by the Commission on its secured website.
- 19.7 Clauses 19.1 to 19.6 (inclusive) does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.
- 19.8 The provisions of clause 19.0 as to manner and delivery of notices or other communications shall be deemed to apply to the Operator and any notice or other communication issued under this Contract, the Licence, Act or Regulations and delivered to the Operator by the Commission or Government shall be deemed to have been delivered to the Holder.
- 19.9 The address of the Operator for the purpose of service of notices, communications and processes is as follows:  
The Chief Executive Officer,  
Waltersmith Petroman Oil Limited  
47, Glover Road,  
Ikoyi, Lagos  
[info@waltersmithng.com](mailto:info@waltersmithng.com)

or such other address notified by the Operator to the Commission.

## **20.0 GENERAL PROVISIONS**

- 20.1 The terms of this Contract shall not be amended, modified, altered or supplemented other than by an agreement executed by both Parties or by virtue of the Regulations and the Act.
- 20.2 This Contract shall be binding on the Holder and their respective successors and permitted assigns.
- 20.3 No failure or delay on the part of either Party hereto to exercise any right or remedy under this Contract or the partial exercise thereto shall be construed or operate as a waiver thereof. The rights and remedies provided in this Contract are cumulative and are not exclusive of any rights or remedies provided under the Act, Regulations under Nigerian Law.
- 20.4 If and for so long as any provision of this Contract is found by a court or other tribunal of competent jurisdiction or is declared by applicable law to be invalid, then such invalid provision shall be deemed to be severed from this Contract to the extent of its invalidity. The remaining provisions of this Contract shall continue in full force and effect and such severance shall not (to the greatest possible extent) affect the validity or operation of any other provision of this Contract.
- 20.5 Any remedy which provides for the payment of liquidated damages by a Party represents a genuine pre-estimate of the likely or possible loss or damage which might otherwise be suffered by the Party to whom such liquidated damages are payable in consequence of the act or omission of the Party liable to pay such liquidated damages and shall not in any way be construed as a penalty.
- 20.6 This Contract may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Contract.

**[THIS SPACE IS INTENTIONALLY LEFT BLANK]**

**IN WITNESS WHEREOF** the Parties have hereunto set their hands on the day first above written.

**SIGNED and DELIVERED**

For and on behalf of:

**THE NIGERIAN UPSTREAM PETROLEUM REGULATORY COMMISSION**

By:

  
.....  
**ENGR. GBENGA KOMOLAFE FNSE**  
**COMMISSION CHIEF EXECUTIVE**

Witnessed By:

  
.....  
**OLAYEMI ANYANECHI**  
**COMMISSION SECRETARY/LEGAL ADVISER**

**SIGNED FOR AND ON BEHALF OF**  
**WALTERSMITH PETROMAN OIL LIMITED**

Acting by:

  
.....  
**NAME: ABDULRAZAD ISA**  
**DIRECTOR**

  
.....  
**NAME: OLANIKUN AJAYI LP**  
**DIRECTOR/SECRETARY**