

GHANA NATIONAL PETROLEUM CORPORATION
(as Seller)

And

UNIPEC ASIA COMPANY LIMITED
(as Buyer)

OFFTAKER AGREEMENT

1st FEBRUARY, 2012

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THIS AGREEMENT is dated 1st February 2012

BETWEEN:

- (1) **Ghana National Petroleum Corporation**, a statutory corporation established in the Republic of Ghana pursuant to The GNPC Law and having its registered office at Petroleum House, Harbour Road, Tema, Ghana ("**Seller**"); and
- (2) **UNIPEC ASIA COMPANY LIMITED**, a company duly incorporated and registered under the laws of Hong Kong, and having its registered office at Unit 1202 Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong ("**Buyer**").

RECITALS

- (A) On December 16th, 2011, a Master Facility Agreement was entered into between China Development Bank Corporation (as Lender) and The Republic of Ghana Represented By The Minister for Finance and Economic Planning (as Borrower).
- (B) On or about the date of this Agreement, a Five Party Agreement was entered into by and among the China Development Bank Corporation, the Republic of Ghana represented by the Minister for Finance and Economic Planning, Bank of Ghana, Ghana National Petroleum Corporation, and UNIPEC Asia
- (C) Pursuant to the Master Facility Agreement and the Five Party Agreement, the Parties are entering into this Agreement for Seller to supply to Buyer on commercial terms, agreed volumes of crude oil.

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATIONS

1.1 DEFINITIONS

Unless otherwise defined herein, or the context requires otherwise, all capitalised terms used in this Agreement shall have the same meaning under the Master Facility Agreement, the Five Party Agreement or the Jubilee Field Unit Crude Oil Lifting Agreement as applicable.

"Affiliate" means a company which directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with a Party. For this purpose control means the direct or indirect ownership of an aggregate of fifty per cent or more of voting capital or is entitled (directly or indirectly) to appoint a majority of the directors or equivalent management body of, or to direct the policies or operations of the other entity.

"Business Day" means a day (other than a Saturday or Sunday) on which banks are open for general business in Accra, Beijing, Hong Kong and, in relation to any payment in US\$, New York.

"Crude Oil" means Jubilee crude oil.

"ETA" means Expected Time of Arrival.

"Effective Date" means the effective date of the first Subsidiary Agreement.

"First Supply Date" means the first date after the Effective Date on which the Seller has a Jubilee crude oil cargo available for sale.

"Force Majeure" means, in relation to either party, a circumstance beyond the reasonable control of that party (the **"Claiming Party"**) but shall not include insufficiency of funds.

"Good Industry Practice" means the skill, care and diligence of a Party seeking in good faith to perform its contractual obligations and in so doing and in the general conduct of its undertakings exercising the degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be exercised by a skilled and experienced international developer and/or operator in relation to its practices, methods, techniques and standards, complying with applicable law and engaged in the same type of undertaking.

"Governmental Authority" means in respect of any country, any national, regional, state, municipal or other local government, any subdivision, agency, commission or authority thereof, including any port authority, or any quasi-governmental organisation therein, acting within its legal authority.

"Insolvency or Other Similar Circumstances" means when under the laws of the jurisdiction applicable to the Party in question, any order is made for the winding-up,

liquidation, dissolution, custodianship or administration of or appointment of an administrator in respect of that Party, or when that Party suspends payment of all or a substantial part of its debts, or makes a general assignment or any composition with or for the benefit of its creditors, or when any similar event to those specified herein occurs under the laws of the applicable jurisdiction.

"Jubilee Crude Oil" means crude oil and condensate produced from the Jubilee Field.

"Jubilee Field" means the oil and gas reserve located approximately 60 km from the Ghanaian coast and straddling the Deepwater Tano and West Cape Three Points licence areas.

"Jubilee Terminal" means any and all floating production, storage and offloading vessels used for the production of Jubilee Crude Oil from the Jubilee Field including their spread mooring, hoses, pipeline end manifold and pipeline from the production manifolds, assisting vessels and all waters surrounding such vessels within a 500 meter radius.

"Month M" means the month of loading. Month M-1 or M-2 means the first or second month prior to the month of loading and Month M+1 or M+2 means the first or second month following the month of loading respectively.

"Person" means any individual, corporation, partnership, trust, unincorporated organisation or other legal entity, including any Governmental Authority.

"SOLAS" means Safety of Life At Sea.

"Terminal Operator" means the entity responsible for the operation of the FPSO from time to time which at the date of this Agreement is Jubilee Ghana MV 21 B .V.

"Third Party" means any Person not a Party to this Agreement nor being an Affiliate of the relevant Party.

"Worldscale" means the New Worldwide tanker Nominal Freight Scale as current on the day of commencement of loading of the vessel in question.

1.2 In this Agreement, unless the context otherwise requires:

- (a) a reference to a document includes an amendment or supplement to, or replacement or novation of, that document, but disregarding any

amendment, supplement, replacement or novation made in breach of this Agreement;

- (b) a Party means a party to this agreement and includes the successors in title to that part of its undertaking which includes this Agreement;
- (c) a "year" means a calendar year, a "quarter" means a calendar quarter, a "month" means a calendar month and a "day" means a calendar day.

1.3 Where an obligation is to be performed on a calendar day and that day is not a Business Day then a Party will be in breach only if performance is not made by close of business on the next Business Day.

2. TERM

2.1 Subject to the Master Facility Agreement, the term of this Agreement shall be 15½ Years from the Effective Date except that this Agreement shall automatically terminate if:

- (a) at any time prior to the expiration of the Master Facility Agreement, all amounts outstanding under the Master Facility Agreement are irrevocably repaid in full and any outstanding commitments to provide financial accommodation are cancelled; or
- (b) at any time during the term of the Master Facility Agreement, amounts outstanding under the Facility are irrevocably repaid in full and any outstanding commitments to provide financial accommodation thereunder are cancelled; or
- (c) Seller has discharged in full its obligation in respect of the agreed volumes to be delivered under this Agreement.

2.2 Following the termination of this Agreement in accordance with the whole of this clause 2, the Seller shall have no further obligation to deliver Jubilee Crude Oil to the Buyer save for any cargo in respect of which a final Lifting Schedule has been issued.

3. QUANTITY

3.1(a) During the term of this Agreement, the Seller shall from the First Supply Date, sell and deliver to the Buyer, and the Buyer shall purchase and lift from the

Seller 13,000 barrels per day of Jubilee Crude Oil (i.e. 5 cargoes per calendar year) which are available to the Seller .

- (b) For the avoidance of doubt the Seller's obligation to deliver crude oil to the Buyer shall be measured on a calendar year basis and shall be calculated on a cumulative basis.
 - (c) As soon as the Seller can confirm the quantities of Jubilee Crude Oil available to the Seller, the Seller shall notify the Buyer of the confirmed quantities.
 - (d) The Standard cargo size shall be 950,000 net U.S. barrels. Deviations from the standard cargo sizes may be mutually agreed between Seller and Buyer on a cargo-by-cargo basis.
- 3.2 The Buyer shall have the option to lift the cargo on its own, or to co-load with other parcels of the same or different grades of crude oil available to the Buyer, subject to vessel and Terminal capabilities.
- 3.3 Each cargo will have a volume tolerance of plus/minus five percent (5%) at the Buyer's option subject to terminal acceptance and, in any event, the minimum quantity requirements set out in the Jubilee Field Unit Crude Oil Lifting Agreement shall be observed.
- 3.4 For each cargo, the invoice quantity shall be based on a separate net Bill of Lading volume except for fraud or manifest error, but without prejudice to the rights of either party to file a claim for quantity and or quality.

4. QUALITY

- 4.1 Normal export quality grade of Jubilee Crude Oil as available at the time of lifting at the Jubilee Terminal.
- 4.2 This clause 4 constitutes the whole of the Seller's obligations with respect to the description, quality and fitness for purpose of the crude oil to be delivered and (save to the extent that exclusion thereof is not permitted or is ineffective by operation of law) all statutory or other conditions or warranties, express or implied, with respect to the description or satisfactory quality of the crude oil or its fitness for any particular purpose or otherwise are excluded.

5. DELIVERY

- 5.1 The Jubilee Crude Oil shall be delivered by the Seller, to the Buyer in bulk FOB at the Jubilee Terminal on to Vessel(s) provided by the Buyer.

6. **NOMINATION**

6.1 **MONTHLY PRODUCTION FORECAST**

By no later than close of business in Accra on the third (3rd) day of Month M-2 (where M is the month of loading), the Seller shall propose to the Buyer the total quantity of Jubilee Crude Oil forecast to be available to the Seller in each of Months (M-2), (M-1), (M), (M+1) and (M+2).

6.2 **NOMINATED CARGO VOLUME**

6.2.1 By no later than 17:00 HRS GMT in Accra on the sixth (6th) day of Month M-2, the Buyer shall submit to the Seller:

- (a) its preferred Cargo Volume ("**Nominated Cargo Volume**") for each Cargo in month M; and
- (b) its preferred two (2) day loading range for each cargo in Month M.

6.2.2 In the event that the Buyer's nominated cargo volumes and/or preferred loading ranges are not acceptable, the Seller shall notify the Buyer as soon as practicably possible of the actual loading range and cargo size.

7. **LIFTING SCHEDULE**

7.1 By no later than 17:00HRS GMT in Accra on the thirteenth (13th) day of Month M-2, or if this day is not a working day, then on the first working day immediately following the thirteenth (13th) day of M-2, the Seller shall issue a final Lifting Schedule to the Buyer for Month M, including the nomination of a two day loading window.

- (a) Liftings shall always be in accordance with the Lifting Schedule most recently published by the operator of the Jubilee Terminal.

- (b) Demurrage incurred by the Buyer as a result of changes made in the Final Lifting Schedule by the Terminal will be borne by the Seller/Terminal.

7.2 In case the loading dates are brought forward, Buyer shall accept the earlier loading dates if Buyer's vessel is able to arrive within the changed loading dates.

8. VESSEL NOMINATION

8.1(a) Unless otherwise mutually agreed between the Parties, the Buyer shall at least seventeen (17) days before the first day of the agreed loading date range notify the Seller and the Terminal Operator by fax/email of the name and summer deadweight tonnage of the vessel to be used and the expected date of that vessel's arrival at the Jubilee Terminal, and shall provide the Seller with any other vessel details necessary for the purpose of implementing this Agreement. The Seller shall give notice accepting or rejecting any vessel nomination within twenty-four (24) hours after receipt of such nomination, but shall not reject any such nomination unreasonably. In case of rejection, the Buyer shall, as soon as possible, but in any event no later than twenty-four (24) hours after the receipt of notice of the vessel rejection, nominate to the Seller an alternative vessel for the Seller's prompt acceptance or rejection, and, in the case of the latter, the Parties shall negotiate a mutually acceptable nomination.

- (b) The reason for such rejection will be disclosed by Seller to Buyer as soon as practicable to the extent that Seller is provided with same by the Terminal operator.

8.2 Buyers' nomination shall be consistent with the Jubilee Terminal's requirements and shall include, but shall not be limited to, a completed Initial Vessel Questionnaire, in the form required from time to time by the operator of the Jubilee Terminal and provided by the Seller to the Buyer, the vessel's name, flag, crew nationality, capacity, length, beam, summer deadweight and draught together with the quantity and quality of the grade(s) of oil to be loaded. If any of this detail is unknown at the time of nomination then such missing detail should be advised no later than seven days prior to the first day of the agreed loading range.

8.3 The Buyer may, or if necessary to perform their obligations must, with the Seller's prior agreement, substitute any vessel by another vessel which is similar in all material respects to the vessel so replaced. The Buyer may also, with the Seller's prior agreement and by giving the Seller reasonable notice, amend in other respects any vessel nomination or series of vessel nominations. If such amendment is rejected by the Seller, the Parties shall negotiate a mutually acceptable alternative vessel nomination. The Buyer shall not, unless otherwise agreed, be relieved of its responsibility to perform the agreed loading.

8.4 The Buyer warrants and undertakes that:

- (a) the information provided by the vessel owner to the Buyer and used by the Buyer to complete the Initial Vetting Questionnaire is true and correct;
- (b) to the extent that Buyer has been advised by Seller, it is familiar with the latest vessel size restrictions, including but not limited to, deadweight, draught, beam and overall length limitations of the Jubilee Terminal and will not nominate a vessel exceeding such limitations;
- (c) to the extent that Buyer has been advised by Seller, it is familiar with, and shall cause the vessel to comply with, all applicable regulations in force at the Jubilee Terminal; and
- (d) It shall procure that each vessel nominated hereunder, shall, at the time of loading:
 - (i) Comply with all applicable rules, regulations and directions of governmental, local and port authorities (and of the Jubilee Terminal) and shall conform in all respects to all relevant international regulations and agreements.
 - (ii) has hull, machinery, boilers, tanks, equipment and facilities which are in good order and condition, in every way fit for the service required and fit to load and carry the cargo specified; and
 - (iii) has a full and efficient complement of master, officers and crew,

and if Buyers' vessel does not meet any of the requirements set out in sub-paragraphs (d)(i) to (iii) above, the Seller or Sellers' suppliers may

refuse to berth or load or continue to load the vessel with the scheduled loading.

8.5 The Seller shall not be liable for the consequences of rejection or delay (including but not limited to demurrage) of the vessel or other restriction suffered in respect of the vessel by virtue of the application of the Jubilee Terminal regulations or other requirements of this clause and the Buyer shall be liable for any costs or damages incurred by the Seller arising out of any such rejection of, delay to or restriction of the vessel.

8.6 The Buyer warrants that, at the time of loading:

- (a) the vessel which will lift the Jubilee Crude Oil is insured in the form of a Protection and Indemnity Club ("P&I Club") which is a member of the International Group of P&I Clubs;
- (b) the vessel has in place insurance coverage for oil pollution in an amount of no less than the highest standard oil pollution coverage available under the rules of the International Group of P&I Clubs;
- (c) the vessel complies with applicable regulations concerning oil spill emergency prevention and response;
- (d) the vessel complies with the applicable requirements of those international conventions regarding the control of oil pollution to which the flag state of the vessel is a party;
- (e) the owners of the vessel are members of the International Tanker Owners Pollution Federation Limited (ITOPF) and the vessel has on board a valid certificate issued pursuant to the Civil Liability Convention (CLC) 1969, or to the 1992 Protocol, as amended; and
- (f) the vessel nominated to lift a Cargo complies with International Safety Management (ISM) code which came into force on 1st July 1998. The Buyer shall, upon request, provide a copy of the relevant valid management certificate and document of compliance as required under the Solas Convention 1974 as amended.

9. PRICING

Pricing for Crude Oil purchased under this Agreement shall be on commercial basis and shall be determined as follows:

9.1 The U.S. Dollar FOB price per (net bill of lading) barrel shall, unless the Parties agree otherwise, have the following components:

- (a) a Dated Brent component; and
- (b) a differential;

and shall be calculated in accordance with the following formula:

The U.S. Dollar FOB Price = Dated Brent + Differential

9.2 DATED BRENT COMPONENT - Pricing Options:

9.2.1 The Buyer shall have the option to choose one of the following Dated Brent component pricing options as the applicable pricing period for the sale of the Jubilee Crude Oil. Seller shall be notified by Buyer's chosen option not later than six (6) Platts publication days prior to the first day of the scheduled loading:

- (i) The five consecutive Platts Crude Oil Marketwire average of the mean of Dated Brent quotations published around the Bill of Lading date (B/L Date=3, that is, the two quotations before B/L date, B/L date, and the two quotations after B/L date) expressed in US Dollars per net Barrel). Always a total of five quotations shall apply;
- (ii) The five consecutive Platts Crude Oil Marketwire average of the mean of Dated Brent quotations published immediately prior to the Bill of lading date (B/L Date=0) expressed in US Dollars per Barrel;
- (iii) The five consecutive Platts Crude Oil Marketwire average of the mean of Dated Brent quotations published immediately following the Bill of lading date (B/L Date=0) expressed in US Dollars per Barrel; or
- (iv) The month average of Platts Crude Oil Marketwire Dated Brent quotations for the period beginning the first (1st) day of Month

M and ending the last day of Month M expressed in US Dollars per Barrel for the Month in which the Bill of Lading is dated.

9.2.2 If bill of lading date falls on a Platt's non-published day, for pricing purpose only, the bill of lading date shall be determined as follows and the other four pricing dates shall be adjusted in a five day range accordingly in all cases:

- (i) If B/L date is a Sunday, the quotation chosen will be Monday;
- (ii) If B/L date is a Saturday, the quotation chosen will be Friday;
- (iii) If B/L date is a holiday Monday, the quotation chosen will be the following day;
- (iv) If B/L date is a public holiday other than Monday, the quotation chosen will be the previous day.

9.2.3 Buyer shall pay a margin of US cents eight (8) per barrel for exercising any price option.

9.3 **DIFFERENTIAL:** The differential shall be:

9.3.1 The average of the differentials realized for all the Jubilee Crude Oil liftings in the month of lifting (i.e. B/L month). This will be reviewed at the end of every year.

In the event that the differential under this clause 9.3.1 cannot be determined by the invoicing date, the differential achieved for the last cargo sold by GNPC adjusted for the percentage increase or decrease in the average Girassol Crude Oil differential for the B/L month of the loading in question as compared to the average Girassol Crude Oil differential in the B/L month of the last Jubilee Crude Oil sold by GNPC shall be used for provisional invoicing. The actual differential will be used in a reconciliation to be conducted as and when information required under this clause becomes available.

9.3.2 The market differential for Jubilee Crude Oil as quoted in Platts Crude Oil Marketwire for the month of lifting, when the Jubilee Crude Oil is quoted. Once the market differential for Jubilee Crude Oil is quoted in

Platts Crude Oil Marketwire, the differential as per clause 9.3.1 shall apply as the fall back position for every lifting.

9.4 The final price shall be calculated to three (3) decimal places and the following arithmetic rules shall be applied to do this:

- (a) if the fourth decimal place is five (5) or greater than five (5) then the third decimal place shall be rounded up to the next digit; or
- (b) if the fourth decimal place is less than five (5) then the third decimal place will be unchanged.

This price is fixed and flat (i.e. not subject to any change in Seller's acquisition costs or for gravity escalation).

9.5 Changes in Price Index: In the event that any time during this Agreement, any related price index or quotation is amended or ceases to be published or if the publisher or any other price body, changes the criteria or methodology, the Parties shall, upon notice from any Party, meet to discuss an alternative scale or index which most closely replaces the scale or index as it is published on the date this Agreement is executed. If the Parties fail to agree within 30 Business Days after either Party so notifying the other Party, then the issue shall be submitted to an expert in accordance with clause 23 (*Use of Experts*). To assist the expert in such determination, each Party shall submit one, and only one, proposed replacement scale or index and the expert shall determine which of the two proposed scales or indices most closely approximates the index which is changed or no longer published. Pending resolution by the expert, calculations to be made pursuant to Agreement shall be determined using the scale or indices proffered by Buyers and any payments based on such scale or indices shall be adjusted (if necessary) to take account of the determination by the expert and following the determination by the expert the price thenceforth shall be adjusted to take account of the determination by the expert.

10. TAXES

10.1 All taxes, duties, imposts, fees, charges (including, without limitation, pilotage, mooring and towage expenses) and dues (including, without limitation, quay dues) in respect of the vessel incurred at the Loading Terminal shall be for the Buyer's account.

- 10.2 The amount of any taxes, duties, imposts, fees, charges and dues of every description imposed or levied by any governmental, local or port authority on the Jubilee Crude Oil supplied hereunder, or on its export, delivery, transportation, ownership, sale or use, in respect of any stage prior to title and risk in such Jubilee Crude Oil passing to the Buyer shall be for the Seller's account.
- 10.3 The Buyer shall be the importer of record and shall be responsible for complying with customs and excise entry procedures at the discharge port and all duties and taxes that arise in respect of such customs and excise entry shall be for the Buyer's account.

11. PAYMENT

- 11.1 Payment for all Crude Oil sales under this Agreement shall be made into the Petroleum Holding Fund in U.S Dollars by telegraphic transfer, in full without discount, withholding setoff or counterclaim (but subject always to and pursuant to the terms of the Master Facility Agreement and the Five Party Agreement), within thirty (30) calendar days after the Bill of Lading date (B/L Date = Day zero), on presentation of a full set of shipping documents including three clean copies of original Bills of Lading, Certificate of Quantity, Certificate of Quality, Certificate of Origin and Cargo Manifest, made out and endorsed to the order of the Buyer, commercial invoice (FAX or PDF invoice acceptable) and other usual shipping documents.
- 11.2 If any or all of the required documents are not available at the time payment is due, the Buyer shall pay against the Seller's commercial invoice and the Seller's letter of indemnity given in the format set out in the Schedule 1 to this Agreement in lieu of the missing documents (with presentation of a copy via fax or in PDF format via email satisfying this requirement).
- 11.3 Where the last day for payment falls on a Saturday or on a weekday other than Monday which is not a banking day in New York, then any such payment shall be made on the nearest preceding banking day. Where the last day for payment falls on a Sunday or a Monday which is not a banking day in New York or at such other place so designated, then any such payment shall be made on the next following banking day.

- 11.4 All documents for payment shall be delivered to buyer no later than three (3) working days prior to payment due date, failing which payment shall be made three (3) working days after receipts of such documents at no cost or consequence to Buyer.

12. TITLE AND RISK

- 12.1 The risk and property in the oil supplied under the terms of this Agreement shall pass to the Buyer at the Jubilee Terminal as soon as the oil passes the outlet flange of the loading hose of the FPSO.
- 12.2 Any loss of or damage to the oil during loading, if caused by the vessel or her officers or crew, shall be for the account of the Buyer.

13. INSPECTION AND MEASUREMENT

- 13.1 Quantity and quality shall be determined by measurement, sampling and testing in the manner customary at the Jubilee Terminal at the time of loading. The certificates of quantity and quality with respect to the cargo loaded shall, except in cases of manifest error or fraud, be conclusive and binding on both the Buyer and the Seller for invoicing purposes but without prejudice to the rights of either Party to file a claim for quantity and/or quality.
- 13.2 An independent inspection shall be carried out at the load port by an independent inspector who is mutually acceptable to both the Buyer and the Seller. The Buyer and the Seller shall jointly appoint the independent inspector and all inspection charges shall be shared equally by both Parties and the inspector's report shall be made available to both Parties.

14. LAYTIME AND DEMURRAGE

- 14.1 The Buyer shall give the Seller as far in advance but no later than seven (7) days before the 1st day of the lifting dates specified in the latest version of the lifting schedule as the Seller requires full instructions consistent with the Jubilee Terminal regulations regarding the loading of each vessel and the making up and destination of documentation covering the cargo(s). The Seller shall use reasonable endeavours to arrange for such instructions to be carried out but they shall not be obliged to arrange for an instruction to be carried out which is inconsistent with any provision, expressed or implied, in the Agreement.

- 14.2 The Buyer shall arrange for each vessel to give to the Seller notice of the vessel's Expected Time of Arrival (ETA) at the Jubilee Terminal seventy-two (72) hours, forty-eight (48) hours and twenty-four (24) hours prior to its ETA.
- 14.3 The Seller shall provide or shall cause to be provided, free of charge, a berth or berths which the vessel can safely reach and leave and at which she can lie and load always safely afloat. All port costs, including the expense, if any, of shifting berth at the loading port (unless such shift is for the Seller's purposes) shall be for the Buyer's account.
- 14.4 The Seller shall at all material times and at no expense to the Buyer provide and maintain or cause to be provided and maintained in good working order all necessary flexible hoses, connections, pipelines, tankage facilities and other accommodation for such loading of the vessel.
- 14.5 The laytime allowed for loading a Cargo of a size equal to up to one hundred and five percent (105%) of the upper limit of the standard cargo size (set out in clause 3.1) shall be thirty-six (36) hours. Such maximum allowable laytime shall be increased by one hour for each fifty thousand (50,000) US barrels more than one hundred and five percent (105%) of the Standard Cargo Size. Such maximum allowable Laytime shall be decreased by one hour for each fifty thousand (50,000) US barrels less than ninety-five percent (95%) of the Standard Cargo Size, to a minimum allowed Laytime of eighteen (18) consecutive hours. Laytime shall include Sundays, holidays and nights, unless loading is prohibited on Sundays, holidays or during the night by the laws or regulations in force at the Jubilee Terminal and shall begin to run at each loading port either:
- (a) at the expiry of six (6) hours after notice of readiness ("**NOR**") to load has been received by the Seller, or by any other party nominated by the Seller, from the Master of the vessel or his representative (which notice of readiness may be tendered only after the vessel has arrived within the customary anchorage or waiting place of the port or, if the vessel moves directly to the berth, when the vessel is securely moored to the loading berth); or
 - (b) if the vessel moves directly to the berth, when the vessel is securely moored at the loading berth, whichever occurs first, except that:

- (i) if NOR is tendered before the first day of the agreed loading date range nominated and accepted in accordance with the provisions of clause 6, laytime shall begin on the earlier of the actual time of berthing at the FPSO or six (6) hours after the start of the Terminal opening hours on the first Day of the agreed loading date range; or
- (ii) if NOR is tendered after the last day of the agreed loading date range nominated and accepted in accordance with the provisions of clause 6, laytime shall commence at the time loading commences; or
- (iii) if NOR is tendered within the agreed loading date range nominated and accepted in accordance with the provisions of clause 6, but outside Jubilee Terminal opening hours as specified in the Terminal Manual from time to time then Laytime shall begin on the earlier of the actual time of berthing at the FPSO, or six (6) hours after the next start of the Terminal opening hours.

14.6 Subject to clause 14.7 below, laytime shall run continuously from commencement until cessation, unless prohibited by the Jubilee Terminal Regulations or by applicable law and/or regulations and shall cease on disconnection of cargo loading hoses on completion of loading.

14.7 Any time spent or lost by reason of any of the following events shall not count as used laytime or, if the vessel is already on demurrage, as demurrage:

- (a) on an inward passage moving from her waiting place to the loading place nominated by the Seller; or
- (b) while the vessel is handling or preparing to handle ballast or bunkers, unless this is carried out concurrent with loading or other normal cargo operations such that no loss of time is involved, or is carried out to comply with shore restrictions; or
- (c) by any delay due to fault, failure or inefficiency of the vessel; or
- (d) awaiting tide, tug boats, pilot, daylight, immigration/customs or free pratique, unless any or all of these delays are occasioned by shifting berth for the Seller's account as defined in clause 14.3;



- (e) as a result of strike, lockout, stoppage or restraint of labour; or
 - (f) delays due to meteorological or sea conditions (including but not limited to wind, rough seas, currents and tides).
- 14.8 The Seller shall pay demurrage at one-half the applicable rate if delay is caused by mechanical failure, in the course of normal operations of Loading Terminal facilities or loading equipment that are under its control.
- 14.9 Subject to clause 14.7, if the loading is not completed within the allowed time the Seller shall pay the Buyer demurrage in US dollars per running hour (and pro-rata for a part thereof) for all used laytime in excess of the allowed laytime at the lesser of:
- (a) the demurrage rate per Day specified in the charter party for the Accepted Tanker, if any, when the Accepted Tanker is on a single voyage charter; and
 - (b) the demurrage rate per Day, as published in the **WORLDSCALE**, which applies on the Day of the commencement of loading for a vessel of the same type, size and capacity as the Accepted Tanker, corrected by the Average Freight Rate Assessment published by the London Tanker Brokers' Panel Limited ("**AFRA**"), which applies on the Day of the commencement of loading for such a vessel,
 - (c) but if Buyer's vessel is larger than the cargo size nominated by the Jubilee Terminal this demurrage rate shall be the lesser of:
 - (i) the demurrage rate per Day specified in the charter party for the Accepted Tanker, if any, when the Accepted Tanker is on a single voyage charter and
 - (ii) the demurrage rate per Day, as published in the **WORLDSCALE**, which applies on the Day of the commencement of loading for a vessel of the same type with a size and capacity equivalent to a summer deadweight equal to the weight of the loaded Cargo plus five percent (5%), corrected by the **AFRA** which applies on the Day of the commencement of loading for such a vessel.
- 14.10 Any claim by the Buyer for demurrage must be notified in writing to the Seller within forty five (45) days after the Bill of Lading date, failing which the claim

- (e) as a result of strike, lockout, stoppage or restraint of labour; or
- (f) delays due to meteorological or sea conditions (including but not limited to wind, rough seas, currents and tides).

14.8 The Seller shall pay demurrage at one-half the applicable rate if delay is caused by mechanical failure, in the course of normal operations of Loading Terminal facilities or loading equipment that are under its control.

14.9 Subject to clause 14.7, if the loading is not completed within the allowed time the Seller shall pay the Buyer demurrage in US dollars per running hour (and pro-rata for a part thereof) for all used laytime in excess of the allowed laytime at the lesser of:

- (a) the demurrage rate per Day specified in the charter party for the Accepted Tanker, if any, when the Accepted Tanker is on a single voyage charter; and
- (b) the demurrage rate per Day, as published in the **WORLDSCALE**, which applies on the Day of the commencement of loading for a vessel of the same type, size and capacity as the Accepted Tanker, corrected by the Average Freight Rate Assessment published by the London Tanker Brokers' Panel Limited ("**AFRA**"), which applies on the Day of the commencement of loading for such a vessel,
- (c) but if Buyer's vessel is larger than the cargo size nominated by the Jubilee Terminal this demurrage rate shall be the lesser of:
 - (i) the demurrage rate per Day specified in the charter party for the Accepted Tanker, if any, when the Accepted Tanker is on a single voyage charter and
 - (ii) the demurrage rate per Day, as published in the **WORLDSCALE**, which applies on the Day of the commencement of loading for a vessel of the same type with a size and capacity equivalent to a summer deadweight equal to the weight of the loaded Cargo plus five percent (5%), corrected by the **AFRA** which applies on the Day of the commencement of loading for such a vessel.

14.10 Any claim by the Buyer for demurrage must be notified in writing to the Seller within forty five (45) days after the Bill of Lading date, failing which the claim

in question shall be deemed automatically and irrevocably waived. All documentation reasonably necessary to support a claim must be supplied in writing to the Seller not later than ninety (90) days after the date of the Bill of Lading. Should the Buyer fail to give such notice or documentation within the times specified then the claim shall be deemed automatically and irrevocably waived.

- 14.11 Payment of demurrage shall be made within forty-five (45) days of the Buyer's demand and shall be paid in United States Dollars to the Buyer's account with a bank nominated by them or in such other manner as may be agreed between the Parties.
- 14.12 When the operator of the Jubilee Terminal has declared Force Majeure and such Force Majeure is continuing the Seller's liability for demurrage shall be subject to the provisions of clause 19 (*Force Majeure*).
- 14.13 The maximum Demurrage payable under this Agreement shall not exceed the actual demurrage paid by or on behalf of the Buyer to the owner of the Accepted Tanker with respect to the actual cargo, as shown and justified by documentation provided by the Buyer.
- 14.14 On completion of loading and prior to the departure of the export tanker, the Seller shall as soon as practically possible cause the Terminal Operator to deliver to the Master of the export tanker, the normal shipping documents. If such shipping documents are not delivered within four (4) hours after the disconnection of the cargo loading hoses upon completion of loading, then the additional time shall count as laytime, or if the export tanker is on demurrage, as demurrage, unless the delivery of such documents is delayed by events beyond the reasonable control of the Terminal Operator.

15. ISPS COMPLIANCE

- 15.1 The Buyer shall procure that all vessels nominated by it under any Part of this Agreement shall comply with the requirements of the International Code for the Security of Ships and of Port Facilities and the relevant amendments to Chapter XI of SOLAS (Safety Of Life At Sea), (the "**ISPS Code**").
- 15.2 The vessel shall when required submit a Declaration of Security to the appropriate authorities prior to arrival at the Jubilee Terminal.

- 15.3 Notwithstanding any prior acceptance of the vessel by the Seller, if at any time prior to the arrival of the vessel at the Jubilee Terminal the vessel ceases to comply with the requirements of the ISPS Code:
- (a) the Seller shall have the right not to berth such nominated vessel at the Jubilee Terminal and shall have no liability for any resultant demurrage; and
 - (b) the Buyer shall be obliged to substitute such nominated vessel with a vessel complying with the requirements of the ISPS Code.
- 15.4 The Seller shall procure that the Jubilee Terminal shall comply with the requirements of the ISPS Code.
- 15.5 Save where the vessel has failed to comply with the requirements of the ISPS Code the Seller shall be responsible for any demurrage actually incurred by the Buyer arising from delay to the vessel at the Jubilee Terminal resulting directly from the vessel being required by the port facility or any relevant authority to take any action or any special or additional security measures or undergo additional inspections, by virtue of the vessel's previous ports of call.
- 15.6 The Seller's liability to the Buyer under this Agreement for any costs, losses or expenses incurred by the vessel, the charterers or the vessel owners resulting from the failure of the Jubilee Terminal to comply with the ISPS Code shall be limited to the payment of demurrage and costs actually incurred by the Buyer in accordance with the provisions of this Agreement.

16. TERMINATION

- 16.1 A Party shall only have the right to terminate this Agreement in the following circumstances ("**Termination Event**"):
- (a) if the other Party is subject to Insolvency or Other Similar Circumstances; or
 - (b) in the event of extended and continuous or persistent periods of Force Majeure affecting the other Party, despite all reasonable counter measures taken by the Parties, and as a result of such Force Majeure the other Party has been unable to receive or deliver as the case may

be a substantial part of the deliveries anticipated by the relevant Part of this Agreement for a period of any six (6) consecutive months.

(c) Events falling under clause 2.

16.2 The only rights of the Parties to terminate this Agreement are as set out in this clause 16 (*Termination*).

17. LIMITATION OF LIABILITY

17.1 Neither Party shall be liable for indirect, special or consequential damages.

17.2 A claim in respect of a shortage in quantity shall be considered by the Seller only if there is a difference greater than a tolerance of zero point five zero percent (0.50%) between the bill of lading quantity and the quantity loaded, as measured by the Accepted Tanker and adjusted by application of the vessel experience factor calculated in accordance with the Manual of Petroleum Measurement Standards as published by the American Petroleum Institute.

17.3 The quality of the Jubilee Crude Oil being lifted shall be determined from representative samples collected in accordance with the standards specified in the Jubilee Crude Oil Lifting Agreement (the "**Standards**") by an inline, flow-proportional automatic sampling device. If such device is not available or functioning then representative samples of the Jubilee Crude Oil being Lifted shall be collected in accordance with the Standards from the Jubilee Crude Oil in the storage tanks of the FPSO from which the Lifting is made immediately before loading, or from the Accepted Tanker's compartments to which the Lifting is made immediately after loading.

17.4 Subject to clause 17.2 above, any claim in respect of a shortage in quantity or defect in the quality of oil will only be considered by the Seller if notice in writing of such claim is received by the Seller within forty five (45) days after the date of the Bill of Lading (Bill of Lading date equals day zero) for the particular cargo and such notice is followed by a fully documented claim to be received by the Seller within fifty five (55) days after the date of the Bill of Lading (Bill of Lading date equals day zero). If the Buyer fails to give notice of or to submit any such claim within the time limits, the Buyer's claim is deemed to be waived and any liability on the part of the Seller is extinguished.

- 17.5 Without prejudice to specific time limits set out elsewhere in this Agreement, any claim arising under any Part of this Agreement shall be commenced within one (1) year of the date on which the relevant Jubilee Crude Oil was delivered or, in the case of a total loss, the date upon which it should have been delivered, failing which the claim shall be time barred and any liability or alleged liability of the other party shall be finally extinguished.

18. NOTICES

- 18.1 Without prejudice to any other method available for the giving of notice or to any acknowledgement by a Party that it has received the same, any notice or other communication desired to be given or made hereunder may be given by:

- (a) delivering the same personally or by courier to the address of that Party as set out in this clause below or such other address as that Party may notify to the other Parties in accordance with this clause; or
- (b) by fax transmission which provides written confirmation of complete receipt,

and if personally delivered or by courier shall be deemed to have been received on actual receipt, and if sent by fax on confirmation of complete receipt, if delivered or sent on a Business Day or (if not so delivered or sent) on the first Business Day thereafter.

18.2 For Seller

(a) **Trading Contact**

Name:	Dennis Baidoo
Telephone No:	+233 2630 17243
Fax No:	+233 303 202854
Email:	<u>d.baidoo@gnpcghana.com</u>

(b) **Contractual Contact**

Name: Korshie Gavor
Telephone No: +233 2621 21906
Fax No.: +233 303 202854
Email: k.gavor@gnpcghana.com

18.3 **For Buyer**

(a) Trading Contact

Name: Mr. Qinghui Liu
Telephone No: +44 208 811 8596
Fax No.: +44 208 811 8584
Email: Liuginghui@unipec.co.uk

(b) **Contractual Contact**

Name: Ms. Jian Meer
Telephone No: +44 208 811 8520
Fax No.: +44 208 811 8584
Email: Jianmeer@unipec.co.uk

19. FORCE MAJEURE

19.1 The Claiming Party will not be in breach of this agreement or otherwise liable to the other Party (the "**Non-claiming Party**") for any delay in performance or any non-performance of any obligations under this Agreement if and to the extent that the delay or non-performance is owing to Force Majeure.

19.2 This clause 19 only applies if:

- (a) the circumstance beyond the reasonable control of the Claiming Party could not have been avoided, overcome or remedied if the Claiming Party had acted in accordance with Good Industry Practice; and
- (b) the Claiming Party has used all reasonable endeavours to mitigate the effect of the Force Majeure and to carry out its obligations under this agreement in any way that is reasonably practicable and to resume the performance of its obligations as soon as reasonably possible.

19.3 The Claiming Party shall advise the Non-claiming Party in writing of the Force Majeure as soon as possible and provide details of the event or act constituting Force Majeure and the measures being adopted by it to minimize the consequences of the Force Majeure on the performance of its obligations.

19.4 The Claiming Party shall take all reasonable measures to remove or overcome the Force Majeure situation and cure its inability to fulfil the terms and conditions of this Agreement with a minimum of delay, and shall take all reasonable measures to minimize the consequences of the event of Force Majeure.

20. ASSIGNMENT

20.1 A Party to this Agreement may only assign any of its rights under this Agreement with the prior written consent of the other Party.

21. REPRESENTATIONS AND WARRANTIES

21.1 Each Party represents and warrants to the other Parties that:

- (a) it has the corporate, governmental or other legal capacity, authority and power to execute, deliver and perform all Parts of this Agreement, and has taken all necessary action to duly authorize the foregoing; and
- (b) its obligations hereunder constitute its legal, valid and binding obligations, enforceable in accordance with their respective terms (subject to applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application regardless of whether enforcement is sought in a proceeding in equity or at law).

22. MISCELLANEOUS

- 22.1 The Parties agree that the relevant operational terms of this Agreement are intended to be consistent with the terms and conditions of the Jubilee Field Unit Crude Oil Lifting Agreement among the Seller, Tullow Ghana Limited, Kosmos Energy Ghana HC, Anadarko WCTP Company, Sabre Oil & Gas Holdings Limited and EO Group Limited (the "**Jubilee COLA**") which shall be made available to Buyer by Seller. The Parties therefore agree that where applicable, this Agreement shall be amended to the extent its operational provisions are inconsistent with the terms and conditions of the executed Jubilee COLA. The Seller may propose operational amendments so required in line with this Agreement to the Buyer and the Buyer shall agree to amendments properly required to implement this Agreement.
- 22.2 If any term of this Agreement is found to be illegal, invalid or unenforceable under any applicable law, such term shall, insofar as it is severable from the remaining terms, be deemed omitted from this Agreement and shall in no way affect the legality, validity or enforceability of the remaining terms.
- 22.3 Each party shall be responsible for obtaining all consents, authorisations, approvals and assurances of whatsoever nature necessary to enable it to comply with its obligations under the Agreement.
- 22.4 Nothing in this Agreement shall create, or be deemed to create, a partnership, or the relationship of principal and agent, between the Parties (or any of them).
- 22.5 The Agreement shall not be modified unless mutually agreed by the parties, which Agreement must be evidenced in writing.
- 22.6 No waiver by any Party of any of its rights hereunder shall be construed or implied, but shall be binding on such Party only if made specifically, expressly and in writing. Any waiver shall relate only to the matter, non-compliance or breach as it expressly relates to and shall not apply to any subsequent or other matter, non-compliance or breach.
- 22.7 The Parties to this Agreement do not intend that any term of this Agreement should be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a Party to this Agreement. Notwithstanding

this, the Agreement may be terminated, rescinded, amended or varied by the Parties without notice to or the consent of any such third party.

- 22.8 Any Party that now or hereafter has a right to claim immunity for itself or any of its assets hereby waives such immunity and agrees not to claim such immunity, in connection with this Agreement, including any dispute hereunder. This waiver includes immunity from (a) legal process of any sort whatsoever, (b) jurisdiction or judgment, award, determination, order or decision of any court, arbitrator, tribunal or expert, (c) inconvenient forum, and (d) any effort to confirm, enforce, or execute any decision, settlement, award, judgment, services of process, execution order, attachment (including pre-judgment attachment) or other remedy that results from an expert determination, arbitration or any judicial or administrative proceeding commenced pursuant to this Agreement. Each Party acknowledges that its rights and obligations hereunder are of a commercial and not a governmental nature.

23. USE OF EXPERTS

- 23.1 Where a matter is required to be determined by an expert, the expert shall be a person fitted by the possession of expert knowledge for the determination of the matter in question. The expert shall be appointed by mutual agreement between the Parties or, in default of any such agreement, by the President of the Energy Institute in London.
- 23.2 The Seller and the Buyer shall furnish the expert with all written or oral information which he may reasonably require for his determination. The expert may adopt such procedures, and may conduct the expert determination in such manner, as he considers appropriate. The expert shall act as an expert and not as an arbitrator. The decision of the expert shall (in the absence of fraud or manifest error) be final and binding on the Parties.
- 23.3 The cost of the services of the expert, if appointed, shall be shared equally between the Parties.

24. APPLICABLE LAW/ GOVERNING LAW AND ARBITRATION AGREEMENT

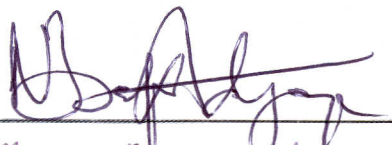
- 24.1 Lifting operations shall be carried out in accordance with the applicable Ghana Law/Regulations and the Crude Oil Lifting Agreement and its Exhibits.


- 24.2 This Agreement shall be interpreted and construed in accordance with the laws of England exclusive of any conflict of law principles that could require the application of any other law to such interpretation and construction.
- 24.3 Any dispute, controversy or claim (other than a dispute which is required to be determined by an expert pursuant to this Agreement) arising out of, relating to, or in connection with this Agreement that is not resolved by the Parties, including any question regarding its existence, validity or termination shall be referred to and finally resolved by arbitration under the Rules of Arbitration of the International Chamber of Commerce (save that no requirements of those Rules of Arbitration as to the nationality of arbitrators shall apply). The seat of arbitration shall be London, England. The number of arbitrators shall be three, one of whom shall be nominated by the claimant and one of whom shall be nominated by the respondent, and the third to be jointly nominated by the two arbitrators so appointed and in default thereof to be appointed by the International Chamber of Commerce Court. The proceedings shall be in the English language. The resulting arbitral award shall be final and binding without right of appeal and judgment upon such award may be entered in any court having jurisdiction thereof. A dispute shall be deemed to have arisen when either Party notifies the other Party in writing to that effect.
- 24.4 The UN Convention on Contracts for the International Sale of Goods (1980) shall not apply.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by their duly authorized representatives as of the date written below.

FOR GHANA NATIONAL PETROLEUM CORPORATION

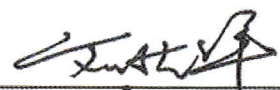
Witnessed:

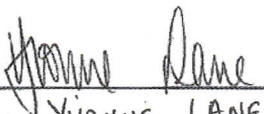
By: 
Its: Nana Bakyee Asafu-Adjaye
Date: 29/3/12
Its: Chief Executive

By: 
Its: Kershie Gavor
Date: 29/3/12
Its: Legal Officer

FOR UNIPEC ASIA COMPANY LIMITED

Witnessed:

By: 
Its: Qinghui Liu
Date: 27th March 2012
Its: Deput General Manager

By: 
Its: YVONNE LANE
Date: 27th March, 2012
Its: Trading Operator

SCHEDULE 1

LETTER OF INDEMNITY

In consideration of your paying for the cargo of [VOLUME] U.S. Barrels/Metric Tons of [TYPE OF CRUDE OIL AND / OR PRODUCT] which sailed from [PORT] on [VESSEL] on [BILL OF LADING DATE] loaded with such cargo when the full set of Bills of Lading and Original Shipping documents for such cargo have not been delivered to you at the time payment is due under our contract dated [CONTRACT DATED].

We warrant to you that at the time property passed as specified under the terms of the above contract we had the right to sell the said cargo to you and we had unencumbered title to the said cargo.

We irrevocably and unconditionally undertake to indemnify you and hold you harmless against any claim made against you by anyone as a result of breach by us of any of our warranties as set out above, and all loss, reasonable costs (including, but not limited to costs as between attorney or solicitor and own client), damages, and expenses which you may suffer, incur or be put to which are foreseeable as a result of our failure to deliver the above document(s) in accordance with the contract.

This indemnity shall terminate on delivery by us of the aforesaid document(s) and their acceptance by you.

This indemnity shall be governed by and construed in accordance with English law and all disputes, controversies or claims arising out of or in relation to this indemnity or the breach, termination or validity hereof shall be referred to and finally resolved by arbitration in accordance with clause 24 (*Applicable Law/Governing Law and Arbitration Agreement*) of the Offtake Agreement.

Signed: [NAME] [POSITION]

Company:



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