

ALCON NIGERIA LIMITED

RC 47042

CONTRACTING

Office:
Plot 17, Trans Amadi Industrial Layout,
P. O. Box 4616, PMB 038,
Port Harcourt, Rivers State.
☎: 08028065363 / 08020544960
e-mail: secretary@alcon-nig.com
Web Site: www.alcon-nig.com



The Project Manager,
NLNG Gas Supply Project,
The Shell Petroleum Development Company of Nigeria,
Eastern Division, Nigeria.

Attn: Mr. Martyn M. Turner

Our Reference: NG01011666-AL-SNC2-LT-00015

Date: 10-07-2020

Dear Sir,

**PROJECT: CONTRACT No. NG01011666 - SOKU NAG COMPRESSION FACILITIES
INSTALLATION PROJECT**

**SUBJECT: RE: COVID-19 - CURRENT OIL PRICE IMPACT AND SUPPLY CHAIN
CHALLENGE**

CONTRACTOR refers to COMPANY's letter SOKG2- NG01011666 -A- LT-00011 dated 28th April, 2020, meeting held with COMPANY and its JV Partner on the 14th of May, 2020, CONTRACTOR's letter NG01011666-AL-SNC2-LT-000 dated 25th May, 2020 and subsequent meeting held on 24th day of June, 2020 with respect to the above subject matter.

In view of the obvious impacts of the Covid-19 pandemic and in a bid to ensure cost optimization on the project, CONTRACTOR has agreed to the reduction of the reimbursable rates in the CONTRACT to 10% and a 2.5% discount on variation rates as captured in Appendices 4.4, 4.5, 4.6, 4.7 and 4.8 of Section IV – Schedule of Prices.

However, due to the current market realities occasioned by the pandemic, CONTRACTOR is unable to offer any discount on the lump sum contract price and project management cost as any attempt to reduce same, would further expose CONTRACTOR to immeasurable losses.

Thank you.

Yours Faithfully,
For: ALCON NIGERIA LIMITED



JAN MESSCHENDORP
MANAGING DIRECTOR/CEO