



**GE International Operations (NIG)
Limited**

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February 27, 2020

The Shell Petroleum Development Company of Nigeria Limited
Shell Industrial Area
Rumuobiakani, P.O. Box 263
Port Harcourt, Rivers State
Nigeria

Subject: Parts Supply Agreement
GE Reference No: 1432645-0000-Rev0

Dear Sir:

This Gas Turbine Parts Agreement 1432645-0000-Rev0 (the "Agreement") is made effective this _____, 2020 (the "AGREEMENT Effective Date") and documents the mutual agreement and understanding of The Shell Petroleum Development Company of Nigeria Limited (herein "Owner" or "Buyer"), and GE International Operations (NIG) Limited ("GEION") referred to herein as "Seller", as to the matters set forth herein.

WHEREAS, GEION and SPDC agreed to the terms of the contract number NG01020423, Long Term Service Agreement ("LTSA") for Afam VI combined cycle power generation plant signed on July 30th 2018 (the "Contract NG01020423").

WHEREAS, GEION and SPDC have further agreed to a Buy-Back Credit of \$6,000,000 in lieu of MXL Parts in SPDC inventory as listed in Appendix A situated at SPDC's site subject to specific conditions of Section 3.2 – "MXL Parts Buy-Back Credit Considerations"

NOW, THEREFORE, in consideration of the mutual promises and agreements contained herein, GEION and SPDC hereby agree to cooperate, as described in this AGREEMENT, with respect to Scope of Work and Terms and Conditions therein.

Sincerely yours

Obinna Onuchukwu



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1. PROPRIETARY STATEMENT

This entire Agreement No. 1432645-0000-Rev 0 the "Agreement", as developed by the Seller and provided herein is the property of the Seller.

The entire content of this Agreement is proprietary to the Seller and is furnished in confidence solely for use in considering the merits of the Agreement and for no other direct or indirect use. By accepting this document, the recipient agrees:

1. To use this document, and the information it contains, exclusively for the above stated purpose and to avoid use of the information for performance of the proposed work by the recipient or disclosure of the information to, and use by, competitors of the Seller on behalf of the recipient;
2. To avoid publication or other unrestricted disclosures of this document or the information it contains;
3. To make no copies of any part therefore without the prior written permission of the Seller;
4. To return this document when it is no longer needed for the purpose for which furnished, or upon request of the GEION.

2. DEFINED TERMS

2.1 Definitions

The following terms shall have the meanings set forth below as used throughout this document:

"Agreement" means this document and associated appendices as itemized in the table of contents and table of appendices herein.

"Agreement Price" means the price to be paid by Buyer to Seller under this Agreement or any resulting Agreement for the Parts and Services.

"Assignee" means to whom the title, obligations, right, claim and interest has been transferred in accordance with this Contract.

"Buy-Back Credit" means \$6,000,000 credit consideration to be applied on Owner's MXL Parts.

"Buyer" means The Shell Petroleum Development Company of Nigeria Limited ("SPDC")

"Buyer Representative" means a party or parties duly authorized by BUYER to act on behalf of BUYER, with whom Seller may consult at all reasonable times, and whose instructions, requests and decisions shall be binding on BUYER as to all matters pertaining to the Contract.

"Buyer's Equipment" means Buyer's equipment into which the Products will be installed and on which the Services will be performed.

"Host Country" means Nigeria for the purpose of this Agreement.

"Owner" means "The Shell Petroleum Development Company of Nigeria Limited"

"Owner's Equipment" means the gas turbine units, equipment or components or parts thereof being dismantled, repaired, overhauled, tested, inspected or reassembled by Seller pursuant to the Contract.

"MXL Parts" refer to Owner's parts in inventory for which GEION has agreed to apply Buy-Back Credit subject to the terms of this Agreement.

"Parts" means new materials, components and other goods furnished by Contractor, or its subcontractors or suppliers, under this Agreement for the Covered Unit(s).

"Products" means all equipment, parts, materials, supplies, software, and other goods Seller has agreed to supply to Buyer under the Contract, including Refurbished Parts.

"Purchase Order" means written direction to Seller to perform specified Work under the terms and conditions of the Agreement.

"Seller" means GE International Operations (Nig.) Limited ("GEION")

"Subcontractor" means any firm, company or establishment contracted by and wholly responsible to Seller for executing a specific part of the Work.

"Scope" means the scope of work in this Agreement.

"Services" means such planning, management, Technical Advisory Services, Supplementary Services, labor, tools and incidental goods necessary to install the Products identified herein and to move, install, assemble, modify, repair, modernize, start-up and/or maintain the Buyer's Equipment, in connection with any of the foregoing.

"Site" means the premises where the Buyer's Equipment is located at AFAM VI Power Plant.

"Technical Advisory Services" means technical advice and counsel from Seller's Technical Advisors/Specialists based on Seller's current engineering, manufacturing, installation and operation practices as applicable to the Buyer's equipment. Technical Advisory Services may include controls testing, controls adjustment, and controls programming, as necessary. For the avoidance of doubt, Technical Advisory Services does not include supervision or management of Buyer's employees, agents, or other contractors and does not include any physical removal, inspection, replacement or repair of any parts or components of the Covered Units."

"Terms and Conditions" means the Terms and Conditions as agreed in Contract Number NG01020423, Long Term Service Agreement ("LTSA") for Afam VI combined cycle power generation plant between The Shell Petroleum Development Company of Nigeria Limited ("The Company") and GE International Operations (Nig.) Limited ("the Contractor"), signed on July 30th 2018 (the "Contract NG01020423").

2.2 Error and Omission

Buyer/Owner shall bring to Seller's attention, any apparent mistakes, typing errors and omission in this Agreement. Such mistakes, typing errors and omission shall be corrected by Seller in writing prior to proceeding with the Agreement evaluation and subsequent Purchase Order Issuance.

3. COMMERCIAL CONSIDERATIONS

GEION and SPDC hereby agree to the commercial considerations for the Buy-Back Credit for Owner's MXL parts and a commitment for the Purchase of parts for GT11 C Inspection (otherwise referred to as "the 4th Set of MXL2 Parts") under the Contract NG01020423 as set forth in Section 3.1 and Section 3.2 below. Validity of Seller's Buy-Back Credit is contingent on Owner fulfilling all the terms and conditions of this Agreement.

3.1 MXL Parts Buy-back and Credit Consideration

GEION hereby agrees to buy-back a full set of SPDC's Parts in Inventory (herein referred to as "SPDC's Existing MXL Parts"). A joint inventory count and site walk down has been carried out by select members of both SPDC's and Seller's teams and details of the SPDC's Existing MXL Parts are catalogued in Appendix A. Furthermore, the SPDC's Existing MXL Parts listed in Appendix A are considered complete and certified unused with zero operating hours by both GEION and SPDC.

As consideration for buying back the SPDC's Existing MXL Parts, GEION shall issue a Credit Note worth USD \$6,000,000 to SPDC that will be applied on a purchase order issued and those that will be issued further to Contract NG01020423, as detailed below:

- 3.1.1 \$3,000,000 Credit Note shall be applied to the existing Parts purchase order call-off number 4510417142 dated 29th April 2019 with a total value of USD 21,535,584.00 ("Existing Parts Purchase Order Call-off Number 4510417142"). This \$3,000,000 Credit Note shall be applied on the next invoice for 50% of the purchase order value, which GEION will submit to SPDC after presentation of the shipping documents as stated in Section 3.1.5(IV) below.
- 3.1.2 The remaining \$3,000,000 Credit Note shall be applied on the remaining (yet to be performed) three C Inspections documented and agreed in Contract NG01020423.
- 3.1.3 Application of the Credit Note on the remaining three C Inspections shall not exceed \$1,000,000 per C Inspection.
- 3.1.4 SPDC shall transfer title of SPDC's Existing MXL Parts to GEION upon signature of this Agreement by GEION and SPDC. The SPDC's Existing MXL Parts shall remain in SPDC's custody until the earlier of when GEION specifies a named destination for delivery of the SPDC's Existing MXL Parts or 6 (six) months from the date of signing this Agreement, after which GEION shall assume the risk of loss and be responsible for picking up the SPDC's Existing MXL Parts and shipping them to its preferred destination. Should the preferred destination be offshore Nigeria, GEION and SPDC shall collaborate to fulfill all required customs procedures as specified by both the Nigerian Government and the government of the destination country of Import.
- 3.1.5 GEION and SPDC further agree to the following terms and payment milestones on the Existing Parts Purchase Order Call-off Number 4510417142 for the GT12 C Inspection:
 - I. SPDC shall accept delivery of the 3rd set of MXL2 parts per the Existing Parts Purchase Order Call-off Number 4510417142 by March 14th, 2020.
 - II. Payment of first milestone (10%), already due to GEION, no later than February 28, 2020. (Invoice already submitted)

- III. Payment of second milestone (30%), already due to GEION, after factory visit no later than February 28, 2020. (Invoice already submitted)
- IV. Payment of third milestone (50%), that will be due to GEION according to Contract NG01020423 milestones, 60 days after invoice submission, no later than May 31st, 2020 on which GEION shall apply the \$3,000,000 credit note indicated in Section 3.1.1 above

3.2 GT 11 C Inspection Parts ("the 4th Set of MXL2 Parts")

SPDC hereby makes a binding commitment to purchase the 4th Set of MXL2 Parts for the performance of next C Inspection on GT11 as per Contract NG01020423 and shall issue a Purchase Order (PO) to Seller not later than Dec 2021 subject to EOH or 1 Year before outage due date whichever comes first for this 4th MXL2 set. In the event that the PO is not issued on the said date above, Parties hereby agree that the terms and conditions of this Agreement shall automatically remain as the PO Pending when a substantive delivery date and system purchase order is agreed.

Pricing for the the 4th Set of MXL2 Parts is set out below and a detailed list of the 4th Set of MXL2 Parts is set out in Appendix B.

Description	Price (US \$)
4 th Set of MXL2 Parts Price	19,208,644.45

Total price payable in US Dollar: USD 19,208,645.00 (Nineteen Million, Two hundred and eight thousand, Six hundred and Forty-five USD Only)

As indicated in section 3.1.2 and 3.1.3 above, Seller agrees to apply a Buy-Back Credit of \$1,000,000.00 on the above sale price.

3.2.1 Pricing Terms

1. Amount is based on pre-agreed rates as per Contract NG01020423.
2. Buy-back Credit does not imply a settlement or transfer of cash from GEION to SPDC.

3.3 Delivery of Parts

GT 12 C Inspection Parts

Parties agree that GEION shall ship and deliver the GT 12 C Inspection Parts by March 14th, 2020 – DDP (INCOTERMS 2020), AFAM VI Power Plant Site. Partial Shipments and transshipment shall be allowed.

GT 11 C inspection Parts

4th Set of MXL2 Parts shall be delivered DDP (INCOTERMS 2010) by GEION to the AFAM VI Power Plant Site to meet SPDC's planned outage on GT11 currently planned for 2022 or soon thereafter in accordance with the Terms and Conditions of Contract NG01020423. Partial shipments and transshipment shall be allowed.

3.5 Terms of Payment

GEION shall submit invoices to SPDC and SPDC shall make all payments upon receipt of Seller's invoice in accordance with the Terms and Conditions of Contract NG01020423 - Long-Term Services Agreement between SPDC and GEION and any amendments thereto.

3.5.1 Termination

SPDC hereby agrees that in the event of a cancellation by the buyer of the commitment made here in section 3.2 that the seller will be entitled to a termination fee as stated under section 17.2 of contract NG01020423

3.6 Price Escalation and Adjustment

These Prices are valid for work performed and parts delivered prior to 31 December 2020. If the duration goes beyond this period, the prices shall be adjusted according to the Terms and Conditions of Contract NG01020423 - Long-Term Services between SPDC and GEION and any amendments thereto.

3.7 Validity Period

The above Agreement Price, Buy-back terms and Credit note are valid for signature prior to March 14, 2020. Seller shall have the right to revise the Price above if this Agreement is not signed by March 14, 2020.

3.8 Full Force and Effect

Except as expressly set forth in this Agreement, all other provisions of the Contract NG01020423 remain unchanged and in full force and effect.

4 TERMS AND CONDITIONS

Terms and Conditions shall refer to Contract NG01020423 - Long Term Service Agreement ("LTSA") for Afam VI combined cycle power generation plant between **The Shell Petroleum Development Company of Nigeria Limited** ("The Company") and **GE International Operations (Nig.) Limited** ("the Contractor"), signed on July 30th, 2018 (the "Contract").

Sale of any products and/or services identified herein is expressly conditioned on the SPDC's assent to the additional or different terms contained or referred to herein. Any additional or different terms proposed by SPDC are expressly objected to and will not be binding upon GEION unless specifically assented to in writing by GEION's authorized representative. Any order for, or any statement of intent to purchase hereunder, or any direction to perform work and GEION's performance of work shall constitute assent to GEION's terms and conditions.

5 SIGNATURES

Upon acceptance, this document shall constitute the entire Agreement between the Parties and any understanding, promise, representation, warranty or conditions not incorporated herein shall not be binding on either Party.

Thanking you and assuring you of our best services at all times.

IN WITNESS WHEREOF, the Parties have executed this AGREEMENT as of the date first set forth above.

THE SHELL PETROLEUM DEVELOPMENT COMPANY OF NIGERIA LIMITED

Signature

Printed Name

Title

Date

GE INTERNATIONAL OPERATIONS (NIG) LIMITED



Signature

VINCENT OZOUDE

Printed Name

SALES DIRECTOR

Title

FEB 28TH 2020

Date

APPENDIX A - SPDC's Existing MXL Parts

Material Description	Material Number	Qty
BLADE	GMD0445159P0015	8
BLADE	GMD0445159P0016	6
BLADE	GMD0445159P0017	8
BLADE	GMD0445159P0018	8
BLADE	GMD0445159P0019	8
BLADE	GMD0445159P0020	8
BLADE	GMD0445159P0021	8
BLADE	GMD5445104P0005	6
BLADE	GMD5445104P0006	5
BLADE	GMD5445104P0007	7
BLADE	GMD5445104P0008	6
BLADE ROW 1	HTCT155944P0002	63
BLADE ROW 2	HTCT152908R0004	63
BLADE ROW 3	HTCT152909R0004	63
BLADE ROW 4	HTCT252148R0002	63
		62
BLADE ROW 5	HTCT155699R0002	8
		35
		28
BLADE ROW 5	HTCT155397P0006	3
BLADE ROW 6	HTCT155397P0003	5
BLADE ROW 7	HTCT155397P0004	5
BLADE ROW 8	HTCT155398P0001	3
BLADE ROW 10	HTCT155398P0003	5
COMP. BLADE 1	HTCT155395P0002	2
COMP. BLADE 3	HTCT155396P0004	3
COMP. BLADE 4	HTCT155397P0005	1
		40
VANE ROW 2	HTCT152920R0014	46
VANE ROW 2 BOROSKOP	HTCT152920R0015	1
VANE ROW 2 BOROSKOP	HTCT152920R0016	1
VANE ROW 3	HTCT152912R0014	46
VANE ROW 3 BOROSKOP	HTCT152912R0015	1
VANE ROW 3 BOROSKOP	HTCT152912R0016	1
VANE ROW 4	HTCT152949R0013	1
VANE ROW 4 BOROSKOP	HTCT152949R0014	1
		3
VANE ROW 5	HTCT152901P0001	2
		4
PULSATION PROBE	HTCT105580R0130	1
ROT. HEAT SHIELD SEGMENT A	GMD5443010P0001	36
TURBINE ROTOR HS SEGMENT A	HTCZ466769P0001	63
ROT. HEAT SHIELD SEGMENT B	GMD5443012P0001	63
ROT. HEAT SHIELD SEGMENT C	GMD5443580P0001	63
TURBINE ROTOR HS SEGMENT D	HTCT252163P0001	63
		36
STATOR HEAT SHIELD SEGMENT ROW B	HTCT252158R0001	40
STATOR HEAT SHIELD SEGMENT ROW C	HTCT152988P0001	39
		40
TURBINE STATOR HS SEGMENT C RECO	HTCZ462760P0001	40
STATOR HEAT SHIELD SEGMENT ROW D	HTCT152948P0001	20

RECO. OUTER SHELL ZONE 2 COATED	HTCZ740458R0013	1
RECOND. OUTER SHELL UPPER PART	HTCT014020X0001	1
RECOND. OUTER SHELL LOWER PART	HTCT014020X0002	1
RECO. INNER SHELL ZONE 2 COATED	HTCZ740459R0013	1
RECOND. INNER SHELL LOWER PART	HTCT120899X0001	1
RECOND. INNER SHELL UPPER PART	HTCT120899X0002	1

APPENDIX B - GT11 C Inspection Parts

Material	Description	Order Quantity
HTCT021130R0200	OUTER SHELL (ZONE 2)	1
HTCT122559R0023	INNER SHELL (ZONE 2)	1
HTCT123756R0001	INNER SEGMENT	36
HTCT123761R0001	OUTER SEGMENT	36
HTCT123762R0001	INNER SEGMENT	36
HTCT123763R0001	OUTER SEGMENT	36
HTCZ101845R0001	INNER SEGMENT	36
HTCZ101849R0115	EV INNER FRONT SEGMENT	14
HTCZ101849R0116	EV INNER FRONT SEGM. FLAME MONIT	1
HTCZ101849R0117	EV INNER FRONT SEGM. FLAME MONIT	1
HTCZ101849R0218	EV OUTER FRONT SEGMENT	16
HTCZ101849R0219	EV OUTER FRONT SEGMENT IGNITION	2
HTCZ101849R0220	EV INNER FRONT SEGM. FLAME MONIT	1
HTCZ102065R0001	ZONE 1 OUTER SEGMENT 3	35
HTCZ102065R0002	ZONE 1 OUTER SEGMENT 3	1
HTCZ201707R0005	EV INNER FRONT SEGMENT PRESSURE	1
HTCZ510363P0001	TURB. ROTOR HS SEGMENT A	63
HTCZ510442P0016	TURB. VANE 2	46
HTCZ510442P0017	TURB. BOROSCOPE VANE 2	1
HTCZ510442P0018	TURB. BOROSCOPE VANE 2	1
HTCZ510443P0001	TURB. ROTOR HS SEGMENT B	63
HTCZ510444P0001	TURB. ROTOR HS SEGMENT C	63
HTCZ510445P0001	TURB. ROTOR HS SEGMENT D	63
HTCZ510463R0003	TURB. VANE 4	29
HTCZ510464P0003	TURB. BLADE 3	63
HTCZ510466P0002	TURB. BLADE 5	63
HTCZ510469P0002	TURB. BOROSCOPE VANE 4	1
HTCZ510471R0001	INTERMEDIATE RING	1
HTCZ510472R0001	INTERMEDIATE RING	1
HTCZ510473R0001	INTERMEDIATE RING	1
HTCZ510624P0003	TURB. BLADE 4	63
HTCZ510677P0009	TURB. BLADE 1	62
HTCZ510677P0010	TURB. BLADE 1	1
HTCZ510725P0003	TURB. BLADE 2	63
HTCZ520092R0001	TURB. STATOR HS SEGMENT E	36
HTCZ520092R0002	TURB. STATOR HS SEGMENT E	2
HTCZ520092R0003	TURB. STATOR HS SEGMENT E	2
HTCZ520093P0008	TURB. VANE 3	46
HTCZ520093P0009	TURB. BOROSCOPE VANE 3	1
HTCZ520093P0010	TURB. BOROSCOPE VANE 3	1
HTCZ520102P0001	TURB. STATOR HS SEGMENT A	40

HTCZ520105P0001	TURB. VANE 5	50
HTCZ520107R0001	TURB. STATOR HS SEGMENT B	40
HTCZ520108R0001	TURB. STATOR HS SEGMENT D	20
HTCZ520109R0001	TURB. STATOR HS SEGMENT C	40
HTCZ520184P0001	NOZZLE SEGMENT	16
HTCZ530443P0002	TURB. VANE 1	40