


CONTRACTOR NUMBER: SSG-NG01012401-GEN-AA-3347-01786 MOM NUMBER: SSG-SAI-PMT-MOM-00366			DATE: February 2, 2023.		Sheet No. 3
SUBJECT: Full and Final Negotiation on the Close-Out of SSAGS Project VPs			PLACE: MS Teams Videoconference		
PROJECT No.: NG01012401			ORIGINATOR: Steven Nnadozie		
NUIMS ATTENDEES: Bala Misbahu Uche Mokwe Nurudeen Yusuf Sebastian Eze	NUIMS POSITION: Project Mgr. Lead Project Execution Project Leader Project Engineer	COMPANY ATTENDEES: Gabriel Dimowo Uduak Lambo Victor Alozie	COMPANY POSITION: Deputy Company Rep. Snr. Contract Manager. Project Lead, DOMGAS	CONTRACTOR ATTENDEES (SCNL): Michele Poggi Giuseppe Tilocca Steven Nnadozie (DESICON): Maurizio Benassi Datonye Alabraba	CONTRACTOR POSITION: SCNL Managing Director Project Director Contract Mgt. POSITION: Project Director Deputy Project Dir.
			Distribution to: Attendees		

SUBJECT ITEM	DESCRIPTION OF DISCUSSION	ACTION TO BE TAKEN BY	DUE DATE
1.0	<u>Introduction:</u> The present meeting is sequel to the Parties' meetings held on the 7th of June 2022. The purpose is to continue the discussions aiming to find a full and final agreement on the Variation Proposals (VP) 103, 104, 105 & 108 already submitted by CONTRACTOR. Parties confirm that until an agreement is found the discussions are without prejudice and subject to Contract basis, and further agreed that the negotiations are intended for a full and final settlement of the subject items, with the principle to reach a mutual agreement. Should an agreement not be reached, then offers made by either party will be considered withdrawn.	INFO	
2.0	<u>Introduction of attendees:</u> The meeting started with the introduction of attendees first by COMPANY and its partner NUIMS and then by CONTRACTOR. In the opening remarks by COMPANY representative a recap of the discussions held on this subject since 2019 was made. It was also stated that the utmost intent was that the present discussions and any offers made would bring the parties to a definite closure of the SSAGS Project VPs final negotiations.	INFO	
3.0	<u>Matters for discussion:</u>		
3.1	COMPANY noted that the previous offers made and the position of the Parties with respect to the amounts acceptable to each Party and requested to know if CONTRACTOR was willing to make downward review of its last offer of USD 35 Million.	INFO	
3.1.1	CONTRACTOR expressed its willingness to reduce its previous offer insofar as it will be to an acceptable level considering the challenges it had suffered in the course of the SSAGS project execution.	INFO	
3.1.2	NUIMS reminded the Parties of the prolonged discussions on these issues and the amount of effort put in by each Party to arrive at the present stage; and how imperative it was to finally close the books of the project which has been open for 10+ years now.	INFO	

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3.1.3	<p>NUIMS enjoined CONTRACTOR to view the offer as a closure of one phase and also an opportunity for future business prospects.</p> <p>In furtherance of the closure of negotiations, COMPANY thereafter made the following proposals to CONTRACTOR;</p> <ol style="list-style-type: none"> I. The waiver of any Liquidated Damages (LDs) against CONTRACTOR. II. The release of Service Entries (SE) relevant to the Performance Incentive Bonus (PIB) of the following amounts, NGN 610,000,000 (Six hundred and ten million naira) and USD 3,000,000 (Three Million United States Dollars). III. USD 29.4 Million as a full and final settlement of the VPs under discussions between the Parties. 	INFO	
3.1.4	<p>CONTRACTOR requested for a review of the exchange rate to be applied, COMPANY rejected and noted that the currency split would be worked out later.</p> <p>In response, CONTRACTOR acknowledged the commitment brought to bear in the course of these negotiations and then confirmed its acceptance of the offer made (under Item 3.1.3 above) by COMPANY.</p>	INFO	
4.0	AOB		
4.1	<ul style="list-style-type: none"> CONTRACTOR further reminded COMPANY of the outstanding Customs Duties charges made against the project importations, which was not mentioned above. COMPANY stated that outstanding charges related to VO-013 would be included in the VO which would reflect the outcome of this negotiation. 	INFO	
4.1.1	<ul style="list-style-type: none"> COMPANY inquired about CONTRACTOR's willingness to proceed with VPs for spares as previously communicated, CONTRACTOR remarked that such discussions would be best suited under a different forum away from the present one. 		
4.1.2	<ul style="list-style-type: none"> The Parties thereafter declared the SSAGS Project VPs final negotiations meeting closed. 		

NUIMS Representative

COMPANY Representative



 CONTRACTOR Representative
 MICHELE POGGI
 Managing Director
 SAIPEM CONTRACTING NIGERIA LTD.