

# ALCON NIGERIA LIMITED

RC 47042

CONTRACTING

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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 28<sup>th</sup> April, 2020, meeting held with COMPANY and its JV Partner on the 14<sup>th</sup> of May, 2020, CONTRACTOR's letter NG01011666-AL-SNC2-LT-000 dated 25<sup>th</sup> May, 2020 and subsequent meeting held on 24<sup>th</sup> 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