**CORING SERVICES AGREEMENT**

**Article 1-** **Parties to the Contract**

This Coring Service Agreement (hereinafter referred to as “Agreement”) has been executed by and between **TÜRKİYE PETROLLERİ A.O.** (hereinafter referred to as “Company” or “TPAO”) on one side, and **…………………………………………………………………………………** (referred to as “Contractor” OR “….”) which is incorporated under the laws of **TURKIYE** on terms and conditions set forth below. These parties may be referred to individually as “Party” or collectively as “Parties” hereinafter.

**Article 2- Information on Parties**

**2.1. The address of the Company:** TÜRKİYE PETROLLERİ A.OSöğütözü Mahallesi Nizami Gencevi Cad. No: 10 06530 Çankaya/ANKARA.

**Phone No :** (312) 207 20 00

**Fax No :** (312) 286 90 49

**E-mail :** serviceprocurement@tp.gov.tr

**Tax Office and Tax Number :** Ulus - 8790032784

**2.2.** **The address of the Contractor:**

………………………………………………………………………………..

**Phone No :** …………………

**Fax No :** **………………………………….**

**E-mail :**

**Tax Office and Tax Number : ………………………………….**

Contact Information of the Contractor is provided in the Article 6.

## Article 3

**3.1.** **Agreement Documents**

This Agreement is formed by:

1. The main body of the Agreement
2. Attachment 1 – TPAO Technical Specifications
3. Attachment 2 – Contractor’s Commercial Proposal
4. Attachment 3 – TP Occupational Health-Safety and Environmental (HSE) Protection Standards
5. Confidentiality Agreement

The above documents shall be considered as an integral part of this Agreement. In the event of a conflict or ambiguity between the documents stated in this Clause, they shall prevail in the above-mentioned order.

**3.2. Period of Performance**

This contract shall become effective on Effective Date, shall remain in full force and effective for two years.

**Article 4 – Definitions**

The following definitions shall be used for interpreting the Agreement.

**“Affiliate” or “Affiliates”** shall mean in relation to a Party, a company (a) which controls either directly or indirectly a Party; or (b) which is controlled directly or indirectly by a Party; or (c) which is directly or indirectly controlled by a company or legal entity, which directly or indirectly controls a Party. For the purpose of this definition, “control” means ownership or control of at least 50% (fifty percent) of the registered capital of such company or legal entity or the right to exercise more than 50% (fifty percent) of the voting rights of such company or entity.

**“Work” or “Services”** shall mean all work and services to be performed by Contractor to provide Coring Services in accordance with this Agreement including its Attachments.

**“Effective Date**” shall mean the date stated in Clause 9.1.

**“Contractor’s Base”** shall mean Contractor’s location in Turkiye

**Article 5 – Scope of the Work**

**5.1.** Technical Information and the Terms and Conditions related to Contractor’s responsibilities and performance of the Work are further set forth in Attachment-1 and herein this Agreement and Contractor shall perform the Work as detailed in this Agreement including Attachment-1. Subject to Clause 6.2., TPAO has the right to change the Work described in Attachment-1, and to add new steps or extract steps from the Work. Contractor shall furnish all labor, equipment, supervision, insurance, HSE equipment and incidentals, as specified herein, and shall do all things necessary to perform the Work. Contractor shall at all timesact in accordance and comply with TPAO Occupational Health- Safety and Environmental (HSE) Protection Standards set forth in Attachment - 3.

**5.3.** The formal procedure regarding explosive usage should be provided by Contractor.

**Article 6 – Type and Price of the Agreement**

**6.1.** Estimated value of this Agreement is$................... (………………………………………………)

**6.2.** The Work which is planned and mentioned under this Agreement and the estimated value of the Agreement indicated in above Clause 6.1. is derived by using the unit prices in the Contractor’s proposal (Attachment-2) and the estimated operation times.

**Article 7-** **Costs Included in the Agreement Price**

**7.1.** Transportation, every kind of shipment, every kind of insurance, every kind of tax duties and labor fees (salary, overtime pay, weekend, national, religious, general holiday payments, severance and notice pay etc.), social security premium, clothing, medical and training expenditures related with the subject service and any expenses incurred due to fulfilling the Contractor's responsibilities in accordance with this Agreement are included in the unit prices of the Contractor and therefore in the Agreement Price as stated in Article 6.

**7.2.** All transportation, insurance costs as well as taxes, duties, charges, fees and other expenses related to the Work shall be borne by Contractor. Unless otherwise provided by applicable law or regulation, Contractor shall also bear any taxes, duties, fees and other expenses related to the execution of the Agreement.

**7.3.** In case there is an increase in the expenditure items stated in Article 8 and in this Article 7 or similar new items emerge, the Contractor’s unit prices shall be deemed to include the margin to cover such increases or differences and the Contractor shall not have the right to request escalation for the prices during the term of this Agreement.

**Article 8- Registration, Taxes, Duties and Fees, and Other Expenditures Regarding the Agreement**

**8.1.** The Contractor is obliged to fulfill its tax duties in a timely and complete manner. Contractor is liable for any and all penalty fees and punitive damages that arise from its obligations which are not fulfilled in a timely and complete manner. In case there are any penalty fee and/or punitive damage applied to TPAO by government agencies due to Contractor’s failure of its obligations stated under this Clause, TPAO’s right to recourse to the Contractor is reserved.

**8.2.** Unit prices in Attachment-2 and the estimated value of the Agreement are net prices and exclusive of Turkish Taxes. Any tax or other type of fees arising in any Country including Turkiye related to this Agreement shall be borne by the Contractor.

**8.3.** Contractor shall be responsible for food and accommodation of Contractor’s personnel on rig site during the performance of the Work.

**8.4.** Unless otherwise specified in this Agreement, the Contractor shall assume full and exclusive liability for payment of all corporate taxes, personal income taxes, payroll taxes and turnover taxes, and other direct and indirect taxes, currently in place and being applied at the time of entering into this Agreement, as may be imposed on Contractor in Turkiye, which directly result from the carrying out of the service by Contractor. The Contractor hereby shall indemnify, and hold the Company harmless from any claim and demand in respect of the taxes for which the Contractor responsible in accordance with this Clause.

**8.5.** Contractor shall perform and accomplish all registrations for Contractor’s own company and activities as required by the tax authority of Turkiye for a company doing business in Turkiye.

**8.6.** Contractor shall pay custom duties and import fees or similar charges for the importation of goods to be used under this Agreement. TPAO shall not be obligated to pay Contractor for any penalties which may be imposed upon Contractor for failure to pay required duties, fees, licenses, tariffs or similar charges.

**8.7.** If Either Party has a tax exemption, then Either Party must take all necessary steps to ensure that other Party also benefits from such an exemption.

**Article 9 – The Term of Agreement**

**9.1.** This Agreement shall remain in full force and effect as of **-----------------------------------** (“Effective Date”) until the completion of the Work.

**9.2.** The Work starts with the arrival of personnel and required equipment into the first well site and ends following the release notification of TPAO. Before commencement of the Work, TPAO shall send a call out notification to the Contractor indicating the first well name and start date provided that such call out notification shall be in accordance with the Contractor's ETA (estimated time of arrival) if indicated in Attachment – 2. Subject to Clause 6.2., TPAO has the right to order changes to the Work. Such changes may include additions, alterations or work replacements (provided such additions, alterations or replacements are within the capability and resources of the Contractor) or omissions to the Work (collectively “Adjustment”). Any change in pricing as a result of the Adjustment shall be valued at the appropriate rates and prices as per Attachment-2 or in the absence of any appropriate rates and price; a mutually agreed fair valuation shall be made.

**9.3.** If TPAO increases or decreases the number of wells within the scope of this Agreement in accordance with Article 6.2 and 9.2, then the Work Period shall be considered as extended or reduced, as appropriate, for per well included in or excluded from the scope of the Agreement. Without prejudice to Article 13.2 and 17.1, if Contractor fails to finish the Work within the Work Period, TPAO shall have the right to request late completion compensation fee from the Contractor per day delayed, provided that no late completion compensation fee shall be applicable for the number of days delayed due to reasons not attributable to Contractor, such as delays due to sole negligence or default of TPAO, force majeure etc. The late completion compensation fee shall be 2 % (two percent) of the estimated value of the Agreement stated in Article 6.1. for each day delayed. Contractor’s maximum liability due to this Clause, in all cases, shall be limited to 20% of the estimated value of the Agreement stated in Article 6.1.For the delays due to sole negligence or default of TPAO, TPAO shall pay Contractor the applicable stand-by rates indicated in the table under Attachment-2.

**Article 10 – Performance Bond**

**10.1.** Contractor shall submit a performance bond in the amount of $.................... (………………………) ( **6 (six)** **%** of total agreement value) as a guarantee for the performance of the Work. Performance bond shall be valid 90 days after the end of the Agreement Term.

**10.2.** Performance bond shall be submitted to TPAO on the execution date of the Agreement and in accordance with the format provided by TPAO. TPAO shall have the right to withhold any payment due to Contractor unless and until such performance bond is submitted by the Contractor.

**10.3. Values Accepted as Performance Bond:** The values that shall be accepted as performance bonds are as follows:

**a)** Cash,

**b)** Letters of Guarantee issued by Turkish banks and private financial organizations,

**c)** Government securities exported by the Treasury Secretariat and certificates issued in lieu of these bonds.

**10.4.** Those specified in item **Article** **10.3.c** and those exported by including the interest in the nominal value of the bonds issued in lieu of them shall be accepted as guarantee over the sales value corresponding to the principal.

**10.5.** Letters of Guarantee issued by Turkish branches of foreign banks that are allowed to act in Turkiye as per the relevant legislation and the Letters of Guarantee issued by the banks or private financial organizations in Turkiye with **counter-guarantee of banks** or similar loan organizations acting outside Turkiye shall also be accepted as guarantee. **The governing language of letters of guarantee shall be Turkish as per relevant law.**

**10.6.**  The cash guarantees other than the Bank Letters of Guarantee must be furnished to TPAO’s account numbers which is established as **in Vakıfbank TP Branch:**

 **IBAN NO.: TR180001500158048000922784 for US Dollars;**

 **IBAN NO.: TR500001500158048000922790 for Euro and,**

 **IBAN NO.: TR950001500158048000923047 for GBP Sterling.**

**Article 11- Contact Information of Parties**

The points of contact for Company for the service coordination would be:

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| --- | --- |
|  |  |
|  |  |
|  |  |

The points of contact for Contractor for the service coordination would be:

|  |  |  |  |
| --- | --- | --- | --- |
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**Article 12- Termination**

**12.1. Termination for Default**

**12.1.1. Default:** If any of the following events occur, TPAO or Contractor, shall be in default:

1. A Party becomes insolvent or receivership (for financial or other reasons), insolvency, or bankruptcy proceedings are commenced by or against a Party;
2. A party assigns or transfers any right or interest in this Agreement other than as authorized under this Agreement;
3. TPAO fails to make payment for services or materials related to the Work in accordance with the terms of the Agreement;
4. Contractor fails to fulfill its obligations under the Agreement or fails to complete the Work in accordance with the requirements provided in this Agreement.

**12.1.2. Termination Due To Default of Contractor**

**12.1.2.1** Notwithstanding the Clause 12.1.2.2 below, in the event that the penalty amount payable by the Contractor for a Well under Clause 13.3. exceeds 10 % of the total amount of the Lump Sum Service charge for Coring Service of the relevant Well as per Attachment-2,TPAO shall, without prejudice to any other right or remedy available to TPAO under this Agreement or at law, and upon giving Contractor written notice to be effective immediately, have the right to terminate the Agreement or any Work being performed hereunder and, at its sole option, take possession of any completed or partially completed Work. In such case, Contractor shall be entitled to receive payment only for the Work satisfactorily performed in accordance with this Agreement up to the date of termination and no demobilization fee, if applicable, shall be payable by TPAO to Contractor.

**12.1.2.2.** Without prejudice to Clause 12.1.2.1 above, in the event, after written notice from TPAO to Contractor identifying any default either with respect to the nature of the Work or the promptness with which the Work is being performed by those in not good and workmanlike manner, Contractor has not begun to correct or corrected such default to the reasonable satisfaction of TPAO within three (3) days, or if Contractor should make a general assignment for the benefit of its creditors, or if a receiver should be appointed as a result of its insolvency, or if Contractor should fail to perform in accordance with this Agreement, TPAO may, without prejudice to any other right or remedy available to TPAO under this Agreement or at law, and upon giving Contractor written notice to be effective immediately, terminate this Agreement or any Work being performed hereunder and, at its sole option, take possession of any completed or partially completed Work. In such case, Contractor shall be entitled to receive payment only for the Work satisfactorily performed in accordance with this Agreement up to the date of termination and no demobilization fee, if applicable, shall be payable by TPAO to Contractor.

**12.1.2.3.**If TPAO terminates this Agreement pursuant to this Clause 12.1.2, TPAO shall have the right to finish the Work, with or without the assistance of third parties. If TPAO shall supplement or complete the Work with its own forces or through contracts with third parties, Contractor shall pay TPAO for all actual direct costs reasonably necessitated by the default or termination that would not otherwise have been incurred, including, without limitation, as applicable, any additional mobilizing and demobilizing costs incurred by other contractors and their subcontractors, and excess costs incurred in obtaining performance of the remaining Work by other contractors and their subcontractors or by TPAO, plus any damages resulting from delay incurred as a result of the termination and TPAO’s managerial and administrative services provided that Contractor’s liability under this term shall not exceed one hundred and thirty percent (130%) of the value of the terminated part of the Work.

**12.1.3. Termination Due to Default of Company**

If Company is in default as per Clause 12.1.1. and Contractor gives notice to Company of Company's act or omission constituting a ground for default, Company shall rectify the default within a reasonable time. If Company fails to rectify the default within such reasonable time, Contractor may terminate this Contract by giving notice to Company. Company shall not be responsible for failing to rectify the default to the extent such failure results from unreasonable delay by Contractor in giving notice to Company of the default.If the Contractor terminates the Agreement pursuant to this term, Contractor shall only be entitled to receive the payment forthe Work satisfactorily performed in accordance with this Agreement up to the date of termination plus demobilization fee, if indicated in Attachment-2.

**12.2 Termination for Convenience**

TPAO may terminate this Agreement any time for any reason by giving the Contractor a two- week prior written notice. If TPAO terminates the Agreement as per this Clause, Contractor shall only be entitled to receive the payment forthe Work satisfactorily performed in accordance with this Agreement up to the date of termination plus demobilization fee, if indicated in Attachment-2.

**12.3. Termination for Suspension or Force Majeure**

If the Work is suspended beyond ten (10) days due to Article 15 – Suspension of Work or sixty (60) days due to Article 26 - Force Majeure, i) in the case of Article 15, the Contractor or ii) in the case of Article 26, either Party, upon written notice, may immediately terminate this Agreement. In the event of such termination, Contractor shall only be entitled to receive the payment for the Work satisfactorily performed in accordance with this Agreement up to the date of termination plus demobilization fee, if indicated in Attachment-2.

**Article 13 - Late Commencement, Delay and Other Penalties**

**13.1.** Without prejudice to Clause 17.1., Contractor shall pay a compensation fee if it fails to commence the Work after the start date indicated in Company’s call out notification, in accordance with clause 9.2, to Contractor provided that such call out notification shall be in accordance with Contractor’s expected time of arrival (ETA) information if indicated in Attachment – 2. The late commencement compensation fee is 2 % of the estimated value of the Agreement provided in Clause 6.1.for each calendar day delayed up to a maximum of 10 (ten) calendar days.

**13.2.** Save TPAO’s any other rights under this Agreement including Clause 9.3 and without prejudice to Clause 17.1., if there is a delay due to sole default of the Contractor during the Work, TPAO shall not pay the standby fee for the equipment and fee for the personnel provided by the Contractor under this Agreement. This clause also applies for any items provided by third parties to whom the Contractor subcontracted any part of its obligations under this Agreement.

**Article 14 - Contractor’s Personnel and Equipment**

**14.1.** Contractor shall be responsible for the supply, operation, maintenance and repair, and all costs, liabilities and expenses related thereto, of all equipment and shall furnish all of the materials, supplies and work and services, as may be required for the performance and safety of the Work. Contractor shall be responsible for the installation and transportation of all equipment, and all associated costs, fees and charges unless otherwise expressly provided under Attachment-2. Contractor shall not use any worn equipment during the performance of the Work. The Contractor shall be responsible for the maintenance and repair of all equipment and for maintaining readily available and adequate stock levels and supplies of spare parts, and replenishing them as necessary to ensure the continued operation of all equipment in order to fulfil the Contractor's obligations pursuant to this Agreement.

**14.2.** In case of equipment failure or lack of equipment to perform the Work due to Contractor’s sole negligence, Company shall have the right to refuse payment for defective equipment, including mobilization and demobilization costs to be calculated per such equipment.

**14.3.** Contractor shall provide and ensure that its subcontractors, if any, provide qualified personnel to perform the Work in accordance with this Agreement. Company shall, at its sole discretion, be entitled at any time during the validity of this Agreement to require Contractor to withdraw any Contractor’s personnel in the case of his technical incompetence or incompatibility of temperament. Contractor shall withdraw such personnel within reasonable time upon receipt of Company’s notice and provide a replacement acceptable by Company without incurring any cost to Company.

**14.4.** Contractor shall be solely responsible for, supply and shall pay for all costs and expenses including all salaries, wages, allowances and national insurance with respect to the country of domicile of such personnel or the location of the Work and other remuneration and benefits including board and lodging and necessary provisions for all personnel supplied by the Contractor to perform the Work hereunder. In addition, the Contractor shall be solely responsible for and shall pay all costs and expenses including all social expenses, taxes and all other contributions required by any applicable laws. Contractor shall be responsible for, supply and shall pay all costs and expenses including all transportation costs for the crew and all other personnel and all required visas, residence permits and work permits for its personnel, temporary import fees, license fees and any other costs or charges required for the Contractor’s personnel to perform the Work, unless otherwise expressly provided under Attachment-2. The list of the Contractor’s key personnel indicated in Attachment-2 shall be submitted, before the commencement of the Services, to Company together with their CVs including names, positions and level of experience. Contractor shall ensure the level of competence of all its key personnel in communicating in English, written and verbal.

**Article 15 – Suspension of Work**

Subject to Article 12.3, TPAO may, at any time, suspend all or any part of the Work for any reason by giving written notice to Contractor. Contractor shall cease all Work so suspended on the date specified in such notice. Said suspension shall end when TPAO, by written notice to Contractor, either requires Contractor to resume suspended Work or terminates that portion of the Work which has been suspended. During any suspension in the Work, directed by TPAO, TPAO shall pay Contractor the applicable stand-by rates indicated in the table under Attachment-2.

**Article 16– Miscellaneous Provisions**

**16.1. Status Independent Contractor.** Contractor shall act as an independent Contractor and not as an agent of Company. Persons engaged by Contractor for the conduct of the Work and for all matters incident thereto, shall be employees or independent subcontractors of Contractor. Neither Company nor Contractor shall have direction or control of the employees of the other Party in the conduct of the Work. Contractor, as an independent Contractor, shall have complete control over the manner and performance of its operations, Company being interested only in the results to be obtained from the Work.

**16.2. Instruction and Direction.** Subject to the other provisions of this Agreement, Company may instruct and direct Contractor, from time to time, as to the results to be obtained from the Work.

**16.3. Contractor to Act in Own Name**. All responsibilities undertaken by Contractor in connection with the Work, including, without limitation, those concerning Contractor’s personnel, shall be undertaken in the name of Contractor and not in the name of Company.

**16.4. No Waiver.** No failure or failures on the part of either Party to enforce from time to time all or any portion of the terms or conditions of this Agreement shall be interpreted as a waiver of such terms or conditions. The waiver by a Party of its right either to exercise any right it has under this Agreement or to enforce any obligation the other Party has under this Agreement shall only be valid and effective if it is in writing, refers specifically to this Agreement, and is signed by a duly authorized representative of the Party waiving such right. Furthermore, such waiver shall not operate as a waiver of such Party’s right to exercise such right or enforce such obligation on any future occasion, unless the waiver is expressly stated to have such effect.

**16.5. Survival.** The rights and obligations of the Parties as detailed in this Agreement which by their nature survive termination or expiry of the term of the Agreement shall whether expressly stated to do so or not remain in full force and effect after such termination or expiry.

**Article 17– Payment and Invoice**

**17.1. Payment during NPT (non-productive time):** If NPT, delay or late commencement that interrupts the progression of the planned operations arises due to sole default of Contractor, the Contractor shall not receive any payment (operational & stand-by) for not only Contractor’s but also all its subcontractors’ personnel and equipment until returning to same position before the nonconformance occurred. In the event that Company has another existing 3rd party contractor involved in the operations other than the Contractor and its subcontractors, Contractor shall compensate stand-by and/or operational payments that Company has to make to that existing 3rd party contractor during period of the NPT caused by sole default of the Contractor.

**17.2.** The Contractor shall prepare a service ticket after the completion of Work according to the performed Work, in accordance with the unit prices in Attachment – 2.

**17.3.** The Company shall compensate Contractor for Work delivered or performed per the Agreement and accepted by TPAO by payment of prices as set forth herein Attachment 2 of this Agreement. Contractor shall present the monthly invoices to TPAO until 10th of next month during the work is being done. The Company shall pay Contractor for the balance of Work within thirty (30) days from the date of the receipt of the original, signed and stamped invoice and its supporting documents supplied by the Contractor and signed by TPAO representatives. All past due undisputed amounts shall bear interest at the rate of LIBOR plus one percent (1%) per month or the maximum legal rate, whichever is less, from the due date until paid if the delay in payment is not caused by Contractor's fault.

Contractor shall be compensated as detailed within the in Attachments, unless otherwise provided herein the body of the Agreement and agreed in writing between the Parties.

**17.5.** Payments shall be made to Contractor by wire transfer and shall be transmitted to the following address:

|  |  |  |
| --- | --- | --- |
| **Account Holder** | **:**  | **----------------------------------** |
| **Account Number** | **:** | **-----------------------------------** |
| **Account Bank** | **:** | **-----------------------------------** |
| **IBAN****Swift Code** | **:**: | **-----------------------------------****-----------------------------------** |
|  |  |  |

Contractor will submit the invoice monthly and above stated account details shall be stated in full in the invoice having all supporting documents enclosed. The invoices shall clearly refer to this Agreement (**Agreement No: TDLHZM-2217)** and the items therein shall be separately and clearly itemized, expressed in currency US Dollars and accompanied by all necessary substantiation.

If any bank charges applied due to the Contractor’s correspondent bank, this expense shall be at Contractor’s account.

**17.6.** **Company only accepts invoices from Contractor’s below registered address:**

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**17.7.** All payments under this Agreement shall be in the currency of the United States Dollar (USD).

**17.8.** In the event that the Contractor is a taxpayer in Turkiye, then Turkish equivalent of the related foreign currencies shall also be presented in the invoice. Contractor will show the gross amount and net amount.

**17.9.** The Company shall give the Contractor 15 days written notice on any disputed items in the invoice. Payment of the disputed item may be withheld until settlement of the dispute, but timely payment shall be made of any undisputed portion.

**17.10.** No advance payment shall be made for this Work.

**17.11.** Contractor cannot assign its rights and receivables arising from this Agreement to third parties without written consent of Company.

**17.12.** All invoices to be issued by Contractor under this Agreement shall be sent to TPAO within 90 (ninety) calendar days after the Work is performed by Contractor and approved by TPAO. After 90 (ninety) calendar days, TPAO will not accept invoices issued by the Contractor.

**Article18– Intentionally left blank.**

**Article 19- Insurance and Indemnification.**

**19.1.** The Contractor shall be responsible and pay for keeping in force all necessary insurance to cover its respective liabilities under this Agreement.Each Party shall be responsible for and insure accordingly for any liabilities resulting from the action of their respective servants, agents, subcontractors or co-ventures.

**19.2.** Regardless of cause, Contractor shall be liable for and indemnify Company from claims arising out of personal injury, illness, or death or property loss or damage suffered by Contractor or Contractor’s personnel.

**19.3.** Contractor shall be liable for and indemnify Company from and against any and all claims arising out of personal injury, illness, death or property loss or damage suffered by third parties due to Contractor or Contractor’s personnel actions.

**19.4. Required Insurances**: Contractor shall insure its obligations arising under the Agreement and shall effect and maintain the following or equivalent minimum insurance from reputable and substantial insurers authorized by the laws of Turkiye and satisfactory to TPAO in any combination of primary and excess. Contractor shall have the responsibility to ensure that any of its subcontractors engaged in the performance of the Service hereunder, anywhere, shall follow, comply with and consent to this insurance policy and its limits which are;

* Comprehensive General Liability with limits of liability of USD-1,000,000.00 per occurrence combined single limit. The Parties agree that Contractor shall be solely responsible for all deficiencies or absences of coverage or policy limits of its subcontractors’ insurances.
* Workers’ Compensation Insurance, including Occupational Disease, in accordance with the laws of the jurisdiction where work is being performed, and Employers' Liability Insurance with a limit of not less than USD-350,000.00 per occurence. Employers' Liability Insurance shall also cover any work injuries or accidents caused or occurred during when the employees are collectively being transported to the Work location or back from the Work location by the vehicles provided by the Contractor and or during when the employees are travelling to a different Work location determined by the Contractor.
* Personnel Accident Insurance which shall cover death, sickness, bodily injury, temporary or permanent partial or total disablement, medical expenses and political violence risks for all personnel/employees with a limit of no less than USD-100,000.00 per capita.
* All Risks Physical Damage Insurance in an amount equal to the value of Contractor Equipment and Materials. All Risks Insurance, as required herein, shall cover transit risks on all transportation, including loading and unloading and storage risks during storage.
* Professional Indemnity Insurance Policy will be provided with a limit of not less than USD-1.000.000 per occurrence and in the aggregate.
* Automobile Liability Insurance with limits of liability as required by law.
* Any other insurance required by laws of the Republic of Turkiye.

**19.5.** **Notification:** Contractor shall give immediate notice to TPAO in the event of cancellation or material change in respect of the insurance set out in this Agreement and stating that the insurance companies shall not cancel, non-renew or materially reduce coverages, or allow their lapse, without first providing a thirty day (30 days) notice to the TPAO. In the event that the certificate of insurance expires during the performance of the Work under this Agreement, Contractor shall as soon as reasonably practiceable furnish TPAO with a renewal certificate of insurance evidencing the same insurance as required above.

**19.6.** Except as otherwise provided in this Agreement, the indemnity obligations under this Agreement shall not be limited in amount or in scope to coverages provided by insurance required under this Agreement. In the event that the above-referred insurances remain insufficient, the Contractor shall be responsible for all legal and financial liabilities of any loss and damage the TPAO incurred.

**Article 20- Laws, Rules and Regulations**

**20.1.** Company and Contractor, respectively, agree to comply with all applicable laws which are now or may become applicable to operations covered by this Agreement or arising out of the performance of such operations. If either Party is required to pay any fine or penalty resulting from the other Party’s failure to comply with such laws, rules or regulations, the Party failing to comply shall promptly reimburse the other for any such payment.

**20.2.** The Company undertakes to inform the Contractor of any possible exposure to hazardous substances (including but not limited to hydrogen sulphide gas, commonly known as sour gas) in advance of the signing of this Agreement. In such case Contractor shall notify, provide appropriate safety equipment for and train the relevant personnel and the relevant employees of any of its subcontractors regarding these exposures. The Contractor shall monitor a safety program addressing these points when these exposures exist and insist that all safety measures be carried out by all such employees and personnel. The Contractor shall require that all such employees and personnel wear the safety equipment when the Work contemplates exposure to hazardous substances.

**20.3.** In the event, any provision of this Agreement is inconsistent with or contrary to any applicable law, rule or regulation, said provision shall be deemed to be modified to the extent required to comply with the said law, rule or regulation and this Agreement, as so modified, shall remain in full force and effect.

**Article 21- Governing Law and Dispute Resolution**

**21.1.** This Agreement and any dispute or claim arising out of or in connection with it (whether contractual or non-contractual in nature) shall be governed and interpreted in accordance with the laws of the Republic of Turkiye, excluding any choice of law rules which would refer the matter to the laws of another jurisdiction.

**21.2.** Any and all claims, demands, causes of action, disputes, controversies and other matters in question arising out of or relating to this Agreement, including any question regarding its breach, existence, validity or termination, shall be resolved by the courts and executive offices of Ankara, Turkiye.

**Article 22- Right to Audit**

Contractor shall maintain a true and correct set of records pertaining to Services performed hereunder and all transactions related thereto. Contractor further agrees to retain all such records for a period of two years after completion of the Services. TPAO may, at its expense, require Contractor at any time within said two-year period to furnish sufficient evidence, with documentary support, to enable TPAO to:

1. verify the correctness and accuracy of payments to Contractor; and
2. verify that Contractor does not pay any commissions, fees, or grant any rebates to employees or officers of TPAO nor favor employees or officers of TPAO with gifts or entertainment of significant value nor enter into any business arrangement with employees or officers of TPAO other than as a representative of TPAO without TPAO’s written approval.

Within the time limit herein established, TPAO may at its own expense, following written notice to Contractor, employ an independent firm of public accountants to examine accounts, invoices, tickets and other documents exclusively related to the work performed under this Agreement for the purpose of verifying the accuracy and compliance with the provisions of this Article; provided that said accountants shall agree not to disclose to TPAO any information secured in the course of such audit which does not bear on its above-mentioned purpose. Neither TPAO nor any of its representatives will be allowed to access to Contractor’s confidential, proprietary, or trade secret information.

**Article 23- Confidentiality**

**23.1.** All records, data, reports, and other information concerning TPAO's operations supplied by TPAO shall belong to TPAO. Contractor shall consider such information as TPAO's confidential information and shall treat such information in the same manner as Contractor treats its own confidential information. Contractor agrees to hold in confidence, and not to disclose without prior written approval of TPAO, during the term of this Agreement and for a period of 5 years after the termination of the Agreement for any reason, to third parties or use for any purpose other than performance of the Work, all or any part of such confidential information disclosed to Contractor under this Agreement.

**23.2.** Contractor’s confidential information consists of technical information concerning its computer software, information contained and shown in its detailed drawings, the composition of the materials it supplies, and the manner in which it performs its services. TPAO will protect Contractor’s confidential information in the same manner, as Contractor is required to protect TPAO’s confidential information. TPAO agrees to hold in confidence, and not to disclose without prior written approval of Contractor, during the term of this Agreement and for a period of 5 years after the termination of the Agreement for any reason, to third parties or use for any purpose other than performance of the Work, all or any part of such confidential information disclosed to TPAO under this Agreement.

**23.3.** Parties shall secure prior written agreements from their employees, subcontractors and suppliers who will be engaged in the performance of the Work or may be exposed to confidential information of a Party ensuring their compliance with the provisions of the Agreement.

**23.4.** The above obligation of confidentiality shall not extend to confidential information which:

1. is known to a Party prior to disclosure from the other Party;
2. is disclosed to a Party by a third party under no obligation of confidence to the other Party and having a right to disclose such information;
3. is or shall become part of the public domain through no fault of the other Party;
4. is developed or obtained by a Party wholly independent of the disclosure hereunder; or
5. is required to be disclosed as a result of a lawful request by any official governmental agency or entity.

**Article 24-Entire Agreement**

The Agreement constitutes the entire agreement and understanding between the Parties hereto and supersedes all prior negotiations, representations or agreements related to the Agreement either written or oral. No amendments to the Agreement shall be effective unless evidenced in writing and signed by the authorized representatives of the Parties to the Agreement

**Article 25-Assignment**

Contractor shall have no right to assign this Agreement in whole or in part and any attempt to do so shall be void without the written consent of TPAO. TPAO shall have the right to assign this Agreement to its Affiliates without the prior consent of Contractor. TPAO shall also have the right to assign this Agreement to any other party with the written consent of Contractor, which consent shall not be unreasonably withheld.

**Article 26-Force Majeure**

**26.1.** Force Majeure is defined as acts of God, war or hostilities (declared or undeclared), riots, blockage, civil disturbance, insurrection, fire, floods, severe storms beyond normal waiting on weather conditions, labor strikes or other labor disturbances, orders, decisions, acts of or interference (actual or threatened) by any governmental authority, including but not limited to confiscation, expropriation, nationalization, and delay, revocations or denials of permits, certificates and licenses necessary for the performance of this Agreement or any other cause whether similar or dissimilar to the causes herein stated beyond the reasonable control of the Party claiming Force Majeure; provided that the conditions related to Covid-19 pandemic at the Effective Date shall not be regarded as Force Majeure unless it is evidenced with a state organization’s or authorized organization’s document (health report etc.) for the purposes of this Agreement.

**26.2.** Subject to the termination provisions of the Agreement, if either Party is prevented from performing its obligations under this Agreement as a direct result of Force Majeure, such non-performance shall be excused for the duration of such Force Majeure. The Party afflicted, however, shall promptly notify the other Party and shall do all things reasonably possible to remove the cause of such interference. Rates and prices fixed by this Agreement shall not be subject to adjustment as a result of a force majeure occurrence.

**Article 27-Notices**

Notices required or permitted to be given under this Agreement must be written in English, be addressed or sent in accordance with the receiving Party’s contact information provided in this Agreement, and be delivered by (1) hand, (2) courier, (3) facsimile which provides confirmation of receipt of complete transmission, or (4) e-mail which is affirmatively acknowledged by the addressee, who shall have an affirmative duty to acknowledge promptly that the e-mail has been received. A Party may change its contact information by sending a notice to the other Party. All notifications related to this Agreement shall be deemed made as of the date at which they are served to the notification addresses. Notification served to last informed addresses shall be deemed served to the relevant Party if address changes have not been duly notified to the other Party.

**Article 28- Personnel Data Protection**

As per Personal Data Protection Law No.6698 in Turkiye (PDPL), all information in relation to personal data shall be transferred and submitted to the Company pursuant to the Personal Data Retention and Disposal Policy, Clarification and Express Consent Text, Express Consent and Approval Text and Personal Data Inventory of VIL (Contractor).

The Company shall accept, declare and undertake to use these personal data information in these documents that are transferred by the Contractor as per the relevant terms and conditions of this contract and pursuant to the PDPL No.6698 in Turkiye.

Upon completion of the Work, the Company shall accept, declare and undertake to destruct the documents as per its Personal Data Retention and Disposal Policy and whenever required and all personal data as per the PDPL No.6698 in Turkiye.

**Article 29-Acknowledgment**

The Agreement that consists of twenty-nine (29) articles after the Company any and Contractor have read and understood the provisions set out in this Agreement, is signed on **…./…./….** as two (2) original copies in English a copy of which will be kept by each Party.

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| --- | --- | --- | --- |
| **CONTRACTOR** |  |  | **COMPANY** |
|  |  |  | **TÜRKİYE PETROLLERİ A.O.** |
|  |  |  |  |  |  |  |  |
| **Name** | **:** |  **...................................** |  |  | **Name** | **:** |  **...................................** |
| **Title** | **:** |  **...................................** |  |  | **Title** | **:** |  **...................................** |
| **Sign** | **:** |  **...................................** |  |  | **Sign** | **:** |  **...................................** |
| **Date** | **:** |  **...................................** |  |  | **Date** | **:** |  **...................................** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  | **Name** | **:** |  **...................................** |
|  |  |  |  |  | **Title** | **:** |  **...................................** |
|  |  |  |  |  | **Sign** | **:** |  **...................................** |
|  |  |  |  |  | **Date** | **:** |  **...................................** |