

STANDARD AGREEMENT FORM FOR PROFESSIONAL SERVICES

The parties' contract comprises this Standard Agreement Form, as well as its referenced Articles and their associated Appendices

1. Agency Contract Number 10-16-002	2. DGS Solicitation Number	3. Financial Coding CC 10099170	4. Agency Assigned Encumbrance Number
5. Vendor Number GRG15090	6. Project/Case Number	7. Alaska Business License Number	

This contract is between the State of Alaska,

8. Department of Natural Resources	Division North Slope Gas Commercialization Office	hereafter the State, and
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9. Contractor Greengate LLC	hereafter the Contractor
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Mailing Address 1752 N St NW	Street or P.O. Box 8 th Floor	City Washington,	State DC	ZIP+4 20036-2904
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10. **ARTICLE 1. Appendices:** Appendices referred to in this contract and attached to it are considered part of it.

ARTICLE 2. Performance of Service:

2.1 Appendix A (General Provisions), Articles 1 through 16, governs the performance of services under this contract.

2.2 Appendix B sets forth the liability and insurance provisions of this contract.

2.3 Appendix C sets forth the services to be performed by the contractor.

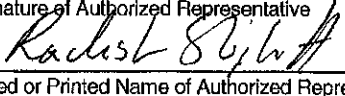
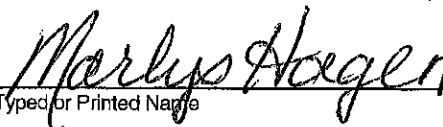
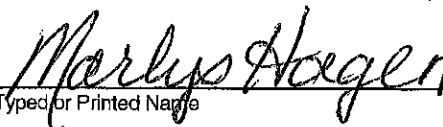
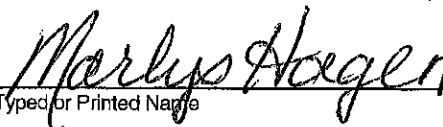
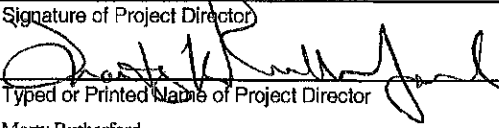
ARTICLE 3. Period of Performance: The period of performance for this contract begins July 8, 2015 and ends September 30, 2015.

ARTICLE 4. Considerations:

4.1 In full consideration of the contractor's performance under this contract, the State shall pay the contractor a sum not to exceed \$300,000 in accordance with the provisions of Appendix D.

4.2 When billing the State, the contractor shall refer to the Authority Number or the Agency Contract Number and send the billing to:

11. Department of Natural Resources	Attention: Division of North Slope Gas Commercialization Office
Mailing Address 550 W. 7 th Ave. Suite 1400, Anchorage, AK 99501	Attention: Angela Sonnier-Laden, Administrative Officer

12. CONTRACTOR		<p>14. CERTIFICATION: I certify that the facts herein and on supporting documents are correct, that this voucher constitutes a legal charge against funds and appropriations cited, that sufficient funds are encumbered to pay this obligation, or that there is a sufficient balance in the appropriation cited to cover this obligation. I am aware that to knowingly make or allow false entries or alternations on a public record, or knowingly destroy, mutilate, suppress, conceal, remove or otherwise impair the verity, legibility or availability of a public record constitutes tampering with public records punishable under AS 11.56.815-.820. Other disciplinary action may be taken up to and including dismissal.</p>								
Name of Firm Greengate LLC										
Signature of Authorized Representative 	Date 7/8/2015									
Typed or Printed Name of Authorized Representative Radoslav Shipkoff										
Title Director										
13. CONTRACTING AGENCY		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Signature of Head of Contracting Agency or Designee </td> <td style="width: 30%;">Date 7/16/15</td> </tr> <tr> <td colspan="2">Typed or Printed Name Marlys Hagen, C.P.M., CPPB, CPPO</td> </tr> <tr> <td colspan="2">Title DNR, Chief Procurement Officer</td> </tr> <tr> <td colspan="2">This contract is exempt from AS 36.30 per SB 138 Sec. 22</td> </tr> </table>	Signature of Head of Contracting Agency or Designee 	Date 7/16/15	Typed or Printed Name Marlys Hagen, C.P.M., CPPB, CPPO		Title DNR, Chief Procurement Officer		This contract is exempt from AS 36.30 per SB 138 Sec. 22	
Signature of Head of Contracting Agency or Designee 	Date 7/16/15									
Typed or Printed Name Marlys Hagen, C.P.M., CPPB, CPPO										
Title DNR, Chief Procurement Officer										
This contract is exempt from AS 36.30 per SB 138 Sec. 22										
Department/Division Natural Resources/North Slope Gas Commercialization Office	Date 7/16/15									
Signature of Project Director 										
Typed or Printed Name of Project Director Marty Rutherford										
Title Deputy Commissioner										

NOTICE: This contract has no effect until signed by the head of contracting agency or designee.

**APPENDIX A
GENERAL PROVISIONS**

Article 1. Definitions.

- 1.1 In this contract and appendices, "Project Director" or "Agency Head" or "Procurement Officer" means the person who signs this contract on behalf of the Requesting Agency and includes a successor or authorized representative.
- 1.2 "State Contracting Agency" means the department for which this contract is to be performed and for which the Commissioner or Authorized Designee acted in signing this contract.

Article 2. Inspections and Reports.

- 2.1 The department may inspect, in the manner and at reasonable times it considers appropriate, all the contractor's facilities and activities under this contract.
- 2.2 The contractor shall make progress and other reports in the manner and at the times the department reasonably requires.

Article 3. Disputes.

- 3.1 If the contractor has a claim arising in connection with the contract that it cannot resolve with the State by mutual agreement, it shall pursue the claim, if at all, in accordance with the provisions of AS 36.30.620 – 632.

Article 4. Equal Employment Opportunity.

- 4.1 The contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, or because of age, disability, sex, marital status, changes in marital status, pregnancy or parenthood when the reasonable demands of the position(s) do not require distinction on the basis of age, disability, sex, marital status, changes in marital status, pregnancy, or parenthood. The contractor shall take affirmative action to insure that the applicants are considered for employment and that employees are treated during employment without unlawful regard to their race, color, religion, national origin, ancestry, disability, age, sex, marital status, changes in marital status, pregnancy or parenthood. This action must include, but need not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The contractor shall post in conspicuous places, available to employees and applicants for employment, notices setting out the provisions of this paragraph.
- 4.2 The contractor shall state, in all solicitations or advertisements for employees to work on State of Alaska contract jobs, that it is an equal opportunity employer and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, disability, sex, marital status, changes in marital status, pregnancy or parenthood.
- 4.3 The contractor shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' compensation representative of the contractor's commitments under this article and post copies of the notice in conspicuous places available to all employees and applicants for employment.
- 4.4 The contractor shall include the provisions of this article in every contract, and shall require the inclusion of these provisions in every contract entered into by any of its subcontractors, so that those provisions will be binding upon each subcontractor. For the purpose of including those provisions in any contract or subcontract, as required by this contract, "contractor" and "subcontractor" may be changed to reflect appropriately the name or designation of the parties of the contract or subcontract.
- 4.5 The contractor shall cooperate fully with State efforts which seek to deal with the problem of unlawful discrimination, and with all other State efforts to guarantee fair employment practices under this contract, and promptly comply with all requests and directions from the State Commission for Human Rights or any of its officers or agents relating to prevention of discriminatory employment practices.
- 4.6 Full cooperation in paragraph 4.5 includes, but is not limited to, being a witness in any proceeding involving questions of unlawful discrimination if that is requested by any official or agency of the State of Alaska; permitting employees of the contractor to be witnesses or complainants in any proceeding involving questions of unlawful discrimination, if that is requested by any official or agency of the State of Alaska; participating in meetings; submitting periodic reports on the equal employment aspects of present and future employment; assisting inspection of the contractor's facilities; and promptly complying with all State directives considered essential by any office or agency of the State of Alaska to insure compliance with all federal and State laws, regulations, and policies pertaining to the prevention of discriminatory employment practices.
- 4.7 Failure to perform under this article constitutes a material breach of contract.

Article 5. Termination.

The Project Director, by written notice, may terminate this contract, in whole or in part, when it is in the best interest of the State, upon thirty (30) day's notice. In the absence of a breach of contract by the contractor, the State is liable only for payment in accordance with the payment provisions of this contract for services rendered before the effective date of termination.

Article 6. No Assignment or Delegation.

The contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Project Director and the Agency Head.

Article 7. No Additional Work or Material.

No claim for additional services, not specifically provided in this contract, performed or furnished by the contractor, will be allowed, nor may the contractor do any work or furnish any material not covered by the contract unless the work or material is ordered by the Project Director and approved by the Agency Head.

Article 8. Independent Contractor.

The contractor and any agents and employees of the contractor act in an independent capacity and are not officers or employees or agents of the State in the performance of this contract.

Article 9. Payment of Taxes.

As a condition of performance of this contract, the contractor shall pay all federal, State, and local taxes incurred by the contractor and shall require their payment by any Subcontractor or any other persons in the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under this contract.

Article 10. Ownership of Documents.

DNR shall not acquire any rights to any of the contractors, its subcontractors, or its vendors, proprietary computer software or contractor's work methodologies, algorithms, and analytical tools that may be used in connection with the services provided under this agreement. All designs, drawings, specifications, notes, artwork, and other work developed in the performance of this agreement are produced for hire and remain the sole property of the State of Alaska and may be used by the State for any other purpose without additional compensation to the contractor. Except as otherwise provided herein, the contractor agrees not to assert any rights and not to establish any claim under the design patent or copyright laws. The contractor, for a period of three years after final payment under this contract, agrees to furnish and provide access to all retained materials at the request of the Project Director. The contractor may retain copies of all the materials it has prepared. Modeling by contractor shall be restricted to use by third parties for the benefit of the project only.

Article 11. Governing Law; Forum Selection

This contract is governed by the laws of the State of Alaska. To the extent not otherwise governed by Article 3 of this Appendix, any claim concerning this contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

Article 12. Conflicting Provisions.

Unless specifically amended and approved by the Department of Law, the terms of this contract supersede any provisions the contractor may seek to add. The contractor may not add additional or different terms to this contract; AS 45.02.207(b)(1). The contractor specifically acknowledges and agrees that, among other things, provisions in any documents it seeks to append hereto that purport to (1) waive the State of Alaska's sovereign immunity, (2) impose indemnification obligations on the State of Alaska, or (3) limit liability of the contractor for acts of contractor negligence, are expressly superseded by this contract and are void.

Article 13. Officials Not to Benefit.

Contractor must comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.

Article 14. Covenant Against Contingent Fees.

The contractor warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee except employees or agencies maintained by the contractor for the purpose of securing business. For the breach or violation of this warranty, the State may terminate this contract without liability or in its discretion deduct from the contract price or consideration the full amount of the commission, percentage, brokerage or contingent fee.

Article 15. Compliance.

In the performance of this contract, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws, and be liable for all required insurance, licenses, permits and bonds.

Article 16. Force Majeure:

The parties to this contract are not liable for the consequences of any failure to perform, or default in performing, any of their obligations under this Agreement, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party. For the purposes of this Agreement, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.

APPENDIX B SCOPE OF WORK

Background

In 2014, the Alaska legislature enacted SB 138 authorizing the administration to take an ownership position in a major North Slope natural gas export project. This legislation allows the Commissioners of Natural Resources and Revenue to enter into a variety of agreements to partner with the North Slope gas producers, and other agencies representing the State of Alaska to secure the state's ownership and to meet the state's transportation needs in the project. These parties have adopted an aggressive schedule for the negotiation of the necessary agreements leading up to a decision to proceed to a front-end engineering and design (FEED) phase within the next 12 - 18 months and to a final investment decision within the next 3 - 4 years.

Under this directive, the Department of Natural Resources requires a contractor to provide oil and gas consulting services in the form of financial modeling and analysis to assist with the implementation of the AKLNG projects.

Scope of Work

The Contractor will perform a number of tasks for the Department including:

- Work with the North Slope Gas Commercialization/state AKLNG project team to provide critical analysis and financial modeling to assist in the negotiation of commercial terms of and advise on financing options for the AKLNG projects. Work will include critical analysis of the financial modeling provided to state agencies by other parties and preparation of economic models to enable an independent high-level evaluation of the economics of the projects under various assumptions.

In performing the services, the Contractor may be required to make certain assumptions or forecasts of conditions, events, or circumstances that may occur in the future. The Contractor will take reasonable efforts to assure that assumptions and forecasts made are reasonable and the basis upon which they are made follow generally accepted practices for such assumptions or projections under similar circumstances.

Deliverables

All documentation and information developed under this contract will be the property of the State of Alaska and transmitted upon completion of the scope of work in a format and quantity agreed upon.

Available Resources

Work will be performed under the direction of the North Slope Gas Commercialization/state AKLNG project team.

Updates and modification to the Contractor's activities may occur periodically. All changes in the scope of work that will result in cost impacts shall be in writing and approved by both parties via contract amendment. Under the direction of the Contracting Agency, the Contractor will provide project control, budgeting, and scheduling information for his own work.

Subcontractors.

Should the Contractor require subcontractors to perform services required by this agreement or otherwise support the Contractor's performance of services under this agreement, the Contractor shall notify the Deputy Commissioner of the Department of Natural Resources, in writing, of the name of each subcontractor to be engaged by the Contractor under this heading and the work anticipated to be performed by each subcontractor. All compensation and reimbursement payments to a subcontractor are the responsibility of the Contractor and the Department of Natural Resources is not responsible for, and will not make, payments owed by the Contractor to the subcontractor.

Other Terms and Conditions

1. All activities conducted by the Contractor in performance of this work and proposed in any plans must be in compliance with all governing federal, state and local statutes and regulations
2. The Contractor shall remain in good standing with the Internal Revenue Service, the Alaska Department of Labor, the Alaska Department of Commerce, Community and Economic Development, the Fair Labor Standards Act, OSHA, and other applicable authorities.
3. Either party may terminate the contract with thirty (30) days written notice to the other party at any phase of the contract.

Appendix C Consideration

Maximum Contract Amount:

The maximum amount payable under this contract is \$300,000, excluding reimbursable expenses.

Invoicing and Payment

The Contractor shall be paid for services at a fixed rate of US\$100,000 per calendar month, beginning July 2015, and ending upon the conclusion of the negotiations of key commercial terms in respect to the Alaska LNG project, currently anticipated by the fall of 2015. When services are provided for less than a full month, the fee for that month shall be billed as a percentage of \$100,000 equal to the percentage of week days in that month actually worked.

Contractor shall be reimbursed for all reasonable travel expenses. To the extent that any of the Contractor's personnel have available to them lodging or accommodations at which such personnel can prepare their own meals, per diem for meals and incidental expenses will be paid at the state's long term rate of \$33.00/day for non-travel days. Such lodging costs will be reimbursed based on submitted rental agreement (not to exceed \$3,000 monthly) or receipts and without mark-up. Otherwise, reimbursement for meals and lodging shall be based upon receipts without mark-up. Other direct costs will be reimbursed based on submitted receipts and without mark-up.

Invoices must consist of documentation of actual hours worked on the project, and any reasonable and necessary direct expenses, including necessary travel expenses and may be submitted monthly or other schedule as agreed upon between the parties. Invoices may be submitted electronically by email to Angela Sonnier-Laden at angela.sonnier@alaska.gov. In such event, the electronic copy of the invoice will be considered the official invoice and will not be followed by a hard copy invoice. The invoice should reference the Agency Contract Number. Each invoice shall be accompanied by a letter stating the status of the project to date and which deliverables have been completed. Payment will be made within thirty (30) days of receipt of the invoice and approval of the invoice by the DNR Deputy Commissioner.

In the event the State disputes any portion of Contractor's invoice, the State shall notify Contractor of the nature of the dispute in writing within ten (10) days of receipt of the invoice. The State may withhold payment on the disputed portion pending resolution of the dispute; provided, however, that the parties agree to negotiate in good faith to resolve any dispute within ten (10) working days. Contractor is under no obligation to submit any deliverable if an invoice is more than 45 days outstanding.

Electronic payments may be made to the account and financial institution designated by the Contractor.

Additional Work

As the project progresses the State may request the Contractor to perform additional work within the scope of this agreement. If this occurs, the State and the Contractor may negotiate to determine a price for the additional work. If an agreement is reached, the Contractor will provide a written proposal to the State for amendment to the contract. The Contract must be amended before any additional work is commenced. The state is not responsible for any costs incurred by the Contractor for additional work without a written Contract amendment.

Late Payments

The State has thirty (30) days from date of receipt of a true and correct invoice to pay that invoice. If the State does not pay within said thirty (30) days, the Contractor can charge the State interest on any unpaid balance.