

ANNEXURE

COST AND REVENUE SHARING

1. For ascertaining the cost of the specific project, the participating parties will operate a separate account opened for the purpose. The respective parties incurring all the costs for the venture will be accumulated. The cost shall also include not below 10% (Ten Percent) of the specific project cost as “*Goodwill Fee*” payable by the participating party to Assam Hydrocarbon and Energy Company Limited. The respective parties incurring all the cost for the venture will be accumulated as such. All costs excluding “*Goodwill Fee*” so accumulated will be termed as ‘**COST RECOVERABLE**’.
2. Any revenue generated from the specific project or any other income pertaining to the project will be accumulated and the total of this will be termed as ‘**REVENUE**’
3. The ‘cost recoverable’ will be first charged to the ‘revenue’ in the ratio of the cost incurred by respective participating parties.
4. ‘The residue revenue’ that is the ‘revenue’ after charging the ‘cost recoverable’ resulting into profit (including loss, if any, for negative result) will be shared between the participating parties in the same ratio of the cumulative cost incurred by the respective parties at the end of successful completion of the project.