

PETROLEUM POLICY 1994

GOVERNMENT OF PAKISTAN
Ministry of Petroleum & Natural Resources
(MARCH 1994)

TABLE OF CONTENTS

	Page
1. INTRODUCTION	1
2. EXPLORATION AND PRODUCTIO SECTOR	2
2.1 PROCEDURAL & REGULATORY MEASURES	2
2.1.1 Expeditious Disposal of Applications	2
2.1.2 Operations in Balochistan & Tribal Areas	3
2.1.3 Holding Company	3
2.1.4 Autonomy to OGDC	3
2.1.5 Incentives for Local E&P Companies	3
2.1.6 Gas Allocation	4
2.1.7 Improvement of Prospectivity	4
2.1.8 Miscellaneous Matters	4
2.2 ECONOMIC TERMS	5
2.2.1 GOP Working Interest (Pre & Post Commercial Discovery)	5
2.2.2 Producer Pricing	5
a. Oil	5
b. Condensate	5
c. Non-Associated Gas	5
d. Associated Gas	5
e. Liquefied Petroleum Gas	5
f. Fixed Return Formulae	6
2.2.3 Import Duties, Fees & Income Tax	6
2.2.4 Production Bonuses	6
2.2.5 Incentives for Deeper Drilling	6
2.2.6 Local Employment, Training & Social Welfare	6
2.3 APPLICABILITY	7
3. OIL REFINERIES AND LUBES	
3.1 REFINERIES	8
3.2 LUBES	9

4.	OIL MARKETING AND DISTRIBUTION	10
4.1	MARKETING COMPANIES' MARGINS AND DEALERS' COMMISSION	10
4.2	RETAIL OUTLETS	10
4.3	CONVERSIO FACTORS	10
4.4	NEW OIL MARKETING COMPANIES	10
5.	INFRASTRUCTURE DEVELOPMENT	11
5.1	PIPELINES AND STORAGE DEVELOPMET ETC.	11
5.2	QUALITY CONTROL	11
5.3	FLOATING STORAGES/OFFSHORE TERMINAL	11
6.	NATURAL GAS/LPG/CNG	12
6.1	NATURAL GAS IMPORTS	12
6.2	SALE OF NATURAL GAS TO THE PRIVATE SECTOR	12
6.3	NATURAL GAS ALLOCATIO FOR MANUFACTURING INDUSTRIES	12
6.4	NATURAL GAS CONSUMER PRICE	12
6.5	LIQUEFIED PETROLEUM GAS	12
6.6	COMPRESSED NATURAL GAS	12
7.	MISCELLANEOUS	13
7.1	ENERGY CONSERVATION, ENVIRONMENT & SAFETY CONTROL	13
7.2	CONTINGENCY PLANS	13

7.3	DATABASE	13
7.4	PROTECTION OF INVESTMENT	13
7.5	INCENTIVES FOR LOCFAL MANUFACTURE	13
7.6	PRIVATISATION	14
7.7.	PETROLEUM REGULATORY BOARD & POLICY CELL	14
	7.7.1 Petroleum Regulatory Board	14
	7.7.2 Petroleum Policy Cell	14
7.8	IMPLEMENTATION OF PETROLEUM POLICY	14
	7.8.1 Implementation Committee	14
	7.8.2 Formalisation of the Petroleum Policy	15
	7.8.3 Effect of the Petroleum Policy	15

8.	ANNEXURES	16
I.	THE NEW BLOCK AWARD PROCESS	17
II.	NEGOTIATIO CELL	19
III.	FRAMEWORK OF THE GOP HOLDIG COMPANY	20
IV.	LAND ACQUISITION	21
V.	ZONAL AREA MAP	22
VI.	TAX & DUTY STRUCTURE FOR THE PETROLEUM SECTOR	23
VII.	EMPLOYMENT, TRAINING & WELFARE PROGRAMME	33
VII.	PARAMETERS FOR IMPORT PARITY REFINERY PRICING	34

1 – INTRODUCTION

Pakistan's indigenous supply of oil of around 60,000 barrels per day satisfies about one fourth of the country's current oil requirements and the balance requirements are met through imports and a heavy cost of US\$ 1.5 billion. This cost will continue to increase unless the current decline in production is reversed. At the same time the demand for natural gas is outstripping supply due to increased domestic, industrial and power generation requirements. Even if the heavy cost of imports can be met, Pakistan lacks the necessary infrastructure to handle the increasing oil and gas requirements. Heavy investment is required to augment this infrastructure. There is thus an imperative need to attract private sector investment to this area of the economy, thereby allowing the Government to commit additional funds to the social sectors. The international investment climate is highly competitive. Therefore, halfhearted measures to attract investment are not likely to succeed.

Being cognizant of the significance of the energy sector and the vital role that it plays in industrialization and the growth of the agricultural sector, one of the first steps taken by Prime Minister Mohtarma Benazir Bhutto on assumption of office was to establish a Task Force on Energy with the defined objectives of framing a new energy policy, evolving a strategy for the elimination of load shedding, mobilization of resources, promoting private sector investment – domestic and foreign, and enhancing indigenous oil and gas production. The Task Force in its Report to the Government proposed major liberalization of the Petroleum Sector from Government control through increased incentives, improved procedures and regulatory framework and transparency in operations.

Based on the recommendations of the Task Force, the Government hereby announces the new Petroleum Policy which for the first time forms part of an integrated energy plan and besides being more radical and liberal it offers major incentives in the upstream and downstream petroleum sectors.

2 – EXPLORATION AND PRODUCTION SECTOR

2.1 PROCEDURAL AND REGULATORY MEASURES

2.1.1 *Expeditious Disposal of Applications*

- a) Procedures for security clearances by Provincial Government and security agencies (Defence, Interior, IB, ISI, etc.) shall be streamlined through a “Green Area Map”. No area clearance would be required for concession blocks falling inside the green areas.
- b) It has been decided to introduce a new Block Award Process through competitive bidding for the Work Programme, thereby introducing transparency and minimizing discretion (Annexure I). However, Exploration and Production (E & P) companies which have bid through the Licencing round or have otherwise applied for a Block before the introduction of this Policy, but have not yet signed a Petroleum Concession Agreement (PCA) will be provided an opportunity to either accept the terms already offered/negotiated or the new Policy as a package. The Government of Pakistan (GOP) retains the right to award any Block on a Government to Government basis without following the bidding process.
- c) Once a new Model PCA/production Sharing Agreement is in place, the negotiated draft agreement based on the Model and the defined economic package, will not be circulated for concurrence of the Minister for Petroleum and Natural Resources for final approval. Where the negotiated draft substantially deviates from the Model Agreement and the defined economic package, the prior consultation of the concerned Ministries/Departments would be required before submission of the draft Agreement to ECC. In such cases the Ministries/Departments shall give their clearance or otherwise within a period not exceeding 15 days after which their approval shall be assumed.
- d) All applications for Exploration Licences will be decided within 60 days. Applications which are contested may take upto 120 days but no more.
- e) It has been decided to create a negotiation cell in the Directorate General Petroleum Concessions (DGPC) for expeditious disposal of applications in accordance with the aforesaid deadlines (Annexure II).

2.1.2 Operations in Baluchistan and Tribal Areas

- a. A high level committee will be formed to review operational and security problems in Balochistan and the Tribal Areas of NWFP. This committee shall submit its recommendations in consultation with the Provincial Governments and other parties concerned within 4 months.
- b. Oil and Gas installations in Balochistan and the Tribal Areas shall be exempted from the application of Industrial Relations Ordinance, 1969.
- c. The law and order situation in and around the producing fields in Balochistan will be improved for sustaining optimum production.

2.1.3 Holding Company

A new 100% GOP owned Holding Company as outlined in Annexure-III is proposed to be formed after the carrying out of a detailed study to separate GOP's ownership and regulatory functions. The GOP participation in joint ventures will be handled through this Holding Company. Pending formation of such a company the GOP's investment in joint ventures will continue to be handled by the Ministry of Petroleum and Natural Resources.

2.1.4 Autonomy to Oil & Gas Development Corporation (OGDC)

OGDC will be restructured on commercial lines and its Board of Directors strengthened, to allow it complete autonomy and authority in all administrative, operational and financial matters. As a first step OGDC will be converted into a joint stock company by June 30th, 1995 after necessary amendments to the OGDC Ordinance. The GOP will restructure its investments in OGDC to make it a viable joint stock company.

2.1.5 Incentives for Local E&P Companies

There is a need to develop a strong indigenous base in exploration and production activities so that the exploratory effort is sustained at a reasonable level during periods in which foreign investment is minimal. Therefore, the following incentives are being provided to local E&P companies:

- a. A local E&P company investing a minimum of 5% during exploration phase will be assigned an additional share out of the GOP'S Working Interest after Commercial Discovery. Provided, however, that if two or more local E&P companies participate in a joint venture, then the GOP will assign a maximum of 5% out of its Working Interest to such companies on a pro-rata basis. However, such E&P companies should neither be affiliated, associated, holding or subsidiary companies of each other. Except for this and other incentives mentioned in this Policy, local and foreign E&P companies will be treated equally.

- b. Local E&P companies will, on a case to case basis, be entitled during the exploration phase to receive foreign exchange against payment in Rupees to meet their day to day obligations under Permits, Licences and PCAs. After Commercial Discovery, local E&P companies would be paid upto 30% of their sale proceeds in foreign currency to meet their day to day operational requirements. For project financing after Commercial Discovery, local E&P companies will be required to make their own foreign exchange arrangements.

2.1.6 Gas Allocation

The GOP will decide within 3 months of Commercial Declaration in Zone 3 to allocate gas to specified buyers (gas companies/individual consumers like power/fertilizer). Thereafter the gas producer and the specified buyer will enter into an agreement within 6 months specifying the time frame for the sale/purchase of gas on a “take or pay” basis. If no allocation of gas is made by the GOP within 6 months of Commercial Declaration or no agreement is reached as specified above, the producers will be free to dispose of the gas as they wish. In the case of gas production from Zones 1 and 2 the producers will be free to dispose of the gas as they wish.

2.1.7 Improvement of Prospectivity

In addition to the exploratory effort envisaged through the private sector, the GOP has also devised an approach for acceleration of oil and gas exploration including specific budgetary allocations for basin studies, geological/geochemical studies, seismic surveys etc. in order to achieve a break-through success in prospectivity and to improve the data bank. The GOP would institute the forementioned programmes directly, on a multi client basis, through OGDC or through service contractors. A minimum percentage of OGDC’s profit would be dedicated to exploration and the Provinces would be encouraged to allocate a portion of their royalty and development surcharge proceeds for exploration activities.

2.1.8 Miscellaneous Matters

- a. DGPC is authorized to allow export of data for primary processing.
- b. The requirement for security clearance of expatriates is discontinued and security clearance will be done at the time of issuance of visas.
- c. Commercial Declaration of a Discovery can be accepted even on the basis of one well, subject to justification, current rules and regulations.
- d. Steps will be taken to streamline the procedure for land acquisition by E&P companies. A working group comprising representatives from the GOP, the concerned Provincial Governments and the Industry shall be formed to review the procedures and submit recommendations to the Cabinet within 6 months (see Annexure IV).

2.2 ECONOMIC TERMS

The Economic Package has been defined and fixed for three defined geological Zones determined on the basis of prospectivity and corresponding financial and economic parameters. The Zones are shown in Annexure V. The economic package will be reviewed from time to time in the light of additional information and may be subsequently adjusted to maintain international competitiveness.

2.2.1 GOP Working Interest (Pre and Post Commercial Discovery)

All PCAs' will provide for a 5% carry for the GOP during the exploration phase. The expenditure incurred will be reimbursed by the GOP in installments from Commercial Discovery from production over a 5 year period. The level of GOP Working Interest in each Commercial Discovery in each Zone will be as under:

Zone-1 (High Risk/High Cost).....	15%
Zone-2 (Medium Risk/High Cost).....	20%
Zone-3 (Medium Risk/Low to High Cost).....	25%

2.2.2 Producer Pricing

- a. **Oil:** The price for Crude Oil delivered at the refinery gate shall be based on the C&F price of a comparable crude oil or a basket of Arabian/Persian Gulf Crude Oils plus or minus a quality differential between the basket and the local crude. No other adjustment or discount will apply.
- b. **Condensate:** The price for Condensate will be the FOB price of internationally quoted comparable Condensate. No other adjustment or discount will apply.
- c. **Non-Associated Gas:** The price for Non-Associated Gas will be indexed to the C&F price of a basket of imported Arabian/Persian Gulf Crude Oils as follows:

Zone-1.....	77-1/2%
Zone-2.....	72-1/2%
Zone-3.....	67-1/2%
- d. **Associated Gas:** The price for Associated Gas shall be equal to the price of Non-Associated Gas as applicable to each Zone for acceptable gas specifications.
- e. **Liquefied Petroleum Gas:** The current LPG producers will be given incentive for incremental production over currently committed levels, which come on stream after the announcement of this Policy through a higher price (FOB) subject to a maximum of US\$ 175 per metric ton. For new projects, C&F parity prices, based on proper port off-loading facilities, will be allowed.

- f. **Fixed Return Formulae:** Application of fixed return formulae to the industry will be progressively changed to market related formulae. A study to review and determine the implications and modalities of this change will be undertaken and completed by December 31, 1995.

2.2.3 Import Duties, Fees and Income Tax

- a. Incentives in respect of Import Duties, Licence/Authorisation Fees and Income Tax are set out in Annexure VI.

2.2.4 Production Bonuses

1. Production bonuses for all Zones will be payable on a Concession Area basis, as under:

<u>AMOUNT, US\$MM</u>	<u>CUMULATIVE PRODUCTION (MMBOE)</u>
0.5	On Commencement of Commercial Production
1.0	U M 30
1.5	U L 60
3.0	A T 80
5.0	I 100

2. Local E&P companies will pay their share of Production Bonuses in Pakistan Rupees.
3. As long as the GOP is OGDC's majority share holder, OGDC will not be subject to Production Bonuses.
4. Production Bonuses will be expended on infrastructural development in and around the Concession Areas.

2.2.5 Incentives for Deeper Drilling

For existing Lease areas, if an E&P company discovers hydrocarbons below the deepest known producing horizon, such company shall be entitled to the price formula applicable to the respective Zone under this Policy for the hydrocarbons produced from the deeper horizon.

2.2.6 Local Employment, Training and Social Welfare

Local employment, training and social welfare schemes will apply as per Annexure VII.

2.3 APPLICABILITY

- a. The incentives pertaining to the GOP's Working Interest after Commercial Discovery shall be applicable to E&P companies who sign PCAs after the announcement of this Policy.
- b. The incentives given in respect of import duties and fees shall be applicable to all E&P companies holding Permits, Licences, Leases or those who sign PCAS ON OR AFTER January 1, 1994.
- c. The remaining upstream incentives given in this Policy shall be applicable to E&P companies who sign PCAs after the announcement of this policy as well as to "new exploratory efforts".

To give effect to the aforesaid incentives, supplemental agreements will be entered into between the GOP and eligible companies who are willing to accept the terms of this Policy as set out in (b) and (c) above as a package.

Note: The term "new exploratory efforts" means Exploration Wells spudded after January 1, 1994.

3 - OIL REFINING AND LUBES

3.1 REFINERIES

In order to attract private investment for the development of refining centers (on the coast, I the middle and north of the country) the following incentives are offered:

- a. No permission will be required for setting up new refineries or expanding existing ones.
- b. The debt equity ratio for refineries will be 80 : 20 instead of 70 : 30.
- c.
 - (i) The price for new refineries will be based on the import parity formula as set out in Annexure VIII.
 - (ii) Prevalent inland freight for products will be added for upcountry refineries based on imported crude oil.
 - (iii) New refineries based on indigenous crude or offering a definite logistic advantage will be ensured a minimum rate of return of 25% on the paid up capital net of tax for eight years if set up by the year 2000.
- d.
 - (i) The limit of 10 – 40% on the rate of return for existing refineries will be removed subject to agreements being executed with the Ministry of Petroleum and Natural Resources covering development and expansion plans.
 - (ii) Other income earned from no-refinery operations can be retained by the refineries.
- e. Refineries may import crude oil, after lifting the allocated local crude oil from sources of their choice at prices not higher than those negotiated in Government-to-Government deals.
- f. Foreign exchange for the import as well as purchase of local crude oil from foreign oil producing companies will be provided by the GOP.
- g. Incentives in respect of Import Duties, Licence/Authorisation fees are set in Annexure VI.
- h. Refineries will be free to sell their products to any marketing company.

3.2 LUBES

- a. Lube products will remain free from price control.
- b. No permission will be required for establishing lube, grease, and wax plants subject to registration for quality check.
- c. Investors will be free to procure raw materials from local or foreign sources.
- d. Used lubricating oils will be sold only to registered reclamation plants operating in accordance with the prescribed guidelines.
- e. Consequent to the deregulation of investment and prices, quality standards will be enforced through checks and all plants will be required to establish adequate testing facilities.

4 – OIL MARKETING AND DISTRIBUTION

A free marketing environment will be gradually created after giving due regard to quality and reasonable prices for consumers. The policy measures intended towards this end are:

.1 MARKETING COMPANIES' MARGINS AND DEALERS' COMMISSION

The commission of the marketing companies and dealers will be reviewed and adjusted annually by the GOP, if necessary, to enable them to invest in the construction of commercial POL storages, logistics and allied facilities for which a specific linkage would be stipulated. Improved margins and infrastructure will also help to eliminate short measuring, adulteration and other malpractices.

.2 RETAIL OUTLETS

Development of retail outlets will be left to the marketing companies subject to environmental and safety rules.

.3 CONVERSION FACTORS

The present anomaly in conversion factors for petroleum products will be removed as early as possible but not later than June 30, 1994.

.4 NEW OIL MARKETING COMPANIES

New oil marketing companies in the private sector will be allowed provided suitable agreements are executed with the Ministry of Petroleum and Natural Resources to cover inter alia the development of infrastructure (pipelines, storage, distribution facilities etc.).

5 - INFRASTRUCTURE DEVELOPMENT

5.1 PIPELINES AND STORAGE DEVELOPMENT ETC.

The following incentives are hereby given for an initial period of 10 years for investments in new oil pipelines (including common carriers, storages and distributions/handling facilities). These incentives will help in taking traffic away from the roads towards cheaper and more efficient modes of transportation and will reduce freight pool expenditures:

- a. The pipeline tariff for new white oil pipeline projects completed before the year 2000 will be allowed at 100% of the Railway tariff. The pipeline tariff for new black oil pipeline projects will be allowed to generate a 25% rate of return on paid up capital in excess of railway freight (i.e. adjustment will be made if railway freight does not generate a 25% return). This incentive will be valid for projects completed within the next 5 years.
- b. Incentives in respect of Import Duties, Licence/Authorisation Fees and Income Tax are set out in Annexure VI.
- c. A storage surcharge of Rs.0.10 per litre will be imposed on POL products for construction of strategic storages through NLC or marketing companies for a 45 days cover by the year 2000.
- d. The GOP will provide guidelines on approximate routes of pipelines to cater for major consumption centers and will extend all possible support in acquisition of rights of way.
- e. The GOP will ensure that necessary minimum volume commitment is provided by marketing companies, refineries or other agencies to new investors in pipelines.
- f. To encourage storage development in the private sector, oil marketing companies will be free to utilize private sector facilities at a mutually agreed rental, to be met out of their marketing margins, to ensure a reasonable return of 25% o investment net of tax.

5.2 QUALITY CONTROL

Stringent laws will be enacted to check adulteration and to enforce quality of products and appliances.

5.3 FLOATING STORAGE/OFFSHORE TERMINAL

The development of floating storages at Karachi port will be encourages in addition to th new Offshore SBM/SPM TERMINAL AT Khalifa point.

6.1 NATURAL GAS IMPORTS

In view of the depletion of existing fields, the import of Natural Gas would be inevitable and the GOP will encourage the import of Natural Gas. A separate cell will be set up in the Directorate General, Gas to handle all matters concerning as imports.

6.2 SALE OF NATURAL GAS TO THE PRIVATE SECTOR

After appropriate regulatory framework is in place and subject to availability of gas, the private sector may obtain gas from trunk mains for distribution in specific areas or for specified purposes like power generation and fertilizer. For this purpose, a bulk purchase price formula will be announced for sales of gas to private distributors.

6.3 NATURAL GAS ALLOCATION FOR MANUFACTURING INDUSTRIES

Manufacturing industries having continuous operations like glass, textile, ceramics, pharmaceutical etc. will, after existing commitments are met, be given priority for gas allocation over power generation to enable them to operate around the year.

6.4 NATURAL GAS CONSUMER PRICE

The consumer price of Natural Gas will be suitably and gradually adjusted so that the transmission and distribution system of gas to existing and new consumers can be expanded.

6.5 LIQUEFIED PETROLEUM GAS

Incentives in respect of Import Duties, Licence/Authorisation Fees are set out in Annexure VI.

6.6 COMPRESSED NATURAL GAS

The use of CNG in vehicles will be commercialized. In addition the industrial gas tariff will apply for conversion to CNG and will only be revised if there is a change in the consumer price of motor gasoline. The existing price differential between industrial gas tariff and motor gasoline will be maintained as an incentive for CNG use. Incentives in respect of Import Duties, Licence/Authorisation Fees and Income Tax are set in Annexure VI.

7 - MISCELLANEOUS

7.1 ENERGY CONSERVATION, ENVIRONMENT AND SAFETY CONTROL

- a. Incentives in respect of Import Duties, Licence/Authorisation Fees are set out in Annexure VI.
- b. New environmental and safety regulations shall be applicable to all companies.
- c. A standing task force will be established to oversee and coordinate safety hazards at the oil/gas fields and other oil and gas installations.

7.2 CONTINGENCY PLANS

In view of the petroleum sector's lack of flexibility to adjust to crises situation due to infrastructural constraints, alternative plans/fall back positions will be formulated. A study will be undertaken to conceive all possible adverse situations the petroleum sector may face and to formulate appropriate contingency plans for all key sectors like refining, storage, transportation and distribution etc. These plans will be integrated to provide necessary alternatives to the GOP.

7.3 DATABASE

A reliable and comprehensive upstream and downstream data base will be established in the Ministry of Petroleum and Natural Resources to undertake quantitative analysis and to simulate real life problems and to answer "what if" questions.

7.4 PROTECTION OF INVESTMENT

Foreign investors whether on their own or in association with the local investors will enjoy the benefits under the Private Investment (Promotion and Protection) Act, 1976, the Enforcement of Shari'ah Act, 1991 and the Protection of Economic Reforms Act, 1992.

7.5 INCENTIVES FOR LOCAL MANUFACTURE ETC.

Incentives to encourage the local manufacture and production of items meant for the petroleum sector and incentives to encourage the use of such items by petroleum sector companies are set out in Annexure VI.

7.6 PRIVATISATION

Privatisation of Pak-Arab Refinery Ltd., Pakistan State Oil Ltd., Sui Northern Gas Pipelines Ltd., Sui Southern Gas Company Ltd. And Oil & Gas Development Corporation would be referred to the Privatisation Commission for expeditious action for off loading a certain percentage of GOP's equity in these companies.

7.7 PETROLEUM REGULATORY BOARD AND POLICY CELL

7.7.1. Petroleum Regulatory Board

An independent Petroleum Regulatory Board (PRB) will be established as early as possible and will be funded through an administrative fee or a cess.

7.7.2. Petroleum Policy Cell

A Petroleum Policy Cell for the ongoing review of the Petroleum Policy and issues facing the petroleum sector will be set up in the Ministry of Petroleum and Natural Resources as soon as possible.

7.8 IMPLEMENTATION OF PETROLEUM POLICY

7.8.1 Implementation committee

The implementation of this policy will be coordinated by a Committee consisting the following members of the Cabinet Committee on Energy (CCE):

- | | | |
|----|---|------------------|
| a. | Minister for Water & Power | Convener |
| b. | Minister for Petroleum & Natural Resources. | Member |
| c. | Adviser to the Prime Minister for Finance and Economic Affairs | Member |
| d. | Special Assistant to the Prime Minister for Economic Sectors. | Member |
| e. | Additional Secretary, Incharge, Planning & Development Division | Member/Secretary |

Secretariat assistance to the Committee would be provided by the Planning and Development Division. The Committee may co-opt other Members as required and would submit its recommendations for approval to the Chairperson of the CCE, i.e., the Prime Minister.

7.8.2 Formalisation of the Petroleum Policy

Existing laws, rules, procedures, policies and orders etc, will be amended to reflect these policy changes. The Central Board of Revenue (CBR), Ministry of Commerce and other Ministries concerned shall issue specific SORs and notifications for the petroleum sector to give effect to the changes relating to Import Duties, Fees, Income Tax and import procedures etc., within one month of the announcement of this policy.

7.8.3 Effect of the Petroleum Policy

This policy supersedes the 1991 Petroleum Policy and the 1993 Petroleum Exploration and Production Policy without affecting the rights that may have accrued to any party under the superseded policies.

8 - ANNEXURES

