

Deloitte Touche Tohmatsu

Scope

The general scope of services is to undertake the role of **Independent Administrator** for the 2006 review of the Ok Tedi Mine Community Mine Continuation Agreements.

The specific services required to be performed by Deloitte in fulfilling the role of Independent Administrator are set out below:-

- Establish and manage a Trust Account to receive and hold monies provided by OTML and to appoint senior Deloitte staff to act as authorised cheque signatories for the account.
- Working with OTML and the Lead Independent Facilitator to develop agreed administrative and dispute resolution procedures.
- To receive and process claims and agreed expenses incurred by service providers and consultants involved in the CMCA review and renegotiation process.
- Comparison of all claims and expenses to pre-determined budgets, forecasts and work programs and to refer any additional or unbudgeted costs, which are beyond a 10% variation in cost, through to an established dispute resolution committee for payment authorisation or rejection.
- Report on all income into and expenditure from the Trust Account on a monthly basis, including maintaining a record of all transactions and performance of monthly bank reconciliations.
- Disbursing funds for sitting fees and out-of-pocket expenses for the community members of the Working Group.
- Attending meetings with the project team, including the Independent Lead Facilitator, PNG Village Facilitators, Independent Observer and stakeholders as and when required to ensure that management, administration and dispute resolution procedures are in place and to co-ordinate the timely and efficient functioning of the Trust Account.
- Meet with representatives of the Working Group on a bi-monthly basis in Port Moresby or elsewhere to attend to administrative matters.
- Ensure compliance with the PNG Income Tax Act for all payments to suppliers, contractors, and consultants. Deducting and remitting to the Internal Revenue Commission all group tax, withholding tax or other taxes required by law.
- Meeting with representatives of OTML as and when required to report on the status of Trust Account funds and account for and report on costs and expenditure incurred.
- Disburse funds generally in accordance with the various agreements in place with the parties to the negotiation process.

- Produce and maintain work paper files and make these available for periodic review by an appointed auditor if required.
- Review, monitor and make payments in accordance with the requirements of the following sub-contracts
 - o Independent Observer
 - o Lead Independent Facilitator
 - o Village Meeting Facilitator
 - o Providers of independent advice as required by the Working Group
- Disburse funds generally in accordance with the agreements; with the Schedule of Payments to third parties; and the agreed administrative and dispute resolution procedures.

In performing the above services Deloitte will report to the OTML Chief Financial Officer.