

**TEMPLATE FOR SUBMISSION OF TEXTUAL PROPOSALS DURING THE 28TH SESSION:
COUNCIL - PART I**

Please fill out one form for each textual proposal which your delegation(s) wish(es) to amend, add or delete and send to council@isa.org.jm.

1. Name of Working Group:

Open-ended Working Group of the Council on the financial terms

2. Name(s) of Delegation(s) making the proposal:

Submitted by Nauru Ocean Resources Inc. and Tonga Offshore Mining Ltd.

3. Please indicate the relevant provision to which the textual proposal refers.

Draft Reg. 80.

4. Kindly provide the proposed amendments to the regulation or standard or guideline in the text box below, using the “track changes” function in Microsoft Word. Please only reproduce the parts of the text that are being amended or deleted.

Subject to regulation 103 (6), and depending on the seriousness of the breach, the Council may impose a monetary penalty or suspend or terminate the exploitation contract in respect of a material breach ~~violation~~ under this Part or of the contract.

5. Please indicate the rationale for the proposal. [150-word limit]

- Under the Convention, suspension and termination of an exploitation contract may only occur in the event of a material breach.
- We have added the relevant materiality obligation to Draft Reg. 80.