

**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.

Part III, Draft Reg. 39.

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.

A Contractor shall keep, in good condition, a representative portion of samples or cores, as the case may be, of the Resource category, from each sample collection period identified in the Standard and Guidelines, together with biological samples, obtained in the course of Exploitation until the termination of the [the exploitation contract] ~~[Closure Plan]~~. Samples shall be maintained taking into account the relevant Guidelines, which shall provide the option for the Contractor to maintain them itself or to have such maintenance performed on its behalf in whole or in part by a third party.

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

- We are concerned that the current text of Draft Reg. 39 may lack clarity. The text in the accompanying Explanation/Comment seems to confuse samples retained for knowledge purposes with samples collected for assaying to determine payment.
- We suggest clarifying the purpose of sample collection in Draft Reg. 39. Alternatively, we suggest setting clear guidelines in the accompanying Standard & Guidelines.