[Director’s Name]

Non-Executive Director, Venture Production plc

Letter of Appointment

Dated:

Dear [First name]

I am writing to record the terms on which we have agreed your appointment as a Non-Executive Director of Venture Production plc (“the Company”). This is not a contract of service.

1. Term of Office

1.1 Subject to the approval by the Board of Venture (the “Board”) of a resolution to that effect, your appointment will commence on ● and will continue until the Annual General Meeting of the Company to be held in ●. At that meeting you will retire from office and offer yourself for re-election. Subject to your being re-elected your appointment will continue for a further 12 months from the date of re-election.

1.2 Your appointment is subject to rotation under the provisions of the Articles of Association of the Company. Your appointment will automatically cease if you are not re-elected as a director.

1.3 Your appointment is subject to annual renewal by the Board at the time of each Annual General Meeting of the Company.

1.4 Your appointment will also terminate automatically:-

   (a) if you are disqualified from acting or you are required to vacate your office as a director for any reason either under the Companies Acts or under the provisions of the Articles of Association of the Company; or

   (b) if your appointment is not renewed by the Board; or

   (c) when an offer for the entire issued share capital of the Company becomes wholly unconditional (unless requested to continue in office by the Board).

1.5 Termination or early termination in any of the circumstances specified in paragraphs 1.2 to 1.4 above will not give rise to any rights to compensation, subject to paragraph 1.6 below.

1.6 If:-

   (a) your appointment is terminated by the Company at a date earlier than 12 months following your initial re-election or subsequent re-appointment (in circumstances other than those referred to in paragraphs 1.2 to 1.4 above); or
(b) you resign voluntarily, but solely because of you having a reasonable objection to, or reasonable disagreement with a Board decision on a material matter of policy or a material commercial matter affecting the Company (meeting the Company and its subsidiaries from time to time);

you will be entitled to a severance payment of £10,000 or, if greater, the amount of fees that would have been paid to you under paragraph 3 below had you continued in office until the date of expiry of your then current appointment term.

2. Duties

2.1 As a non-executive director you will be expected to perform your general fiduciary duties and exercise the skill and care expected of every Director.

2.2 In particular your role will be to make suggestions about, advise on and monitor matters relating to:-

(a) the strategy of the Company;

(b) the Company’s performance;

(c) present and future availability and use of resources

(d) standards of conduct, compliance and control on the Board and in the Company generally;

(e) the appointment of key employees and officers.

2.3 You may be required to serve as a member of the Audit Committee and/or the Remuneration Committee of the Board. You may also be required to serve on any other sub-committee of the Board and/or to accept additional appointments in or on behalf of the Company where best practice requirements dictate that an independent, non-executive presence is required.

2.4 You will be required to accept responsibility, publicly and, where necessary, in writing for matters relating to the Company:-

(a) when requested to do so by the Companies Acts or by the Listing Rules published by the UK Listing Authority, by the practice or rules of the London Stock Exchange, or by the terms of the City code on Takeovers and Mergers; and

(b) in any event, in the terms set out in the Statement of Adherence to Directors Responsibilities which will be printed in the Company’s accounts.

2.5 You will be expected to attend scheduled Board meetings and general meetings and also to participate in meetings of the Audit Committee and/or the Remuneration Committee whilst you sit on them.
2.6 Whilst you hold office in the Company you should not without the prior consent of the Board be a director of or hold shares in any company where to do so puts or could reasonably be expected to put you in conflict with the fiduciary duties you owe to the Company.

2.7 You will be subject to the Model Code for dealings by directors in shares of the Company. A copy of the Model Code is enclosed together with a note of the approved procedures currently in force. Your obligations in this regard will also be regarded as extending to all other companies of which you are, or may from time to time be, a director and which is a shareholder in the Company. It is therefore a term of your appointment that you will ensure, so far as it lies within your power, that such company is also bound by the provisions of the Model Code in respect of dealings in the company’s shares as if it were a person connected with you as a director, as defined in the Model Code.

2.8 Save as set out in this letter, your appointment does not involve the acceptance of any other specific responsibilities, outside the general duties of any director of a company.

3. Fees

You will be entitled to a fee at the rate of £[amount] per annum payable quarterly in arrears. This fee covers all the duties referred to in Section 2 above and for the avoidance of doubt no further fees will be paid in relation to your membership of committees of the Board. For so long as this appointment lasts or is extended, your fee will be reviewed annually by the Board. To the extent that you devote time to the performance of your duties in excess of 20 days per annum you will be entitled to additional remuneration at the rate of £1,000 per day.

4. Expenses

4.1 You will be entitled to be reimbursed reasonable and proper travelling expenses for attendance at board meetings and other meetings that the Company requires you to attend, and reasonable and proper accommodation expenses if any meeting takes place that necessitates an overnight stay away from your home. You should not incur any other expense for which you expect to be reimbursed without clearing the matter with the finance director of the Company before it is incurred.

4.2 You will be entitled without prior notification to the Company to seek appropriate independent legal advice in relation to Company matters at the expense of the Company up to an aggregate cost of £3,000 (including VAT) during the course of your appointment. If the cost of such legal advice will or is likely to exceed £3,000 (including VAT), you must obtain the prior approval of the Chairman or Senior Independent Director before incurring such cost.
5. **Access**

We confirm that:-

(a) you will be given full access to all information in or about the Company and its affairs which is available to the executive directors;

(b) agendas for Board meetings and all relevant papers which require study before Board meetings will be provided to you in good time (save in exceptional circumstances) to allow you to consider them in advance of meetings (and likewise for the proceedings of committees); and

(c) you will be given access to the chairman, the chief executive and the finance director of the Company, on a personal basis, whenever you request to see them, diaries permitting.

6. **General**

6.1 As a non-executive director, you should note that you do not have authority to commit the Company in any way, nor should you make any statements on the Company’s behalf or concerning the Company to the media, financial institutions or anyone associated with the stock market or investor community without the express authorisation of the Board.

6.2 You will not disclose or permit to be disclosed to any person, firm or organisation outside the Company any confidential information relating to the Company or its subsidiaries nor shall you use to the detriment of the Company any information relating to the Company or its subsidiaries, save that you shall not be restricted from making a “protected disclosure” pursuant to Part IVA of the Employment Rights Act 1996.

6.3 You will be entitled to the indemnification afforded to directors by the Company’s Articles of Association and you will also be covered by and required to participate in any D&O liability insurance scheme which is established by the Company. Copies of the Articles of Association and of the current D&O insurance have been made available to you. The Company undertakes to continue to maintain appropriate D&O insurance cover.
6.4 On termination of your appointment for whatever reason, you will, at the request of the Company, resign from office as a director of the Company. Should you fail to do so, the Company is hereby irrevocably authorised to appoint some person in your name and on your behalf to sign any documents or do anything necessary or desirable to give effect to such resignation(s).

Yours sincerely

………………………………………………
Chairman
For and on behalf of Venture Production plc

I agree to the terms and conditions set out above

………………………………………………
[Director]

Date …………………………………………