

Social Events Policy

INTRODUCTION

Talisman Energy USA Inc. (the Company) believes in supporting safe, legal, social events for its employees' enjoyment and recreation, and is committed to promoting safety at all Company-sponsored functions.

SCOPE

Employees are eligible to voluntarily participate in Company-sponsored events and in the development and implementation of social events. Some events may extend to family or other guests of employees.

The Social Events Committee is responsible for the creation, proposal, development and implementation of social events. It is comprised of employee volunteers.

Human Resources is responsible for developing the social events program for implementation. The Human Resources Advisor will have the responsibility of administering the policy while the President is ultimately accountable for the interpretation and maintenance of this program.

DEFINITIONS

Social Events: Voluntary, unpaid activities developed for the enjoyment and recreation of employees.

Company-sponsored Social Events: Any social events, whether on Company premises or off-site, that are endorsed and may be funded or partly funded by the Company. Events may include but are not limited to Christmas parties, receptions and celebration dinners.

POLICY

For a social event to be Company-sponsored, it must be approved by the Human Resources Advisor and the President. Social events in which employees participate independent of such approval are not Company-sponsored events. The Company accepts no responsibility or liability for social events that it does not sponsor.

The Company may choose to fund or partially fund events. It shall not force or expect employees to participate in or contribute money toward any social event. All participation and payment for events are completely voluntary on the part of employees.

Employees are reminded that established Company policies apply at Company-sponsored social events, and that employees should govern their conduct accordingly and act in a professional manner at all times.

Alcohol Consumption: Some Company-sponsored events include the possible consumption of alcohol. Excessive alcohol consumption is prohibited; therefore, employees have a responsibility and an obligation to monitor and limit their own consumption of alcohol. The Company may provide options for alternative modes of transportation for employees.

Employees are expected to obey the law and not drink and drive. They are strongly encouraged to take steps to ensure their fellow employees, and their guests, do not drink and drive while under the influence of alcohol. If an employee recognizes an individual who shows visible signs of intoxication, or is suspected of intoxication, at a

Company-sponsored function and is not comfortable confronting the individual, the employee should bring the situation to the attention of a Manager or Supervisor. The individual who is impaired will be required to immediately and safely leave the event. If the individual does not have a safe method of travel, the Company will make arrangements for alternate transportation. If the manager or event coordinator reasonably suspects the individual to be intoxicated and the individual refuses to leave in alternate transportation, the authorities will be contacted immediately by either the individual's manager, or the event coordinator.

Harassment: The Company's workplace harassment and discipline policies apply to Company-sponsored social events. Consistent with these policies, harassment of any kind is prohibited at these events. Employees who feel they have been harassed should report instances of harassment in accordance with these policies, and those found to be engaging in harassment will be disciplined. The prohibition against harassment also applies to guests of employees at Company-sponsored events.

PROCEDURE

1. The Social Events Committee will meet periodically to discuss and develop ideas for social events. Such ideas may include group outings or sporting activities or the researching and obtaining of group discounts for events or retailers or other organizations. Ideas for events may come from employees or from committee members or the President may request the committee's assistance in organizing a Company-sponsored social event.
2. The committee must obtain approval on social events from the HR Advisor and the President, using the Social Event Approval Form.
3. Once the event is approved, the committee, with additional employee volunteers, as necessary, will be responsible for arranging all promotion and logistics of the events.
4. The Company will fully fund several social events per year. Such funded events may include Company lunches, Christmas parties and a Stampede breakfast.
5. The Company shall not collect money from employees to fund social events. When employees incur a financial cost for their voluntarily participation in events, payment shall be made directly to the provider of the event. The committee may appoint a member to be responsible for the collection of employee payments, so that such payments can be made as one to the provider, however, the Company will not provide accounting support for this activity.