

Terms & Conditions for Supply of Goods and/or Services

1. Definitions

In these terms and conditions, the following words have the following meanings:

'Acceptance' shall mean the date on which the Goods and / or Services have been accepted by Client.

'Affiliate' shall mean a company which is a subsidiary or holding company of any company or a subsidiary of any such holding company where "subsidiary" and "holding company" shall have the respective meanings assigned to them under section 1159 of the Companies Act 2006, and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1) (b) and (c), as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) a nominee.

'Agreement' shall have the meaning as described in Section I (Form of Agreement) hereunder.

'Agreement Price' shall mean the total sum payable to the Supplier in accordance with Section IV (Remuneration) hereunder.

'Catastrophic Incident' shall mean any blow-out, cratering, fire, explosion and/or killing or damage to the formation or damage to or control of any well which shall have become out of control for any reason.

'Claims' shall mean any and all claims, demands, suits, proceedings (including arbitral proceedings), causes of action, judgments, losses, liabilities, damages, fines, interest, penalties, cost and expenses (including legal expenses and court costs).

'Consequential Loss' shall mean:

- i. consequential or indirect loss under English law; and
- ii. loss and/or deferral of production, loss of product, loss of use, loss of revenue, profit or anticipated profit (if any), drill rig, and vessel (including FPSO) stand-by costs, in each case whether direct or indirect to the extent that these are not included in i. above and whether or not foreseeable at the Effective Date.

'Delivery Date' shall mean the delivery date for the Goods and/or Services specified in Schedule III (Scope of Supply) hereunder.

'Client' shall mean the company named as such in Section I (Form of Agreement) hereunder and shall include Client's legal personal representatives, successors and permitted assigns.

'Client Group' shall mean Client, its clients, its and their coventurers (of any tier), its and their respective contractors and subcontractors of any tier, its and their respective Affiliates and its and their respective directors, officers and employees (including agency personnel) but shall not include any member of the Supplier Group.

'Goods' shall mean the goods, materials and/or equipment (if any) to be provided by the Supplier in accordance with the provisions of the Agreement.

'Services' shall mean all services (if any) that the Supplier is contracted to perform in accordance with the provisions of the Agreement.

'Supplier' shall mean the company named as such in Section I (Form of Agreement) hereunder and engaged by Client for the supply of the Goods and/or Services and shall include the Supplier's legal personal representatives, successors and permitted assigns.

'Supplier Group' shall mean the Supplier, its suppliers and subcontractors of any tier, its and their respective Affiliates and its and their respective directors, officers and employees (including agency personnel) but shall not include any member of the Client Group.

'Third Party' shall mean any party other than a member of the Client Group or the Supplier Group.

2. Acceptance

Acceptance of the Goods shall be the time when a duly authorized employee or representative of Client accepts the Goods, delivered, or collected and such Goods appear not to be defective or damaged in any way, and appear to comply with the Agreement. In the event that a defect in or damage to the Goods or any other breach of the Agreement affecting the Goods is identified Client shall not be deemed to have accepted the Goods until such time as such defect, damage or breach is remedied by the Supplier at its sole risk and expense in order to bring the Goods into compliance with the Agreement. Client will inform Supplier within five (5) working days of receipt by Client of the Goods if the Goods have not been accepted due to such defect or damage or breach, and failure to so notify shall imply that the Goods have been accepted by Client without such defect or damage or breach.

3. Delivery

- a) the Goods shall be delivered to or collected by Client, as indicated in Section III (Scope of Supply) hereunder, on or by the Delivery Date or in accordance with the Incoterms to be agreed between the parties.
- b) the Goods shall be labelled with item number, manufacturer's part number, and brief description;
- c) the Goods shall be delivered under cover of a packing list showing brief details of the Goods supplied;
- d) all corrodible parts are to be protected before packing;
- e) where the Goods are ordered to a particular specification or code, appropriate documentation shall be supplied to evidence adherence to such specification or code;

4. Time of Delivery

Promptness of delivery of the Goods and performance of the Services is of the utmost importance. If at any time the Supplier has reason to believe that the Delivery Date shall not be met, written notice setting forth the cause of delay and the best probable delivery date must be given promptly to Client. If such failure or delay by the Supplier shall threaten to impair Client's ability to meet its own delivery schedules Client may at its sole discretion and without liability to the Supplier cancel, by written notice to the Supplier, the affected portions of the Agreement or the whole of the Agreement.

5. Indemnities

- a) The Supplier shall be liable for and shall release, save, defend, indemnify and hold harmless the Client Group in respect of Claims arising from, relating to or in connection with the performance or non-performance of the Agreement for:
 - i. personal injury, death, disease or illness of any member of Supplier Group;
 - ii. loss of or damage to the property belonging to any member of the Supplier Group whether owned, leased, hired or otherwise provided by the Supplier;
 - iii. subject to Clause 5.c. below, personal injury including death or disease, loss of or damage to the property of any Third Party to the extent that such injury, loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of any member of the Supplier Group.
- b) Client shall be liable for and shall release, save, defend, indemnify and hold harmless Supplier Group in respect of Claims arising from, relating to or in connection with the performance or non-performance of the Agreement for:
 - i. personal injury, death, disease or illness of any member of Client Group;
 - ii. subject to Clauses 5.g. and 14, loss of or damage to the property belonging to Client Group whether owned, leased, hired or otherwise provided by Client;
- iii. personal injury including death or disease, loss of or damage to the property of any Third Party to the extent that such injury, loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of any member of Client.
- c) Subject to Clauses 5.a.i., 5.a.ii. and 5.d., but notwithstanding anything else to the contrary, Client shall be liable for and shall release, save, defend, indemnify and hold harmless Supplier Group in respect of all Claims arising from (i) pollution and/or contamination (radioactive or otherwise) including without limitation such pollution or contamination emanating from reservoirs and/or any equipment or property of Supplier Group (where such arises at a wellsite) and/or any equipment or property of Client Group including all cost of containment, clean up and disposal, and (ii) Catastrophic Incidents to the extent not covered under (i) above; arising from, relating to or in connection with the performance or non-performance of the Agreement.
- d) Notwithstanding any provision to the contrary elsewhere in the Agreement and except to the extent of any agreed liquidated damages (including, any predetermined termination fees), the Supplier shall release, save, defend, indemnify and hold harmless the Client Group from the Supplier Group's own Consequential Loss and Client shall release, save, defend, indemnify and hold harmless the Supplier Group from Client Group's own Consequential Loss arising from, relating to or in connection with the performance or non-performance of the Agreement.
- e) The indemnities given pursuant to the Agreement shall be full and primary irrespective of whether the Parties carry insurance in respect of the indemnities given herein.
- f) Notwithstanding Clause 5.a.ii. and except to the extent of fair wear and tear, Client shall reimburse Supplier in respect of loss of or damage to property, materials and/or equipment of Supplier Group which occurs (i) during the performance of Services at Client's worksite except to the extent that such damage is caused by the negligence or breach of duty (whether statutory or otherwise) of the Supplier Group, and (ii) during the period of rental by Client (if rental is included in the Services) whilst such property, materials and/or equipment is in the care and custody of Client Group.
- g) Client's liability for such loss or damage shall, subject to the depreciation provisions set out in Section IV (Remuneration) hereunder, be either the actual repair (provided the property/ material or equipment has been returned to Supplier and is not deemed a total write off) or the applicable Replacement Cost (as more particularly set out in the said Section IV), whichever is the lesser, as substantiated by Supplier to Client.

h) Except as provided in Clauses 5.a.iii.,5.b.iii. and 5.f. above, all exclusions and indemnities given under this Clause 5 shall apply irrespective of cause and notwithstanding the negligence or breach of duty (whether statutory or otherwise) of the indemnified party or any other entity or party and shall apply irrespective of any claim in tort, under contract or otherwise at law.

6. Insurance

The Supplier shall ensure that the following insurances are maintained by the Supplier with reputable insurers throughout the duration of the Agreement and any extension thereto:

If applicable:

- a) Employer's Liability or Workmen's Compensation Insurance as appropriate in full compliance with all applicable laws; and
- b) General Public Liability Insurance with a limit of not less than two million United States dollars (\$2,000,000) equivalent combined single limit any one occurrence covering all obligations of the Supplier under the Agreement; and
- c) Automobile Insurance with a limit of not less than one million United States dollars (\$1,000,000) combined single limit any one occurrence covering all vehicles used by the Supplier in performance of the Agreement and in full compliance with all applicable laws.

To the extent of the indemnity and release obligations assumed by the Supplier herein, the Supplier's insurance policies shall waive all rights of subrogation against the Client Group. To the extent of the indemnity and release obligations assumed by Client herein, Client's insurance policies shall waive all rights of subrogation against the Supplier Group.

7. Invoicing and Payment

The Supplier acknowledges that its rates and prices set forth in Section IV (Remuneration) hereunder are fixed and firm for the duration of the Agreement and are sufficient to cover all its obligations under the Agreement.

In consideration of the Goods and/or Services being satisfactorily provided in accordance with the terms of the Agreement, Client shall pay the Agreement Price to the Supplier in accordance with the terms of the Agreement.

After delivery of the Goods and/or performance of the Services, the Supplier shall submit to Client an invoice in the amounts specified in Section IV (Remuneration) hereunder and Client shall pay the invoice within 30 days of receipt. Client reserves the right to withhold payment for those Goods and/or Services supplied which are not in accordance with the Agreement until rectified accordingly.

If Client disputes any items on any invoice in whole or in part or if the invoice is prepared or submitted incorrectly in any respect, Client shall notify the Supplier and Client may withhold payment for the unaccepted part or whole of the invoice as applicable.

Client shall pay the undisputed part of correctly prepared and submitted invoices within the time specified herein.

Client shall have the right at its own expense to audit all of the Supplier's records pertaining to any cost chargeable by the Supplier under the Agreement save only agreed lump sums and agreed unit rates.

The Supplier shall keep and shall make such records available for twelve (12) months after completion of the Agreement.

8. Tax

The Supplier shall pay all taxes, charges, levies and contributions incurred by it in performance of the Agreement hereunder and shall release, save, defend, indemnify and hold harmless the Client Group from and against any and all Claims for any such taxes, charges, levies and contributions so levied against the Client Group.

9. Safety

Supplier shall comply with all relevant statutes, laws, regulations, by-laws and directives affecting the Goods and/or Services and shall comply with Client's safety regulations when performing Services at Client's premises to the extent Supplier has been made aware of such safety regulations prior to commencing such services. Supplier's failure to comply with the requirements of this Clause 9 shall constitute a material breach of the Agreement and Client shall be entitled to terminate the Agreement immediately with no liability towards the Supplier but always without prejudice to the continuing application of Clause 5.

10. Inspection

Client and its representatives shall at all times during performance of the Services and manufacture of the Goods be granted access to any of the Supplier Group's premises upon reasonable prior notice and be allowed to inspect the Goods and Services at any time prior to acceptance or delivery, whichever is the later. No such inspection or lack of inspection shall relieve the Supplier of any of its obligations or liabilities under the Agreement.

11. Warranty

The Supplier represents and warrants that it possesses the skill, organization, personnel and all other resources necessary for the provision of the Goods and/or Services. The Supplier warrants that it shall supply the Goods and/or execute the Services with all due care and diligence and with the skill to be expected of a reputable contractor experienced in the types of service to be carried out under the Agreement.

a) Warranty for Goods

- i. The Supplier warrants that the Goods supplied hereunder will conform to any codes, standards and specifications set forth in the Agreement and will be of satisfactory quality and shall be fit for their specified purpose and free from defects in design, material and workmanship.
- ii. During a period of twelve (12) months after Acceptance, where Client has found the Goods or part thereof not to have been supplied in accordance with the Agreement, Client shall detail in writing the specific nature of the defect and upon receipt of such notice, the Supplier shall at its own risk and expense and within seven (7) days of receipt of such notice commence, at Supplier's option, to either replace or repair the Goods or any part thereof found to be defective, due to faulty material, workmanship or design or due to any act or omission of the Supplier Group. A further twelve (12) month warranty, with a maximum cumulative warranty of twenty four (24) months, shall be given by the Supplier for those Goods where such Goods (or part thereof) have been replaced or repaired; such warranty shall commence as soon as the Goods (or part thereof) have been replaced or repaired and approved as such by Client, such approval not to be unreasonably withheld or delayed. If such remedial work is not commenced within the said time period, then Client may commence the remedial work itself or authorize others to do the same, and Supplier shall reimburse Client for all costs arising there from.

b) Warranty for Services

- i. Supplier shall be responsible for remedying at its expense any defect or failure caused by Supplier Group, that may arise in the Services within twelve (12) months from the completion of the Services or in the case of Services provided at Client's well site up until the time of demobilization of Suppliers equipment or personnel from the said site where the services were being performed, whichever is earlier. If any defects or failures which Supplier is obliged to remedy under this clause are not remedied within a reasonable time, or circumstances render it impracticable for Supplier to do the same, Client may remedy such defects or failures itself or authorize others to do the same, and Supplier shall reimburse Client for all costs arising there from.

- ii. This warranty and Client's remedies hereunder are in lieu of Client's other rights and remedies existing under the Agreement or at law in respect of warranty obligations.

12. Assignment and Sub-Contracting

- a) The Supplier shall not assign or subcontract all of its rights or obligations hereunder without Client's prior written consent. Such consent shall not be unreasonably withheld or delayed. Client's consent to subcontract shall not relieve the Supplier of any liability or obligation hereunder.
- b) Client shall not assign all or any part of its rights or obligations hereunder to any third party with the Supplier's prior written consent. Such consent shall not be unreasonably withheld or delayed.

13. Changes

Client may at any time propose changes in writing relating to the supply of Goods and/or Services under the Agreement including changes to the Delivery Date and upon Suppliers written agreement to the same (not to be unreasonably withheld or delayed) these shall be deemed a formal variation to this Agreement. If such changes result in an increase or decrease in cost or time an equitable adjustment shall be made to the Agreement Price or Delivery Date or both. Any claim for adjustment by the Supplier must be approved by Client in writing before the Supplier proceeds with such change.

14. Ownership and Risk

The Supplier warrants full, clear and unrestricted title in the Goods, free and clear of any and all liens, restrictions, reservations, security interests and encumbrances. Title in the Goods shall pass to Client as soon as they have been allocated to the Agreement, delivered hereunder or paid for by Client whichever is the latest and risk in the Goods shall pass on Acceptance, whereupon they shall be deemed to be Client property for the purposes of Clause 5.b.ii..

15. Client Property

All tools, designs, patterns and equipment or materials of every description furnished by Client to the Supplier in connection with the manufacture of the Goods and/or the supply of the Services shall be and remain the property of Client. Such property shall be plainly marked or otherwise adequately identified by the Supplier as "Property of Client". Such property whilst in the Supplier's custody or control shall be held at the Supplier's risk and shall be subject to removal at Client's written request in which event the Supplier shall prepare such property for shipment and shall redeliver to Client in the same condition as originally received by the Supplier, reasonable wear and tear excepted.

16. Proprietary Rights

Neither Client nor the Supplier shall have the right of use, other than for the purposes of the Agreement, whether directly or indirectly, of any patent, copyright, proprietary right or confidential know how, trademark or process provided by the other Party and the intellectual property rights in such shall remain with the Party providing such patent, proprietary right, copyright or confidential know how, trademark or process.

While providing the Good and/or Services to Client, Supplier Group may utilize expertise, know-how and other intellectual property and develop additional expertise, know-how and intellectual property which are Supplier Group's exclusive property and which Supplier Group may freely utilize in providing Goods and/or Services for its other customers. Except where expressly and specifically indicated in writing, and in exchange for appropriate agreed payment, Supplier Group does not develop any intellectual property for ownership by Client Group, Supplier Group retains sole ownership of any such intellectual capital (including intellectual property) created by Supplier Group during the course of providing the Goods and/or Services.

17. Patents

The Supplier shall be liable for and shall release, save, defend indemnify and hold harmless Client Group against all Claims arising from infringement of any patent, trademark, registered design, copyright or other proprietary right in respect of the performance by the Supplier of its obligations under the Agreement except where such patent, trademark, registered design, copyright or other proprietary right has been provided to Supplier pursuant to Clause 15 (hereinafter "Client Provided Proprietary Property") in which case Client shall be liable for and shall release, save, defend indemnify and hold harmless Supplier Group against all Claims arising from infringement of Client Provided Proprietary Property, and this condition shall remain binding on the Parties notwithstanding the completion or termination of the Agreement, subject to the exceptions when (i) Goods have been specially modified, designed and/or manufactured to meet Client's specifications; (ii) out of unauthorized additions or modifications to Goods; (iii) when Client's use of Goods does not correspond to Supplier's published standards or specifications; (iv) out of Client's use of Supplier's Goods in combination with work not provided by Supplier.

18. Force Majeure

Neither Party shall be responsible for any failure to fulfil any term or condition of the Agreement if and to the extent that fulfilment has been delayed or temporarily prevented by a force majeure occurrence whether or not foreseeable at the time of entering into the Agreement, which has been notified to the other Party and which is beyond the control

and without the fault or negligence of the party affected and which by the exercise of reasonable diligence, the said Party reasonably incurred by Client as a direct result of such is unable to provide against.

The term "force majeure", as used herein, shall mean acts of God, strikes, lockouts, or other industrial disturbances, terrorist acts, (whether actual, threatened or reasonably perceived), acts of public enemies, wars, blockades, insurrections, riots, epidemics, landslides, fires, floods, civil disturbances, explosions and any other causes not within the control of the Party claiming a suspension, which by the exercise of reasonable diligence such Party shall not have been able to avoid or overcome. For the avoidance of doubt, industrial disputes solely amongst the employees of either of the Parties shall not constitute force majeure.

19. Termination

a) Termination for Supplier Default

In the event of the Supplier's default in performance of any of its obligations under the Agreement, Client may give the Supplier notice to rectify such default within the time specified in Client's written notice (such time for rectification is to be in accordance with any applicable time limit set out in the Agreement and in the absence of such then such time limit the Supplier shall be given a rectification period of no less than ten (10) days).

If the Supplier fails to comply with the requirements of such notice or if, in Client's reasonable opinion such default is not capable of being rectified, or in the event of the Supplier's bankruptcy or insolvency, Client shall be entitled to terminate the Agreement in whole or in part forthwith by giving notice in writing to that effect. In the event that Client terminates the Agreement due to the Supplier's default or breach, the Supplier shall not be entitled to any further payment upon termination other than for those Goods and/or Services provided in accordance with the Agreement prior to termination.

b) Termination for Client Convenience

Client may at its absolute discretion suspend or terminate the Agreement without cause at any time and, in the event and of such termination, Client agrees to pay the Supplier for all Goods and Services satisfactorily completed up to the time of termination and reasonable and substantiated costs arising from such suspension or termination, as evidenced by documentation satisfactory to and verified by Client together with a termination fee equal to ten (10) percent of the Agreement Price (or where this cannot be established at time of termination the estimated Agreement Price).

Without prejudice to Client's rights under the Agreement or at law, on termination of the Agreement, Client (or its authorized representatives) shall be entitled to enter the Supplier's premises or any place where the work under the Agreement is being performed and take possession of the whole or any part of the Goods and remove the same for completion by Client or a third party. If the cause of termination of the Agreement is Supplier default, any additional costs which by the exercise of reasonable diligence, the said Party reasonably incurred by Client as a direct result of such is unable to provide against termination shall be recoverable from the Supplier.

20. Confidentiality

All information obtained by the Supplier in the course of and in connection with the Agreement concerning the Client Group, shall be held confidential by the Supplier and shall remain the property of the Client Group and shall not be divulged by any the Supplier to any Third Party without the prior written consent of Client. It is, however, agreed by Client that the Supplier may share such information with the Supplier Group to extent necessary for performance under the Agreement and subject to Supplier ensuring its other members of its Group are bound by similar confidentiality obligations as imposed on Supplier hereunder.

All such data must not be removed from the Client Group's premises without Client's approval. All documents, drawings and other records containing such information, and any copies thereof, shall upon completion of the agreement or its earlier termination, be returned to Client. The Supplier agrees not to use for marketing, advertising or publicity purposes the Client logo or name or any photographs, drawings and/or materials in connection with the performance of the Purchase Order without obtaining the prior written consent of Client.

21. Business Ethics

- a) The Parties shall uphold the highest standards of business ethics in the performance of the Agreement and shall comply with the terms of Section V (Code of Conduct) hereunder.
- b) Neither Party shall knowingly use information arising from the Agreement in any manner which conflicts with the interests of the other Party. In particular, but without limitation, neither of the Parties shall, directly or indirectly, receive, give, or offer to give, anything of material value from or to any employee, director or agent of the other Party or its other contractors, sub-contractors and suppliers, government officials or any other persons, which could be regarded as an improper inducement to any party.
Any breach of this Clause 21 shall constitute a material breach of the Agreement and entitle the non-defaulting Party to terminate the Agreement with immediate effect.

22. Notices

Notices shall be validly given if sent by facsimile or received by recorded delivery post, delivered by hand and/or by courier, to the addresses of the Parties stated in Section I (Form of Agreement) hereunder or to an address subsequently notified in writing by one Party to the other Party.

23. Contracts (Rights of Third Parties) Act

The Parties agree that the Contracts (Rights of Third Parties) Act 1999 shall apply to this Agreement, but only to the extent that a member of a Party's Group (other than Client or Supplier) shall be entitled in its own right to enforce the benefit only of the indemnities given to it by virtue of Clause 5 but not in any other respect. Further, in making a claim under this Agreement, the remedies of any such members shall be limited to claiming damages; and no such member shall be entitled to assign any benefit conferred on it pursuant to this Agreement. The Parties may rescind or vary any term of this Agreement without the consent of any such member, even if as a result that member's right to enforce a term of this Agreement would be varied or extinguished.

24. General Legal Provisions

- a) None of these terms and conditions of the Agreement shall be considered to be waived by either Client or the Supplier unless a waiver is given in writing by one Party to the other. No failure on the part of either Party to enforce any of the terms and conditions of the Agreement shall constitute a waiver of such terms.
- b) The Agreement supersedes all prior negotiations, representations or agreements related to the Agreement, either written or oral.
- c) Any provision herein which is or becomes illegal or unenforceable shall be severed from the Agreement and shall not affect the validity of the remaining provisions hereof.
- d) Any limitation of liability given by Client to the Supplier under the Agreement shall include the Affiliates of the Supplier.
- e) The Agreement shall be governed and construed in accordance with the Laws of England and Wales and subject to Clause 25 all disputes arising out of or in connection with the Agreement shall be governed by the exclusive jurisdiction of the courts of England.
- f) All exclusions and limitations of liability in this Agreement shall exclude or limit such liability in contract, in tort or otherwise at law.
- g) The provisions of Clauses 5, 8, 12, 16, 17, 20, 23, 24,
- h) 25 and 26 shall continue to remain binding on the Parties notwithstanding termination of this Agreement.
- i) If Client does not have either a registered office or branch office established in England or Wales, it shall, within five

(5) days of Effective Date, notify Supplier of its appointed agent resident within the jurisdiction of the English courts for service of any process or other judicial documents in proceedings arising out of, connected with, or related to this Agreement, including for the avoidance of doubt, the performance or non-performance thereof, and/or any tortious act or omission arising therefrom.

25. Dispute Resolution

Any dispute between the Parties in connection with or arising out of the Agreement shall be resolved by means of the following procedure:

- a) the dispute shall initially be referred to the Parties respective representatives referred to in Section I (Form of Agreement) hereunder who shall discuss the matter in dispute and make all reasonable efforts to reach an agreement;
- b) if no agreement is reached under Clause 25a. the dispute shall be referred to the Managing Directors of the Parties to endeavor to reach an agreement.

In the absence of any agreement being reached on a particular dispute either Party may refer the dispute to the English courts.

26. Suppliers Limitation of Liability

Subject to Clauses 5, 6, 8, 14, 20 and 21, the Supplier's cumulative financial liability to Client under this Agreement shall be limited to a sum equal to 50% of the Agreement Price (or estimated Agreement Price where this cannot be ascertained at the time of the liability arising) and such limitation shall apply irrespective of any negligence or breach of duty (statutory or otherwise) of Supplier Group.