

TERMS AND CONDITIONS FOR THE PROVISION OF SERVICES

ARTICLE 1 PREAMBLE

- 1.1 The TERMS AND CONDITIONS FOR THE PROVISION OF SERVICES apply to the CONTRACT to the exclusion of any other terms that the COMPANY seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.
- 1.2 The PURCHASE ORDER constitutes an offer by the COMPANY to purchase the SERVICES in accordance with these TERMS AND CONDITIONS FOR THE PROVISION OF SERVICES.
- 1.3 The PURCHASE ORDER will be deemed to have been accepted on the earlier of: the CONTRACTOR issuing a written acceptance of the PURCHASE ORDER; or the CONTRACTOR doing any act consistent with fulfilling the PURCHASE ORDER, at which point, the CONTRACT shall come into existence.

ARTICLE 2 DEFINITIONS AND INTERPRETATION

- 2.1 All capitalised terms in these TERMS AND CONDITIONS FOR THE PROVISION OF SERVICES shall have the definitions given in this Article 2 or in the Article which they are stated. References to Articles used in the TERMS AND CONDITIONS FOR THE PROVISION OF SERVICES are to Articles of the TERMS AND CONDITIONS FOR THE PROVISION OF SERVICES unless otherwise specified. Unless the context otherwise requires, words importing the singular shall include the plural and words importing the masculine gender shall include the feminine and neutral genders and vice versa. Any reference to statute, statutory provision or statutory instrument shall include any re-enactment or amendment thereof for the time being in force, save for Section 1159 and Schedule 6 of the Companies Act 2006. The Article headings and sub-headings in the TERMS AND CONDITIONS FOR THE PROVISION OF SERVICES are intended for convenience only and are not in any way to be taken into account when construing the meaning of any part of these TERMS AND CONDITIONS FOR THE PROVISION OF SERVICES.

"**ABC PROGRAMME**" means an anti-bribery and corruption policy and any related procedures as amended, varied or supplemented from time to time, which (without limitation) may include policies, procedures and controls relating to recording of financial transactions; anti-bribery and corruption risk assessment and mitigation; training of personnel; whistle blowing facilities; due diligence on third party engagements/contracts; gifts and hospitality, promotional expenditures, sponsorship and charitable donations; and promoting and monitoring compliance.

"**AFFILIATE**" means any legal entity which controls, is controlled by, or is under common control with, another legal entity. "Control" and "controlled" means: (i) holding beneficially at least fifty per cent (50%) of the issued share capital of such other entity; or (ii) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to: (a) cast, or control the casting of, at least fifty per cent (50%) of the maximum number of votes that might be cast at a general meeting of such other entity; or (b) appoint or remove all, or the majority, of the directors or other equivalent officers of such other entity; or (c) give directions with respect to the operating and financial policies of such other entity with which the directors or other equivalent officers of such entity are obliged to comply.

"**APPLICABLE ANTI-BRIBERY LAWS**" means any laws, regulations and other legally binding measures relating to bribery, corruption or similar activities of (i) the United Kingdom, including without limitation the Bribery Act 2010; (ii) the United States of America including, to the extent applicable to either PARTY, the Foreign Corrupt Practices Act 1977; and (iii) any country or countries in which any of the obligations of the CONTRACT are to be or are performed.

"**CLIENT**" means any third party with whom COMPANY has a contractual obligation to provide the WORK which includes the WORK and/or is the end user of the WORK.

"**COMPANY GROUP**" means the COMPANY and its CLIENT and its and their respective CO-VENTURERS, COMPANY'S 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 CONTRACTOR GROUP.

"**COMPANY REPRESENTATIVE**" means that person referred to in Article 3.

"**COMPETENT AUTHORITY**" means (i) any person having legal, executive and/or regulatory authority and/or enforcement powers (including any public body or authority responsible for the investigation and/or prosecution of criminal offences) over either or both of the PARTIES or any of their AFFILIATES providing services in connection with this CONTRACT; and/or (ii) any court of law or tribunal with jurisdiction over either or both of the PARTIES or any of their AFFILIATES providing services in connection with the CONTRACT.

"**CONTRACT**" means these terms and conditions together with a PURCHASE ORDER. In the event of ambiguity or contradiction between the PURCHASE ORDER and these terms and conditions, the PURCHASE ORDER shall take precedence over the terms and conditions.

"**CONTRACT PRICE**" means the price for the WORK calculated in accordance with a PURCHASE ORDER, exclusive of Value Added Tax.

"**CONTRACTOR**" means Peterson Guyana INC a company incorporated under the laws of Guyana (Company Number 10,317) and having its Registered Office at 62 Hadfield & Cross Sts, Werk-en-rust, Georgetown, Guyana, SA.

"**CONTRACTOR GROUP**" means the CONTRACTOR, its SUBCONTRACTORS, its and their AFFILIATES, its and their respective directors, officers and employees (including agency personnel) but shall not include any member of the COMPANY GROUP.

"**CONTRACTOR REPRESENTATIVE**" means that person referred to in Article 3.

"**CO-VENTURER**" means any other entity with whom the COMPANY or CLIENT is or may be from time to time a party to a joint operating agreement or unitholding agreement or similar agreement relating to the operations for which the WORK is being performed and the successors in interest of such CO-VENTURER or the assignees of any interest of such CO-VENTURER.

"**PURCHASE ORDER**" means any individual instruction issued by COMPANY to CONTRACTOR for WORK to be carried out pursuant to this

CONTRACT.

"**SUBCONTRACT**" means any contract between the CONTRACTOR and any party (other than the COMPANY or any employees of the CONTRACTOR) for the sole benefit of COMPANY and which has been entered into by CONTRACTOR specifically for the performance of any part of the WORK.

"**SUBCONTRACTOR**" means any party (other than the CONTRACTOR to a SUBCONTRACT.

"**TECHNICAL INFORMATION**" means all such information provided by or caused to be provided by the COMPANY pursuant to the CONTRACT.

"**VARIATION**" means such instructions or adjustments as set out in ARTICLE 11.

"**WORK**" means all the work that the CONTRACTOR is required to carry out in accordance with the provisions of the CONTRACT, including the provision of all materials, services and equipment to be rendered in accordance with the CONTRACT.

"**WORKSITE**" means the lands, waters and other places on, under, in or through which the WORK is to be performed including offshore installations, floating construction equipment, vessels (including the area covered by approved anchor patterns), design offices, workshops and places where equipment, materials or supplies are being obtained, stored or used for the purposes of the CONTRACT.

ARTICLE 3 COMPANY AND CONTRACTOR REPRESENTATIVES

- 3.1 The COMPANY REPRESENTATIVE and the CONTRACTOR REPRESENTATIVE are the persons named as such in the PURCHASE ORDER. Such representatives, or delegates appointed in accordance with the provisions of this Article, shall be readily available to enable both PARTIES to discharge their obligations under the CONTRACT.
- 3.2 The COMPANY REPRESENTATIVE and any person authorised by him shall have access at all reasonable times to the WORKSITE and the CONTRACTOR shall afford every facility for and every assistance in obtaining the right of access. The COMPANY REPRESENTATIVE has the authority to commit the COMPANY in all matters under the CONTRACT and, subject to any delegation of such authority which shall be notified to the CONTRACTOR in writing, shall be responsible for issuing to and receiving from the CONTRACTOR all notices, information, instructions and decisions. By notice to the CONTRACTOR, the COMPANY REPRESENTATIVE may at any time delegate any of his authority to any nominated deputy. Such notice shall specify the precise authority of any such deputy and shall be sent to the CONTRACTOR REPRESENTATIVE. The COMPANY may change the COMPANY REPRESENTATIVE at any time and shall notify the CONTRACTOR of any change. Except as expressly stated in the CONTRACT, the COMPANY REPRESENTATIVE has no powers to amend the CONTRACT or to relieve the CONTRACTOR from any of its obligations under the CONTRACT.
- 3.3 The CONTRACTOR REPRESENTATIVE has the authority to commit the CONTRACTOR to any course of action within the rights and obligations of the CONTRACTOR under the CONTRACT and, subject to any delegation of such authority, shall be responsible for issuing to and receiving from the COMPANY all notices, information, instructions and decisions. The CONTRACTOR REPRESENTATIVE may delegate any of his authority to any nominated deputy, the terms of such delegation being subject to the prior approval of the COMPANY which shall not be unreasonably withheld or delayed. The CONTRACTOR shall not change the CONTRACTOR REPRESENTATIVE or any nominated deputy without cause without the prior approval of the COMPANY which shall not unreasonably be withheld or delayed. The CONTRACTOR REPRESENTATIVE has no powers to amend the CONTRACT.

ARTICLE 4 CONTRACTOR'S GENERAL OBLIGATIONS

- 4.1 The CONTRACTOR shall provide all management, supervision, personnel, materials and equipment (except materials and equipment specified to be provided by the COMPANY), plant, consumables, facilities and all other things whether of a temporary or permanent nature, so far as the necessity for providing the same is specified in or reasonably to be inferred from the CONTRACT.
- 4.2 The CONTRACTOR shall carry out all of its obligations under the CONTRACT and shall execute the WORK with all due care and diligence and with the skill to be expected of a reputable contractor experienced in the types of work to be carried out under the CONTRACT.
- 4.3 Except to the extent that it may be legally or physically impossible or create a hazard to safety the CONTRACTOR shall comply with and strictly adhere to the COMPANY'S instructions and directions on all matters relating to the WORK.
- 4.4 Materials and equipment or parts thereof provided by the CONTRACTOR for which there is no detailed specification included in the CONTRACT shall be new or, subject to the COMPANY'S approval, as new, of good quality and workmanship and fit for the intended purpose where a purpose is defined in the CONTRACT or, where no such purpose is defined, fit for its ordinary purpose.
- 4.5 In order to ensure that performance and completion of the WORK are not delayed or impeded the CONTRACTOR shall be responsible for the timely provision of all matters referred to in ARTICLES 4.1 and 4.4 and, where provided for elsewhere in the CONTRACT, for the timely request of COMPANY-provided materials, services and facilities.
- 4.6 The COMPANY reserves the right to let other contracts associated with the WORK. The CONTRACTOR shall afford the COMPANY and other contractors of the COMPANY who carry out a different function to the CONTRACTOR reasonable access and opportunity for the performance of their work or contracts and shall co-operate fully with such parties. Where the COMPANY is engaging the CONTRACTOR on the CONTRACTOR'S quayside the COMPANY shall be required to use the CONTRACTOR for all the services (required by the COMPANY) which the CONTRACTOR can provide.
- 4.7 The COMPANY shall be responsible for the programming of the WORK.
- 4.8 On completion of the WORK or any portion thereof, the CONTRACTOR shall without delay clear and remove all equipment and materials provided by the CONTRACTOR including debris, thereby leaving the WORKSITE in a clean, tidy and safe condition.

- 4.9 Surplus COMPANY material in the possession of the CONTRACTOR on completion of the WORK shall be disposed of by the CONTRACTOR in accordance with the instructions of the COMPANY REPRESENTATIVE.

ARTICLE 5 OFFSHORE TRANSPORTATION

- 5.1 Where WORK is to be performed offshore, the COMPANY shall provide, at no cost to the CONTRACTOR, all routine and medi-vac transportation for CONTRACTOR provided personnel, and transportation for CONTRACTOR-provided equipment and material which are capable of transportation by helicopter or supply boat between the COMPANY- designated heliport and supply base as specified in the PURCHASE ORDER and the offshore part of the WORKSITE.
- 5.2 The costs of non-routine transportation requested by the CONTRACTOR may, at the sole option of the COMPANY, be recovered from the CONTRACTOR.

ARTICLE 6 CONTRACTOR TO INFORM ITSELF

- 6.1 The CONTRACTOR shall be deemed to have satisfied itself, before entering into the CONTRACT, as to the extent and nature of the WORK including but not limited to the services, personnel, materials and equipment, plant, consumables and facilities required for the WORK, the correctness and sufficiency of the rates and prices entered in the PURCHASE ORDER, general and local conditions, and all other matters which could affect progress or performance of the WORK.
- 6.2 Any failure by the CONTRACTOR to take account of matters which affect the WORK will not relieve the CONTRACTOR from its obligations under the CONTRACT.

ARTICLE 7 CONTRACTOR TO INFORM COMPANY / COMPANY TO INFORM CONTRACTOR

- 7.1 The CONTRACTOR shall notify the COMPANY without undue delay of all things which in the opinion of the CONTRACTOR appear to be deficiencies, omissions, contradictions or ambiguities in the CONTRACT or conflicts with applicable law. The COMPANY shall review these items and issue the necessary instructions before the CONTRACTOR proceeds with any part of the WORK affected. Subject to the provisions of ARTICLE 11, the COMPANY shall issue a VARIATION if the CONTRACTOR can show that it has suffered delay and/or incurred additional cost as a result of any such instruction.
- 7.2 The CONTRACTOR shall notify the COMPANY immediately of any proposed or actual stoppages of work, industrial disputes or other matters affecting or likely to affect the carrying out or completion of the WORK. When requested by the COMPANY the CONTRACTOR shall also supply to the COMPANY other information in connection with the WORK relating to industrial relations including but not limited to minimum rates of pay, allowances, amenities, working hours, periods of unpaid leave and overtime.
- 7.3 The COMPANY shall without delay provide to the CONTRACTOR all information affecting the WORK which the CONTRACTOR reasonably requires from the COMPANY in order to properly perform the WORK in accordance with the CONTRACT. COMPANY shall warrant the accuracy of all information and data provided to CONTRACTOR under the CONTRACT. In the event that COMPANY provided information and data is inaccurate, CONTRACTOR shall be entitled to a VARIATION to reflect any impact, including any delay and/or incurred additional cost in the performance of the WORK.

ARTICLE 8 ASSIGNMENT AND SUBCONTRACTING

8.1 Assignment

The COMPANY is entitled to assign the CONTRACT or any part of it or any benefit or interest in or under it to any CO-VENTURER or AFFILIATE of the COMPANY. In addition, the COMPANY may make any such assignment to any other third party but only with the prior agreement of the CONTRACTOR which shall not unreasonably be withheld or delayed. The CONTRACTOR undertakes that, in the event of any assignment described above, it will execute without delay a formal assignment of interest in the CONTRACT to the relevant party, to be effective upon the written assumption by the assignee of all obligations of the COMPANY under the CONTRACT. The CONTRACTOR shall assign neither the CONTRACT nor any part of it nor any benefit or interest in or under it without the prior approval of the COMPANY which shall not unreasonably be withheld or delayed.

8.2 Subcontracting

The CONTRACTOR shall not subcontract the whole of the WORK. No SUBCONTRACT shall bind or purport to bind the COMPANY or the CO-VENTURERS. Nevertheless, the CONTRACTOR shall ensure that any SUBCONTRACTOR shall be bound by and observe the provisions of the CONTRACT in so far as they apply to the SUBCONTRACT.

ARTICLE 9 CONTRACTOR PERSONNEL

- 9.1 The CONTRACTOR undertakes to provide sufficient personnel at all times to ensure performance and completion of the WORK in accordance with the provisions of the CONTRACT.
- 9.2 All personnel employed on the WORK shall, for the work which they are required to perform, be competent, properly qualified, skilled and experienced in accordance with good industry practice. The CONTRACTOR shall verify all relevant qualifications of such.
- 9.3 Where key personnel of the CONTRACTOR are specified in the CONTRACT they shall not be replaced without the prior approval of the COMPANY. Any replacement shall work with the person to be replaced for a reasonable handover period.
- 9.4 The CONTRACTOR shall ensure that such key personnel and supervisory personnel of the CONTRACTOR and SUBCONTRACTORS shall read, write and speak fluent English.
- 9.5 The CONTRACTOR shall make its own arrangements for the engagement of personnel, local or otherwise, and, save in so far as the CONTRACT otherwise

provides, for their payment and onshore transport, housing, maintenance and board and lodging.

- 9.6 The CONTRACTOR shall be as responsible for any WORK performed by any agency personnel and by any other person provided by the CONTRACTOR in connection with the WORK as if the WORK was performed by the employees of the CONTRACTOR.
- 9.7 The CONTRACTOR shall ensure that all employees of the CONTRACTOR and any SUBCONTRACTOR engaged in the performance of the WORK comply with applicable laws including immigration laws and where required are in possession of a valid work permit for the duration of the CONTRACT. When requested details of such work permits shall be submitted to the COMPANY prior to the employee being engaged in the WORK.
- 9.8 The COMPANY may instruct the CONTRACTOR to remove from the WORKSITE any person engaged in any part of the WORK who in the reasonable opinion of the COMPANY is either:
- (a) incompetent or negligent in the performance of his duties; or
 - (b) engaged in activities which are contrary or detrimental to the interests of the COMPANY; or
 - (c) not conforming with relevant safety procedures or persists in any conduct likely to be prejudicial to safety, health or the environment.
- 9.9 The CONTRACTOR shall provide a suitable replacement for any such person within twenty four (24) hours or such longer time as may be agreed by the COMPANY.
- 9.10 Any such person shall be removed forthwith from the WORKSITE. Any person removed for any of the above reasons shall not be engaged again in the WORK or on any other work of the COMPANY without the prior approval of the COMPANY.

ARTICLE 10 EXAMINATION AND DEFECTS CORRECTION

- 10.1 In order to confirm that the requirements of the CONTRACT are met the COMPANY shall have the right, but not the obligation, at all times during the performance of the WORK to examine the WORK, and all documentation relating thereto, and to reject any item which does not comply with all the requirements of the CONTRACT. Neither failure on the part of the COMPANY or others to inspect the WORK or witness or test or to discover defects nor failure to reject work performed by the CONTRACTOR which is not in accordance with the CONTRACT, shall relieve the CONTRACTOR from any liability or obligation under the CONTRACT.
- 10.2 The CONTRACTOR warrants and guarantees that it has performed and shall perform the WORK in accordance with the provisions of the CONTRACT, and that the WORK will be free from defects. In respect of any training services carried out under the CONTRACT, CONTRACTOR does not warrant the performance of PARTICIPANT post-training and, notwithstanding any provision to the contrary otherwise in the CONTRACT, COMPANY shall save, indemnify, defend and hold harmless CONTRACTOR from any and all liability arising from damage to property and/or personal injury caused by the PARTICIPANT post-training. For the purposes of this Clause 10.2, "PARTICIPANT" means any and all persons (whether employees, agents, consultants or subcontractors) attending training services booked by COMPANY and/or CLIENT.
- 10.3 If the COMPANY notifies the CONTRACTOR of any defects in the WORK prior to the commencement of or within the Defects Correction Period of thirty (30) days (or fourteen (14) days for Marine Gas Oils (MGO)) from completion of the WORK, the CONTRACTOR shall, subject to the operational requirements of the COMPANY and the provisions of Clause 10, carry out all works necessary to correct any defects in the WORK arising from any default of the CONTRACTOR.
- 10.4 If any of the WORK is reperformed, rectified or replaced by the CONTRACTOR under the provisions of this Clause 10, this Clause 10.4 shall apply to the portion so reperformed, rectified or replaced. The Defects Correction Period specified above in respect of such work, shall commence on the date upon which such reperformance, rectification or replacement was completed in accordance with the CONTRACT. For the avoidance of doubt for third party procurement services CONTRACTOR will pass through any warranty it gets from its supplier.
- 10.5 The COMPANY may decide that the carrying out by the CONTRACTOR of work necessary to correct defects will be prejudicial to its interests. In such cases the COMPANY may undertake the CONTRACTOR's responsibilities described in Clause 10.3. The COMPANY shall notify the CONTRACTOR in such cases and shall be entitled to recover from the CONTRACTOR all additional costs reasonably incurred by the COMPANY as a direct result of carrying out such responsibilities. CONTRACTOR's liability in respect of such costs shall be limited to one hundred and twenty five percent (125%) of the price payable from COMPANY to CONTRACTOR (which shall exclude any values associated with the provision of MGO) for that part of the WORK which is defective. Where CONTRACTOR has already been paid for that WORK CONTRACTOR will return the one hundred percent (100%) already paid by COMPANY together with the twenty five percent (25%) top-up. Where CONTRACTOR has not already been paid for the WORK COMPANY will pay the one hundred percent (100%) to the third party and CONTRACTOR will pay the twenty five percent (25%) top-up.
- 10.6 For the purposes of Clauses 10.3 and 10.4 the CONTRACTOR shall not be liable to the COMPANY for the costs of helicopter transport of personnel between the shore-based heliport and offshore or for the costs of offshore accommodation and messing.
- 10.7 The undertakings in this Clause are in lieu of any other warranty whether expressed or implied, including any implied warranties of merchantability or fitness for purpose; or any warranty in tort, law or otherwise.

ARTICLE 11 VARIATIONS

- 11.1 The COMPANY has the right to issue instructions to the CONTRACTOR at any time to make any variations to the WORK which are within the capability and resources of the CONTRACTOR. The CONTRACTOR shall proceed on receipt of a written VARIATION with any adjustments to the CONTRACT PRICE and any change to the schedule agreed between the PARTIES.
- 11.2 Any adjustment to the CONTRACT PRICE resulting from any variation shall be valued at the appropriate rates and prices included in the CONTRACT or, in the absence of any appropriate rates and prices, a fair valuation shall be made (as agreed between the PARTIES).

ARTICLE 12 FORCE MAJEURE

- 12.1 PARTY shall be responsible for any failure to fulfil any term or condition (excluding payment obligations) of the CONTRACT if and to the extent that fulfilment has been delayed or temporarily prevented by a force majeure occurrence, as hereunder defined, which has been notified in accordance

with this Clause 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 is unable to provide against.

12.2 For the purposes of this CONTRACT only the following occurrences shall be force majeure:

- (a) Riot, war, invasion, act of foreign enemies, hostilities (whether war be declared or not), acts of terrorism, civil war, rebellion, revolution, insurrection of military or usurped power;
- (b) Ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- (c) Epidemics or pandemics;
- (d) Pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
- (e) Earthquake, flood, fire, explosion and/or other natural physical disaster, but excluding weather conditions as such, regardless of severity;
- (f) Strikes at a national or regional level or industrial disputes at a national or regional level, or strikes or industrial disputes by labour not employed by the affected PARTY its subcontractors or its suppliers and which affect a substantial or essential portion of the WORK;
- (g) Maritime or aviation disasters;
- (h) Changes to any general or local Statute, Ordinance, Decree, or other Law, or any regulation or bye-law of any local or other duly constituted authority or the introduction of any such Statute, Ordinance, Decree, Law, regulation or bye-law.

12.3 In the event of a force majeure occurrence, the PARTY that is or may be delayed in performing the CONTRACT shall notify the other PARTY without delay giving the full particulars thereof and shall use all reasonable endeavours to remedy the situation without delay.

12.4 The occurrence of a force majeure event shall not excuse the COMPANY from making any payments due to CONTRACTOR for WORK satisfactorily completed prior to the event of force majeure and/or agreed standby time/rates and/or any demobilisation costs incurred as a result of the said event of force majeure.

12.5 Following notification of a force majeure occurrence in accordance with Clause 12.3, the PARTIES shall meet without delay with a view to agreeing a mutually acceptable course of action to minimise any effects of such occurrence.

12.6 If a force majeure occurrence continues without interruption for thirty (30) days or more and, in either PARTY's reasonable opinion, it will continue for a length of time unacceptable to it, the PARTY may terminate this CONTRACT by giving ten (10) days written notice to the other PARTY.

ARTICLE 13 SUSPENSION

13.1 The COMPANY shall have the right, by notice to the CONTRACTOR, to suspend the WORK or any part thereof to the extent detailed in the notice, for any of the following reasons:

- (a) subject only to Clause 13.3, in the event of some default on the part of the CONTRACTOR; or
- (b) if suspension is necessary for the proper execution or safety of the WORK, or persons; or
- (c) to suit the convenience of the COMPANY, provided CONTRACTOR is given ten (10) days written notice.

13.2 Upon receipt of any such notice, the CONTRACTOR shall, unless instructed otherwise:

- (a) discontinue the WORK or the part of the WORK detailed in the notice, on the date and to the extent specified, and
- (b) properly protect and secure the WORK as required by the COMPANY.

In the event of default on the part of the CONTRACTOR and before the issue by the COMPANY of a notice to suspend the WORK or any part thereof the COMPANY shall give notice of default to the CONTRACTOR giving details of such default. If the CONTRACTOR, upon receipt of such notice, does not commence and thereafter continuously proceed with action satisfactory to the COMPANY to remedy such default the COMPANY may issue a notice of suspension in accordance with the provisions of Clause 13.1.

13.3 Unless the suspension arises as a result of default on the part of the CONTRACTOR, the CONTRACTOR shall be reimbursed in accordance with the relevant provisions of the PURCHASE ORDER or, in the absence of such provisions, in accordance with Clause 11.

13.4 If suspension results from default on the part of the CONTRACTOR, any additional costs reasonably incurred by the COMPANY as a direct result shall be recoverable by the COMPANY from the CONTRACTOR. CONTRACTOR's liability in respect of such costs shall be limited to one hundred and twenty five percent (125%) of the price (which shall exclude any values associated with the provision of MGO) CONTRACTOR would have charged to complete suspended WORK. Where CONTRACTOR has already been paid for that WORK CONTRACTOR will return the one hundred percent (100%) already paid by COMPANY together with the twenty five percent (25%) top-up. Where CONTRACTOR has not already been paid for the WORK COMPANY will pay the one hundred percent (100%) to the third party and CONTRACTOR will pay the twenty five percent (25%) top-up.

13.5 The COMPANY may, by further notice, instruct the CONTRACTOR to resume the WORK to the extent specified.

13.6 In the event of any suspension, the PARTIES shall meet at not more than seven (7) day intervals with a view to agreeing a mutually acceptable course of action during the suspension.

13.7 If the period of any suspension not arising as a result of default on the part of the CONTRACTOR exceeds fourteen (14) days, the CONTRACTOR may serve a notice on the COMPANY requiring permission within fourteen (14) days from the receipt of such notice to proceed with the WORK or that part thereof subject to suspension. If within the said fourteen (14) days the COMPANY does not grant such permission the CONTRACTOR, by a further notice, may (but is not bound to) elect to treat the suspension as either:

- (a) where it affects part only of the WORK, an omission of such part under Clause 11; or
- (b) where it affects the whole of the WORK, termination in accordance with Clause 24.1(a).

ARTICLE 14 TERMS OF PAYMENT

- 14.1 For the performance and completion of the WORK, the COMPANY shall pay or cause to be paid to the CONTRACTOR the amounts provided in the PURCHASE ORDER at the times and in the manner specified in this Clause.
- 14.2 Except where it is expressly provided that the COMPANY shall carry out an obligation under the CONTRACT at its own cost, all things to be supplied or performed by the CONTRACTOR under the CONTRACT shall be deemed to be included in the rates and prices included in the PURCHASE ORDER.
- 14.3 The CONTRACTOR shall submit to the COMPANY an invoice within thirty (30) days after the end of each calendar month. For the avoidance of doubt invoices relating to Marine Gas Oils (MGO) shall be submitted the day following fuel delivery. Following completion of the whole of the WORK, the CONTRACTOR shall not be entitled to receive any payment on any invoice received by the COMPANY after one hundred and eighty (180) days as the latest time for receipt of invoices. Nevertheless, the COMPANY may, at its sole discretion, make payment against any such invoice.
- 14.4 All payments contemplated under the CONTRACT are exclusive of Value Added Tax ("VAT"), which shall be charged by and accounted to the relevant tax authority by the relevant PARTY as is required under prevailing VAT legislation. Furthermore, the CONTRACTOR will comply with all applicable invoicing requirements regarding the charging and accounting of VAT.
- 14.5 Each invoice shall quote the COMPANY Contract Reference Number, Title and such other details as may be specified in the CONTRACT. Each invoice shall be forwarded to the address specified in the PURCHASE ORDER.
- 14.6 Within thirty (30) days from receipt of a correctly prepared and adequately supported invoice or within fifteen (15) days of receipt in respect of MGO invoices by the COMPANY at the address specified in Clause 14.5, the COMPANY shall make payment in respect of such invoices as follows:
- (a) for payments in Sterling the COMPANY shall make payment of the due amount into the bank account of the CONTRACTOR specified in the CONTRACT or otherwise notified by the CONTRACTOR, using the Banker's Automated Clearing System; and
 - (b) for payments in foreign currencies the COMPANY shall make payment of the due amount in the appropriate currency into the bank account of the CONTRACTOR specified in the CONTRACT or otherwise notified by the CONTRACTOR.
- For the avoidance of doubt where CONTRACTOR incurs payment obligations in compliance with any vessel chartering, tax, customs or import / export costs on behalf of the COMPANY then COMPANY shall make upfront payment for these costs on request of CONTRACTOR.
- 14.7 If the COMPANY disputes any items on any invoice in whole or in part or if the invoice is prepared or submitted incorrectly in any respect, the COMPANY shall notify the CONTRACTOR of the reasons and request the CONTRACTOR to issue a credit note for the unaccepted part or whole of the invoice as applicable. Upon receipt of such credit note the COMPANY shall be obliged to pay the undisputed part of a disputed invoice. If any other dispute connected with the CONTRACT exists between the PARTIES, the COMPANY may withhold from any money which becomes payable under the CONTRACT the amount which is the subject of the dispute. The COMPANY shall not be entitled to withhold monies due to the CONTRACTOR under any other contracts with the COMPANY as set off against disputes under the CONTRACT, nor shall it be entitled to withhold monies due under the CONTRACT as set off against disputes under any other contract. On settlement of any dispute the CONTRACTOR shall submit an invoice for sums due and the COMPANY shall make the appropriate payment in accordance with the provisions of Clause 14.6 and Clause 14.9 where applicable.
- 14.8 Neither the presentation nor payment or non-payment of an individual invoice shall constitute a settlement of a dispute, an accord and satisfaction, a remedy of account stated, or otherwise waive or affect the rights of the PARTIES hereunder. In particular, the COMPANY may correct or modify any sum previously paid in any or all of the following circumstances:
- (a) any such sum was incorrect;
 - (b) any such sum was not properly payable to the CONTRACTOR;
 - (c) any work in respect of which payment has been made and which does not comply with the terms of the CONTRACT.
- 14.9 Interest shall be payable for late payment of correctly prepared and adequately supported invoices. The amount of interest payable shall be based on the then current annual Bank of England 'Base Rate' plus five percent (5%) per annum and shall be calculated pro rata on a daily basis. Interest shall run from the date on which the sum in question becomes due for payment in accordance with the provisions of Clause 14.6 until the date on which actual payment is made. Any such interest to be claimed by the CONTRACTOR shall be invoiced separately and within ten (10) working days of payment of the invoice to which the interest relates. Payment of the invoice claiming the interest shall be in accordance with the provisions of Clause 14.6 hereof.
- 14.10 If the COMPANY at any time incurs costs which, under the provisions of the CONTRACT, the COMPANY is entitled to recover from the CONTRACTOR, the COMPANY may invoice the CONTRACTOR for such costs, provided always that the COMPANY may deduct the amount of such costs from any amount due, or that may become due to the CONTRACTOR under the CONTRACT. The CONTRACTOR shall pay the COMPANY within thirty (30) days of receipt of invoice any sums outstanding after such deduction.
- 14.11 For the purposes of Clause 14.10 and elsewhere in the CONTRACT, wherever a PARTY is entitled to recover from the other PARTY any costs incurred, then the amount of such costs shall be the amount of all claims, loss, damages, charges, disbursements, costs (including amounts paid to third parties), overheads and expenses directly resulting from the matter in question, but no element of profit.

ARTICLE 15 TAXES

- 15.1 All prices and rates contained in the CONTRACT are exclusive of VAT but inclusive of all other taxes, duties and charges including, but not limited to, corporate income taxes, individual taxes and other social contributions (labour law taxes). Notwithstanding anything else herein to the contrary, the COMPANY may withhold (or cause there to be withheld, as the case may be) from any amounts otherwise due or payable under or pursuant to this Agreement such federal, state and local corporate, income, employment, or any other taxes or duties as may be required to be withheld pursuant to any applicable law or regulation, determined by the COMPANY in its sole discretion exercised in good faith. The CONTRACTOR acknowledges that it may have tax obligations outside of its state of residence or incorporation or the state from where it operates, including specific tax reporting or filing obligations.

ARTICLE 16 OWNERSHIP

- 16.1 The COMPANY shall retain title to COMPANY-provided items and information, including but not limited to, TECHNICAL INFORMATION and materials and equipment. In respect of any training services carried out under the CONTRACT, CONTRACTOR shall retain all right, title and interest in its intellectual property rights that have been developed, acquired or obtained prior to the EFFECTIVE DATE OF COMMENCEMENT OF THE CONTRACT. COMPANY shall, however, be granted an irrevocable, worldwide, perpetual, non-exclusive, royalty-free license to use CONTRACTOR GROUP's background intellectual property for the purposes of any training defined in the relevant PURCHASE ORDER and for no other purpose. Such right shall be non-transferable.
- 16.2 Subject to the provisions of Clause 17, all equipment, materials and supplies provided by the CONTRACTOR shall become the property of the COMPANY upon payment by the COMPANY and risk shall pass to the COMPANY on delivery to the WORKSITE. In respect of MGO risk will pass on delivery and delivery shall be deemed complete when the MGO has passed the flange connecting the CONTRACTOR's delivery facilities with the receiving facilities of the tanker vehicle, vessel or other receiving receptacle. The CONTRACTOR shall ensure that all CONTRACTOR-provided items are free from all liens and/or retention of title claims from any third party.
- 16.3 Title to any equipment, materials and supplies provided by the CONTRACTOR which do not comply with the requirements of the CONTRACT and which are rejected by the COMPANY, shall re-vest immediately in the CONTRACTOR. Title to such items provided by the CONTRACTOR for which no payment has been made by the COMPANY and which are no longer required for the purposes of the CONTRACT, shall re-vest in the CONTRACTOR.

ARTICLE 17 PATENTS AND OTHER PROPRIETARY RIGHTS

- 17.1 Neither PARTY shall have the right of use, other than for the purposes of the CONTRACT, 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, copyright, proprietary right or confidential know how, trademark or process.
- 17.2 Where any potential patent or registrable right in any country in the world results from:
- (a) developments by the CONTRACTOR GROUP which are based wholly on data, equipment, processes, substances and the like in the possession of the CONTRACTOR GROUP at commencement of the CONTRACT or otherwise produced outside of the CONTRACT; or
 - (b) enhancements of or in the existing intellectual property rights of the CONTRACTOR GROUP, such rights shall vest in the CONTRACTOR or another company within the CONTRACTOR GROUP as the case may be.
- 17.3 Where any potential patent or registrable right in any country in the world results from:
- (a) developments by the COMPANY GROUP which are based wholly on data, equipment, processes, substances and the like in the possession of the COMPANY GROUP at commencement of the CONTRACT or otherwise produced outside of the CONTRACT; or
 - (b) enhancements of or in the existing intellectual property rights of the COMPANY GROUP, such rights shall vest in the COMPANY and its AFFILIATES or CO-VENTURERS as the case may be.
- 17.4 Except as provided in Clause 17.1, Clause 17.2 and Clause 17.3, where any potential patent or registrable right in any country in the world arises out of the WORK and is invented during the term of the CONTRACT, such rights shall vest in the PARTIES jointly.
- 17.5 Where under Clause 17.4 a right vests in one of the PARTIES absolutely, such PARTY may at its sole discretion give the other PARTY and its AFFILIATES and its CO-VENTURERS a royalty free, irrevocable, non-exclusive, non-transferable, world-wide licence to use such right which shall not be sub-licensed.
- 17.6 Where under Clause 17.4 a right vests in the PARTIES jointly, then the PARTIES shall unless otherwise agreed in writing jointly file a patent or other registration application in that joint right.
- 17.7 The CONTRACTOR shall save, indemnify, defend and hold harmless the COMPANY GROUP from all claims, losses, damages, costs (including legal costs), expenses and liabilities of every kind and nature for, or arising out of, any alleged infringement of any patent or proprietary or protected right arising out of or in connection with the performance of the obligations of the CONTRACTOR under the CONTRACT except where such infringement necessarily arises from the TECHNICAL INFORMATION and/or the COMPANY's instructions. However, the CONTRACTOR shall use its reasonable endeavours to identify any infringement in the TECHNICAL INFORMATION and/or in the COMPANY's instructions of any patent or proprietary or protected right, and should the CONTRACTOR become aware of such infringement or possible infringement then the CONTRACTOR shall inform the COMPANY immediately.
- 17.8 The COMPANY shall save, indemnify, defend and hold harmless the CONTRACTOR GROUP from all claims, losses, damages, costs (including legal costs), expenses and liabilities of every kind and nature for, or arising out of, any alleged infringement of any patent or proprietary or protected right arising out of or in connection with the performance of the obligations of the COMPANY under the CONTRACT or the use by the CONTRACTOR of TECHNICAL INFORMATION or materials or equipment supplied by the COMPANY.

ARTICLE 18 LAWS AND REGULATIONS

- 18.1 The CONTRACTOR shall comply with all applicable laws, rules and regulations of any governmental or regulatory body having jurisdiction over the WORK and/or the WORKSITE.
- 18.2 The CONTRACTOR shall obtain all licences, permits, temporary permits and authorisations required by the applicable laws, rules and regulations for the performance of the WORK, save to the extent that the same can only be legally obtained by the COMPANY.
- 18.3 Should changes in any applicable laws, rules and regulations, including any change in interpretation of the same by a COMPETENT AUTHORITY, made after the commencement of the CONTRACT, result in increases or decreases in the cost to the CONTRACTOR of

performing the WORK, the CONTRACT PRICE shall be adjusted as may be agreed between the PARTIES.

ARTICLE 19 INDEMNITIES

19.1 The CONTRACTOR shall be responsible for and shall save, indemnify, defend and hold harmless the COMPANY GROUP from and against all claims, losses, damages, costs (including legal costs) expenses and liabilities in respect of:

- (a) loss of or damage to property of the CONTRACTOR GROUP whether owned, hired, leased or otherwise provided by the CONTRACTOR GROUP arising from, relating to or in connection with the performance or non- performance of the CONTRACT; and
- (b) personal injury including death or disease to any personnel of the CONTRACTOR GROUP arising from, relating to or in connection with the performance or non-performance of the CONTRACT; and subject to any other express provisions of the CONTRACT, personal injury including death or disease or loss of or damage to the property of any third party to the extent that any such injury, loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of the CONTRACTOR GROUP. For the purposes of this Clause 19.1(c) "third party" shall mean any party which is not a member of the COMPANY GROUP or CONTRACTOR GROUP.

The indemnities provided by CONTRACTOR under this Clause 19.1 exclude any loss or damage to CONTRACTOR's containers whilst under the care, custody or control of COMPANY GROUP, but apply to any period where CONTRACTOR GROUP is handling the containers. COMPANY shall promptly advise CONTRACTOR of any container that is lost or damaged whilst on rental to COMPANY and COMPANY agrees to reimburse CONTRACTOR for the substantiated repair or replacement cost against loss or damage to CONTRACTOR's containers.

19.2 The COMPANY shall be responsible for and shall save, indemnify, defend and hold harmless the CONTRACTOR GROUP from and against all claims, losses, damages, costs (including legal costs) expenses and liabilities in respect of:

- (a) loss of or damage to property of the COMPANY GROUP, whether: -
 - (i) owned by the COMPANY GROUP, or
 - (ii) leased or otherwise obtained under arrangements with financial institutions by the COMPANY GROUP which is located at the WORKSITE arising from, relating to or in connection with the performance or non-performance of the CONTRACT; and
- (b) personal injury including death or disease to any personnel of the COMPANY GROUP arising from, relating to or in connection with the performance or non-performance of the CONTRACT; and
- (c) subject to any other express provisions of the CONTRACT, personal injury including death or disease or loss of or damage to the property of any third party to the extent that any such injury, loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of the COMPANY GROUP. For the purposes of this Clause 19.2(c) "third party" shall mean any party which is not a member of the CONTRACTOR GROUP or COMPANY GROUP.
- (d) loss of or damage to such permanent third party oil and gas production facilities and pipelines and consequential losses arising therefrom, as specified and defined in and in accordance with the PURCHASE ORDER where such loss or damage is arising from, relating to or in connection with the performance or non-performance of the CONTRACT. The provisions of this Clause 19.2(d) shall apply notwithstanding the provisions of Clause 19.1(c).

19.3 Except as provided by Clause 19.1(a), Clause 19.1(b) and Clause 19.4, the COMPANY shall save, indemnify, defend and hold harmless the CONTRACTOR GROUP from and against any claim of whatsoever nature arising from pollution emanating from the reservoir or from the property of the COMPANY GROUP arising from, relating to or in connection with the performance or non-performance of the CONTRACT.

19.4 Except as provided by Clause 19.2(a) and Clause 19.2(b) the CONTRACTOR shall save, indemnify, defend and hold harmless the COMPANY GROUP from and against any claim of whatsoever nature arising from pollution originating on the premises of the CONTRACTOR GROUP or originating from the property and equipment of the CONTRACTOR GROUP (excluding where CONTRACTOR's containers have been incorrectly packed or contents have been incorrectly labelled by COMPANY GROUP) arising from, relating to or in connection with the performance or non- performance of the CONTRACT.

19.5 All exclusions and indemnities given under this Clause (save for those under Clauses 19.1(c) and 19.2(c)) and Clause 21 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.

19.6 If either PARTY becomes aware of any incident likely to give rise to a claim under the above indemnities, it shall notify the other and both PARTIES shall co-operate fully in investigating the incident.

19.7 The indemnities given by the PARTIES under this CONTRACT are full and primary, and shall apply irrespective of whether the indemnified PARTY has, or has not, insurance in place relating to any claims, losses, damages or costs in respect of the subject matter of any indemnity given under this CONTRACT.

19.8 Each PARTY expressly agrees that the indemnities set out in this Clause do not extend to criminal sanctions imposed upon it, arising from, relating to or in connection with the performance or non-performance of the CONTRACT.

19.9 It is understood and agreed between the PARTIES that if CONTRACTOR undertakes any such vessel or tug chartering as a service to COMPANY (whether acting as disclosed agent or otherwise) then COMPANY shall assume all risks and liabilities of the Charterer whatsoever under any Charter Party entered into by CONTRACTOR on COMPANY's behalf and for the purposes of this CONTRACT the provision of such vessels or tugs will be considered to be provision of transportation by the COMPANY. COMPANY shall save, indemnify, defend and hold harmless CONTRACTOR GROUP from and against any and all claims, losses, damages (including legal costs) expenses and liabilities whatsoever claimed by vessel owners, tug owners or any third party arising from any Charter Party including without limitation:

- (i) loss of or damage to cordage, anchor handling gear and towing gear,
- (ii) shortage in or loss of or damage to any cargo,
- (iii) loss of or damage to any permanent offshore installation or pipeline and any consequential losses arising

- therefrom,
- (iv) loss of or damage to any vessel, rig or floating installation and any consequential loss arising therefrom,
- (v) any liability arising from any 'both to blame' collision provisions in any Charter Party,
- (vi) pollution or contamination of any nature,
- (vii) early termination of the Charter Party.

ARTICLE 20 INSURANCE BY CONTRACTOR

- 20.1 The CONTRACTOR shall arrange as a minimum the insurances set out in this Clause 20 and ensure that they are in full force and effect throughout the life of the CONTRACT.
- 20.2 The insurances required to be effected under Clause 20.1 shall be as follows (to the extent that they are relevant to the WORK):
- (a) Employers' Liability and/or (where the jurisdiction of where the WORK is to be performed or under which the employees employed requires the same) Workmen's Compensation insurance covering personal injury to or death of the employees of the CONTRACTOR engaged in the performance of the WORK to the minimum value required by any applicable legislation including extended cover (where required) for working offshore;
 - (b) General Third Party Liability insurance for any incident or series of incidents covering the operations of the CONTRACTOR in the performance of the CONTRACT, in an amount not less than £5,000,000.
- 20.3 The CONTRACTOR shall supply the COMPANY with evidence of such insurances on demand.
- 20.4 The CONTRACTOR shall procure that SUBCONTRACTORS are insured to appropriate levels as may be relevant to their work.

ARTICLE 21 CONSEQUENTIAL LOSS

- 21.1 For the purposes of this Clause the expression "Consequential Loss" shall mean:
- (a) consequential or indirect loss under English law; and
 - (b) loss and/or deferral of production, loss of product, loss of use, loss of revenue, profit or anticipated profit (if any), in each case whether direct or indirect to the extent that these are not included in (a), and whether or not foreseeable at the commencement of the CONTRACT.
- 21.2 Notwithstanding any provision to the contrary elsewhere in the CONTRACT the COMPANY shall save, indemnify, defend and hold harmless the CONTRACTOR GROUP from the COMPANY GROUP's own Consequential Loss and the CONTRACTOR shall save, indemnify, defend and hold harmless the COMPANY GROUP from the CONTRACTOR GROUP's own Consequential Loss, arising from, relating to or in connection with the performance or non-performance of the CONTRACT.

ARTICLE 22 CONFIDENTIALITY

- 22.1 The CONTRACTOR shall at no time without the prior written agreement of the COMPANY either:
- (a) make any publicity releases or announcements concerning the subject matter of the CONTRACT; or
 - (b) except as may be necessary to enable the CONTRACTOR to perform its obligations under the CONTRACT, use, reproduce, copy, disclose to, place at the disposal of or use on behalf of any third party or enable any third party to use, peruse or copy any information including but not limited to drawings, data, and computer software which:
 - (i) is provided to the CONTRACTOR by or on behalf of the COMPANY, the CO-VENTURERS or its or their AFFILIATES in or in relation to the CONTRACT; or
 - (ii) vests in the COMPANY in accordance with the CONTRACT; or
 - (iii) the CONTRACTOR prepares in connection with the WORK.
- 22.2 The provisions of Clause 22.1 shall not apply to information which:
- (a) is part of the public domain; or
 - (b) was in the possession of the CONTRACTOR prior to award of the CONTRACT and which was not subject to any obligation of confidentiality owed to the COMPANY; or
 - (c) was received from a third party whose possession is lawful and who is under no obligation not to disclose; or
 - (d) is required to be disclosed in order to comply with the requirements of any law, rule or regulation of any governmental or regulatory body having jurisdiction over the WORK or the CONTRACTOR, or of any relevant stock exchange; or
 - (e) is used or disclosed by the CONTRACTOR five (5) years or more after the completion of the WORK.
- 22.3 The CONTRACTOR shall ensure that the provisions of this Clause 22 are incorporated in any SUBCONTRACT and that the officers, employees and agents of the CONTRACTOR and of the SUBCONTRACTORS comply with the same.
- 22.4 All information provided by the CONTRACTOR which the CONTRACTOR wishes to remain confidential shall be clearly marked as confidential provided, however, that any such information relating to the CONTRACTOR's pricing and trade secrets shall always be treated as confidential by the COMPANY without the necessity on the part of the CONTRACTOR to clearly mark as such. In respect of such confidential information, the COMPANY shall be entitled to:
- (a) disclose to and authorise use by the COMPANY GROUP; and
 - (b) disclose pursuant to any statutory or other legal requirement; and
 - (c) subject to the CONTRACTOR's prior consent, which shall not be unreasonably withheld or delayed, disclose to and authorise use by third parties to the extent necessary for the execution and maintenance of the project and/or structure and/or facility in connection with which the WORK is to be performed.
- 22.5 Notwithstanding the above, the COMPANY shall, and shall ensure that its officers, employees and agents take all reasonable measures to protect confidential information of the CONTRACTOR concerning or arising from the CONTRACT for a period of

five (5) years from the commencement of the CONTRACT. For the avoidance of doubt, the provisions of this Clause 22.5 shall not apply to information which vests in the COMPANY in accordance with the CONTRACT.

ARTICLE 23 CUSTOMS PROCEDURE

- 23.1 When applicable the PARTIES shall each apply to HM Revenue and Customs for Shipwork End Use (SEU) and shall also where appropriate apply for Inward Processing Relief (IPR), Outward Processing Relief (OPR) and Returned Goods Relief (RGR) for their respective import, export and re-import of materials, goods, tools, equipment and supplies required for the CONTRACT.
- 23.2 The CONTRACTOR undertakes to import, export and re-import any items for the WORK which are subject to customs control in such a way as to enable maximum advantage to be taken of HM Revenue and Customs procedures.
- 23.3 The PARTIES shall each develop with government authorities, customs procedures for their respective export to the WORKPOINT and re- import from the WORKPOINT of all materials, goods, tools, equipment and supplies to be provided under the CONTRACT.
- 23.4 The PARTIES shall each respectively be accountable and liable for compliance with customs procedures based on each PARTY being a customs authorised trader and who is in possession (not ownership) of the items subject to customs control at any given time.
- 23.5 For the purposes of this Clause, "WORKPOINT" shall mean an offshore location or vessel from which exploration or exploitation of oil and / or gas is carried out.
- 23.6 The CONTRACTOR shall pay and make payment at such times when due and payable, all import/export taxes and duties on materials, goods, tools, equipment and supplies required for the CONTRACT and imported or exported by the CONTRACTOR. The CONTRACTOR will be responsible for ensuring that it holds the necessary import/export licences issued by the relevant authorities prior to the commencement of the WORK.
- 23.7 Where equipment and materials are sold to the COMPANY under the CONTRACT the CONTRACTOR shall:
- (a) prepare and provide to the COMPANY full documentation to show and certify all information regarding items subject to customs control, including the origin, customs status and customs commodity code number as may be necessary for the COMPANY to minimise or nullify the effect of customs duty on such items; and
 - (b) make available on a confidential basis to HM Revenue and Customs all data reasonably necessary to enable the CONTRACTOR to obtain the maximum benefits in terms of reliefs and shall pass all such benefits in full to the COMPANY; and
 - (c) inform the COMPANY without delay in the event that the CONTRACTOR is unsuccessful in any application for reliefs. In such event, the COMPANY shall have the option to import or export or re-import any items affected under its own authorised procedure.
- 23.8 COMPANY shall be responsible for and shall save, indemnify, defend and hold harmless CONTRACTOR GROUP from and against all import or export charges or customs or excise duties, taxes and fees including, without limitation, local sales taxes, VAT, clearing agents' fees, handling fees, brokerage fees, port dues or other similar taxes or fees which are levied on the COMPANY GROUP equipment or on the personal property of the COMPANY GROUP personnel.

ARTICLE 24 TERMINATION

- 24.1 The COMPANY shall have the right by giving notice to terminate all or any part of the WORK or the CONTRACT at such time or times as the COMPANY may consider necessary for any or all of the following reasons:
- (a) to suit the convenience of the COMPANY (provided it has given CONTRACTOR ninety (90) days written notice); or
 - (b) subject only to Clause 24.2 in the event of any default on the part of the CONTRACTOR; or
 - (c) in the event of the CONTRACTOR becoming bankrupt or making a composition or arrangement with its creditors or a winding-up order of the CONTRACTOR being made or (except for the purposes of amalgamation or reconstruction) a resolution for its voluntary winding- up being passed or a provisional Liquidator, Receiver, Administrator or Manager of its business or undertaking being appointed or presenting a petition or having a petition presented applying for an administration order to be made pursuant to Section 9 Insolvency Act 1986, or possession being taken by or on behalf of the holders of any debenture secured by a Floating Charge of any property comprised in or subject to the Floating Charge, or any equivalent act or thing being done or suffered under any applicable law.
- 24.2 In the event of default on the part of the CONTRACTOR and before the issue by the COMPANY of an order of termination of all or any part of the WORK or the CONTRACT, the COMPANY shall give notice of default to the CONTRACTOR giving the details of such default. If the CONTRACTOR upon receipt of such notice does not commence and thereafter continuously proceed with action satisfactory to the COMPANY to remedy such default the COMPANY may issue a notice of termination in accordance with the provisions of Clause 24.1.
- 24.3 If the COMPANY gives the CONTRACTOR notice of termination of all or any part of the WORK or the CONTRACT, such notice shall become effective on the date specified therein (or in the absence of any specified date at the date of receipt of the notice) whereupon the CONTRACTOR shall immediately:

- (a) cease performance of the WORK or such part thereof as may be specified in the notice;
- (b) allow the COMPANY or its nominee full right of access to take over the WORK or the relevant part of the WORK;
- (c) assign to the COMPANY, or its nominee, to the extent desired by the COMPANY all or the relevant parts of the rights, titles, liabilities and SUBCONTRACTS relating to the WORK which the CONTRACTOR may have acquired or entered into.

In the event of termination under Clause 24.1(b) or 24.1(c) the COMPANY shall have the right to obtain completion of the WORK or the relevant part of the WORK by other contractors.

24.4 In the event of termination under Clause 24.1(a) the CONTRACTOR shall be entitled to payment as set out in the PURCHASE ORDER for the part of the WORK performed in accordance with the CONTRACT together with such other payments and fees as may be set out in the PURCHASE ORDER or, in the absence of such provisions, such reasonable costs as agreed between the PARTIES at the time of termination.

24.5 In the event of termination of part of the WORK in accordance with Clause 24.1(b) the CONTRACTOR shall be entitled to payment only as set out in the PURCHASE ORDER for the part of the WORK performed in accordance with the CONTRACT. Any additional costs reasonably incurred by the COMPANY as a direct result of such termination shall be recoverable from the CONTRACTOR. CONTRACTOR's liability in respect of such costs shall be limited to one hundred and twenty five percent (125%) of the price (which shall exclude any values associated with the provision of MGO) CONTRACTOR would have charged to complete the terminated WORK. Where CONTRACTOR has already been paid for that WORK CONTRACTOR will return the one hundred percent (100%) already paid by COMPANY together with the twenty five percent (25%) top-up. Where CONTRACTOR has not already been paid for the WORK COMPANY will pay the one hundred percent (100%) to the third party and CONTRACTOR will pay the twenty five percent (25%) top-up.

24.6 In the event of termination of all of the WORK or the CONTRACT in accordance with Clause 24.1(b) or Clause 24.1(c) the following conditions shall apply:

- (a) the CONTRACTOR shall cease to be entitled to receive any money or monies on account of the CONTRACT until the costs of completion and all other costs arising as a result of the CONTRACTOR's default or other events giving rise to the termination have been finally ascertained;
- (b) thereafter and subject to any deductions that may be made under the provisions of the CONTRACT the CONTRACTOR shall be entitled to payment only as set out in the PURCHASE ORDER for the part of the WORK completed in accordance with the CONTRACT up to the date of termination; and
- (c) any additional costs reasonably incurred by the COMPANY as a direct result of the CONTRACTOR's default or other events giving rise to termination shall be recoverable from the CONTRACTOR. CONTRACTOR's liability in respect of such costs shall be limited to one hundred and twenty five percent (125%) of the price (which shall exclude any values associated with the provision of MGO) CONTRACTOR would have charged to complete the terminated WORK. Where CONTRACTOR has already been paid for that WORK CONTRACTOR will return the one hundred percent (100%) already paid by COMPANY together with the twenty five percent (25%) top-up. Where CONTRACTOR has not already been paid for the WORK COMPANY will pay the one hundred percent (100%) to the third party and CONTRACTOR will pay the twenty five percent (25%) top-up.

24.5 In the event of termination of the CONTRACT the rights and obligations of the PARTIES included in the following Clauses shall remain in full force and effect:

- (i) Clauses 4, 8, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 32 and 33.

24.6 In the event of termination of all or any part of the WORK, the following will apply:

- (i) the whole of the CONTRACT shall remain in full force and effect in connection with the performance of the portion of the WORK which has not been terminated.
- (ii) the provisions of Clause 24.7(a) shall apply to confirm the Clauses which will remain in full force and effect in connection with the portion of the WORK which has been terminated.

24.7 Training Services on CONTRACTOR's premises

If COMPANY terminates a PURCHASE ORDER relating to training services at CONTRACTOR's premises, then Contractor shall be reimbursed as follows:

- (a) Cancellation between eight (8) and fourteen (14) days before training: a 25% cancellation charge shall apply;
- (b) Cancellation between four (4) and seven (7) days before training: a 50% cancellation charge shall apply;
- (c) Cancellation three (3) days or less before training: a 100% cancellation charge shall apply.

24.8 North Sea Lifting Limited Services on non-CONTRACTOR premises

If Company terminates a PURCHASE ORDER relating to services provided by North Sea Lifting Limited at premises (other than CONTRACTOR's premises), then CONTRACTOR shall be reimbursed as follows:

- (a) Cancellation up to forty eight (48) hours before mobilisation: any expenses incurred by CONTRACTOR will be charged at cost + 5%;
- (b) Cancellation less than forty eight (48) hours before mobilisation: one (1) day (where the WORK would be completed within 24 hours), two (2) days (where the WORK would exceed 24 hours) of personnel's time at the quoted (full operational) day rate, together with any expenses incurred by CONTRACTOR will be charged at cost + 5%.

ARTICLE 25 AUDIT AND STORAGE OF DOCUMENTS

25.1 During the course of the WORK and for a period ending two (2) years thereafter, the COMPANY or its duly authorised representative shall have the right to audit at all reasonable times and, upon request, take copies of all of the CONTRACTOR's records (howsoever stored), books, personnel records, accounts, correspondence, memoranda, receipts, vouchers and other papers of every kind relating to;

- (a) all invoiced charges made by the CONTRACTOR on the COMPANY; and
- (b) any provision of this CONTRACT under which the CONTRACTOR has obligations the performance of which is capable of being verified by audit.

In this respect the COMPANY shall not be entitled to investigate the make- up of rates and lump sums included in the CONTRACT except to the extent necessary for the proper evaluation of any VARIATIONS.

25.2 The CONTRACTOR shall co-operate fully with the COMPANY and/or its representatives in the carrying out of any audit required by the COMPANY. The COMPANY will conduct any audit in a manner which will keep to a reasonable minimum any inconvenience to the CONTRACTOR.

25.3 The CONTRACTOR shall obtain equivalent rights of audit to those specified above from all SUBCONTRACTORS and will cause such rights to extend to the COMPANY.

25.4 The PARTIES shall keep all documents and data (howsoever stored) related to this CONTRACT for a period of six (6) years after the date of completion of the WORK.

ARTICLE 26 LIENS

26.1 The CONTRACTOR shall not claim any lien or attachment on the WORK or on any property of the COMPANY in the possession of the CONTRACTOR or at the WORKSITE.

26.2 Without prejudice to any other provisions of this Clause, the CONTRACTOR shall save, indemnify, defend and hold harmless the COMPANY from and against all liens or attachments by any SUBCONTRACTORS in connection with or arising out of the CONTRACT.

26.3 The CONTRACTOR shall immediately notify the COMPANY of any possible lien or attachment which may affect the WORK or any part thereof.

26.4 If at any time there is evidence of any lien or attachment to which, if established, the COMPANY or its property might be subjected, whether made by any persons against the CONTRACTOR or made by any SUBCONTRACTOR against the COMPANY, then the COMPANY shall have the right to withhold and/or set off or otherwise recover from the CONTRACTOR such sum of money as will fully indemnify the COMPANY against any such lien or attachment.

26.5 Before withholding any payment due to the CONTRACTOR in accordance with Clause 26.4, the COMPANY shall give to the CONTRACTOR a reasonable opportunity to demonstrate that the purported lien or attachment is either unenforceable or is covered by the provisions of a security to the reasonable satisfaction of the COMPANY.

26.6 For the purpose of this Clause reference to the COMPANY shall include the CO-VENTURERS and its and their AFFILIATES and references to the CONTRACTOR shall include its AFFILIATES.

ARTICLE 27 BUSINESS ETHICS

27.1 Both PARTIES shall uphold the highest standards of business ethics in the performance of the CONTRACT. Honesty, fairness and integrity shall be paramount principles in the dealings between the PARTIES.

27.2 Neither PARTY shall knowingly involve itself in any business in connection with, or use information arising from, the CONTRACT, in any manner which conflicts with the interests of the other PARTY.

ARTICLE 28 ANTI-BRIBERY AND CORRUPTION

28.1 Each PARTY warrants and represents that in negotiating and concluding the CONTRACT it has complied, and in performing its obligations under the CONTRACT it has complied and shall comply, with all APPLICABLE ANTI-BRIBERY LAWS.

28.2 The CONTRACTOR warrants that it has an ABC PROGRAMME setting out adequate procedures to comply with APPLICABLE ANTI- BRIBERY LAWS and that it will comply with such ABC PROGRAMME in respect of the CONTRACT.

28.3 In addition and subject to Clause 25, on provision of no less than thirty (30) days' formal notice, the COMPANY or its duly authorised representatives shall have the right to audit, at its own cost, the existence, content and implementation of the CONTRACTOR's ABC PROGRAMME, but such right shall not include access to documents that are legally privileged or were created for the purpose of an on-going internal investigation.

28.4 Where it is legally able to do so, and subject to a request by a COMPETENT AUTHORITY not to notify, each PARTY shall notify the other in writing immediately upon whichever is the earlier of:

- (a) becoming aware of any investigation or proceedings initiated by a COMPETENT AUTHORITY relating to an alleged breach of APPLICABLE ANTI-BRIBERY LAWS by either PARTY or any member of its GROUP in connection with the CONTRACT; or
- (b) having a reasonable belief that either PARTY or any member of its GROUP may have breached APPLICABLE ANTI-BRIBERY LAWS in connection with the CONTRACT.

The affected PARTY shall use reasonable efforts to keep the other PARTY informed as to the progress and findings of such investigation or proceedings, the details of any measures being undertaken by the affected PARTY to respond to the alleged or potential breach and the remedial measures that are being or will be implemented to prevent such conduct in the future.

28.5 Subject to the remaining provisions of this Clause 28.5, if the COMPANY has a reasonable belief that the CONTRACTOR has breached Clause 28.1, the COMPANY may give formal notice of its intention to suspend payments under the CONTRACT to the CONTRACTOR giving the basis of such reasonable belief.

- (a) If within seven (7) days of receipt of such formal notice the CONTRACTOR neither responds with information reasonably satisfactory to the COMPANY to refute such belief nor commences and continues with action reasonably satisfactory to the COMPANY to remedy such suspected breach of Clause 28.1, the COMPANY may, by the provision of formal notice, suspend with immediate effect any payments due under the PURCHASE ORDER without liability.
- (b) The COMPANY shall not be entitled to suspend payment for sums due under the PURCHASE ORDER for any part of the WORK performed in accordance with the CONTRACT that the CONTRACTOR can reasonably substantiate as not being connected with the suspected breach.
- (c) In the event of any such suspension, the COMPANY and the CONTRACTOR shall meet at not more than seven (7) day intervals with a view to agreeing an appropriate course of action during the period of suspension.
- (d) On expiration of fourteen (14) days, the COMPANY shall, unless otherwise agreed, either:
 - (i) within thirty (30) days make full payment of any sums retained pursuant to this Clause 28.5 which are otherwise due; or
 - (ii) if its reasonable belief remains, within thirty (30) days serve formal notice that the CONTRACT is terminated pursuant to this provision.

28.6 In the event of termination in accordance with Clause 28.5(d)(ii) the following conditions shall apply:

- (a) subject to the remaining provisions of this Clause 28.6, the CONTRACT is deemed to have been terminated in accordance with Clause 24.1(b), but Clause 24.2 is not applicable;
- (b) subject to paragraph (c), the CONTRACTOR shall be entitled to payment only as set out in the PURCHASE ORDER for WORK completed in accordance with the CONTRACT up to the date of termination;
- (c) the CONTRACTOR shall not be entitled to payment for any sums connected with the possible breach of APPLICABLE ANTI-BRIBERY LAWS (including those retained under Clause 28.5(a));
- (d) subject to the COMPANY being able to evidence that a breach of Clause 28.1 has occurred, the COMPANY shall be entitled to receive from CONTRACTOR any additional costs reasonably incurred by the COMPANY as a result of a breach by the CONTRACTOR;
- (e) payment shall be made to the CONTRACTOR within thirty (30) days of the date of termination of the CONTRACT;
- (f) provided that the COMPANY had a reasonable belief at the time of issuing the termination notice that the CONTRACTOR breached APPLICABLE ANTI-BRIBERY LAWS, the COMPANY shall not be in breach of the CONTRACT in issuing a termination notice even if it transpires that the CONTRACTOR is not in breach of APPLICABLE ANTI-BRIBERY LAWS; and
- (g) notwithstanding any other provision of the CONTRACT, if at a subsequent date, it is determined or agreed that the CONTRACTOR did not breach Clause 28.1, the CONTRACTOR shall be entitled to payment for all sums retained under Clause 28.6(c) (including those retained under Clause 28.5(a)).

- 29.1 None of the terms and conditions of the CONTRACT shall be considered to be waived by either PARTY 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 CONTRACT shall constitute a waiver of such terms.
- 29.2 Subject to the provisions of Clauses 19 and 30, unless otherwise specifically stated in the CONTRACT, both PARTIES shall retain all rights and remedies under the CONTRACT, which either may have against the other. The CONTRACTOR shall not be relieved from any liability or obligation under the CONTRACT by any review, approval, authorisation, acknowledgement or the like, by the COMPANY.
- 29.3 Any limitation of liability given by the COMPANY to the CONTRACTOR under the CONTRACT shall include the AFFILIATES of the CONTRACTOR.
- 29.4 Save where COMPANY appoints CONTRACTOR as its agent, CONTRACTOR shall act as an independent contractor with respect to the WORK and shall exercise control, supervision, management and direction as to the method and manner of obtaining the results required by the COMPANY. COMPANY acknowledges CONTRACTOR's ability to bind COMPANY in ship's agency related contracts and certain other third party procurement services with third party suppliers.
- 29.5 The CONTRACT, and any non-contractual rights and obligations arising out of or in connection with it and its subject matter, shall be governed and construed in accordance with English Law and, subject to the provisions of Clause 31, shall be subject to the exclusive jurisdiction of the English Courts.
- 29.6 The ruling language of the CONTRACT shall be the English Language.
- 29.7 All formal notices in respect of the CONTRACT shall be given in writing and delivered by hand, by fax or by first class post to the relevant address specified in the PURCHASE ORDER and copied to such other office or offices of the PARTIES as shall from time to time be nominated by them in writing to the other.
- Such notices shall be effective:
- (a) if delivered by hand, at the time of delivery;
 - (b) if sent by fax, on the first working day at the recipient address following the date of sending;
 - (c) if sent by first class post, forty eight (48) hours after the time of posting.
- Subject to any specific administrative instructions agreed between the PARTIES, any standard business correspondence associated with the CONTRACT and/or the WORK may be sent by either e-mail, fax or letter.
- 29.8 The COMPANY enters into the CONTRACT for itself and as agent for and on behalf of the other CO-VENTURERS. Without prejudice to the provisions of Clause 32 and notwithstanding the above:
- (a) the CONTRACTOR agrees to look only to the COMPANY for the due performance of the CONTRACT and nothing contained in the CONTRACT will impose any liability upon, or entitle the CONTRACTOR to commence any proceedings against any CO-VENTURER other than the COMPANY; and
 - (b) the COMPANY is entitled to enforce the CONTRACT on behalf of all CO-VENTURERS as well as for itself. For that purpose the COMPANY may commence proceedings in its own name to enforce all obligations and liabilities of the CONTRACTOR and to make any claim which any CO-VENTURER may have against the CONTRACTOR; and
 - (c) All losses, damages, costs (including legal costs) and expenses recoverable by the COMPANY pursuant to the CONTRACT or otherwise shall include the losses, damages, costs (including legal costs) and expenses of the COMPANY's CO-VENTURERS and its and their respective AFFILIATES except that such losses, damages, costs (including legal costs) and expenses shall be subject to the same limitations or exclusions of liability as are applicable to either PARTY under the CONTRACT. For the avoidance of doubt any and all limitations of the CONTRACTOR's liability set out in the CONTRACT shall represent the aggregate cumulative limitation of the liability of the CONTRACTOR to the COMPANY, its CO-VENTURERS and its and their respective AFFILIATES.
- 29.9 The CONTRACT constitutes the entire agreement between the PARTIES hereto with respect to the WORK and supersedes all prior negotiations, representations or agreements related to the CONTRACT, either written or oral. No amendments to the CONTRACT shall be effective unless evidenced in writing and signed by the PARTIES.
- 29.10 Both PARTIES shall take all reasonable steps to mitigate any loss resulting from any breach of CONTRACT by the other PARTY.
- 29.11 If any provision of this CONTRACT shall be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, the invalidity or unenforceability shall not affect the other provisions of this CONTRACT and all provisions not affected by such invalidity or unenforceability shall remain in full force and effect. The PARTIES agree to attempt to substitute, for any invalid or unenforceable provision, a valid or enforceable provision which achieves to the greatest possible extent, the economic, legal and commercial objectives of the invalid or unenforceable provision.

ARTICLE 30 LIMITATIONS OF LIABILITY

- 30.1 (a) Subject to the CONTRACTOR having used all reasonable endeavours to complete the WORK and to comply with its obligations under the CONTRACT, the CONTRACTOR's total cumulative liability to the COMPANY, including any liability arising as a result of suspension under Clause 13 and/or termination under Clause 24 arising out of or related to the performance of the CONTRACT shall be limited to the sum of 100% of the PURCHASE ORDER value (excluding any values associated with the provision of MGO or third party recharges or services) or £1million, whichever is the lower.
- (b) After the date of completion of the WORK, the CONTRACTOR's total cumulative liability to the COMPANY arising out of or related to the performance of the CONTRACT shall be limited to 100% of the PURCHASE ORDER value (excluding any values associated with the provision of MGO or third party recharges or services) or £1million, whichever is the lower.
- Provided, however, that the above limitations under Clause 30.1(a) and Clause 30.1(b) shall not apply to any liabilities assumed by the CONTRACTOR under Clauses 15, 17, 20, 23 and 26, and the limitation under Clause 30.1(b) shall not apply to any costs arising from any cause of action of the COMPANY notified to the CONTRACTOR before the date of completion of the WORK.
- 30.2 The CONTRACTOR's liability under the CONTRACT shall cease at the end of twelve (12) months from the agreed date of completion of the WORK, however, that the provisions of this Clause 30.2 shall not apply to any liabilities assumed by the CONTRACTOR under Clauses 15, 17, 20, 23 and 26, or to any indemnity given by the CONTRACTOR under Clause 19 (except for Clause 19.4 where the cap will apply in respect of waste disposal services).
- 30.3 Any exclusion or limitation of liability under the CONTRACT shall exclude or limit such liability not only in contract but also in tort or otherwise at law.
- 30.4 Subject to the provisions of Clause 21, this Clause shall apply notwithstanding any provisions to the contrary elsewhere in the CONTRACT.

ARTICLE 31 RESOLUTION OF DISPUTES

- 31.1 Any dispute between the PARTIES in connection with or arising out of the CONTRACT or the WORK shall be resolved by means of the following procedure:
- (a) the dispute shall initially be referred, by means of a formal notice containing the information set out in Clause 31.5 and served in accordance with Clause 29.6, to the COMPANY REPRESENTATIVE and CONTRACTOR REPRESENTATIVE who shall discuss the matter in dispute and make all reasonable efforts to reach an agreement;
 - (b) if no agreement is reached under Clause 31.1(a) above within forty (40) days of the service of such formal notice, the dispute shall be referred to the two persons named in the PURCHASE ORDER. Such persons are nominated one by the COMPANY and one by the CONTRACTOR. Such persons may be replaced by the PARTY which nominated them by notice to the other PARTY;
 - (c) if no agreement is reached under Clause 31.1(b) above within twenty (20) days of expiry of the period referred to in Clause 31.1(b) (that is, within sixty (60) days of the service of the formal notice referred to at Clause 31.1(a)), the dispute shall be referred to an appropriate Senior Executive of each of the PARTIES who shall meet to discuss the matter in dispute within twenty (20) days of expiry of the period referred to in this Clause 31.1(c) (that is, within eighty (80) days of the service of the formal notice referred to at Clause 31.1(a)).
- 31.2 If no agreement is reached within twenty (20) days of expiry of the period referred to in Clause 31.1(c) (that is, within eighty (80) days of the service of the formal notice referred to at Clause 31.1(a)), the PARTIES may attempt to settle the dispute by a form of Alternative Dispute Resolution to be agreed between the PARTIES.
- 31.3 In the absence of any agreement being reached on a particular dispute within twenty (20) days of expiry of the period referred to in Clause 31.1(c) (that is, within eighty (80) days of the service of the formal notice referred to at Clause 31.1(a)), either PARTY may, subject to Clause 31.4, take appropriate action in the Courts to resolve the dispute at any time.
- 31.4 It shall be a condition precedent to the referral of a dispute to the Courts under Clause 31.3 that the PARTY which intends to commence proceedings in relation to the dispute has used its reasonable endeavours to follow and complete the procedures set out in Clauses 31.1.
- 31.5 Where any claim or counter claim in connection with or arising out of the CONTRACT is made, the PARTY making the claim or counter claim shall ensure that such claim or counter claim contains, without limitation, the following information:
- (a) a clear summary of the facts on which the claim or counter claim is based; and
 - (b) the basis on which the claim or counter claim is made, including the principal contractual terms and/or statutory terms relied on; and
 - (c) the nature of the relief claimed; and
 - (d) where a claim or counter claim has been made previously and rejected by the other PARTY, and the PARTY making the claim or counter claim is able to identify the reason(s) for such rejection, the grounds of belief as to why the claim or counter claim was wrongly rejected.

31.6 Whilst any matter or matters are in dispute, the CONTRACTOR shall proceed with the execution and completion of the WORK and both PARTIES shall comply with all the provisions of the CONTRACT.

ARTICLE 32 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

32.1 Subject to Clause 32.3, the PARTIES intend that no provision of the CONTRACT shall, by virtue of the Contracts (Rights of Third Parties) Act 1999 ("the Act") confer any benefit on, nor be enforceable by any person who is not a PARTY to the CONTRACT.

32.2 For the purposes of this Clause, "Third Party" shall mean any member of the COMPANY GROUP (other than the COMPANY) or CONTRACTOR GROUP (other than the CONTRACTOR).

32.3 Subject to the remaining provisions of the CONTRACT, Clause 17.7, Clause 17.8, Clause 19, Clause 20 and Clause 21 are intended to be enforceable by a Third Party; and Clause 29.3 is intended to be enforceable by the AFFILIATES of the CONTRACTOR, by virtue of the Act.

32.4 Notwithstanding Clause 32.3, the CONTRACT may be rescinded, amended or varied by the PARTIES to the CONTRACT without notice to or the consent of any Third Party even if, as a result that Third Party's right to enforce a term of this CONTRACT may be varied or extinguished.

32.5 The rights of any Third Party under Clause 32.3 shall be subject to the following: -

(a) any claim, or reliance on any term of the CONTRACT by a Third Party shall be notified in writing in accordance with the requirements of Clause 19.6 and Clause 29.6 by such Third Party as soon as such Third Party becomes aware that an event is likely to give rise to such a claim and such notification shall contain the following information as a minimum:

(i) details of the occurrence giving rise to the claim; and

(ii) the right relied upon by the Third Party under the CONTRACT;

(b) the provisions of Clause 31 shall apply in respect of any claim by a Third Party in that the relevant parties agree to resolve any dispute between them in a prompt and amicable manner by adopting the provisions of Clause 31; and

(c) the Third Party's written agreement to submit irrevocably to the jurisdiction of the English Courts in respect of all matters relating to such rights.

32.6 In enforcing any right to which it is entitled by virtue of the Act and the provisions of this CONTRACT, the remedies of a Third Party shall be limited to damages.

32.7 A Third Party shall not be entitled to assign any benefit or right conferred on it under this CONTRACT by virtue of the Act.

ARTICLE 33 HEALTH, SAFETY AND ENVIRONMENT

33.1 The COMPANY places prime importance on health, safety and environment (hereinafter "HS&E") issues and requires that the CONTRACTOR GROUP subscribes to and actively pursues the highest standards of HS&E performance.

33.2 The CONTRACTOR shall take full responsibility for the adequacy, stability and safety of all its operations and methods necessary for the performance of the WORK. The CONTRACTOR shall collaborate with the COMPANY in establishing HS&E interface arrangements and the production of a HS&E interface document.

33.3 Failure to satisfy the COMPANY's reasonable requirements with regard to the control of HS&E risks in any material respect will be regarded as due cause for the COMPANY giving notice to terminate all of any part of the WORK or the CONTRACT in accordance with Clause 24.1(b).

33.4 The CONTRACTOR shall co-operate with the COMPANY in providing an appropriate response to any emergency occurring at the WORKSITE and shall immediately take such action as may be necessary to protect life and make safe property where such is in imminent peril.

ARTICLE 34 AGENCY

34.1 In respect of ship's agency services and certain other third party procurement services, the COMPANY appoints the CONTRACTOR as its disclosed agent in accordance with this CONTRACT and the laws of agency to provide the WORK.

34.2 For the purposes of this Clause 34, "WORK" means all the work that the CONTRACTOR is required to carry out on behalf of the COMPANY as disclosed agent in accordance with the provisions of the CONTRACT, including the provision of all materials, services and equipment to be rendered in accordance with the CONTRACT.

34.3 The CONTRACTOR shall contract with all sub-contractors and third parties necessary for the delivery of the WORK for and on behalf of the COMPANY and shall form contracts with those parties on behalf of the COMPANY as its disclosed agent. Such contracts shall be deemed to be a direct contractual relationship between COMPANY and those parties.



- 34.4 The indemnities provided by CONTRACTOR under Clause 19.1 shall not apply in respect of damage to people or property of third parties which CONTRACTOR has engaged as disclosed agent on behalf of COMPANY and the COMPANY agrees to indemnify the CONTRACTOR against any all liabilities associated with the engagement of sub-contractors or third parties necessary to fulfil the requirements of a PURCHASE ORDER.
- 34.5 CONTRACTOR shall have no responsibility for acts or omission of third parties whom CONTRACTOR has engaged as disclosed agent on behalf of the COMPANY.