

GENERAL TERMS NAM 2016

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ARTICLE 1 – DEFINITIONS AND INTERPRETATION

In the Purchase Contract,

1.1. Definitions

“**acceptance**” when used in reference to acceptance of Scope by Company, means acceptance as prescribed in Article 5 of these General Terms and any derivative of the word “acceptance” has a corresponding meaning.

“**Affiliate**” means, in reference to a Person, any other Person that: (i) directly or indirectly controls or is controlled by the first Person; or (ii) is directly or indirectly controlled by a Person that also directly or indirectly controls the first Person; and for the purposes of this definition, a Person controls another Person if such Person has the power to direct or cause the direction of the management and policies of the other Person, whether directly or indirectly, through one or more intermediaries or otherwise, and whether by ownership of shares or other equity interests, the holding of voting rights or contractual rights, by being the general partner of a limited partnership, or otherwise.

“**Affiliate of Shell**” means any Affiliate of Royal Dutch Shell plc.

“**Anti-Bribery Laws**” means the United States Foreign Corrupt Practices Act of 1977 and the United Kingdom Bribery Act 2010 (as amended from time to time) and all other applicable national, regional, provincial, state, municipal or local laws and regulations that prohibit the bribery of, or the providing of unlawful gratuities, Facilitation Payments or other benefits to, any Government Official or any other person.

“**Applicable Laws**” means in relation to a Person, property or circumstance, statutes (including regulations enacted thereunder); judgments and orders of courts of competent jurisdiction; rules, regulations and orders issued by government agencies, authorities and other regulatory bodies; and regulatory approvals, permits, licenses, approvals and authorizations; that are applicable to such Person, property or circumstance.

“**Background Rights**” means any and all Intellectual Property Rights of Contractor Group (including rights licensed to Contractor Group with the right to grant sublicenses) pre-existing the performance hereunder or separately developed outside of this Purchase Contract by Contractor Group in any tools, methodologies, services and techniques of any nature whatsoever, and that are used by Contractor in connection with or to perform the Services or otherwise are necessary for exploitation of Scope, but for the avoidance of doubt will not include Company IPR or Company New IPR.

“**Books and Records**” means books, accounts, contracts, records and documentation, in electronic format or otherwise, with respect to the Purchase Contract and the supply of Scope.

“**Category and Special General Terms**” means the General Terms set out in the Appendices, if any.

“Company” means the party who is the “Company” under the Purchase Contract.

“Company Group” means:

- (a) Company and its Affiliates;
- (b) where Company is not a Shell Contractor, Company’s Co-venturers, if any;
- (c) where Company is a Shell Contractor, either the Shell JV or the Affiliate of Shell, as applicable, for which the Shell Contractor is performing work to which Scope relates, and the Affiliates and Co-venturers, if any, of the Shell JV or Affiliate of Shell, as applicable; and
- (d) the respective directors, officers and employees, (including agency personnel) and assignees of Persons under (a) and (b) or (a) and (c) as applicable, but will exclude any Person of the Contractor Group.

A reference to Company Group includes a reference to each and any of its members severally.

“Company Group Worksite” means a Worksite of Company Group.

“Company IPR” means all Intellectual Property Rights of Company Group, including in and to all materials, documentation and information and data (including but not restricted to technical information and data and including information in computerised or whatever other form) whether provided directly or indirectly by Company Group to Contractor Group.

“Company New IPR” means all right, title and interest, including any Intellectual Property Rights, in and to any modifications, amendments, enhancements and/or improvements (including tailor-making to the specifications of Company) to Company IPR or Company Confidential Information generated in connection with performance of the Purchase Contract.

“Company Provided Items” means the items of materials and equipment, services and facilities, provided by the Company to the Contractor Group for the Scope, as more particularly set out in the Purchase Contract.

“Compliance Requirements” means (i) instructions, interpretations, decisions or acts of Company or its representatives that are made in accordance with or as a right under the Purchase Contract or to achieve compliance with the Purchase Contract by Contractor Group or (ii) Variations required to correct errors, omissions, defective workmanship, defaults, breaches or any other failure of Contractor Group.

“Confidential Information” means all technical, commercial or other information or materials, and all documents and other tangible items which record information, whether on paper, in computer readable format or otherwise, relating to Company Group’s business, including business plans, property, way of doing business or business results or prospects, the terms and negotiations of the Purchase Contract, proprietary software, Intellectual Property Rights and business records. The term “Company Confidential Information” will also include Designed Scope and Work Product.

Company’s Confidential Information includes Confidential Information of Company Group and Contractor’s Confidential Information includes Confidential Information of Contractor Group.

“Consequential Loss” will mean (i) indirect or consequential losses and/or (ii) loss of production, loss of product, loss of use and loss of revenue, profit or anticipated profit (in all cases, whether

direct, indirect or consequential) and whether or not such losses were foreseeable at the time of entering into the Purchase Contract.

“**Contract Price**” means the price for the whole of the Scope specified in or calculated in accordance with the Purchase Contract.

“**Contractor**” means the party who is the “Contractor” under the Purchase Contract.

“**Contractor Group**” means Contractor, its Subcontractors, its and their Affiliates, its and their respective directors, officers and employees (including agency personnel), but will not include any member of the Company Group. A reference to Contractor Group includes a reference to each and any of its members severally.

“**Contractor Group Worksite**” means any Worksite of Contractor Group.

“**Contractor Items**” means any machinery, plant, tools, equipment, goods, materials, supplies and other items (including all appropriate associated spare parts, storage containers, packing and securing and regardless of whether of a temporary or permanent nature) owned or contracted for by Contractor Group and in respect of which title has not passed to Company and which will not be purchased or acquired by Company under the Purchase Contract.

“**Contractor Personnel**” means any individual provided by Contractor Group whether directly or indirectly and assigned to work in connection with the supply of Scope whether or not an employee of Contractor Group.

“**Co-venturer**” means any other Person with whom Company is, from time to time, a party to a joint operating agreement, a joint venture or equivalent shareholder agreement, unitisation agreement or similar agreement relating to the operations for which Scope is being supplied and the successors in interest of such Co-venturer or the assignees of any interest of such Co-venturers.

“**Data Protection Law**” means data protection legislation or any statutory equivalent in force in any part of the world that is relevant to Personal Data and the supply of Scope.

“**Delivery Date(s)**” means the dates(s) for delivery of the Goods as agreed in the Purchase Contract.

“**Delivery Point(s)**” means the locations(s) for delivery of the Goods as agreed in the Purchase Contract.

“**Designed Scope**” means Scope that is not Standard Scope.

“**Effective Date**” means the “Effective Date” of the Purchase Contract.

“**ERS**” means evaluated receipt settlement.

“**Facilitation Payment**” means a payment to facilitate or expedite performance of a routine governmental action which is an action which is commonly performed by a Government Official.

“**Fault**” means negligence, breach of contract, breach of statutory duty, breach of duty of care, strict liability, unseaworthiness, unairworthiness or other premises liability.

“**Force Majeure**” means any of the following events and similar events:

- (a) Riot, war, invasion, act of foreign enemies, hostilities (whether war be declared or not), acts of terrorism, civil war, rebellion, revolution, blockade, embargo, international trade sanction, 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) Pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
- (d) Earthquake, flood, fire, named cyclone/hurricane/typhoon, tidal wave and/or other natural physical disaster;
- (e) 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 that affect a substantial or essential portion of Scope;
- (f) Maritime or aviation disasters;
- (g) Mandates or laws of a governmental body having jurisdiction prohibiting and/or preventing performance of the Purchase Contract;
- (h) Denial, revocation of or failure to issue required licenses, permits or governmental consents provided that any such inability to perform is not due to the Fault of the party seeking relief from performance.

“**General Terms**” means these General Terms, including the Category and Special General Terms, if any.

“**Goal Zero**” means commitment to an accident free workplace and one free of significant incidents.

“**Goods**” means goods, materials, products and equipment to be supplied or supplied by Contractor under the Purchase Contract (including pursuant to a Variation Order or Remedial Actions), including goods, materials, products and equipment ordered as part of any Services.

“**Government Official**” means any official or employee of any government, or any agency, ministry, department of a government (at any level), person acting in an official capacity for a government regardless of rank or position, official or employee of a company wholly or partially controlled by a government (for example, a state owned oil company), political party and any official of a political party; candidate for political office, officer or employee of a public international organisation, such as the United Nations or the World Bank, or immediate family member (meaning a spouse, dependent child or household member) of any of the foregoing.

“**Gross Negligence**” shall mean any act or failure to act (whether sole, joint or concurrent) which seriously and substantially deviates from a diligent course of action or which is in reckless disregard of or wanton indifference of a risk known, or so obvious that it should have been known, and so great as to cause harm to people, property or the environment; unless “Gross Negligence” has a different meaning ascribed to it under the governing law of the Agreement provided such meaning is established by statute, regulation, or other written law or by judicial precedent and is in clear,

unambiguous terms and closed to conflicting judicial interpretation, and in which case “Gross Negligence” shall have the ascribed meaning.

“**HSSE**” means health, safety, security and environment.

“**HSSE Standards**” means, as referred to individually or collectively, all HSSE policies, manuals, standards, rules and procedures, as communicated to Contractor, designed to manage HSSE risks during supply of Scope under the Purchase Contract, all Applicable Laws relating to HSSE, Company’s requirements for the management of HSSE risk agreed in the Purchase Contract, as well as any other rules, procedures (whether issued by Company Group or otherwise) in force at the relevant Company Group Worksite at the time of supply of Scope.

“**Incoterm**” means, unless otherwise specified, the selected Incoterms rule of Incoterms 2010 for the interpretation of trade terms or international commercial terms as published by the International Chamber of Commerce.

“**Intellectual Property Rights**” means all intellectual property rights, including patents, copyright, designs, trade or service marks, semiconductor topography rights, database rights, rights in confidential information, including know-how and trade secrets, moral rights or other similar rights in any country (all whether or not registered, including all applications for any of them and all equivalent rights in all parts of the world) and all rights of confidence, whenever and however arising for their full term and including renewals and extensions.

“**Key Personnel**” means Contractor Personnel occupying positions defined in the Purchase Contract as being for Key Personnel.

“**Person**” means any individual, partnership, limited partnership, firm, trust, body corporate, government, governmental body, agency or instrumentality or unincorporated venture.

“**Personal Data**” has the meaning set forth in the relevant applicable Data Protection Law as amended from time to time. If not defined under the Data Protection Law, “**Personal Data**” means any information that alone or in conjunction with other information identifies an individual, including an individual’s name, social security number, date of birth, driver’s license number, government-issued identification number, bank account number, and credit or debit card number.

“**Production**” means products produced by Company Group, including the oil and or gas or other product that is produced by a well or refinery.

“**Purchase Contract**” means this Purchase Contract.

“**Purchase Order**” means Company’s written or electronic order for Scope under the terms of the Purchase Contract.

“**Related Party**” means in relation to a Person (i) any of its Affiliates (ii) any Person employed by that party or by its Affiliates (iii) any director or other officer of that Person or its Affiliates; and (iv) any Person acting on behalf of that Person or its Affiliates.

“**Remedial Actions**” means, in respect of a breach of warranty in Article 6, all actions required to remedy the breach of warranty, including all required services, goods, alterations, modifications,

repairs, replacements and/or dismantling, accessing, removing, procuring, transporting, supplying, installing and testing and inspecting, subject only to the warranty limitations described in Article 6.

“**Restricted Jurisdiction**” means countries or states that are subject to comprehensive trade sanctions or embargoes, which at the date of execution of this Purchase Contract include the following: Syria, Cuba, Iran and Sudan (as may be amended by the relevant governmental authorities from time to time).

“**Restricted Party**” means a party (i) targeted by national, regional or multilateral trade or economic sanctions under Applicable Laws, including, but not limited to, persons designated on the United Nations Financial Sanctions Lists, European Union (EU) or EU Member State Consolidated Lists, U.S Department of the Treasury Office of Foreign Assets Control Lists, U.S State Department Non-proliferation Sanctions Lists or U.S Department of Commerce Denied Persons List, in force from time to time or (ii) directly or indirectly owned or controlled by or acting on behalf of such persons.

“**Scope**” means the scope, and any and all relevant portions thereof as the context dictates, that Contractor is required to supply in accordance with the Purchase Contract including the delivery of the Goods and the performance of the Services (as applicable).

“**Services**” means services to be supplied or supplied by Contractor under the Purchase Contract (including pursuant to a Variation Order or Remedial Actions), and including the results of such Services. The term Services will include, where the Services contemplate delivery of a system or works, such system or works.

“**Shell Contractor**” means a Person acting as a contractor of: (i) an Affiliate of Shell or (ii) a Shell JV.

“**Shell JV**” means a Person in which Shell or an Affiliate of Shell has a direct or indirect ownership interest, who is not an Affiliate of Shell.

“**Standard Scope**” means any development, modification, or enhancement of Background Rights, not specific for meeting specifications of Company, and excluding Company New IPR and Company IPR.

“**Standards of Practice**” means, with reference to Scope and the supply thereof, the standards of practice that would usually be applied by the most reputable and prudent suppliers of such kind of Scope in similar circumstances and at the relevant time.

“**Subcontract**” means any contract between Contractor and any third party, or any subcontract between the third party and other parties, and subcontracts thereof, for the supply of any Scope.

“**Subcontractor**” means any party, other than Contractor, to a Subcontract.

“**Termination Event**” means any of the following:

(a) Contractor commits a breach of any term or condition of the Purchase Contract, the effect of which breach (or in the case of a series of breaches, the cumulative impact of which) is or may be

material and adverse to Company Group's interests (whether or not such breach would otherwise qualify as a repudiatory breach at common law);

(b) in Company's reasonable opinion, any of Contractor's Related Parties: (i) commits any or causes Company or any of its Related Parties to be in breach of applicable Anti-Bribery Laws; (ii) commits any or causes Company or any of its Related Parties to be in breach of applicable competition laws; (iii) commits any or causes Company or any of its Related Parties to be in breach of applicable Trade Control Laws or (iv) commits a material breach of the Applicable Laws not mentioned in paragraphs (i) (ii) and (iii) immediately above;

(c) any of Contractor, its Affiliates or Subcontractors becomes a Restricted Party;

(d) Contractor stops or suspends, or threatens to stop or suspend payment of all or a material part of its debts or is unable to pay its debts as they fall due;

(e) Contractor ceases or threatens to cease to carry on all or a substantial part of its business;

(f) Contractor begins negotiations for, takes any proceedings concerning, proposes or makes any agreement for the deferral, rescheduling or other readjustment, reorganization, compromise, general assignment of or an arrangement or composition with or for the benefit of some or all of its creditors of all or substantially all of its debts, or for a moratorium in respect of or affecting all or substantially all of its debts;

(g) any step is taken with a view to the administration, winding up or bankruptcy of Contractor;

(h) any step is taken to enforce security over or a distress, execution or other similar process is levied or served against all or substantially all of the assets or undertaking of Contractor including the appointment of a receiver, administrative receiver, trustee in bankruptcy, manager or similar officer;

(i) any event or circumstance occurs that under the law of any relevant jurisdiction has an analogous or equivalent effect to any of the termination events listed in paragraphs (f) to (h), inclusive;

(j) any event listed in paragraphs (d) to (i), inclusive occurs in connection with any one of the providers of guarantee or bond under the Purchase Contract, or if Contractor is an unincorporated joint venture, consortium or similar entity, any member of such entity;

(k) where Company is a Shell Contractor, the contract under which Company at the Effective Date of the Purchase Contract qualified as a Shell Contractor is terminated;

(l) any other event for which Company has an express right of termination under the Purchase Contract, other than under Article 18.2 (Termination for Convenience).

"Trade Control Laws" means all Applicable Laws concerning the import, export or re-export of goods, software or technology, or the direct product thereof, including, but not limited to, applicable customs regulations, Council Regulation (EC) No. 428/2009, any sanction regulations issued by the Council of the European Union; the International Traffic in Arms Regulations ("ITAR"); the Export Administration Regulations ("EAR"); and the regulations and orders issued and/or administered by the U.S. Department of the Treasury, Office of Foreign Assets Control, in relation to export control, anti-boycott and trade sanctions matters, (as amended from time to time).

"Variation" means a modification or alteration of, amendment or addition to, or deletion of Scope, including to Delivery Points or Delivery Dates

"Variation Order" means a written order endorsed by an authorized representative of Company for a Variation.

"Wilful Misconduct" shall mean a deliberate act or omission, the consequences of which were foreseen or foreseeable and intended to cause harm to people, property or the environment; unless

“Wilful Misconduct” has a different meaning ascribed to it under the governing law of the Agreement provided such meaning is established by statute, regulation, or other written law or by judicial precedent and is in clear, unambiguous terms and closed to conflicting judicial interpretation, and in which case “Wilful Misconduct” shall have the ascribed meaning.

“**Work Product**” means any and all information, reports, data, drawings, computer programs, source and object codes and program documentation, spread sheets, (Power Point or other) presentations, analyses, results, conclusions, findings, solutions, calculations, studies, concepts, codes, manuals, inventions, business models, designs, prototypes, magnetic data, flow charts, recommendations, working notes, specifications and or other information, documents or materials, which arise out of or are made, created or generated for Company, directly or indirectly, in the course of the supply of Scope.

“**Worksite**” means all the lands, waters and other places on, under, in or through which Scope or activities in connection with Scope are to be supplied, including manufacturing, fabrication and storage facilities, offshore installations, floating construction equipment, vessels offices, workshops, camps or messing facilities for Contractor Personnel.

1.2 **Conflicts and Precedence**

(a) If there is a conflict or inconsistency between the Category and Special General Terms if any, and the main body of the General Terms, the Category and Special General Terms will prevail to the extent required to resolve such conflict or inconsistency.

(b) Where the Purchase Contract provides for the issuance of Purchase Orders and a Purchase Order conflicts or is inconsistent with the Purchase Contract, the Purchase Contract will prevail over the Purchase Order to the extent required to resolve such conflict or inconsistency, except only to the extent the Purchase Order specifically states that a provision supersedes the Purchase Contract, in which case the Purchase Order will prevail for such provision.

1.3 **Relationship of the parties/Co-venturers**

(a) *Independent Contractor.* Contractor is an independent contractor with respect to all Scope, and while Company has the right to inform Contractor as to the results to be obtained, Contractor has the complete control, supervision and direction of the method and manner of obtaining such results, and is responsible to Company therefor. Company and Contractor specifically and expressly disclaim any intention to create a partnership, joint venture, or to appoint any party as the agent of the other. Nothing in the Purchase Contract will result in Company being a partner of Contractor nor impose any partnership obligation on either party. The Purchase Contract does not confer any authority on Contractor to enter into any commitment on behalf of Company Group. If Contractor is an unincorporated joint venture, consortium or similar entity, each member of Contractor is and will continue to be jointly and severally liable to Company for the supply of Scope and all other matters in connection with the Purchase Contract.

(b) *Co-venturers.* Where Company enters into the Purchase Contract for itself and as agent for and on behalf of its Co-venturers, (i) Contractor agrees to look only to Company for the due performance of the Purchase Contract and nothing contained in the Purchase Contract will impose any liability upon, or entitle Contractor to commence any proceedings against any Co-venturer (or

an Affiliate or other associated company of Company that is not a party to the Purchase Contract) other than Company (ii) Company is entitled to enforce the Purchase Contract on behalf of all Co-venturers as well as for itself. For that purpose Company may commence proceedings in its own name to enforce all obligations and liabilities of Contractor and to make any claim that any Co-venturer may have against Contractor, and (iii) all losses, damages, costs (including legal fees) and expenses recoverable by Company pursuant to the Purchase Contract or otherwise will include the losses, damages, costs (including legal costs) and expenses of its Co-venturers and its and their respective Affiliates except that such losses, damages, costs (including legal fees) and expenses will be subject to the same limitations or exclusions of liability as are applicable under the Purchase Contract.

1.4 Entire Agreement

The Purchase Contract constitutes the whole and only agreement between Company and Contractor relating to its Scope and supersedes any other agreement, document relating to the same subject matter. Notwithstanding the foregoing, unless otherwise agreed, the Purchase Contract will not supersede or replace any confidentiality agreement between the parties in respect of confidential information (as defined in such agreements) exchanged prior to the Effective Date.

1.5 Governing Law and Remedies

The Purchase Contract and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) will be exclusively governed by and construed in accordance with the laws of the Netherlands excluding conflict of law rules and choice of law principles that would deem otherwise. The 1980 Vienna Sales Convention (CISC) will not apply to the Purchase Contract. Except as otherwise specifically stated in the Purchase Contract, both Company and Contractor retain all rights and remedies, both under the Purchase Contract and at law, which either may have against the other.

1.6 Survival

Except as otherwise expressly provided herein, completion of the Scope or termination or expiration of the Purchase Contract will not affect the continuing rights and obligations of Company and Contractor under any provision herein that is expressed or intended to survive such completion, termination or expiration or that is required to give effect to such termination, completion or expiration or the consequences of such termination, completion or expiration. Without limiting the foregoing, the terms and conditions contained in the Purchase Contract that the parties intend to survive, including with respect to confidentiality, intellectual property rights, trade control, audit rights, warranties, indemnities, liens, insurance, limitations of liability, dispute resolution, obligations related to termination and provisions related to interpretation, all survive termination and expiry of the Purchase Contract for the benefit of the party to whom they are given. In addition, the expiry or termination of the Purchase Contract does not discharge or release either party from any liability or obligation accrued at the time of such expiry or termination or continuing beyond or arising out of such expiry or termination.

1.7 Successors

The Purchase Contract will bind and enure to the benefit of the successors and permitted assigns of the parties.

1.8 **No Waiver**

A party's waiver of any breach of the other party's obligations will not be binding unless the waiver is in writing, signed by a duly authorized representative of the waiving party, and no waiver will limit or affect the waiving party's rights with respect to any other or future breach. The single or partial exercise of any right, power or remedy provided by law or under the Purchase Contract, as the case may be, will not preclude any other or further exercise of it or the exercise of any other right, power or remedy. No delay or omission on the part of either party hereto to exercise any right or remedy under any Purchase Contract will be construed or operated as a waiver thereof nor will any single or partial exercise of any right or remedy as the case may be. Company and Contractor will retain all rights and remedies, both under the Purchase Contract and at law that either may have against the other.

1.9 **Invalidity**

If any provision of the Purchase Contract should be invalid, illegal or unenforceable in any respect or in any circumstance, the validity, legality or enforceability of such provision in any other respect or circumstance will not in any way be affected or impaired thereby and the parties will endeavour to replace the invalid, illegal or unenforceable provision with a similar provision and the validity, legality or enforceability of the remaining provisions of the Purchase Contract will not in any way be affected or impaired thereby.

1.10 **Further Assurances**

The parties will from time to time and at all times do all such further acts and execute and deliver all such further deeds and documents as will be reasonably required in order to fully perform and carry out the terms of the Purchase Contract.

1.11 **Language of Contract**

The Purchase Contract and all notices, correspondence and other documents ancillary thereto will be drawn up in the English language only.

1.12 **Amendments**

Amendments to the Purchase Contract will not be effective unless in writing and duly executed on behalf of Company and Contractor by their authorized representatives.

1.13 **Interpretation of Terms**

- (a) The terms "including" and "includes" mean "including without limitation" and "includes without limitation".
- (b) References to "parties" mean the parties to the Purchase Contract, and references to a "party" mean one of the parties to the Purchase Contract, and its respective successors and permitted assigns.
- (c) Use of the verb "will" creates a present and ongoing obligation, unless the context otherwise requires.

- (d) Whenever the singular or masculine or neuter is used in the Purchase Contract, it will be interpreted as meaning the plural or feminine or body politic or corporate, and *vice versa*, as the context requires.
- (e) Where a term is defined herein, a derivative of such term will have a corresponding meaning unless the context otherwise requires.
- (f) Headings will not be used to interpret the Purchase Contract.

1.14 Category and Special General Terms Appendices

The Appendices, if any, to the main body of these General Terms, being the Category and Special General Terms, form part of these General Terms.

ARTICLE 2 – SUPPLY OF SCOPE

2.1 Terms Applicable to Scope

(a) *Performance.* Contractor will supply Scope in accordance with the Purchase Contract and will provide to Company all documentation, reports, materials and, if applicable, software, as may be reasonably required by Company to make use of Scope and to confirm compliance of Scope with the Purchase Contract. Company is entitled to specific performance of the Purchase Contract.

(b) *Information for Scope.* Contractor represents that it has conducted reasonable due diligence in connection with Company's intended use for Scope and has received all information reasonably necessary in order to supply Scope in accordance with the Purchase Contract. Subject to Article 4.1(d) (Scope Corrections), Contractor is deemed to have satisfied itself, before entering into the Purchase Contract, as to the correctness and sufficiency of all sums, rates and prices of the Purchase Contract, general and local conditions, and all other matters that could affect progress or performance of the supply of Scope. Any information and documents supplied by Company will at all times be and remain the property of Company and will not be used by Contractor for any purpose other than for the Purchase Contract. Contractor will promptly review information and documents supplied by Company for correctness and sufficiency and will request from Company such additional information relating to supply of Scope that it may require from time to time. Where Contractor identifies, in its opinion, any conflict with or failure to comply with Applicable Laws, or insufficiencies, errors or inconsistencies in the Purchase Contract, its performance, the Scope, or in technical or other information provided to Contractor by Company, Contractor will promptly notify Company with details relating thereto.

(c) *Progress Updates.* At Company's request from time to time, Contractor will submit for review by Company a document giving details of the arrangements and methods that Contractor proposes to adopt for the supply of Scope including without limitation those arrangements and methods for planning and control of cost and schedule. Contractor will at all times keep Company apprised of any material incidents, happenings or milestones related to the Purchase Contract, including involving its Subcontractors.

(d) *Timely Supply.* Time is of the essence for the supply of Scope. Contractor will be responsible for all ordering, scheduling and planning required to supply Scope and complete its obligations in a timely manner. Without prejudice to Contractor's obligation to perform on time, Contractor will

give Company prompt notice in writing if any delay in the supply of Scope is foreseen for any reason. Where no specific time for performance of an obligation is provided, such obligation will be completed in a timely manner having regard to Company's requirements and instructions.

(e) *Liquidated Damages.* If the Purchase Contract provides for the payment of liquidated damages in lieu of general damages in the event of a Contractor failure to meet Purchase Contract obligations, Contractor will be liable to Company for the liquidated damages upon the failure. All amounts of liquidated damages for which Contractor may become liable are agreed as a genuine pre-estimate of the losses that may be sustained by Company in the event that Contractor fails to perform its relevant obligations under the Purchase Contract and not as a penalty. Company will be entitled to recover corresponding general damages from Contractor if Company is disentitled from recovering any liquidated damages.

(f) *Information Package.* Contractor will deliver to Company information relating to Scope as required by the Purchase Contract and Applicable Laws, and except as otherwise agreed in the Purchase Contract, Standards of Practice, including information for installing, commissioning, operating, storage, handling and use, technical specifications and data, HSSE information, evidence of testing and inspections and other information regarding Scope and its application. Contractor represents that such information is reasonably complete, is accurate and up to date and Contractor acknowledges that this information may be used by Company Group and customers and contractors of Company Group.

(g) *Documents and Systems.* Contractor will maintain and retain all information related to Scope in a safe and secure location and format and will, at Company's reasonable request, provide all such information to Company in a machine readable and searchable format that is compatible with Company's systems.

(h) *Non-Exclusivity.* Company is not obligated to order any particular Scope or quantity of Scope and may acquire same or similar scope from other suppliers.

(i) *Shell Trademarks.* Contractor will not use or reference any trademark of or used by an Affiliate of Shell or Shell JV except as authorized by the Affiliate of Shell or the Shell JV.

(j) *Company Provided Items.* Contractor will use Company Provided Items in the performance of Scope as more particularly set out in the Purchase Contract and Contractor will, as applicable, credit Company for the full value of any cost-savings and reduced Scope arising due to use of Company Provided Items by any of Contractor Group. Contractor will be responsible for ordering, scheduling, receiving, unloading and handling such Company Provided Items with all due care and diligence to safeguard and avoid damage to such Company Provided Items as are delivered to a Worksite. Contractor will have risk of loss of and damage to Company Provided Items when it has care or custody of such Company Provided Items. Any Company Provided Items will at all times be and remain the property of Company and will not be used by Contractor for any purpose other than for the Purchase Contract. Contractor will visually inspect all Company Provided Items and check all supporting documentation and will notify the Company of any discrepancy or damage within three (3) days of receipt or such other period as may from time to time be agreed. Receipt of all Company Provided Items will be recorded in writing. In the absence of any notification of discrepancy or damage, all Company Provided Items will be deemed to have been delivered in a complete and undamaged state to the extent that any discrepancy or damage could have been discovered by a visual inspection. Contractor will not however be liable for any latent defects in any

Company Provided Items, which could not reasonably have been discovered by Contractor. Contractor will maintain in a form agreed by Company adequate records for all Company Provided Items and provide a regular monthly inventory to show the use of all Company Provided Items received, the balance of Company Provided Items unused, and current physical location of Company Provided Items. Contractor will be responsible for providing suitable and safe storage for all Company Provided Items.

(k) *Offshore Transportation.* Where Scope is to be supplied to or at an offshore location, Company will make available, at no cost to Contractor, all Company's routine and medi-vac transportation for the transportation of personnel, equipment and materials that are reasonably capable of safe transportation by such means, to and from Company's designated heliport and supply base to the offshore location. The costs of non-routine transportation made available by Company for Contractor will be paid by Contractor.

2.2 Terms Applicable to Goods

(a) *Quality.* Contractor will deliver Goods of the quality specified and warranted in the Purchase Contract and to the extent quality is not specified or warranted, Goods will be of the highest quality having regard to Standards of Practice.

(b) *Quantity.* Contractor will deliver Goods in the quantity agreed in the Purchase Contract or to the extent not specified, in the quantity communicated by Company from time to time. If Goods are delivered to Company in excess of the quantities ordered, Company will not be bound to pay for the excess and any excess will be and will remain at Contractor's risk and will be returnable to Contractor at Contractor's expense.

(c) *Delivery Point/Delivery Dates.* Contractor will deliver the Goods to Company or its nominee and on the Delivery Dates, times and at the Delivery Points specified in the Purchase Contract for the Goods, or if not specified, as communicated by Company from time to time. Contractor will deliver Goods during regular working hours or as specified by Company and will not be entitled to deliver in advance of the applicable Delivery Dates.

(d) *Risk of Loss/Transfer of Title.* Contractor will retain risk of loss of and damage to Goods until Company takes physical possession, care and custody of the Goods, or, if an Incoterm is specified for the delivery of the Goods, until delivery to Company is complete in accordance with the Incoterm. Notwithstanding the foregoing, Contractor will retain risk of loss of and damage to Goods: (i) supplied as part of Services until acceptance of the Services by Company, unless Company takes care and custody of the Goods and (ii) which are rejected by Company as not in compliance with the Purchase Contract. Title to Goods will pass to Company (i) along with the passing of risk of loss of and damage to Goods to Company or (ii) as Company makes payment for the Goods, whichever occurs earlier. Where Company makes milestone payments, title to Goods to which the payments apply will proportionally pass to Company. Any transfer of title or risk will be without prejudice to Company's right to refuse to accept the Goods in case of non-conformity with the requirements of the Purchase Contract.

(e) *Manufacturing Locations.* There will be no deviation from named manufacturers, manufacturing locations or countries of origin specified in the Purchase Contract, except with Company's prior written consent.

(f) *Packaging and Documentation.* Contractor will take all necessary precautions to ensure that all Goods are packaged in a safe and sufficient manner so as to avoid damage to or loss of the Goods whilst in transit and until delivered, and Contractor will ensure the packaging, documentation and delivery complies with the Purchase Contract, all Applicable Laws and, except as otherwise specified in the Purchase Contract, Standards of Practice. Contractor represents that, on delivery to Company, the Goods have been accurately reported, described, classified, packed, marked and labelled, all in accordance with the Purchase Contract, all Applicable Laws and, except as otherwise specified in the Purchase Contract, Standards of Practice. Contractor will remove and dispose of any waste packaging materials as instructed by Company, and any waste or debris related to the supply of Goods. Contractor will retain title to packaging materials unless Company expressly elects to take ownership of such packaging materials.

(g) *Samples.* Contractor will take and retain samples of Goods supplied in accordance with the Purchase Contract, all Applicable Laws and, except as otherwise specified in the Purchase Contract, Standards of Practice. In the event of any complaint about the quality of Goods supplied to Company being communicated to Contractor by Company, Contractor will undertake sample analysis and make available such samples to Company.

(h) *Measurement.* Contractor will measure Goods delivered to Company in accordance with the Purchase Contract, all Applicable Laws and, except as otherwise specified in the Purchase Contract, Standards of Practice. Contractor will deliver records relating to measurement of Goods to Company on delivery of the Goods and at the reasonable request of Company.

(i) *Deterioration.* If Goods are perishable or have a life expectancy of a fixed duration or if there are circumstances known to Contractor that would adversely affect the life span of the Goods, Contractor will promptly advise Company in writing of all such necessary and appropriate information relating thereto that will form part of the description of the Goods, provided always that Contractor will deliver to Company Goods that have a reasonable life expectancy having regard to intended use or such minimum life expectancy as may be specified by Company in the Purchase Contract.

(j) *Compliance and Hazardous Goods.* Contractor will ensure that Goods will comply with the requirements of Applicable Laws and to the extent that they contain toxic, corrosive or hazardous materials, advise Company of any hazard inherent in the Goods. Contractor will ensure that a proper notice accompanies each delivery of Goods providing information in respect of safety, environment and health hazards, including toxicity, flammability, reactivity and corrosiveness, together with handling and storage requirements, action to be taken in case of fire or spillage, and health precautions to be observed.

2.3 Terms Applicable to Services

(a) *Services Performance.* Contractor will:

- (i) supply Services as described in the Purchase Contract and in the location(s) designated in the Purchase Contract;
- (ii) supply Services diligently, efficiently and carefully, in a good and professional manner, in accordance with the Purchase Contract and otherwise all Standards of Practice and will furnish all skills, labour, supervision, equipment, goods, materials, supplies, transport and storage required for the Services;

- (iii) ensure that all equipment used in connection with the Services is at all times inspected, calibrated and maintained in accordance with manufacturers' guidelines, Applicable Laws and industry recommended standard practices;
- (iv) protect, maintain, repair, store and manage all Contractor Items and all consumables related to Contractor Items;
- (v) not utilize or incorporate any unproven design, device or technology without the prior written approval of Company;
- (vi) be responsible for the correctness and completeness of the documents prepared by Contractor Group (including Work Product prepared on behalf of Company) under the Purchase Contract;
- (vii) properly remove and dispose of all waste and debris related to Services in accordance with Applicable Laws and Standards of Practice and maintain Company Group Worksites where Services are performed at all times in a reasonably clean, tidy and safe condition;
- (viii) pay all its Subcontractors in a timely manner;
- (ix) keep accurate Books and Records.

(b) *Risk.* Contractor will bear risk of loss of and damage to property owned or leased by Company Group when such property is in the care, custody or control of Contractor Group for Services.

(c) *Company Group Worksite Cooperation.* Contractor will supply Services without unreasonably interfering with the operations of Company Group and of other contractors at the Company Group Worksite, and will take, and cause Contractor Personnel to take, all necessary precautions (including those required by Company's HSSE Standards) to protect the Company Group Worksite and all persons and property thereon from damage or injury. Contractor will permit reasonable access and opportunity for the performance of work by other contractors and will cooperate with them.

(d) *Contractor Personnel.* Contractor will only use Contractor Personnel who are properly permitted, qualified, suitably trained, competent, skilled and experienced in accordance with good industry practice and as required by the Purchase Contract. Contractor is responsible for Contractor Personnel, including the direction, transport, housing, maintenance, payment, board and lodging of the personnel. Contractor will verify all relevant qualifications and experience of Contractor Personnel, including all requirements of Applicable Laws and the Purchase Contract and will perform security background checks where required by Company. Key Personnel engaged in the performance of Services will be as set out in the Purchase Contract or other written communication provided by Company to Contractor. Such Key Personnel will not be withdrawn or replaced without the consent of Company, not to be unreasonably withheld.

2.4 Access to Company Systems, Information, Worksites or Infrastructure

In the event that supply of Scope requires Contractor and/or Contractor Personnel to access Company's and/or any of Company Group's technical information, information technology resources (including, but not limited to, Company's infrastructure), or Worksites, Contractor will comply with, and be bound to, the Company's standard terms and conditions of access and security, as set out in Appendix II, unless the parties have agreed to other terms of access in writing.

2.5 Supplier Qualifications

Contractor will, at its cost and expense, ensure it is qualified pursuant to Company's applicable supplier standards and is registered in Company's supplier qualification systems. Contractor will ensure such qualifications and registrations are maintained and are properly updated.

ARTICLE 3 – SUBCONTRACTING

3.1 Subcontracting Approval

Contractor will not Subcontract any portion of Scope without the prior written consent of Company, not to be unreasonably withheld, provided that Contractor may, without consent, Subcontract with its Affiliates and with its usual suppliers of goods and materials unless otherwise specified in the Purchase Contract. Contractor will not Subcontract the whole of the Scope.

3.2 Pre-approved Subcontractors

As specified in the Purchase Contract, Contractor will use Subcontractors that have received the prior approval of Company or that Contractor has selected from a pre-approved list of Subcontractors provided to it from time to time by Company.

3.3 Responsible for Subcontracts

Notwithstanding the use of a Subcontractor by Contractor for any portion of Scope, no Subcontract will bind nor is intended to bind Company, and each Subcontract will name Contractor as the contracting party in Contractor's own right and not as an agent of Company. Contractor will be fully liable to Company for the Subcontracts, the complete performance of all Scope that is supplied by a Subcontractor, and further, Contractor will fully perform and discharge all obligations it may have pursuant to its Subcontract with each Subcontractor. Contractor is solely liable for managing its Subcontracts and for any liability arising under such Subcontracts, including any liability arising in connection with Company's exercise of any rights and remedies under the Purchase Contract. Contractor will be responsible for all work, and acts, omissions and defaults of any Subcontractor and all Contractor Personnel as fully as if they were the work, acts, omissions or defaults of Contractor hereunder. Contractor will indemnify and hold harmless Company Group against all claims, losses, damages, costs (including reasonable legal fees), expenses and liabilities suffered or incurred by Company Group as a result of Contractor's use of Subcontracts for the supply of Scope.

3.4 Assignment

Contractor will use reasonable efforts to ensure that Subcontracts will be on terms and conditions in all material respects consistent with the terms and conditions of the Purchase Contract. Contractor will ensure that it has the right under material Subcontracts to assign the Subcontracts, in whole and in part, to Company or Company's nominee, which assignment can be effected upon the delivery of notice by Company to the Subcontractor and without the requirement of any further consideration or variance of the terms and conditions of Subcontracts. In respect of Scope supplied by any Subcontractor, if such Subcontractor has undertaken towards Contractor any continuing obligation, Contractor will, at the completion of the Scope, notify Company of the continuing obligation and, at

the request of Company, will assign to Company the benefit of that obligation for its unexpired duration.

3.5 Framework Agreements

(a) *Framework Agreements.* Company or an Affiliate of Company has framework agreements, usually known as enterprise framework agreements (each a Framework Agreement), in place with third party contractors, which permit Contractor to call off Subcontracts (each a FA Subcontract) pursuant to the relevant Framework Agreement directly with such third party contractors or their Affiliates.

(b) *Subcontracts.* Contractor will in its own name and capacity enter into FA Subcontracts: (i) for the part of the Scope (ii) with the applicable third party contractors or their Affiliates and (iii) pursuant to the applicable FAs, all as specified in the Purchase Contract. Contractor will be solely responsible for entering into FA Subcontracts in a timely manner as required to complete and perform the Scope in accordance with the Purchase Contract.

(c) *Performance.* Contractor will promptly notify and, as requested by Company, inform Company if Contractor, in its reasonable opinion will be unable to discharge its obligation to perform and complete any portion of the Scope in accordance with the Purchase Contract due to Contractor's obligations under Article 3.5(b).

(d) *Discharge.* Contractor's obligation to enter into a FA Subcontract will be discharged upon the entering into of the FA Subcontract in the first instance. Nothing in this Article 3.5 will be construed as impairing Contractor's rights under a FA Subcontract, including with respect to termination. In the event of a failure to enter into a FA Subcontract (in a timely manner or at all) or termination of a FA Subcontract, Contractor remains solely responsible for performing and completing the Scope in accordance with the Purchase Contract, including the part of the Scope affected by the relevant prospective or terminated FA Subcontract, as the case may be.

(e) *Regular Subcontracts.* FA Subcontracts are and will be deemed to be regular Subcontracts of Contractor. Notwithstanding anything that may be construed to the contrary, Contractor will have no claim, right or defense against Company or any Affiliate of Company (including for an increase in the Purchase Contract Price, an extension of time or any other compensation or relief) in respect of or in connection with FA Subcontracts, including the negotiation of FA Subcontracts, any failure to enter into FA Subcontracts (in a timely manner or at all), any of the terms and conditions of FA Subcontracts, termination of FA Subcontracts, or failure by the third party contractor or its Affiliates and subcontractors to perform under FA Subcontracts.

ARTICLE 4 – VARIATIONS AND SUSPENSION

4.1 Variations

(a) *Variation Orders.* Contractor will not perform a Variation except pursuant to a Variation Order. Upon receipt of a Variation Order, Contractor will promptly take such steps as are necessary to ensure that the supply of Scope under the Purchase Contract is amended to bring Scope into compliance with the Variation Order.

(b) *Information for a Variation.* At Company's reasonable request, Contractor will promptly provide Company with a written and detailed opinion of the effect, if any, of a requested Variation including on pricing and/or the Scope schedule (including Delivery Dates).

(c) *Delayed Agreement.* Contractor will not unreasonably withhold or delay agreement on a Variation Order. If Company and Contractor do not promptly reach agreement on the effects of a requested Variation, Company may issue an interim Variation Order and Contractor will at Company's request nevertheless promptly proceed with performing the Variation within the reasonable capabilities and resources of Contractor Group as required by the interim Variation Order pending agreement on the effects. Once such effects are agreed or settled by dispute resolution, the interim Variation Order will be replaced by the agreed Variation Order.

(d) *Scope Corrections.* Where (i) a change in Applicable Laws or (ii) insufficiencies, errors or inconsistencies in the Scope or in technical or other information provided to Contractor by Company or Company Worksite conditions (collectively the "**Scope Corrections**") may require a Variation in the opinion of Contractor, Contractor will promptly issue to Company a written and detailed notice of the effect, if any, of the potential Variation, including on pricing and the Scope schedule and Company will issue an appropriate Variation Order. However, to the extent Scope Corrections were known or should reasonably have been known or identified by Contractor in entering into the Purchase Contract including through the exercise of reasonable due diligence by Contractor and Standards of Practice, Company may issue a Variation Order for the Scope Corrections and Contractor will not be entitled to any price or schedule adjustment or to other compensation or relief for the applicable Variation.

(e) *Company Obligations.* Where a failure of Company to discharge its obligations under the Purchase Contract may require a Variation, Contractor will promptly issue to Company a written and detailed notice of the effect, if any, of the potential Variation including on pricing and the Scope schedule and Company will issue an appropriate Variation Order.

(f) *Price/Schedule Adjustment.* Contractor will use reasonable efforts to minimize the costs and schedule impact of a Variation on Company for any Variations Order and its implementation. For a Variation materially affecting Scope, pricing in the Variation Order is to be adjusted upwards or downwards using the appropriate rates and prices included in the Purchase Contract, or where there are no such rates and prices, a fair and reasonable adjustment is to be made and the Scope schedule adjusted as necessary.

(g) *Compliance Requirements.* Notwithstanding the foregoing, Contractor will perform any Variation resulting from or required by a Compliance Requirement and Contractor will not be entitled to any price and schedule adjustment or to other compensation or relief for Variations resulting from or required by a Compliance Requirement.

4.2 **Suspension by Company**

(a) *Suspension Right.* Company may at any time, on written notice, suspend supply of all or any portion of Scope under the Purchase Contract. Upon receipt of such notice, Contractor will promptly discontinue supply of Scope as detailed in the notice of suspension and will properly protect and secure Scope. Any invoices due to be paid will remain due and payable during such a suspension. Contractor will promptly at Company's request issue to Company a written and detailed notice of the effect, if any, of the suspension including on pricing and the Scope schedule.

Company may at any time withdraw by written notice all or part of a suspension and, upon receipt of such notice Contractor will promptly resume and diligently continue supply of Scope for which the suspension was withdrawn.

(b) *Costs of Suspension.* Unless the suspension is due to a Compliance Requirement, the parties will treat the suspension as an interim Variation Order under Article 4.1. Where the suspension is due to a Compliance Requirement, Contractor will not be entitled to any price and/or schedule adjustment or to other compensation or relief for the suspension.

(c) *Termination for lengthy suspension.* If the duration of a suspension of a material portion of the Scope by Company other than due to a Compliance Requirement exceeds ninety (90) consecutive calendar days or one hundred and eighty (180) days in the aggregate (and without a Variation Order for the suspension), Contractor may, on reasonable prior notice of not less than seven (7) days, terminate the Purchase Contract on further notice with respect to the affected Scope if the suspension is not withdrawn. In the event of termination of Scope, the Company will be liable for payment to Contractor in accordance with Article 18.2 – Termination for Convenience for the affected Scope.

ARTICLE 5 – INSPECTIONS, TESTING AND ACCEPTANCE

5.1 Inspections and Testing

(a) *Contractor to Inspect and Test.* Contractor will perform all tests and inspections required by the Purchase Contract, Applicable Laws and except as otherwise specified in the Purchase Contract, Standards of Practice, to confirm compliance of Scope with the Purchase Contract. Contractor will deliver documents and information relating to such tests and inspections to Company at the request of Company. Contractor will also ensure that Company or its nominee has reasonable opportunity to properly inspect Scope and witness testing of Scope at reasonable times.

(b) *Duties/Costs.* The duties, liabilities and obligations of Contractor will survive and will not be limited or waived (whether at law or equity) by Company's review of, or approval of any portion of Scope or any inspections or testing. Contractor and Company will each bear its own costs incurred for conducting tests and inspections.

(c) *Progress Inspections.* Contractor will permit Company to view the state and progress of Scope at Company's reasonable request and Contractor will provide adequate, safe and proper facilities for such inspection. Contractor will ensure both Contractor and Company have the right to inspect Scope and the fabrication of any equipment and materials for Scope at reasonable times. If any government agency conducts an inspection, Contractor will cooperate with the government agency and immediately notify Company.

5.2 Acceptance

(a) *Notice of Completion.* When Contractor considers the supply of Scope to be complete in accordance with the Purchase Contract (including all testing and inspections), Contractor will notify Company in writing and will request that Company accept such Scope. Where Scope is the supply of Goods without Services, Contractor is deemed to have requested that Company accept such Scope upon completion of delivery of the Goods.

(b) *Acceptance/Deemed Acceptance.* Company will not be obligated to accept any Scope and may reject any Scope (or portion thereof) that is not in accordance with the requirements of the Purchase Contract, provided Company will not unreasonably withhold or delay acceptance. Any acceptance by Company of Scope or any portion of Scope will not be effective under the Purchase Contract unless the acceptance is in writing, provided that Scope will nevertheless be deemed accepted (i) once the Scope is put into commercial use by Company Group or (ii) if Company has had a reasonable opportunity to inspect Scope and has not either accepted or in writing rejected the Scope within thirty (30) days of Contractor's request to accept the Scope. Payment for the whole or any portion of Scope will not constitute acceptance. Where Company accepts Scope based on certain conditions or assurances, Company may revoke acceptance if the conditions or assurances are not met or realized in a timely manner.

(c) *Obligations not Affected.* Except as specifically provided in the Purchase Contract, the duties, liabilities and obligations of Contractor under the Purchase Contract, including Article 6 (warranties) will survive and will not be limited or waived (whether at law or equity) by Company's acceptance of Scope. In case of a rejection by Company to receive or retain Scope, or a justified revocation of acceptance, Company will continue to be entitled to specific performance of the supply of the Scope in accordance with the Purchase Contract.

ARTICLE 6 – WARRANTIES

6.1 Goods Warranty

(a) *Goods Warranty.* Contractor warrants to Company that Goods will:

- (i) be without fault, defect or deficiency;
- (ii) be new on delivery, unless specified otherwise in the Purchase Contract;
- (iii) be fit for use for any purpose specified in the Purchase Contract; and
- (iv) be in strict conformance with the Purchase Contract and any specification, drawing or other description supplied by Company to Contractor and agreed to as part of the Purchase Contract.

(b) *Warranty Period.* Contractor's warranty for Goods will apply for a period of eighteen (18) months following Company's acceptance of the Goods. If any failure of the Goods to meet the warranty is discovered prior to the expiration of the warranty period and Contractor is notified thereof, Contractor will at its sole risk and cost promptly perform all Remedial Actions.

6.2 Services Warranty

(a) *Services Warranty.* Contractor warrants that all Services will be performed in accordance with the Purchase Contract, be fit for use for any purpose specified in the Purchase Contract and be free from defect and deficiency.

(b) *Warranty Period.* Contractor's warranty for Services will apply for a period of eighteen (18) months following Company's acceptance of the Services. If any failure of the Services to meet the warranty is discovered prior to the expiration of the warranty period and Contractor is notified thereof, Contractor will at its sole risk and cost promptly perform all Remedial Actions.

6.3 Remedial Actions

(a) *Remedial Plan.* Contractor will inform Company within five (5) working days of receipt of a notice of warranty breach from Company of its planned Remedial Actions and the time schedule for completion of such actions.

(b) *Performance by Company/Others.* If circumstances such as emergency situations, avoidance of substantial harm or loss, or HSSE risk require the immediate performance of Remedial Actions, Company may undertake itself to perform or have others perform some or all of the Remedial Actions. In such circumstances, Contractor is liable to and will promptly refund Company for all costs incurred for work Contractor would have been liable for under the warranty. Notwithstanding the foregoing, if Contractor does not promptly commence to fulfil and thereafter diligently fulfil its warranty obligations in a timely manner, Company will be entitled, on reasonable notice to Contractor, without prejudice to other remedies available to it, to have all Remedial Actions done by any means of Company's choice including the engagement of and procurement from third parties and Contractor will be liable to and will promptly refund Company for all costs incurred for work that Contractor would have been liable for under the warranty.

(c) *Disputes.* Company may, at its option, directly undertake any work that is not the responsibility of Contractor. In the event of a dispute as to whether Remedial Actions are to be performed, at Company's request Contractor will nevertheless perform the work on the basis that Contractor will be compensated under an appropriate Variation Order to the extent work is found not to be a Remedial Action (i.e. the work is not covered by warranty).

6.4 Warranty Limitations

(a) *Limitations.* The warranties in this Article will not apply to or include (i) the effects of improper operation, improper handling, accidents, improper storage, improper use, improper maintenance or repair, in each case not attributable to Contractor Group or licensee and provided Contractor has furnished Company with all information reasonably required to properly use, handle, store, maintain, repair and operate; (ii) the effects of normal wear and tear that does not affect operation or use; (iii) replacement of consumables after consumption (iv) normal maintenance services or adjustments except as performed or required as part of Scope.

(b) *Inspection.* Contractor will not be relieved of its warranty obligations herein because Contractor's engineering designs, specifications, drawings, calculations or other documents have been reviewed, commented upon or approved by Company or its representatives or because Scope has been accepted, inspected, tested or approved by Company or its representatives.

(c) *Access Costs.* Contractor will not be responsible for providing working access to Scope to remedy a defect in the Scope, such as disassembly and re-assembly of equipment not supplied by Contractor as part of the Scope, which will be at Company's expense. Contractor will be responsible for working access in connection with Scope, such as disassembly and re-assembly of equipment supplied by Contractor as part of the Scope. Company may, at its option, directly undertake any work that is not the responsibility of Contractor.

(d) *Off-shore Transportation.* Unless otherwise specified in the Purchase Contract, Contractor will not be responsible for cost and expenses of moving any defective Goods from an offshore site and the transportation thereof to Contractor's selected onshore location for repair or replacement. Unless

otherwise specified in the Purchase Contract, Contractor will not be responsible for the cost of offshore heavy lifting operations, board and lodging offshore, transport to, from and at the offshore location, work at or below the waterline and diving support which will be at Company's expense. Contractor will be responsible for all costs of returning the repaired or replacement Goods to Company's Worksite or agreed onshore location, where Company's Worksite is offshore.

6.5 Extensions/Assignment

(a) *Extensions.* The warranty periods for Scope will be extended by the period(s) equal to the time(s) elapsing between the date when the warranty breach first became evident (which date will be notified by Company to Contractor in writing) and the date on which such warranty breach has been finally rectified.

(b) *Assignment.* All warranties offered by Contractor are assignable and will extend to any and all assignees and successors of Company and to Company Group. Without limiting Contractor's warranties hereunder, Contractor will assign to Company the benefit of all warranties provided by its Subcontractors including all manufacturers' warranties, and if Contractor is unable to assign such warranties, it will at Company's request pursue related warranty claims for Company Group's benefit.

6.6 Warranty Exclusivity

Following acceptance by Company of Scope, the warranties set out in this Article 6 are in lieu of all other warranties expressed or implied by statute, common law, custom, usage or otherwise in respect of such Scope.

ARTICLE 7 – PRICES AND PAYMENT

7.1 Prices

In consideration of the supply and completion of the whole of the Scope in accordance with the terms of the Purchase Contract, Company will pay, or cause to be paid, to Contractor the Contract Price. Prices in the Purchase Contract are all-inclusive (save for value-added tax) and are deemed to compensate Contractor for completion of Scope in accordance with the Purchase Contract, except only where the Purchase Contract specifies a cost as being for Company's account. Unless otherwise specified in the Purchase Contract, prices will be calculated in the currency requested by Company.

7.2 Invoicing and Payment

(a) *Invoicing.* Except as otherwise specified in the Purchase Contract, Contractor will not deliver an invoice to Company for Scope until acceptance by Company of such Scope as agreed in the Purchase Contract. If Company uses ERS, Contractor will, if requested by Company, notify Company of completion of Scope under the Purchase Contract through "Self Billing" in Company's ERS system as required by Company. Otherwise, Contractor will invoice Company (electronically where available) in accordance with Company's reasonable requirements. Contractor will be responsible for arranging foreign exchange clearance and for meeting costs in the country to which

funds are being remitted. Company may execute any reasonable payment instructions, but reserves the right to charge Contractor for complying with such instructions.

(b) *Payment.* Company will pay Contractor within sixty (60) days of receipt by Company of a properly prepared and adequately supported invoice. Where payment is made by electronic funds transfer, payment is considered to have been made as soon as the due payment has been transferred from Company to Contractor's account. Company will pay Contractor in accordance with the method, prices, and in the currency specified in the Purchase Contract, or as reasonably directed by Company if not specified.

7.3 Reimbursement

Company reserves the right to claim reimbursement for overpayments, including those resulting from any invoicing errors, including clerical error, unsupported invoice charges, Company payment errors and credits due to Company. An invoice charge will be considered unsupported if an audit would not or cannot verify the charge's legitimacy. Any payment of Company is not to be taken as evidence that Scope has been supplied in accordance with the Purchase Contract.

7.4 Set-off

Company may, on notice to Contractor, set off any liability of Contractor to Company against any liability of Company to Contractor whether arising in connection with the Purchase Contract or any other agreement between the parties and may for such purpose convert or exchange any currency using reputable exchange rate references. Any exercise by Company of its rights under this provision will be without prejudice to any other rights or remedies available to Company.

7.5 Security and Bonds

If at any time the ability of Contractor to perform its obligations under the Purchase Contract should in the reasonable opinion of Company become impaired, or if Company makes prepayments or milestone payments prior to supply of Scope for which the payments reasonably relate, then at Company's request, Contractor will promptly provide to Company security of an amount and type satisfactory to Company. Company may on notice withhold any payment to Contractor until it receives such security. At Company's request, Contractor will provide an irrevocable performance bond or guarantee, drawn on a first class bank, and/or a parent company guarantee to assure the due performance of the Purchase Contract. The bond, guarantee or parent company guarantee when required will be provided at Contractor's cost unless otherwise agreed and will be in a form in accordance with Company's usual requirements, unless otherwise stipulated by Applicable Laws.

7.6 Disputes

Company will be obligated to pay only the undisputed part of a disputed invoice. If any other dispute connected with the Purchase Contract exists between the parties, Company may, on notice, withhold from any money that becomes payable either the equivalent of Company's estimated values of the portion of Scope that is under dispute or the amount that is the subject of the dispute. If Company notifies Contractor that it disputes part of an invoice, Contractor will, on request by Company, re-issue two invoices, one for the disputed amount and one for the undisputed amount. On settlement of any dispute, Contractor will, if applicable, submit an invoice for sums due and Company will make the appropriate payment. Neither the presentation nor payment nor non-

payment of an individual invoice will 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. Company may correct or modify any sum previously paid if such sum was incorrect or was not properly payable to Contractor.

ARTICLE 8 – TAXATION

8.1 Contractor Taxes

Contractor will, in accordance with Applicable Laws, except as may otherwise be specifically provided in the Purchase Contract, be responsible for:

- (a) the payment of all taxes, duties, levies, charges, surcharges, withholdings and contributions and any interest, fines or penalties thereon for which Contractor is liable imposed by any governmental or other competent authority in the country where Scope is supplied or any other country, relating to or calculated by reference to the income, profits, assumed profits, capital gains, turnover, or the supply of goods and services arising directly or indirectly from the supply of Scope;
- (b) the payment of all taxes, withholdings, deductions, contributions and other types of levies in the nature of social security and insurance and unemployment and similar payments and any interest, fines or penalties thereon in respect of wages, salaries and all other remuneration or compensation paid directly or indirectly to Contractor Personnel in the performance of the Purchase Contract in the country where Scope is supplied or any other country that are assessed or levied on Contractor or are assumed by Contractor;
- (c) the payment of all import, export, customs, stamp and excise duties, taxes, levies and charges, including clearing and brokerage charges and any interest, fines and penalties thereon, assessed, charged or levied by any governmental or competent authority in respect of the import or the export of property of Contractor or Contractor Personnel directly or indirectly related to the performance of Scope; and
- (d) ensuring that any Subcontract has terms and conditions similar to those contained in this Article 8.

8.2 Indirect Tax

To the extent that payments to be made under the Purchase Contract are subject to value added tax, goods and services tax, sales tax or a similar levy chargeable upon the supply of goods and services, the appropriate amount of such tax will be shown as a separate item on the invoice and will be added to the price for Scope and Company will pay such amount. Company will not be responsible for any such taxes that relate to purchases by Contractor or Subcontractors or its other suppliers. Where legally possible, Contractor will apply a tax exemption, zero percent (0%) rate, or any other tax facility applicable in the relevant country. Company will provide such documentation as Contractor may reasonably request to assist Contractor in applying for any such tax exemption, zero percent (0%) rate, or any other tax facility. Contractor will provide such documentation and such other evidence as is necessary for Company to claim any relevant credit for such taxes.

8.3 Withholding

Where, under the provisions of any Applicable Laws, Company is required to deduct or withhold any amount, whether as tax or howsoever called, Company will deduct or withhold the specified amount or rate from any amount payable to Contractor. Company will pay over or deal with any amount so deducted or withheld in accordance with the provisions of the Applicable Laws providing for the deductions. Where Company makes any such deduction or withholding, Company will in a timely manner provide Contractor with official written receipts or other evidence in respect of such deduction or withholding. If Company does not provide such receipt or evidence and Contractor is required to pay such tax, Company will reimburse Contractor such amounts on demand. Where Contractor demonstrates that it is exempted from any statutory deductions, it will inform Company and provide Company with a valid certificate of exemption or immunity from the relevant authority to support its case. Company may act on the information given at its discretion and will not be liable to Contractor or any other person or body if Company applies the statutory deduction according to the Applicable Laws.

8.4 Indemnity

Contractor will be responsible for and will release, indemnify, defend and hold harmless the Company Group against all taxes, duties, levies, charges, contributions of the types referred to in this Article 8 and any claims, demands, expenses (including legal costs), interest, penalties or fines incurred in connection therewith, for which Contractor, its Subcontractors or any person employed or engaged by Contractor or its Subcontractors are liable in connection with the supply of Scope. If Company Group is required to pay any taxes, duties, levies, charges, contributions of the types referred to in this Article 8 and any claims, demands, expenses (including legal costs), interest, penalties or fines incurred in connection therewith, whether with respect to Contractor, any Subcontractor or any other person employed or engaged by Contractor or its Subcontractors in connection with Scope, Company may recover from Contractor any such sums and all costs incurred in connection therewith.

8.5 Concessions

To the extent permitted by Applicable Laws, Company will make available to Contractor all concessions enjoyed by or available to Company in respect of customs and excise duties, taxes and charges, including clearing and brokerage charges, paid or payable for or in respect of import or export in respect of property of Contractor or Contractor Personnel in connection with Scope.

8.6 Social security charges

Contractor assumes full liability for payment of all social security charges, contributions taxes and related interests and penalties levied at any time in respect of any Personnel. Without prejudice to the provisions stated below in this Article, Company may deduct from the Contract Price any of said social security charges, contributions, taxes and related interests and penalties for which Company is jointly and severally liable under the Wages and Salaries Tax and Social Security Contributions [Liability of Subcontractors] Act ("Wet Ketenaansprakelijkheid") or under any other regulations and pay the amounts in question into a so-called guarantee account ("G-rekening") in the name of Contractor or remit them directly to the appropriate implementing body and/or the Tax Collector. Payment in this manner shall fully discharge Company vis-à-vis Contractor.

To the extent that Company should be obligated to pay any of the above charges, contributions, taxes and/or related interests and penalties for which Contractor is liable pursuant to the preceding provisions of the present Article, Company shall be entitled to recover the amounts in question and any associated costs from Contractor, said claim being due and payable without further notice of default being required.

ARTICLE 9 - LIENS

9.1 No Liens Permitted

Contractor warrants good and clear title to Scope supplied and will not permit through action or inaction any lien, attachment, charge or claim to be placed or made on or against any property of Company Group (including leases and/or Production). Contractor also agrees that it will not claim any lien or charge or the like on Scope or any property of Company Group, whether or not in the possession of Contractor Group. If at any time there will be evidence of any lien, attachment, charge or claim which, if established, implemented or pursued in respect of Scope or Company Group's property (including leases and/or Production) might be subjected thereto, and which is made against Contractor Group or made by any Subcontractor against Company Group, Company will have the right to retain out of any payment to be made under the Purchase Contract, an amount sufficient to indemnify Company Group against such lien, attachment, charge or claim. Contractor will remove or bond the said lien, attachment, charge or claim, and upon such removal or issuance of a bond satisfactory to Company Group, Company will pay Contractor any retention that has been withheld. However, if such liens, attachments, charges or claims fall within the scope of the insurances of Contractor, it will remain the responsibility of Contractor to furnish Company with satisfactory written certification, from the insurer of Contractor, that any such lien, attachment, charge or claim is covered by the insurance of Contractor before Company will release any money withheld hereunder. Should there prove to be any lien, attachment, charge or claim upon the property of Company Group after all payments hereunder have been made, or where payments due to Contractor are not sufficient to completely discharge such lien, Contractor agrees to refund to Company all costs incurred by Company Group in discharging any such lien, attachment, charge or claim imposed on the property of Company Group in consequence of the breach of Contractor. Contractor will immediately notify Company of any possible lien, attachment, charge or claim, which may affect Scope, or Company Group property (including leases and/or Production).

9.2 Indemnity

Contractor will release, indemnify, defend and hold harmless Company Group from and against all Company Group damages, losses, and costs (including legal fees) in connection with title, liens, attachments, costs, charges or claims (including legal fees) by Contractor or Subcontractors, upon Scope or the property of Company Group (including leases or Production), in connection with or arising out of the Purchase Contract.

ARTICLE 10 – LEGAL AND HSSE COMPLIANCE

10.1 Compliance with Laws/Permits

(a) *Compliance.* Contractor will comply with, and ensure its Subcontractors and Related Parties comply with this Article 10 and all Applicable Laws having jurisdiction over Contractor, Scope,

Company Group property (including leases and Production) and/or the location where Contractor Group operates or the Services are being carried out. Contractor will, to the maximum extent permitted by law, indemnify and defend Company Group from and against any loss, cost (including legal fees), liability, claim or damage incurred or suffered as a result of Contractor Group's non-compliance with Applicable Laws or failure to obtain relevant licences, permits and/or approvals. Contractor will promptly notify and update Company in writing of any known material breaches of Applicable Laws related to the performance of the Purchase Contract.

(b) *Permits/Licences.* Contractor will obtain all licences, permits and authorisations required by any Applicable Laws for the performance of the Purchase Contract, save to the extent that the same can only be legally obtained by Company, or as otherwise specified in the Purchase Contract. If a licence, permit, temporary permit or authorisation can only be obtained by the Company, or the parties agree that the Company should obtain the relevant permits, licences or authorisations, Contractor agrees to provide Company with such assistance as is reasonably requested by Company in order to obtain such authorisations. If the Delivery Point is such that Contractor is required to engage in import and export activities into and from any country to supply the Scope, then without prejudice to the generality of the foregoing, Contractor will be responsible for complying with all procedures and requirements and the provision of information in the correct format and in a timely manner, designated by the customs and any other relevant authorities for such import and export activities into and from any country. Contractor will obtain all licences, permits, authorisations, registrations and certifications for Contractor to do business, perform specific work and employ persons as required by the Applicable Laws in the country or countries or any political subdivision thereof, wherein any part of the Purchase Contract is to be performed, and all labour quotas and work permits for the performance of the Purchase Contract, save to the extent that the same can only be legally obtained by Company. Contractor will, where so required, provide all necessary data and documentation and co-operate fully in assisting Company where such approvals are required to be legally obtained by Company or which Company has undertaken to obtain as specified in the Purchase Contract. Contractor will furnish Company with evidence of having obtained such licences, permits and other authorisations and approvals. Contractor will promptly notify and update Company in writing of any delays in obtaining relevant authorisations, licenses or related approvals and the reasons for such delays.

10.2 Trade Controls

(a) *Trade Control Laws.* Contractor acknowledges that it is familiar with and will comply with all applicable Trade Control Laws. Without prejudice to the foregoing, Contractor will provide Company, in writing, with the relevant Export Control Classification Number (ECCN) and applicable jurisdiction(s) for any dual-use or military items (i.e. goods, software, or technology) as well as Harmonized System Codes for any items provided pursuant to the Purchase Contract. Without limiting the foregoing, Contractor will ensure that Company Provided Items are used in accordance with applicable Trade Control Laws.

(b) *Export/Import Licences.* Unless otherwise agreed between the parties in accordance with Article 10.1(b), Contractor will be responsible for obtaining all necessary import and export licences and/or any other customs licence as required by Applicable Laws for any goods, software, or technology provided by or on behalf of Contractor pursuant to the Purchase Contract. Where such licenses or authorizations are obtained, Contractor will provide Company written notice of all applicable

conditions, including but not limited to those restricting the further export, use or release of the goods, software or technology.

(c) *Restricted Jurisdictions and Restricted Parties.* Contractor will ensure that (i) except with the prior written consent of Company, Company Provided Items are not exported, provided or made available to any Restricted Jurisdiction or Restricted Parties (ii) Subcontractors are not Restricted Parties and (iii) except with the prior written consent of Company, Contractor Personnel engaged in the performance of Scope with access to any of Company Group's technical information, information technology resources (including, but not limited to, Company Group's infrastructure) or Worksites, are not Restricted Parties or nationals of a Restricted Jurisdiction. Without limiting the foregoing, Contractor will at relevant times screen Subcontractors and Contractor Personnel engaged in the performance of Services against governmental lists to ensure none are a Restricted Party.

10.3 Conduct of Business

(a) *Business Principles/Supplier Principles/Code of Conduct.*

(i) Contractor acknowledges that it has (i) received a copy of the Shell General Business Principles (or alternatively taken note of the Shell General Business Principles at <http://www.shell.com/sgbp>) and the Shell Supplier Principles (or alternatively taken note of the Shell Supplier Principles at www.shell.com/suppliers) (collectively the “**Business Principles**”); (ii) received a copy of the Shell Code of Conduct (or alternatively has taken note of the Shell Code of Conduct at <http://www.shell.com/codeofconduct>) (iii) been made aware of the Shell Global Helpline at http://www.shell.com/report_concerns/index.html. Contractor agrees that it and its Related Parties will adhere to the principles contained in the Business Principles (or where Contractor has adopted equivalent principles, to those equivalent principles) in all its dealings with, for or on behalf of Company in connection with the Purchase Contract and the business resulting therefrom. If Contractor or any of its Related Parties supply staff that work on behalf of Company or represent Company, Contractor commits that such staff will behave in a manner that is consistent with the Shell Code of Conduct. Contractor will notify Company immediately if it becomes aware of any behaviour by Company staff, Contractor or its Related Parties which is, or may be, inconsistent with the Business Principles, the Shell Code of Conduct or, where the Contractor has adopted equivalent principles, their equivalent.

(ii) At Company's request, Contractor will provide information to Company as required to complete and fully respond to Company's usual supplier questionnaires and due diligence to confirm compliance by Contractor Group with Business Principles. As part of Company's due diligence, Contractor will grant Company or its representatives reasonable access to Contractor's facilities and sites.

(b) *Compliance with Anti-Bribery Laws.*

(i) Contractor represents that, in connection with the Purchase Contract or the business resulting therefrom: (A) it is knowledgeable about Anti-Bribery Laws applicable to the performance of the Purchase Contract and will comply with all such laws; (B) neither it nor a Related Party have made, offered or authorised or will make, offer or authorise any payment,

gift, promise or other advantage, whether directly or through any other person or entity, to or for the use or benefit of any Government Official or any person where such payment, gift, promise or other advantage would (1) comprise a Facilitation Payment; and/ or (2) violate the Anti-Bribery Laws. Contractor undertakes to immediately notify Company if in connection with the Purchase Contract or the business resulting therefrom it receives or becomes aware of any request from a Government Official or any person for any payment, gift, promise or other advantage of the type mentioned in this clause. Company confirms that its appointment of Contractor was expressly made on the basis that Anti-Bribery Laws and the Shell General Business Principles would not be violated. Contractor acknowledges that the contents of the Purchase Contract may be disclosed by Company to third parties for the purposes of demonstrating compliance with this clause. Contractor represents that neither it nor any of its Related Parties is a Government Official or other person who could assert illegal influence on behalf of Company or its Affiliates. If any of the foregoing becomes a Government Official, Contractor will promptly notify Company. Contractor will indemnify, defend, and hold harmless Company Group and its Related Parties from and against any and all losses, damages, claims, expenses, fines and penalties arising out of Contractor's representations in this clause being untrue or arising out of Contractor's breach of any of its representations or undertakings in this clause.

(ii) Contractor and its Affiliates will maintain adequate internal controls and procedures to assure compliance with Anti-Bribery Laws including but not limited to procedures to ensure that all transactions are accurately recorded and reported in its Books and Records to reflect truly the activities to which they pertain such as the purpose of each transaction and to whom it was made or from whom it was received. In connection with this Article 10.3, Contractor will maintain, either physically, by electronic media or on microfilm, all records and information related to the Purchase Contract for a period of ten (10) years after the Purchase Contract's termination. Such records and information will include at a minimum all invoices for payment submitted by Contractor to Company along with complete supporting documentation. Contractor will ensure that its Related Parties and Subcontractors comply with the requirement of this clause.

(c) *Agency fees/payments.* No member of the Contractor Group will solicit, request, demand or require any payment of a fee, commission, material remuneration or thing of value to any member of the Contractor Group in exchange for the potential, possible or actual opportunity to supply Scope hereunder (e.g. no personnel will be required to enter into agency loans, nor will otherwise be required to make payments to secure employment in support of Services).

10.4 **Compliance Audit**

Company will have the right to audit all information, rates and costs and expenses related to the Purchase Contract in connection therewith at any time during and within ten (10) years after termination of the Purchase Contract. Company or any person authorised by Company may have access at all reasonable times to any place where the records are being maintained and Contractor will afford every reasonable facility for this right of access. Company will have the right to reproduce and retain copies of any of the aforesaid records or information. Contractor will implement all agreed recommendations arising from the audits within a time scale, mutually agreed with Company. Upon Company's request Contractor will, as soon as reasonably practical, provide Company with all records relating to the Purchase Contract and/or any work statement in connection therewith which are created or kept by its Related Parties or Subcontractors.

10.5 HSSE Requirements

(a) *Accreditation.* Contractor will meet Company's applicable HSSE accreditation, as applicable, and will comply with any additional HSSE Standards to reach the applicable HSSE accreditation. Any HSSE accreditation will not relieve Contractor of any liability or obligation under the Purchase Contract and will in no way create liability for Company Group.

(b) *HSSE Standards.* In supplying Scope at Company Group Worksites, Contractor will at all times pursue Shell's HSSE principle of Goal Zero, and will comply with Shell's "Life Saving Rules" and other applicable HSSE Standards. Company may suspend, without liability or payment, and/or terminate all or part of the Purchase Contract for significant and/or repeated and persistent violations of HSSE Standards.

(c) *Contractor Personnel.* Contractor will ensure that, when rendering Scope at the premises of any of Company Group, all Contractor Personnel comply with applicable HSSE Standards. Company may, at any time, and at Contractor's sole cost and risk, require Contractor to remove any Contractor Personnel from any Company Group Worksite or from the provision of Services, for violation, in the opinion of Company, of Applicable Laws, site rules and regulations or HSSE Standards. In such event, Contractor will provide a suitable replacement for any such person within a reasonable time and at no additional cost to Company.

(d) *Risks/Management Plan.* Contractor is responsible for the adequacy, stability and safety of all its operations and methods necessary for the supply of Scope at all Worksites. Contractor is solely responsible for determining the nature and scope of HSSE risks associated with the supply of Scope and for managing those risks. If Contractor supplies Services at a Company Group Worksite, Contractor will ensure it has an effective HSSE management plan that meets Company's applicable HSSE Standards as determined by Company, acting reasonably. At Company's request, and without limiting Contractor's obligations, Contractor will provide Company with its complete HSSE risk assessment and management plan for review by Company.

ARTICLE 11 – QUALITY ASSURANCE

11.1 Quality Control

(a) *Goods.* Contractor will adopt adequate procedures to ensure proper quality assurance and will, if requested submit to Company for review its quality control procedures and detailed quality control plan for Goods, including a detailed procedure defining the quality control and inspection regime (including identification of hold points and performance tests) to be used by Contractor to verify that the design and manufacture of Goods is strictly in accordance with the requirements of the Purchase Contract. Any approval of or failure to approve such plan by Company will not relieve Contractor of any of its obligations or liabilities under the Purchase Contract. Contractor will at all times during the performance of the Purchase Contract implement its quality control procedures and exercise full and adequate quality control, which includes the inspection and testing of Goods during manufacture in accordance with the quality control plan.

(b) *Services.* Company may on reasonable notice require Contractor to demonstrate the fitness and suitability of any systems or equipment to supply Services, and if in such demonstration any of the systems and equipment are determined by Company to be inadequate or unsuitable, Contractor will,

at its risk and cost, ensure that such systems or equipment are promptly replaced with systems and equipment that are fit and suitable for the performance of the Services. Any failure of Company to inspect or require replacement or repair of any defective equipment will not relieve Contractor of any of its obligations or liabilities under the Purchase Contract.

11.2 Quality Assurance Management Systems

Contractor will operate a documented quality assurance management system that will at a minimum contain the following requirements:

- (a) a statistical process control system in which key process activities and measurements to be used are agreed with Company or its nominated representatives and results of such system are reported to Company or its nominated representative on a quarterly basis;
- (b) one of Contractor's senior management will have overall responsibility for the quality function;
- (c) there are clear procedures that provide for all aspects of quality management within Contractor's organisation and responsibilities are delegated to all personnel who are in control of the functions that affect quality;
- (d) incidents of Scope failure and quality defects are analysed and the results are fed back into the system;
- (e) quality assurance procedures are reinforced by, and cross referenced with, adequate engineering procedures;
- (f) the quality system is reviewed at regular intervals;
- (g) targets are set for performance in all manufacturing processes and services offered; and
- (h) a sampling plan for Goods to be delivered to Company is agreed and results of such sampling made available to Company when requested.

11.3 Interim Action Plans

If a quality assurance management system is not presently in place then Contractor must produce a strategy and action plan as soon as possible, including quarterly progress reports for the implementation of the above quality assurance requirements. Until this implementation, Contractor will at least operate a quality assurance system specifically related to Scope.

ARTICLE 12 –INTELLECTUAL PROPERTY

12.1 Company IPR

Contractor acknowledges that Company IPR are and will at all times remain vested in Company Group. All Company New IPR will vest in Company promptly upon generation of the same. Contractor hereby assigns all rights, title and interest in and to all New Company IPR to Company.

Contractor irrevocably waives, and will cause Contractor Group to irrevocably waive, any moral or similar non-transferable rights that it or its employees or Subcontractors may have in respect of Company New IPR. Contractor will execute, and will cause Contractor Group to execute, such documents and/or take such other steps as may reasonably be necessary to document the ownership of Company New IPR in Company or its nominee and otherwise to secure, protect and enforce such rights for the benefit of and full use of Company Group.

12.2 Contractor Background Rights and Standard Scope

Company acknowledges that all Background Rights of Contractor Group existing on the Effective Date are and will at all times remain vested in Contractor Group. Company acknowledges that all Intellectual Property Rights of Contractor Group in and to Standard Scope are and will at all times remain vested in Contractor Group. Contractor, warranting that it is entitled to do so, hereby grants to Company Group the irrevocable, non-exclusive, perpetual, worldwide, royalty free right and license with the right to grant sub-licenses, to use the Intellectual Property Rights in and to the Standard Scope (including any results arising therefrom), Background Rights and Work Product related to the Standard Scope, to use, import, export, operate, sell, maintain and repair the Standard Scope (including the results arising therefrom). Contractor warrants that any possession, exploitation, use (for the purpose(s)/application(s) for which Scope is supplied) or distribution by or on behalf of any of Company Group of the Standard Scope and of any other related materials made available to Company Group by Contractor or any of Contractor Group in connection with the Purchase Contract, will not infringe the Intellectual Property Rights of any third party.

12.3 Designed Scope

All right, title and interest (including any sources codes and Intellectual Property Rights) arising out of or in connection with Designed Scope and related Work Product, will vest exclusively in Company or its nominee from Company Group promptly upon the generation of the same and Contractor will execute, and will cause Contractor Group to execute, such documents and/or take such other steps as may reasonably be necessary to transfer such rights to Company or its nominee and to otherwise to secure, protect and enforce such rights for the benefit of Company Group; and Contractor will immediately grant to Company a perpetual, worldwide, non-exclusive, royalty-free, and irrevocable right and licence to the Background Rights, which licence and right may be extended by Company to any of Company Group, and to consultants, customers, contractors or other third parties as necessary in connection with the possession, use, exploitation or distribution of the Designed Scope and Work Product related to the Designed Scope.

12.4 Work Product

Contractor warrants and represents that any Work Product related to the Purchase Contract will be the original work of Contractor, its employees, and if applicable, other third parties engaged by it. Contractor warrants that the possession, exploitation, use or distribution by Company or other Persons from Company Group and its or their customers or nominees of the Work Product and Background Rights, or of any other materials made available to Company by Contractor in connection with Scope, will not infringe or misappropriate the Intellectual Property Rights of any third party.

12.5 Safekeeping

Contractor will hold all original documents comprising a Work Product in safekeeping and will maintain a record sufficient to evidence the process of independent creation.

12.6 Indemnity

Contractor will indemnify and hold harmless Company Group and its sublicensees against all claims, losses, damages, costs (including reasonable legal fees), expenses and liabilities suffered or incurred by Company Group or its sublicensees as a result of any claim that any Scope and/or Work Product provided in performance of the Purchase Contract infringes the Intellectual Property Rights of any third party. If any infringement claim is brought against any of Company Group, Contractor will, at its own expense, conduct, after prior written approval of Company, all negotiations for the settlement of the same, and any litigation that may arise therefrom, provided that Contractor will not, without the prior written consent of Company, settle or compromise any infringement claim, action or proceeding if the settlement or compromise obligates Company or its Affiliates to make any payment, part with any property, assume any obligation, grant any licence or other rights or be subject to any injunction by reason of such settlement or compromise.. Company reserves all rights to be represented in any proceedings negotiations and/or litigation related to Company Group by legal representation of its own choice and, on notice, to take over the negotiations and/or litigation related to Company Group.

12.7 Substitution on Infringement

Where equipment, designs, processes, methods, information, Scope, Work Product specified and/or delivered by Contractor and used or proposed to be used by Company Group or its nominees are held to constitute infringement and their use is wholly or partially prevented, Contractor will promptly at its own expense either procure the right to use the same or replace them with non-infringing equipment, designs, processes, methods, information, work or products of at least equivalent functionality.

ARTICLE 13 – CONFIDENTIALITY

13.1 Confidential Information

(a) *Obligations.* Contractor undertakes regarding Confidential Information disclosed by Company to Contractor hereunder:

- (i) not, except as expressly permitted pursuant to the Purchase Contract, at any time for any reason whatsoever, to disclose the Confidential Information or permit the Confidential Information to be disclosed to any third party without the Company's prior written approval, provided that Contractor may disclose Confidential Information to its Affiliates, agents, consultants or subcontractors and their respective employees provided such Persons have agreed to be bound by confidentiality provisions no less stringent than those assumed by the Contractor hereunder and, such Persons have agreed in writing to use the Confidential Information in connection with assisting Contractor in its delivery of Scope under the Purchase Contract; and

(ii) to keep and to warrant that its personnel and any of its Affiliates, agents, consultants or subcontractors and their respective employees keep any Confidential Information secret and confidential.

(b) Except as otherwise expressly agreed in the Purchase Contract, or absent a separate written agreement between the Company and Contractor, Company and Company Group will have no obligation with respect to the disclosure or use of any information received from Contractor hereunder.

13.2 Exceptions

The obligations of confidentiality referred to in this Article 13 will not apply to any Confidential Information that:

- (a) is lawfully in the possession of and is at the free disposal of Contractor, or is published or is otherwise in the public domain, prior to the receipt of such Confidential Information by Contractor;
- (b) is or becomes publicly available through no fault of Contractor;
- (c) is received in good faith by Contractor from a third party who has no obligations of confidence to Company in respect of it and who imposes no obligations of confidence upon Contractor;
- (d) is required to be disclosed by Applicable Laws;
- (e) is developed by Contractor or its Affiliates independently of any Confidential Information or under the exceptions as set out in 13.2 a) - c);

but otherwise such obligations will not be affected by the termination or expiry of the Purchase Contract for another five (5) years in case of Confidential Information of a non-technical nature following such termination or expiry and will only be subject to the foregoing exceptions to the extent that Contractor can adduce satisfactory evidence of their applicability. It is specifically agreed that information comprising part of Confidential Information will not be deemed to be within the exceptions mentioned in the above clauses merely because such information is embraced by more general information that is known by Contractor or is publicly available. In addition, any combination of features will not be deemed to be within the exceptions merely because individual features of any such combination are within one or more of such exceptions. It is understood and agreed that confidentiality and restricted use obligations with respect to Confidential Information of a technical nature will continue for an unlimited period of time after the termination or expiry of the Purchase Contract.

13.3 Disclosure by Law

If Contractor is required to disclose any Confidential Information by Applicable Laws, Contractor will to the extent legally permitted:

- (a) give immediate notice thereof to Company so that it may seek a protective order or other appropriate remedies;

- (b) withhold disclosure until Company has had reasonable opportunity to procure a protective order unless Company has given written notice to Contractor of its decision not to seek a protective order;
- (c) use reasonable efforts to furnish only that portion of the Confidential Information that is legally required to be furnished; and
- (d) use reasonable efforts to obtain assurances that confidential treatment will be accorded to that portion of the Confidential Information so furnished.

13.4 Contractors and Employees

The Contractor will ensure that its Affiliates, agents, consultants and subcontractors and their respective employees having access to any Confidential Information are subject to substantially the same obligations as Contractor and Contractor will be liable for any breach of such obligations by such Persons.

13.5 Return

At Company's request, Contractor undertakes to return promptly any or all Confidential Information, together with any copies or extracts thereof, as so requested by Company at any time and to destroy all analyses, compilations, studies or other documents, hard or electronic, that reflect any Confidential Information.

13.6 No Warranty

Except as otherwise expressly agreed in the Purchase Contract, Contractor acknowledges and agrees that any Confidential Information disclosed by Company Group will be disclosed on an "as is" basis, and Company Group makes no representation or warranty as to the accuracy of Confidential Information or as to its satisfactory quality, fitness or suitability for Contractor Group's purpose.

13.7 Public Announcement

Company and Contractor undertake not to make or publish any notice, advertisement, press release or other communication with respect to the Purchase Contract without first having obtained the other party's prior written consent. Contractor will obtain the same undertaking from Contractor Group.

ARTICLE 14 – PERSONAL DATA PROTECTION

In the course of supplying Scope, Contractor may be required to process Personal Data on behalf of Company or the supply of Scope may involve disclosure of Personal Data to Contractor. Parties agree Contractor will ensure that Contractor and any entity engaged by or on behalf of Contractor in the course of supplying Scope to Company will process Personal Data in accordance with the terms and conditions as set out in the Data Processing Appendix as attached in Appendix III (the "Data Processing Appendix" or "DPA").

ARTICLE 15 - LIABILITY AND INDEMNIFICATION

15.1 Non-compliance

Contractor is liable for damage resulting from non-compliance, belated compliance or inadequate compliance with the Purchase Contract or from violation of any other contractual or non-contractual obligation, save any departures below. Contractor will hold harmless Company against any claim in this regard.

15.2 Contractor People and Property

Contractor will be responsible for and will release, indemnify, defend and hold harmless Company Group from and against any claims, losses, damages, costs (including legal fees), expenses and liabilities in respect of:

- (a) loss of or damage to the property of Contractor Group whether owned or leased by Contractor Group and, without limiting the foregoing, loss of or damage to property of Company Group for which Contractor Group has risk of loss and/or damage under the Purchase Contract; and
- (b) personal injury including death or disease to any person employed by Contractor Group; and
- (c) all claims that may be brought against Company under Clause 6:171 of the Netherlands Civil Code or any similar Clause of law providing for strict liability of Company for acts or omissions of the Contractor Group

arising from or relating to the performance of the Purchase Contract.

15.3 Company People and Property

Company will be responsible for and will release, indemnify, defend and hold harmless Contractor Group from and against any claims, losses, damages, costs (including legal fees), expenses and liabilities in respect of:

- (a) loss of or damage to the property of Company Group (excluding property for which Contractor Group has risk of loss and/or damage under the Purchase Contract) whether owned or leased by Company Group, subject to Company's rights and remedies with respect to Scope under the Purchase Contract, including warranty; and
- (b) personal injury including death or disease to any person employed by Company Group;

arising from or relating to the performance of the Purchase Contract.

15.4 Third Party Claims

Contractor will be responsible for and will release, indemnify, defend and hold harmless Company Group from and against all claims, losses, damages, costs (including legal fees), expenses and

liabilities in respect of personal injury including death or disease or loss of or damage to the property of any third party to the extent and in the proportion that any such injury, loss or damage is caused by the negligence of Contractor Group. Company will be responsible for and will release, indemnify, defend and hold harmless Contractor Group from and against any claims, losses, damages, costs (including legal fees), expenses and liabilities in respect of personal injury including death or disease or loss of or damage to the property of any third party to the extent and in the proportion that any such injury, loss or damage is caused by the negligence of Company Group. Otherwise, Contractor Group and Company Group will be liable to third parties as determined by Applicable Laws. For the purposes of this clause “**third party**” means any party that is not a member of Contractor Group or Company Group.

15.5 **Contractor Pollution**

Notwithstanding Article 15.4 and except as provided by Articles 15.3(a) and 15.3(b), Contractor will be responsible for and will release, indemnify, defend and hold harmless Company Group from and against any claims, losses, damages, costs (including legal fees), expenses and liabilities arising from pollution and/or contamination arising from or relating to the performance of the Purchase Contract where:

- (a) such pollution and/or contamination occurs on the premises of Contractor Group; or
- (b) such pollution and/or contamination emanates from the property of or equipment owned or leased by Contractor Group or from property of Company Group for which Contractor Group has risk of loss and/or damage under the Purchase Contract.

15.6 **Company Pollution**

Notwithstanding Article 15.4 and except as provided by Articles 15.2(a), 15.2(b) and 15.5, Company will be responsible for and will release, indemnify, defend and hold harmless Contractor Group from and against any claims, losses, damages, costs (including legal fees), expenses and liabilities arising from pollution and/or contamination (i) emanating from the property of or equipment owned or leased by Company Group and located within five hundred metres of the location of the applicable Company Group Worksite, and (ii) arising from or related to the performance of the Purchase Contract.

15.7 **Consequential Loss**

Notwithstanding anything to the contrary, Company will release, indemnify, defend and hold harmless Contractor Group from Company Group’s own Consequential Loss and own Punitive Liability and Contractor will release, indemnify, defend and hold harmless Company Group from Contractor Group’s own Consequential Loss and own Punitive Liability, in each case arising from or related to the performance of the Purchase Contract.

15.8 **Contract Governs**

To the maximum extent permitted by Applicable Laws all exclusions and indemnities given under this Article (save for those under Article 15.4 (Third Party Claims)) will apply irrespective of cause and notwithstanding the negligence or breach of duty (whether statutory or otherwise) of Company Group or Contractor Group as the case may be and will apply irrespective of any claim in tort,

under contract or otherwise at law, but will not apply to claims, losses, damages, costs (including legal costs), expenses and liabilities caused by the Gross Negligence of the managerial and senior supervisory personnel of Company Group or Contractor Group as the case may be, or the Wilful Misconduct of Company Group or Contractor Group as the case may be. Neither party excludes or limits its liability to the extent the same may not be excluded or limited as a matter of law.

15.9 Notification

If either party becomes aware of any incident likely to give rise to a claim under the above indemnities, they will notify the other and both parties will cooperate fully in investigating the incident.

15.10 Other Contractors

For the purposes of Clauses 15.10(a), 15.10(b), 15.10(c) and 15.10(d):

“**Other Contractor**” shall mean any party to any contract or agreement with Company to perform any work or services at the Worksite but shall not include any member of Contractor Group or Company Group.

“**Other Contractor Group**” shall mean Other Contractor and its Affiliates, its subcontractors (of any tier) and their Affiliates, its and their respective directors, officers and employees (including agency personnel), but shall not include any member of Company Group or Contractor Group.

(a) Commencing from the effective date on which any Other Contractor became bound by an article effectively containing the same undertaking toward Contractor Group as detailed in Clauses 15.10(a), 15.10(b) and 15.10(c), in any contract which any Other Contractor has entered into with Company, and for the duration that such provisions are enforceable, Contractor shall be responsible for and shall save, indemnify, defend and hold harmless such Other Contractor Group from and against all claims, losses, damages, costs (including legal costs), expenses and liabilities in respect of:

(i) loss of or damage to any property provided by Contractor Group whether owned, hired, leased or otherwise provided by Contractor Group;

(ii) personal injury including death or disease to any person who is a member of Contractor Group; and

(iii) any Consequential Loss sustained by Contractor Group.

(b) All exclusions and indemnities given under Clause 15.10 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.

(c) All Contractor’s insurances shall be endorsed to provide that underwriters waive any rights of recourse, including in particular, subrogation rights against Other Contractor Group to the extent of the obligations assumed by Contractor herein.

(d) Where Contractor and the Other Contractor are both signatories to an applicable Mutual Hold Harmless scheme, notwithstanding any precedence provision contained within such Mutual Hold Harmless scheme, the provisions of such Mutual Hold Harmless scheme shall take precedence over Clauses 15.10(a), 15.10(b) and 15.10(c) hereof.

ARTICLE 16 - INSURANCE

16.1 Insurance Coverage

Contractor will arrange as a minimum the insurances set out in this Article and ensure that those insurances are in full force and effect throughout the duration of the Purchase Contract. All such insurances will be placed with reputable and substantial insurers, satisfactory to Company and will for all insurances other than Employers Liability Insurance/Worker's Compensation and Professional Indemnity Insurance, to the extent of the liabilities and obligations of Contractor under Article 15 of the Purchase Contract, include the Company Group as additional insured. To the maximum extent permitted by Applicable Laws, all insurances required under this Article will be endorsed to provide that underwriters waive any rights of recourse, including in particular subrogation rights against the Company Group in relation to the Purchase Contract to the extent of the liabilities and obligations of Contractor under Article 15 of the Purchase Contract. The provisions of this Article will in no way limit the liability of Contractor under the Purchase Contract.

16.2 Insurance Policies

Contractor warrants that all insurances required to be effected under this Article will be legally compliant in all countries in which Scope is to be supplied and will consist of:

(a) Employers Liability and/or (where the jurisdiction of where Scope is to be supplied or under which the employees employed requires the same) Worker's Compensation insurance covering personal injury to or death of the employees of Contractor engaged in the performance of Scope to the minimum value required by any applicable legislation including extended cover (where required) for working offshore but in any case up to a minimum level of one million (US\$ 1,000,000) United States dollars per occurrence;

(b) General Third Party Liability insurance (including coverage for sudden and accidental pollution) for any incident or series of incidents covering the operations of Contractor in the performance of the Purchase Contract, in an amount not less than five million (US\$ 5,000,000) United States dollars per occurrence;

(c) Third party and passenger liability insurance as may be required by applicable law or similar regulation in the countries of use for motor vehicles used by Contractor in connection with the execution of the Scope with a minimum indemnity limit of one million (US\$1,000,000) United States dollars per occurrence;

(d) If any of the Scope supplied under the Purchase Contract involves the provision of vessels by Contractor or is performed on or over navigable waters, the Contractor will require the owner or operator of vessels to obtain the following additional coverage:

(i) Marine Hull and Machinery (H&M) and/or Property insurance including war risk coverage and, to the extent not provided in (ii) below, collision liability in respect of all vessels used by Contractor Group in the performance of Scope in an amount not less than the full value of all vessels, craft or floating equipment owned or hired by Contractor Group;

(ii) Protection and Indemnity (“P&I”) Liability Insurance for each vessel used in the performance of Scope including, but not limited to, coverage for injuries to or death of masters, mates and crews, wreck and debris removal, collision and (if applicable) tower’s liabilities not covered under the H&M insurance, third party injury and property damage liability, excess collision liabilities, and pollution liabilities. The policy limit for this insurance must be not less than the following United States dollars per occurrence limits:

Type/Category of Vessel/Watercraft	Minimum limits Outside US (#)	Minimum limits for US operations (#)
Standard Limits for vessels/watercraft, except as otherwise noted below or in Appendix 1 to Section 1	US\$ 50,000,000	US\$ 150,000,000
Drilling Vessels (in Heavy Lift vessels Pipe laying vessels Other vessels/rigs classified as mobile offshore units and not falling into one of the other categories	US\$ 250,000,000	US\$ 500,000,000
Vessels not engaged in the service of tankers, offshore oil rigs, service or installation of pipelines and single point mooring buoys	US\$ 20,000,000	US\$ 50,000,000
Small Craft (< 1000 GT) or Inland Craft (rivers and littoral areas), which are not engaged in the service of tankers, offshore oil rigs, service or installation of pipelines and single point mooring buoys	US\$ 10,000,000	US\$ 20,000,000

(#) Vessels involved in specialised operations within the meaning of the P&I Club rules will carry a limit of not less than one hundred million (US\$ 100,000,000) United State dollars for such special operations to cover loss or damage to third party installations.

(e) If any of the Scope supplied under the Purchase Contract involves the provision of aircraft by Contractor, Aircraft Liability Insurance for aircraft used by Contractor or any of its Subcontractors in connection with the execution of Scope with a minimum indemnity limit of one hundred and fifty million (US\$150,000,000) United States dollars per occurrence, unlimited as to the number of occurrences;

(f) Such further insurance as may be required by law.

All above insurance limits may be fulfilled through any combination of primary and excess insurance in accordance with this Article.

16.3 Subcontractors

Without limitation of Contractor's obligations and responsibilities, if Contractor Subcontracts any portion of Scope, Contractor will ensure the insurance provisions of each Subcontract are consistent with the Purchase Contract; however Subcontractors need not carry any insurances that would duplicate any insurances provided by Contractor or Company.

16.4 Cancellation/Material Change

Contractor will notify Company of any cancellation, or material change to the terms, of any insurance within seven (7) days of receipt of the insurer's notification to that effect. If Contractor at any time neglects or refuses to provide any insurance required herein, or should any insurance be cancelled, Company will have the right to procure such insurance. In such event, the Contract Price payable by Company will be reduced by an amount equal to Company's costs in procuring such insurance.

16.5 Liability/Deductibles/Primary

Review or acceptance by Company Group of any certificate, insurer, or terms or limits of insurance proposed by Contractor Group will not relieve Contractor Group of any obligation or liability under or arising from the Purchase Contract or at law. All losses and damages for which Contractor is liable and all the deductibles on all insurances referred to in this Article will be for Contractor's account. The provisions of this Article will apply to the maximum extent permitted by law. Nothing in this Article will apply or be interpreted or construed to conflict or overrule mandatory law, which will continue to apply to the parties. All of the insurance policies that Contractor is required to arrange in terms of this Article 16 will be considered as primary insurances in relation to insurances arranged by Company without any right of contribution from any such Company arranged insurance policy.

ARTICLE 17 – AUDIT RIGHTS

17.1 Right to Audit

Contractor will keep all Books and Records at its usual place of business for the term of the Purchase Contract and for a period of five (5) years or such longer period as may be required by Applicable Laws following termination of the Purchase Contract. Company will have the right to audit Contractor and its Books and Records for the purpose of verifying: (a) the proper performance by Contractor of its obligations under the Purchase Contract; (b) the amounts and costs payable by or to be paid by Company under the Purchase Contract; and (c) in respect of rates, fees or prices under the Purchase Contract that are fixed or lump sum, the correct application (but not the make-up) of such rates, fees and prices in any invoice issued to Company under the Purchase Contract.

17.2 **Timing and Confidentiality**

Company may, on reasonable notice, conduct an audit of Contractor during normal business hours at any reasonable time or times during the performance of any Purchase Contract and prior to the end of the period ending five (5) years after the last day of the calendar year in which the Purchase Contract is terminated. Company will, at Contractor's request, use a public accounting firm selected by Company to perform any audit of Contractor's Confidential Information.

17.3 **Access**

For audit purposes under this Article, Company's authorized representatives will: (a) have reasonable access to Contractor's facilities and locations where the Books and Records are stored; (b) be provided, at no cost to Company, adequate and appropriate work space and systems in order to conduct audits; and (c) have the right to interview and obtain information from current and former employees of Contractor and its Affiliates. Company may reproduce and retain copies of Books and Records. Contractor will reasonably facilitate Company's audits.

17.4 **Refund**

Contractor will refund to Company any overpayment disclosed by audit, and Company will pay Contractor the amount of any underpayment discovered by audit, both within forty five (45) days of such finding.

17.5 **Subcontracts**

Contractor will ensure that each Subcontractor permits audits to be conducted by Company and Contractor of the Books and Records of the Subcontractor in the same manner and time as set out in this provision.

17.6 **Inspections**

Company may, on reasonable notice, inspect Contractor Group Worksites for the purpose of verifying the proper performance by Contractor of its obligations under the Purchase Contract and Contractor will provide adequate, safe and proper access for such inspections. Contractor will ensure Contractor and Company each have the right to inspect Worksites of Subcontractors.

ARTICLE 18 – TERMINATION

18.1 **Termination for Termination Event**

(a) *Notice of Termination.* Contractor will notify Company promptly upon occurrence of a Termination Event or any event or circumstance that is likely to give rise to the occurrence of a Termination Event. Upon occurrence of a Termination Event or thereafter Company may in its discretion:

- (i) in the case of a Termination Event that is not capable of remedy, terminate the Purchase Contract or any portion of Scope affected by the Termination Event by written notice; and

(ii) in the case of any other Termination Event, serve notice on Contractor specifying the Termination Event and requiring it to be remedied and if following receipt of such notice Contractor fails to diligently work to remedy the Termination Event or fails to remedy the Termination Event within thirty (30) days of the notice or within fifteen (15) days of the notice if the breach impacts or relates to operational issues or start-up and prevents or retards the progress of those operations or start-up (or in Company's discretion within a longer period in either case), Company may terminate the Purchase Contract or any portion of Scope affected by the Termination Event by written notice.

(b) *Payment on Termination.* In the case of termination of the Purchase Contract for a Termination Event, Company's sole liability for termination will be the payment of the lesser of: (i) amounts due and payable for Scope fully supplied in accordance with the Purchase Contract prior to the date of termination and (ii) the market value of Scope supplied in accordance with the Purchase Contract prior to the date of termination and for which amounts are due and payable on the date of termination. In the case of termination of affected Scope for a Termination Event, Company's sole liability for the terminated Scope will be payment of the lesser of: (i) amounts due and payable for such Scope fully supplied in accordance with the Purchase Contract prior to the date of termination and (ii) the market value of such Scope supplied in accordance with the Purchase Contract prior to the date of termination and for which amounts are due and payable on the date of termination.

18.2 Termination for Convenience

Company may, at any time and for any or no cause or reason, terminate the Purchase Contract on not less than seven (7) days' prior written notice. In the event of such termination, Company's sole liability for termination will be the payment of:

(a) amounts due and payable for Scope supplied to Company in accordance with the Purchase Contract prior to the date of termination; and

(b) any reasonable, unavoidable and auditable demobilization and work in progress costs of Contractor that Company has specifically agreed to pay in the Purchase Contract on termination for convenience by Company, if any.

Contractor will use reasonable efforts to minimize any costs resulting from termination for which it is entitled to seek reimbursement from Company under this clause.

18.3 Set-off and Prepayments

(a) *Set-off.* Company will be entitled to withhold any payments due or owing and may set-off such amounts against all damages, losses, costs and expenses that Company may sustain or incur as a result of or arising out of the termination.

(b) *Prepayments.* If Company has paid Contractor an amount greater than that to which Contractor is entitled under the Purchase Contract on termination, Contractor will promptly repay the surplus to Company. Without limiting the foregoing, if Company has made prepayments or milestone payments for Scope terminated and not fully supplied to Company, Contractor will (i) promptly refund such payments if Company elects not to take Scope relating to the milestones or prepayments or (ii) promptly refund any surplus payments to the extent Company elects to take

Scope. Any such refunds or claims for such refunds will not be subject to or count against any limitation of liability.

18.4 **Supply of Scope**

(a) *Supply Obligations.* Upon receipt of a notice of termination, Contractor will in accordance with its Purchase Contract obligations including those obligations applicable to the supply of Scope:

- (i) discontinue the Scope in order to effect termination as set out in the notice;
- (ii) deliver to Company all tangible Scope and Work Product to be supplied on termination and portions thereof whether completed or not;
- (iii) deliver to Company all property of Company, including Company Group Confidential Information;
- (iv) if requested by Company, allow Company or its nominee full rights of access to Worksites to remove Company property or to remove and/or take over Scope completed in whole and in part;
- (v) if requested by Company, assign and transfer to Company or its nominee any assignable Subcontracts;
- (vi) remove and dispose of all waste and debris, and leave any Company Group Worksite where Scope was supplied in a clean, tidy and safe condition;
- (vii) perform any other Contractor obligations for Scope supplied (whether completed or not) prior to the date of termination, including the delivery of information, data and documents with respect to the Scope.

(b) *Partial Termination.* Where Company terminates certain Scope under Article 18.1 but not the Purchase Contract, Contractor will perform the foregoing in connection with the terminated Scope.

(c) *Supply before Payment.* Company will be entitled to withhold any payments due or owing on termination until Contractor has discharged its obligations under this Article.

18.5 **Transition Facilitation**

Contractor will at the request of Company reasonably co-operate to ensure a smooth transition to any successor of Contractor with respect to supply of Scope.

ARTICLE 19 - ASSIGNMENT

A party will not assign or novate any of its rights and/or obligations under the Purchase Contract in whole or in part without prior consent in writing of the other party, which consent the other may withhold in its sole discretion, provided Company may without such consent assign and/or novate any of its rights and/or obligations under the Purchase Contract in whole or in part to any of

Company Group upon advance written notice to Contractor and Contractor will execute any document required by Company, acting reasonably, to effect such assignment and/or novation.

ARTICLE 20 – NOTICES

20.1 Requirements

Except as otherwise agreed in writing, any notice or other communication to be given under the Purchase Contract will:

- (a) be in English and in writing;
- (b) be delivered by hand, sent by pre-paid courier, sent by registered post or sent by email with a confirmation receipt requested to the relevant party at the address stipulated in the Purchase Contract or such other address as a party may from time to time designate by written notice to the other;
- (c) take effect only upon actual receipt at the appropriate address.

20.2 Legal Service

Article 20.1 will not apply in relation to the service of any document in connection with litigation proceedings, suits or actions as such service will be governed by Applicable Laws.

20.3 Sufficiency of Notices

Notices will contain sufficient detail and information having regard to the purpose of the notice.

ARTICLE 21 – FORCE MAJEURE

21.1 Force Majeure

If a Force Majeure occurs and is preventing or delaying performance of a party's obligation under the Purchase Contract, the party will be excused from the performance, or the timely performance, as the case may be, of such obligation for so long as the circumstances giving rise to such prevention or delay may continue and provided the party has provided reasonably prompt written notice of the Force Majeure. Notwithstanding the foregoing, a party will not be excused from its obligations as a result of any event contributed to by the fault of the party nor will a party be excused from its obligations due to the effects of a Force Majeure that could have been avoided or mitigated by the exercise of reasonable care and diligence by the party. Inability of a party to secure funds or other financial limitations of a party will not be regarded as Force Majeure.

21.2 Notice and Mitigation

A party whose performance of its obligations under the Purchase Contract is delayed or prevented by Force Majeure will without delay:

- (a) notify and inform the other party on an ongoing basis of the nature, extent, effect (including on the supply of Scope) and likely duration of the events constituting the Force Majeure;
- (b) use all reasonable efforts to minimise the effect of the Force Majeure on performance of its obligations under the Purchase Contract including the supply of Scope; and
- (c) promptly after the cessation of the Force Majeure, notify the other party thereof, provide the other with all reasonable information concerning the effect of and planned response to the Force Majeure, and promptly resume full performance of its obligations under the Purchase Contract.

21.3 Scope Supply Adjustment

Where Contractor is excused for Force Majeure, Contractor will not be entitled to any additional payment or other compensation, however, Contractor will promptly prepare and deliver to Company a revised schedule of supply and other relevant dates to include for rescheduling of Scope supply so as to minimise the effects of the delay and Company will authorise a Variation Order to adjust the schedule, including Delivery Dates if required, in order to take into account any remaining effects of such delay.

21.4 Termination

If the supply of Scope under the Purchase Contract is materially prevented or delayed by an event of Force Majeure for a period exceeding thirty (30) consecutive days, Company may terminate the Purchase Contract by giving written notice of termination.

ARTICLE 22 – DISPUTE RESOLUTION

22.1 Dispute

For the purpose of this Article 22 a “**Dispute**” means any dispute, disagreement, controversy or claim arising out of or in connection with the Purchase Contract, whether in tort, contract, under statute or otherwise at law, including any question regarding the existence, validity, interpretation, application, implementation, breach or termination of the Purchase Contract.

In the event of a Dispute, a party may refer the Dispute for resolution in accordance with this Article by issuing a notice of the Dispute (a “**Dispute Notice**”) to the other party. The parties agree that a Dispute, so referred, will ultimately be referred to and resolved by arbitration as described in Article 22.2, should the parties be unable to resolve the Dispute in first instance within reasonable time by good faith negotiations and by escalating the Dispute to senior management.

22.2 Arbitration

A party may on notice refer a Dispute, which, in the reasonable opinion of the party, has not been resolved pursuant to good faith negotiations and escalation to senior management in a timely manner, to arbitration under the arbitration rules of the Netherlands Arbitration Institute (“**NAI**”), (the “**Rules**”). The tribunal that conducts the arbitration will be appointed in accordance with the

Rules. The seat of the arbitration will be The Hague, the Netherlands. The language of the arbitration will be English. Awards will be in writing, and will be final and binding on the parties from the date they were made. The parties undertake to carry out the award without delay. Judgment upon the award may be entered in any court having jurisdiction. The arbitration will be confidential and will be governed by the laws of the Netherlands. Contractor will agree in advance to any joinder of arbitration proceedings requested by Company in respect of related disputes in connection with the Scope.

ARTICLE 23 – PURCHASE ORDERS

23.1 PO Contracts

Where Company is an Affiliate of Shell, any Affiliate of Company in the jurisdiction of Contractor may issue a Purchase Order for Scope under the Purchase Contract. Each accepted Purchase Order will incorporate the terms of this Purchase Contract and will together with the terms of this Purchase Contract be a stand-alone contract (a “**PO Contract**”) between the Affiliate, Shell JV, or Shell Contractor, as applicable, as “Company” and Contractor, and no other Affiliate of Shell or Shell JV or Shell Contractor will be liable under the PO Contract. Reference to “Purchase Contract” in the PO Contract will be read as reference to the PO Contract such that the parties’ respective rights, remedies, obligations and liabilities with respect to “Purchase Contract” hereunder will also apply, *mutatis mutandis*, for each PO Contract. If this Purchase Contract is amended, only Purchase Orders issued after the effective date of Purchase Contract amendments will be subject to such amendments.

23.2 Acceptance of Purchase Orders

Within five (5) days of receipt of a Purchase Order, Contractor will, if Contractor or its Affiliates have capacity and resources to supply the Scope of the Purchase Order, accept the Purchase Order in writing, or alternatively, Contractor will commence actions required in providing Scope at which point the Purchase Order will be deemed to have been accepted. No terms or conditions endorsed upon, delivered with or contained in Contractor’s quotation, acknowledgment, acceptance of the Purchase Order, invoice, specification or similar document will form part of the PO Contract and Contractor waives any right that it otherwise might have to rely on such terms and conditions.

23.3 E-Procurement

The parties will use all reasonable efforts to use and accept electronic Purchase Orders to the extent effective under Applicable Laws. Each party warrants that their representatives insofar and to the extent they are using e-procurement tools for the purpose of executing Purchase Orders, are properly authorised to represent and bind the party with respect to such Purchase Orders.

ARTICLE 24 – REACH

Contractor ensures to comply with Regulation (EC) No. 1907/2006 known as 'REACH' and in particular it warrants that (a) any substances in the Goods have been validly pre-registered and/or immediately registered (as applicable) under and in accordance with REACH (and Contractor shall

confirm and provide evidence of such compliance in writing to Company prior to dispatch of the Goods); (b) where substances in the Goods have been pre-registered, it will take all necessary steps to ensure that such substances are validly registered under and pursuant to REACH (and in accordance with the deadlines set out in REACH); (c) any registration as aforementioned under (a) or (b) will cover Company's uses and applications of the substances (or those of Company's customers) where these have been notified to Contractor (or to Contractor's only representative if appointed and notified to Company) no later than three months before the relevant registration deadline; and (d) any registration will be kept up to date (including any relevant amendment to use(s)). Contractor shall immediately notify Company in writing if any substance in the Goods may or has become subject to an authorization or restriction pursuant to REACH.

Contractor shall provide Company with a copy of the current safety data sheet(s) for the Goods in the format and containing the information required by REACH. Contractor will send a copy of the safety data sheet in the language and to the address/contact as advised by Company from time to time either in the Purchase Contract or by other means in Company's sole discretion.

Appendix I – Category and Special General Terms

Appendix II - Terms and Conditions of Access and Security

Appendix III - Data Processing