



OIL STATES INDUSTRIES (UK) LIMITED's - GENERAL TERMS AND CONDITIONS OF PURCHASE

CLAUSE 1 - DEFINITIONS AND TERMINOLOGY

"AFFILIATE" shall mean any subsidiary or parent or holding company of any company or any other subsidiary of such parent or holding company. For the purpose of this definition, "subsidiary" and "holding company" shall have the meanings assigned to them under Section 1159, Companies Act 2006.

"AUTHORITY(IES)" shall mean all governmental agencies, quasi-government agencies, departments, or subdivisions and all federal, state, national, provincial, regional, municipal, local, or ecclesiastical authorities with jurisdiction over the WORK and/or with authority to impose or collect TAX or SALES TAX.

"CONTRACT" shall mean the contract between the PURCHASER and the VENDOR for the supply of the GOODS, RENTAL EQUIPMENT and/or SERVICES; the CONTRACT shall comprise of the terms set out in this document and any additional terms agreed between the parties in writing, including but not limited to the PURCHASE ORDER.

"CUSTOMS DUTIES" shall mean all existing or future duties, payments, fees, charges, levies, taxes, or contributions payable to or imposed by any AUTHORITY as a result of import or export, whether permanent or temporary of any personnel to be provided by or on behalf of CONTRACTOR GROUP for the purposes of performing the SERVICES or PLANT into or out of any jurisdiction.

"GOODS" shall mean the materials, articles, products, equipment, materials or the like to be furnished or supplied by the VENDOR in accordance with the terms of the CONTRACT. The "GOODS" shall not include the "RENTAL EQUIPMENT".

"PLANT" shall mean all materials, machinery, apparatus, supplies, property and equipment, which is owned, leased, rented, chartered or operated by VENDOR GROUP for the purpose of performing the SERVICES.

"PURCHASER" shall mean 'Oil States Industries (UK) Limited' a company duly incorporated and existing under the laws of Scotland (Company Number SC163254) having its registered office at: Site E6, Moss Road, Gateway Business Park, Nigg, Aberdeen, Scotland, AB12 3GQ.

"PURCHASER GROUP" shall mean the PURCHASER, its AFFILIATES, its and their directors, officers and employees (including agency personnel), but shall not include the VENDOR, its subcontractors, its and

their AFFILIATES, its and their respective directors, officers and employees (including agency personnel).

"PURCHASE ORDER" means the order in writing issued to the VENDOR by the PURCHASER.

"RENTAL EQUIPMENT" shall mean the equipment and tooling leased or hired from the VENDOR to the PURCHASER in accordance with the CONTRACT;

"RENTAL FEES" shall mean the fees payable for the RENTAL EQUIPMENT, during the RENTAL PERIOD.

"RENTAL PERIOD" shall mean the period commencing on the day the RENTAL EQUIPMENT is delivered to the PURCHASER's base, or such other place as stipulated on the PURCHASE ORDER or by the PURCHASER in writing, and ending when the RENTAL EQUIPMENT is returned to the PURCHASER's base, or such other place as stipulated on the PURCHASE ORDER or by the PURCHASER in writing.

SALES TAXES" shall mean any transfer tax, gross receipts tax, compensating use tax, use tax, sales tax, value added tax, goods and services tax business tax, consumption tax, or other transactional taxes imposed by any AUTHORITY arising or payable as a result of the performance of the SERVICES.

"SALES TAX INVOICE" shall mean an invoice meeting the applicable legal requirements, and which allows recovery, deduction or offset of such SALES TAXES within the relevant jurisdiction.

"SERVICES" shall mean any work, act or deed performed by the VENDOR, rather than a physical object, including but not limited to all services, personnel and consumables to be rendered in accordance with the CONTRACT.

"SPECIFICATION" shall mean the specification referred to on the face of the PURCHASE ORDER.

"SUBCONTRACT" shall mean any contract between VENDOR or its AFFILIATE and any party or between such party and its subcontractors of any tier (other than PURCHASER or any employees of CONTRACTOR) for the performance of any part of the SERVICES.

"SUBCONTRACTOR" shall mean any party (other than PURCHASER or its AFFILIATE) to a SUBCONTRACT.



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"TAX" and "TAXES" shall mean, all existing or future taxes, corporate income tax or gross revenue taxes, personal income tax, employment taxes and social charges, national insurance, SALES TAXES, property taxes, impost, duties, CUSTOMS DUTIES, levies, withholdings taxes and fees, stamp duties, charge and other assessments in the nature of taxes, including any fines, penalties or interest, assessed or levied by the appropriate AUTHORITY.

"VENDOR" shall mean the person, firm or company to whom this document is issued, and who has agreed to supply the GOODS, RENTAL EQUIPMENT and/or SERVICES in accordance with the CONTRACT.

"FORCE MAJEURE" shall mean any act which is unforeseeable, insurmountable and outside the control of the parties, such As, but not limited to Act of God, epidemic, tidal wave, explosion, lightning, earthquake, hurricane, war (whether declared or not), riots (otherwise than among VENDOR'S employees), civil and military disturbance and acts of government or governmental authority or of a representative thereof (whether or not legally valid). Strikes shall only be considered as Force Majeure if they are official nationally declared strikes.

"VARIATION" shall mean any change authorised by PURCHASER in writing to amend the scope of work with reference to the form, the quality or the quantity of the GOODS, RENTAL EQUIPMENT and/or SERVICES, and/or the purchase price thereof.

"ZONE OF OPERATION" means the intended destination of the GOODS, RENTAL EQUIPMENT and/or SERVICES for the purposes of their installation, final testing and use including as necessary any erection yard designated by PURCHASER and the PURCHASER'S site workshop, storage area or other facility as may be relevant.

1.1 INTERPRETATION

- I. Clause headings are purely for ease of reference and do not form part of or affect the interpretation of the CONTRACT.
- II. In the CONTRACT, where the context so requires, words denoting the singular include the plural and vice versa.
- III. Unless otherwise stated, references in this CONTRACT to clauses refer to clauses in this CONTRACT.

- IV. References to each party herein shall include references to its successors in title, permitted assigns and novatees.
- V. References to statutory provisions shall be construed as references to those provisions s respectively replaced, amended or re-enacted from time to time (whether before, on or after the date of the CONTRACT) and shall include without limitation, any provisions of which they are re-enactments (whether with or without modification) and any subordinate legislation made under such provisions.
- VI. The words "include", "including" and "in particular" shall not be interpreted as limiting the generality of any foregoing words.
- VII. References to date and time periods in the CONTRACT shall be construed in accordance with the Gregorian calendar.
- VIII. Unless otherwise stated "writing" includes, letters, email, fax and other similar means of communication.
- IX. Each party shall bear its own costs in connection with the preparation of this CONTRACT.

CLAUSE 2 - ENTIRETY OF CONTRACT

The CONTRACT constitutes the complete and exclusive statement of agreement and understanding between the PURCHASER and VENDOR; it supersedes and excludes all prior and contemporaneous proposals, understandings, agreements and/or representations, whether oral or written with respect to the supply of the GOODS, RENTAL EQUIPMENT and/or SERVICES provided hereunder. For the avoidance of doubt nothing in this CONTRACT shall exclude or limit either party's liability for fraudulent misrepresentations or any other liability which cannot be excluded by law.

CLAUSE 3 - GOODS, SERVICES, AND/OR RENTAL EQUIPMENT

3(a) The GOODS shall be:

- I. of sound design, good quality and in accordance with the highest standards of workmanship and professional practice;
- II. strictly in accordance with the SPECIFICATION or, if no specification is stated, in accordance with all relevant industry standards;



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- III. Fit for the purpose intended, as indicated to the VENDOR, either expressly or by implication by the PURCHASER, if no such purpose(s) is(are) indicated, they shall be fit for their ordinary purpose;
- IV. safe in all respects, in the context of risk of damage to property or death or personal injury;
- V. in conformity with all applicable laws, codes and regulations pertaining thereto.

3(b) The SERVICES shall be:

- I. carried out in a safe manner in all respects in the context of risk of damage to property or death or personal injury;
- II. be of sound workmanship of the highest quality in accordance with the best professional practices;
- III. strictly in accordance with the SPECIFICATION or, if no specification is stated, in accordance with all relevant industry standards and generally accepted industry practices;
- IV. in strict conformance with the performance criteria, if any, and any other requirements of PURCHASER;
- V. in conformity with all laws, codes, and regulations pertaining thereto.

3(c) The RENTAL EQUIPMENT shall be:

- I. of sound design, good quality and in accordance with the highest standards of workmanship and professional practice;
- II. strictly in accordance with the SPECIFICATION or, if no specification is stated, in accordance with all relevant industry standards;
- III. Fit for the purpose intended, as indicated to the VENDOR, either expressly or by implication by the PURCHASER, if no such purpose(s) is(are) indicated, they shall be fit for their ordinary purpose;
- IV. safe in all respects, in the context of risk of damage to property or death or personal injury;
- V. in conformity with all applicable laws, codes and regulations pertaining thereto.
- VI. fully functional and ready for immediate use;

CLAUSE 4 - INSPECTION, TESTING AND QUALITY ASSURANCE

- a) The PURCHASER or its authorised representative will be entitled at any time to be present at any inspection and verification of the SERVICES. If as a result of any inspection or verification the PURCHASER'S authorised representative is of the reasonable opinion that the SERVICES do not comply with the requirements of clause 3 hereof, or are unlikely on completion so to comply, the PURCHASER shall have the right at its option to require the VENDOR, at the VENDOR'S cost and risk, to re-perform the non-compliant SERVICES or to reject the SERVICES in whole or in part. Any re-performed SERVICES shall comply with requirements of clause 3(b) and shall be delivered in accordance with clause 6. In the case of rejection, without prejudice to PURCHASER'S other rights under the PURCHASE ORDER or at law, VENDOR shall forthwith refund to PURCHASER all sums paid in respect of the rejected SERVICES. PURCHASER shall be entitled to order such SERVICES from another vendor and VENDOR shall reimburse PURCHASER for any additional costs incurred by PURCHASER as a result of VENDOR'S failure to provide the SERVICES in accordance with the CONTRACT.
- b) Before dispatching the GOODS, the VENDOR shall at his own cost, carefully inspect them and perform any test referred to in the SPECIFICATION or on the face of this document and as may be required by applicable regulations. The VENDOR shall give the PURCHASER at least seven (7) working days' notice, in writing, of such tests stating time and location; the PURCHASER shall be entitled to be represented thereat. The VENDOR shall also, at the request of the PURCHASER, supply the PURCHASER a copy of the VENDOR'S test documentation certified by the VENDOR to be a true copy.
- c) Before delivery of the RENTAL EQUIPMENT, the VENDOR shall fully test and inspect such RENTAL EQUIPMENT to ensure it is fully in conformance with the specifications as specified in the PURCHASE ORDER and that it is fit for the purpose for which it is required. The VENDOR shall further give the PURCHASER at least seven (7) working days' notice, in writing that such tests and inspections are taking place and the PURCHASER shall be entitled, at its sole option, to attend. VENDOR shall provide PURCHASER of any written documentation requested by PURCHASER relating to such tests or inspections.
- d) The PURCHASER or its authorised representative will be entitled at any time to require additional or repetition of inspection and tests of the GOODS and/or RENTAL EQUIPMENT during manufacture, processing, storage, performance or as otherwise set out on the face of this document. If the PURCHASER exercises this right the VENDOR shall, at its sole cost, provide and ensure the provision of all such facilities as may reasonably be required by the



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- PURCHASER. If as a result of any inspection or test under this clause 4 the PURCHASER or its authorised representative is of the reasonable opinion that the GOODS and/or RENTAL EQUIPMENT do not comply with the requirements of clause 3 hereof, or are unlikely on completion of manufacture, processing or supply to comply, the PURCHASER shall have the right at its sole option, to require the VENDOR at VENDOR's sole cost, to repair or replace the faulty GOODS and/or the RENTAL EQUIPMENT or to reject the GOODS and/or RENTAL EQUIPMENT in whole or in part. Any repaired or replacement GOODS shall comply with requirements of clause 3(a) and shall be delivered within the delivery period referred to in clause 6; and any repaired RENTAL EQUIPMENT shall be in conformance with the requirements of clause 3(c) and shall be delivered within the delivery period referred to in clause 6. In the case of rejection, without prejudice to any other remedies under the PURCHASE ORDER or at law, VENDOR shall forthwith refund to PURCHASER all sums paid in respect of the rejected GOODS and/or RENTAL EQUIPMENT, plus any additional costs incurred by PURCHASER as a result of VENDOR's failure to provide GOODS and/or RENTAL EQUIPMENT in accordance with the CONTRACT.
- e) The GOODS and/or RENTAL EQUIPMENT may be inspected on behalf of the PURCHASER upon or after delivery to the PURCHASER and if found defective, inferior in quality or differing from requirements of the CONTRACT (whether damaged or lost in transit or otherwise), they may be rejected in whole, or in part, at the sole option of PURCHASER. For any such rejected GOODS and/or RENTAL EQUIPMENT, PURCHASER shall have the option either to have said GOODS and/or RENTAL EQUIPMENT replaced by VENDOR or to exclude same from the CONTRACT, in which case any sums already paid with respect to such rejected GOODS and/or RENTAL EQUIPMENT shall be forthwith reimbursed by VENDOR. PURCHASER shall be entitled to order such GOODS and/or RENTAL EQUIPMENT from another VENDOR and VENDOR shall reimburse PURCHASER for any additional cost incurred by PURCHASER as a result of VENDOR's failure to provide GOODS and/or RENTAL EQUIPMENT in accordance with the CONTRACT.
- f) GOODS rejected upon or after delivery shall be removed by VENDOR from the PURCHASER's facility, the worksite or other place as designated by the PURCHASER, at VENDOR's sole expense within eight (8) working days from the date of receipt of notification of rejection or within such other period as may be specifically provided by the CONTRACT. In the event of the VENDOR failing to remove GOODS or part thereof, within such period as aforesaid the PURCHASER shall be at liberty to return the rejected GOODS or part thereof, at the VENDOR'S risk and expense.

- g) RENTAL EQUIPMENT rejected after delivery shall be removed by VENDOR from the PURCHASER's facility, the worksite or other place as designated by the PURCHASER, at VENDOR's sole expense. The PURCHASER shall not be liable to pay for any RENTAL EQUIPMENT not in conformance with clause 3(c) and the VENDOR shall only be entitled to payment for RENTAL EQUIPMENT which remains fully functional in accordance with the specifications of this CONTRACT. Where the RENTAL EQUIPMENT fails to function or becomes defective during the RENTAL PERIOD the VENDOR shall only be entitled to payment for the period of time during which the RENTAL EQUIPMENT was fully functional minus any losses or expenses incurred by the PURCHASER as a result of the defective RENTAL EQUIPMENT.
- h) This clause 4 shall be without prejudice to any other rights the PURCHASER may have in connection with the GOODS and/or SERVICES.
- i) VENDOR must operate an effective quality assurance system that meets the requirements of BS EN ISO 9001, and ISO 14001 or equivalent.

CLAUSE 5 - EXPEDITING

Unless otherwise agreed in writing the VENDOR shall within twenty one (21) calendar days from receipt of PURCHASE ORDER send to PURCHASER a production programme covering engineering, issue of drawings and other documentation, sub-order placement in accordance with clause 18 and delivery, start duration and finish of all major stages of manufacture, including examination, testing, inspection and delivery. VENDOR shall continuously update such programme and issue revisions immediately to reflect any agreed change(s) resulting from amendment(s) to the CONTRACT or from VENDOR'S action in executing the CONTRACT. PURCHASER'S expediting representative shall be afforded free access during working hours to VENDOR'S worksites and those of its sub-contractors for expediting purposes. VENDOR shall supply schedules, progress reports and un-priced copies of VENDOR'S PURCHASE ORDERS as required by PURCHASER for PURCHASER'S use in expediting. VENDOR shall notify PURCHASER in writing of any actual or anticipated delays immediately of their discovery. Such notice shall include cause, estimated period of delay and corrective actions being taken but shall not affect any of VENDOR'S obligations under the CONTRACT.



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CLAUSE 6 - DELIVERY

- a) The GOODS shall be properly packed and secured in such a manner as to reach their destination in good condition under normal conditions of transport. The GOODS shall be delivered by the VENDOR and at VENDOR'S cost, to the place(s), at the time(s) and in the manner specified on the face of this document, or as may be notified in writing to VENDOR. No GOODS shall be delivered without prior written authorisation of PURCHASER, the prior submittance to PURCHASER of all certification documents and any other materials required by PURCHASER.
- b) The RENTAL EQUIPMENT shall be properly packed, secured and ready for use upon arrival at PURCHASER'S base, or such other place as specified in the PURCHASE ORDER, or in writing by PURCHASER.
- c) The VENDOR shall deliver the GOODS, RENTAL EQUIPMENT and/or perform the SERVICES at the time(s) and places specified on the face of this document.
- d) Time shall be of the essence unless otherwise specified in writing by the PURCHASER. The VENDOR will deliver the GOODS, RENTAL EQUIPMENT and/or perform the SERVICES on the agreed date and continue such operations diligently and without delay in conformity with the requirements of the CONTRACT.
- e) If owing to any event of FORCE MAJEURE the VENDOR is unable to deliver the GOODS, RENTAL EQUIPMENT and/or SERVICES within the specified time, the PURCHASER may in its sole discretion grant to the VENDOR such extension time as it considers reasonable. During a period of FORCE MAJEURE the RENTAL PERIOD shall be suspended until the FORCE MAJEURE ends. For the avoidance of doubt, VENDOR shall not be paid for any RENTAL EQUIPMENT during a period of FORCE MAJEURE.
- f) If the GOODS, RENTAL EQUIPMENT and/or SERVICES or any part thereof are not delivered within the time(s) specified on the face of this document, or any agreed extension of such time(s), the PURCHASER shall be entitled to terminate the CONTRACT in respect of the GOODS, RENTAL EQUIPMENT and/or SERVICES or any part thereof.
- g) VENDOR hereby acknowledges that strict compliance with delivery times is an essential Condition of the CONTRACT.
- h) RENTAL FEES shall not be paid where the RENTAL EQUIPMENT is delivered early, unless such early delivery was due to the sole default of the PURCHASER or was specifically agreed between the parties in writing prior to such delivery. Where the RENTAL EQUIPMENT is delivered early for reasons other than the PURCHASER'S sole default, the

RENTAL PERIOD shall start from the date upon which the RENTAL EQUIPMENT was supposed to arrive in accordance with the PURCHASE ORDER.

- i) Should VENDOR fail to comply with the delivery time(s) specified or such extended time(s) as may be allowed in accordance with the CONTRACT, and the GOODS, SERVICES and/or RENTAL EQUIPMENT are delivered late, PURCHASER shall be entitled to recover from VENDOR by way of compensation or reimbursement at PURCHASER'S sole option, liquidated damages for such failure as follows:
 - 0.5% of the total CONTRACT price per day or part thereof up to a maximum of 15% of the total CONTRACT price.
- j) The terms of this clause 6 shall be without prejudice to any other rights of PURCHASER under the CONTRACT or at law.

CLAUSE 7 - STORAGE OF GOODS

- a) If for any reason the PURCHASER is unable to take delivery of the GOODS at the date and time agreed between the PURCHASER and VENDOR and the GOODS are ready for delivery, the VENDOR shall clearly mark the GOODS as the property of the PURCHASER, store the GOODS on behalf of the PURCHASER and shall use all reasonable endeavours to protect, safeguard and maintain the GOODS until the actual delivery date. The VENDOR shall store the GOODS on behalf of the PURCHASER, at no extra cost for a period of up to one (1) month, from the agreed delivery date; thereafter the PURCHASER shall be liable to pay the VENDOR reasonable costs (including insurance) for the storage of the GOODS.
- b) If for any reason the PURCHASER is unable to take delivery of the RENTAL EQUIPMENT at the date and time agreed between the PURCHASER and the VENDOR and the RENTAL EQUIPMENT is ready for delivery, the VENDOR shall upon PURCHASER'S request store the RENTAL EQUIPMENT free of charge on behalf of the PURCHASER and deliver it to the PURCHASER at the date a time requested by PURCHASER. RENTAL FEES in respect of such stored RENTAL EQUIPMENT shall only be payable for the actual RENTAL PERIOD. No RENTAL FEES shall be payable for RENTAL EQUIPMENT which is being stored by VENDOR on behalf of the PURCHASER in accordance with this clause 7(b) until such stored RENTAL EQUIPMENT has been delivered in accordance with clause 6(b).



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CLAUSE 8 - PASSING OF PROPERTY

- a) Subject to the provisions of paragraph (c) of this clause the property in the GOODS shall pass to the PURCHASER at the first to occur of the following events:
 - I. when the GOODS or part thereof are first identifiable as being appropriated to the CONTRACT.
 - II. when the PURCHASER pays for the GOODS or part thereof in accordance with the CONTRACT, or
 - III. when the GOODS or part thereof are delivered to the PURCHASER in accordance with the PURCHASE ORDER or to another destination as instructed by the PURCHASER.
- b) Notwithstanding the terms of paragraph (a) I. to III. of this clause, the risk in the GOODS shall remain rested in the VENDOR, until the GOODS are delivered.
- c) If the VENDOR postpones dispatch for delivery at the request of the PURCHASER pursuant to clauses 6 and 7, hereof, the GOODS shall nevertheless remain at the VENDOR'S risk until actual delivery.
- d) Title to the RENTAL EQUIPMENT shall remain with the VENDOR at all times. Notwithstanding the foregoing, risk in the RENTAL EQUIPMENT shall pass to the PURCHASER upon delivery to the PURCHASER in accordance with the PURCHASE ORDER and shall remain with the PURCHASER until returned to the PURCHASER'S base, or such other place as stipulated on the PURCHASE ORDER or by the PURCHASER in writing.

CLAUSE 9 - WARRANTIES

- a) The VENDOR warrants that all GOODS/RENTAL EQUIPMENT and/or SERVICES pursuant to this CONTRACT will conform to the provisions as set out in clause 3. Where the GOODS, RENTAL EQUIPMENT and/or SERVICES, do not, in the reasonable opinion of the PURCHASER, comply with the provisions of clause 3, are found defective in design, material, workmanship, supervision, operating characteristics, functionality or are below the standard reasonably expected of a competent, experienced and professional organisation providing the same or similar GOODS, RENTAL EQUIPMENT and/or SERVICES, at any time, within operation or within 24 months from the date of delivery, whichever is longer, the VENDOR shall at its sole expense and at the PURCHASER'S sole option, repair or replace the GOODS, repair or replace the RENTAL EQUIPMENT and/or re-perform the SERVICES. Where the RENTAL EQUIPMENT requires to be replaced the VENDOR shall not

be paid any RENTAL FEES until such RENTAL EQUIPMENT is replaced and present on the worksite.

- b) Where the VENDOR fails, in the reasonable opinion of the PURCHASER, to promptly repair or replace faulty or non-conforming GOODS, or fails to re-perform the non-conforming SERVICES to a satisfactory standard, at no additional cost to the PURCHASER and within a reasonable time as determined by the PURCHASER, the PURCHASER shall be entitled to carry out remedial work or have such remedial work carried out by a third party at the sole expense of the VENDOR. In the event that the VENDOR fails to repair or replace the RENTAL EQUIPMENT, the VENDOR shall be entitled to hire similar RENTAL EQUIPMENT from another supplier at VENDOR'S sole cost for such period of time as is required by PURCHASER to complete the performance of the work/services for which the RENTAL EQUIPMENT was hired.
- c) In the event of any alteration, repair, replacement or re-performance as above-mentioned the VENDOR'S obligations hereunder shall extend to such altered, repaired, replaced GOODS, RENTAL EQUIPMENT or re-performed SERVICES for a new warranty period guarantee of the same duration as initially stipulated from the date of acceptance of same by PURCHASER.
- d) All warranties shall inure to the benefit of and be fully enforceable by PURCHASER, its affiliates, and its assignees or any member of the PURCHASER GROUP.
- e) Notwithstanding anything to the contrary contained herein, the warranties and obligations provided by the VENDOR in this clause 9 are in addition to the liabilities and indemnities provided in clause 21 and any other right or remedy available to the PURCHASER under applicable Law. For the avoidance of doubt clause 9 in no way limits the liabilities of the VENDOR or the remedies available to the PURCHASER under this CONTRACT or any applicable law.

CLAUSE 10 - TAXES AND CUSTOMS DUTIES

- a) VENDOR shall bear and discharge under its sole liability all and any taxes, levies, fees, stamps, stamp duties, custom duties and the like, levelled by whatsoever authorities not expressly payable by PURCHASER under the CONTRACT arising from or in connection with the CONTRACT. VENDOR shall likewise bear and discharge under its sole liability any fines and penalties pertaining to any of the above.
- b) For the avoidance of doubt and except as otherwise provided in the CONTRACT or applicable PURCHASE ORDER, VENDOR shall be solely responsible for and shall bear and



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pay all taxes connected with the supply of GOODS, RENTAL EQUIPMENT and/or SERVICES performed, whether assessed or imposed on VENDOR or payments made to VENDOR (including without limiting the foregoing taxes connected with any personnel to be provided by or on behalf of VENDOR GROUP for the purposes of performing the SERVICES) and shall fulfil all applicable administrative and registration and de-registration requirements, maintain proper accounting records, and properly file all necessary documents imposed on VENDOR. VENDOR shall comply with all applicable laws, regulations and directives concerning all legal, company or branch office TAX registration and de-registration requirements. Subject to paragraph 18, VENDOR shall exercise best efforts to procure that each AFFILIATE and SUBCONTRACTOR thereof shall bear and pay all taxes connected with the SERVICES assessed or imposed upon such SUBCONTRACTOR (including without limiting the foregoing taxes connected with any personnel to be provided by or on behalf of VENDOR GROUP for the purposes of performing the SERVICES) and exercise best efforts to procure that such AFFILIATE or SUBCONTRACTOR shall fulfil all administrative and registration and de-registration requirements, maintain proper accounting records, and properly file all necessary documents. In the event of any increase in TAXES attributable solely to an assignment pursuant to paragraph 18(a) (and after VENDOR has exercised best efforts to mitigate such increase in TAXES), the CONTRACT or any applicable PURCHASE ORDER may be amended to provide for VENDOR to adjust the applicable pricing to reimburse VENDOR for such an increase in TAXES.

- c) **VENDOR hereby releases, indemnifies, defends and holds harmless PURCHASER GROUP from and against all claims, demands, penalties, charges, liabilities, costs and expenses whatsoever connected with any assessment or imposition made in respect of all or any TAXES upon VENDOR, any payment to VENDOR or any AFFILIATE or SUBCONTRACTOR thereof CONNECTED WITH the SERVICES that VENDOR or any AFFILIATE or SUBCONTRACTOR thereof expressly assumed under this CONTRACT or PURCHASE ORDER together with any costs of compliance. PURCHASER may offset any amounts due from VENDOR under this indemnity from any payments PURCHASER is due to make to VENDOR under the CONTRACT.**
- d) VENDOR shall, upon request, supply, and shall procure that SUBCONTRACTORS supply to PURCHASER, such information (including documentary information) connected with the SERVICES as may be required by PURCHASER for any of the following purposes:

- a. to enable PURCHASER to comply with the lawful demand or requirement for such information by any AUTHORITY;
- b. to enable PURCHASER to conduct, defend, negotiate, or settle any claims, demands, penalties, charges, liabilities, costs and expenses relating to TAXES, whether or not such claims, demands, penalties, charges, liabilities, costs and expenses shall have become the subject of arbitration or judicial proceedings; or
- c. to enable PURCHASER to make any application (including, but without limitation, any claims, demands, penalties, charges, liabilities, costs and expenses for any allowances or relief) or representation connected with, or to contest any assessment on, or liability of PURCHASER to any TAXES.
- e) The obligations of VENDOR set forth above in shall subsist for a period of sixty (60) months (or such longer period as any applicable law including all extensions thereof, may require) from the date of written approval of VENDOR's final invoice/statement of account in respect of the SERVICES. VENDOR shall retain and shall ensure that each SUBCONTRACTOR and AFFILIATE thereof retain, all information and documents connected with its activities under or pursuant to the CONTRACT as shall enable VENDOR to comply with its above obligations.
- f) Except as otherwise provided in the CONTRACT or an applicable PURCHASE ORDER, VENDOR is deemed to have taken into account, in its rates, sums, and prices all TAXES (including the possibility of future increases in TAXES) other than SALES TAXES which may be applicable to payments made hereunder. For the avoidance of doubt, rates shall not be increased for any TAXES other than SALES TAXES.
- g) Except as otherwise provided in the applicable the CONTRACT or an applicable PURCHASE ORDER, and to the extent permitted by law, VENDOR shall be responsible for obtaining all the necessary customs clearances, or other governmental authorizations required for moving any personnel provided by or on behalf of VENDOR GROUP for the purposes of performing the SERVICES and PLANT into and out of any jurisdiction. PURCHASER will, if so requested by VENDOR, assist VENDOR to the extent that PURCHASER reasonably determines such action would not be detrimental to PURCHASER with regard to the obtaining of import assistance, or other governmental authorizations required for moving



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- any personnel provided by or on behalf of VENDOR GROUP for the purposes of performing the SERVICES and PLANT into and out any jurisdiction.
- h) Except as otherwise provided in the CONTRACT or any applicable PURCHASE ORDER, VENDOR shall import or export PLANT in compliance with any and all applicable laws and regulations, including any mandatory security guidelines or policies applicable in each jurisdiction where such import and/or export activity occurs. VENDOR shall be solely responsible for and shall bear and pay all CUSTOMS DUTIES (and any fines, penalties and interest thereon) and for all import and/or export declarations connected with the SERVICES imposed on it. VENDOR will make use of duty preference and duty relief programs if the imported products are eligible, and shall comply with all requirements of said programs, including the timely submission of accurate supporting documentation and re-export of the relevant items if appropriate. In situations where PURCHASER holds a license, permit or exemption pursuant to a duty preference or relief program that is allowable when PURCHASER is consignee, VENDOR should so use such reasonable care to inquire about, identify and use any such license, program or permit.
- i) Where the CONTRACT requires PURCHASER or any member of PURCHASER GROUP to import or export PLANT, VENDOR, to the extent that VENDOR reasonably determines such action would not be detrimental to COTNRACTOR, shall assist PURCHASER to comply with any and all applicable laws and regulations, including any mandatory security guidelines or policies applicable in each jurisdiction where such import and/or export activity occurs, obtaining of import assistance, or other governmental authorizations required for moving PLANT into and out of any jurisdiction. VENDOR shall provide any and all such information (including copies of documentary information) as is necessary or deemed necessary by PURCHASER to ensure compliance with the aforementioned laws, regulations, guidelines, and policies. If as a result of VENDOR's act or omission PURCHASER or any member of PURCHASER GROUP incurs CUSTOMS DUTIES, including fines, penalties and interest, or other costs which otherwise would not have been due, VENDOR shall indemnify and keep indemnified PURCHASER or such member of PURCHASER GROUP in respect of such CUSTOMS DUTIES and fines, penalties and interest. All costs arising in connection with the import and/or export of consumable materials for use in connection with the SERVICES shall be for the account of VENDOR.
- j) VENDOR shall submit to PURCHASER a SALES TAX INVOICE for any payments due under the CONTRACT, which shall properly account for and include and itemize all such SALES TAXES, and PURCHASER shall pay such SALES TAXES in compliance with the applicable laws. VENDOR shall pay over to the relevant AUTHORITIES any amounts of SALES TAX properly invoiced in accordance with the relevant law and regulations in force at the time of making the supply. PURCHASER shall be entitled to withhold from payments due under the CONTRACT the amount of such SALES TAX that has not been invoiced. VENDOR shall as soon as reasonably practicable, provide PURCHASER with a valid SALES TAX INVOICE upon which the PARTIES shall make any adjusting payments required to facilitate the recovery by PURCHASER of the relevant SALES TAX amount. Notwithstanding any other provisions of the CONTRACT, SALES TAXES attributable to PLANT or other supplies, equipment or tools used by VENDOR or its SUBCONTRACTORS in the performance of the SERVICES but not incorporated into the SERVICES shall be paid by VENDOR or its SUBCONTRACTOR.
- k) VENDOR shall use its best efforts (and cause its SUBCONTRACTORS and AFFILIATES to use their best efforts) to minimize the amount of SALES TAX imposed under the CONTRACT. If VENDOR and PURCHASER do not agree as to the SALES TAX due in respect of any payment hereunder, Clause 11 (Payment/Price) shall apply and VENDOR may seek a written ruling from the relevant AUTHORITY, disclosing all relevant information necessary to enable the AUTHORITY to rule as to the SALES TAX liability in respect of such payment. The cost of seeking such a ruling, including legal and other advisory fees, shall be bourn equally by VENDOR and PURCHASER. In the event VENDOR and PURCHASER determine that third party representation should be used to seek such a ruling, then VENDOR and PURCHASER shall select the third party representative by mutual agreement. Both PURCHASER and VENDOR shall have the right to review and approve all documentation to be submitted to the AUTHORITY for such purpose prior to submission. A copy of the resultant ruling shall be disclosed by VENDOR to PURCHASER.
- l) If as a result of inquiries by an AUTHORITY the PARTIES become aware of a SALES TAX adjustment then VENDOR within thirty (30) days shall issue a SALES TAX INVOICE. VENDOR will promptly pay to PURCHASER any amount overpaid, and PURCHASER will pay to VENDOR any amount underpaid.



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- m) If any PARTY is entitled to payment of any costs or expenses by way of reimbursement or indemnity, the payment must exclude any part of that cost or expense which is attributable to SALES TAX for which that PARTY or the Representative Member of any SALES TAX Group of which that PARTY is a Member is entitled to an Input Tax Credit unless the recipient PARTY has provided written confirmation that it is not entitled to Input Tax Credit to the paying PARTY prior to payment.
- n) VENDOR shall, in relation to the performance of the CONTRACT, and to the extent that the PARTIES mutually agree that such action would not be detrimental to either PARTY, apply all TAX benefits, reductions and reliefs by all legally available means conferred by applicable legislation and applicable double TAX conventions, and VENDOR shall exercise best efforts to procure that each SUBCONTRACTOR and AFFILIATE thereof shall also seek to apply such legally available reductions, benefits and reliefs.
- o) VENDOR shall timely inform PURCHASER of any change in the TAX status of VENDOR, as it relates to its ability to perform SERVICES under the CONTRACT or to the extent such change materially impacts the terms and conditions, including the pricing thereof, of the CONTRACT or a PURCHASE ORDER, including without limitation, VENDOR's TAX residence, domicile, permanent establishment, TAX nexus, TAX registration or otherwise. PURCHASER shall be entitled to vary the administration of the CONTRACT as required by law as a consequence thereof. PURCHASER shall be under no obligation to compensate VENDOR for additional TAXES arising as a consequence thereof.
- p) Upon request by PURCHASER, VENDOR to the extent that VENDOR reasonably determines such action would not be detrimental to VENDOR and to the extent permitted by law, shall (and shall use best efforts to cause its AFFILIATES and SUBCONTRACTORS to) take any action or forego taking any action that PURCHASER reasonably determines could, or does, result in PURCHASER or any of its AFFILIATES having a permanent establishment or other taxable nexus in a jurisdiction where PURCHASER or such AFFILIATE would not otherwise have a permanent establishment or other taxable nexus.
- q) Except as otherwise provided in the CONTRACT or any applicable PURCHASE ORDER, to the extent required by applicable law in effect at the time of any payment to VENDOR or any AFFILIATE or SUBCONTRACTOR thereof pursuant to the CONTRACT, PURCHASER shall be entitled to deduct or withhold amounts for TAXES therefrom, and any such deducted or withheld amount shall be treated as having been paid by PURCHASER to such PARTY. VENDOR shall save, indemnify, release, defend and hold harmless PURCHASER from and against any liability of PURCHASER connected with any such TAXES required to be deducted or withheld from a payment made to VENDOR or any AFFILIATE or SUBCONTRACTOR thereof.
- r) VENDOR (or any AFFILIATE or SUBCONTRACTOR thereof) may in good faith attempt to qualify any payment due to be made by PURCHASER to such PARTY under the CONTRACT for any applicable reductions of, or exemptions from, withholding TAXES under any applicable law or regulation. In the event a payment is eligible for a reduced rate of withholding TAX (including a complete exemption from withholding TAX), the relevant PARTY may provide PURCHASER with an appropriate true, correct and complete withholding or exemption certificate with respect to such payment prior to such payment being made, and PURCHASER shall reduce the amount withheld or deducted from the relevant payment in accordance with such certificate. If any such exemption certificate or withholding certificate previously delivered by a PARTY to PURCHASER expires or becomes obsolete or inaccurate in any respect, such PARTY shall inform PURCHASER of such expiration, obsolescence or inaccuracy and, where applicable, may provide PURCHASER an updated true, correct and complete exemption or withholding certificate (or such other form as may be applicable).
- s) The PARTIES do not intend to, and nothing in the CONTRACT should be construed to, create a partnership for any TAX purposes.
- t) **Subject to the other provisions of this Clause 10, if TAXES are imposed on or with respect to any indemnity payment made pursuant to the CONTRACT, then the indemnifying PARTY shall increase the amount of such payment so that the indemnified PARTY receives an amount net of such TAXES equal to the amount of the claims, losses, damages, costs, expenses and liabilities that gave rise to the indemnity payment.**

CLAUSE 11 - PAYMENT/PRICE

- a) PURCHASER shall use reasonable endeavours to pay VENDOR'S invoice for the price of GOODS, RENTAL EQUIPMENT and/or SERVICES within fifty (50) days of receipt by the PURCHASER, provided that such invoice is properly drawn, and is accompanied by



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required supporting documents. If invoice requires correction the time of payment will be computed from date of receipt by the PURCHASER of the VENDOR'S corrected invoice. The prices shown in the CONTRACT cannot be varied except by a duly executed amendment in terms of clause 12 hereof. The VENDOR shall not unless otherwise agreed by PURCHASER, be paid any part of the purchase price until it has signed and returned to the PURCHASER an acknowledgement copy of this document. The same shall apply for any amendment(s) applicable thereto.

- b) Where the VENDOR becomes liable for payment of any sum of money, under this CONTRACT, to the PURCHASER, whether by way of damages, indemnification or otherwise howsoever or any expenses incurred by the PURCHASER in connection with the provision of GOODS, RENTAL EQUIPMENT and/or SERVICES owing to neglect, default, or omission of the VENDOR, the PURCHASER will have the right to deduct such sum from any payment due to the PURCHASER from any invoice or recover such sum by any other lawful means, without prejudice to any other remedy the PURCHASER may have under this CONTRACT and VENDOR undertakes to issue a credit note of the same amount on PURCHASER'S request.
- c) Charges for preparation, packing, boxing, crating, freight or special service shall be deemed to be included in the price of the GOODS and/or SERVICES. All prices shall be inclusive of VAT (where applicable) unless otherwise stated on the PURCHASE ORDER.
- d) The PURCHASER shall have the right from the date of the CONTRACT and for a period of two (2) years from acceptance of the GOODS, RENTAL EQUIPMENT and/or SERVICES to carry out an audit of the VENDOR'S books and records insofar as they relate to reimbursable parts of this CONTRACT or have such audit carried out by a firm of Accountants appointed by the PURCHASER. For the purposes of ensuring compliance with clause 29, VENDOR shall permit, upon the request of and at the sole discretion of the VENDOR, audits by independent auditors acceptable to PURCHASER, and agree that such auditors shall have full and unrestricted access to, and to conduct reviews of, all records related to the GOODS, RENTAL EQUIPMENT and/or SERVICES provided under the PURCHASE ORDER and to report any violation of the United States Foreign Corrupt Practices Act, UK Bribery Act or any other applicable laws and regulations.

CLAUSE 12 - VARIATIONS

- a) The PURCHASER has the right to make any variation to the CONTRACT and/or the PURCHASE ORDER that may, in its opinion, be necessary and VENDOR shall supply the

GOODS, RENTAL EQUIPMENT and/or SERVICES in accordance with the provisions of the CONTRACT and/or PURCHASE ORDER as so varied. No variation to the CONTRACT shall be valid unless set down in writing.

- b) Subject to clause 12(a) if the PURCHASER gives notice in writing that it wishes to vary the CONTRACT and/or the PURCHASE ORDER for the GOODS, RENTAL EQUIPMENT and/or SERVICES it shall reimburse the VENDOR necessary, reasonable and direct documented costs or expenses incurred by VENDOR in connection therewith. The VENDOR shall use all reasonable efforts to minimise the costs resulting from such variation. The PURCHASER shall, where there is a substantial variation likely to affect time of delivery, accept a reasonable postponement of the date of the delivery as referred to in clause 6.

CLAUSE 13 - WAIVER

Any failure by PURCHASER at any time to enforce or require the performance of any of the provisions of the CONTRACT shall not constitute a waiver of PURCHASER'S rights to enforce or require the strict observance of such provisions in any way or of its rights to avail itself of such remedies as it may have for any breach of any provision, and without prejudice to the foregoing generally any payment made by the PURCHASER shall not be construed as a waiver of right of PURCHASER to object to any invoice previously paid.

CLAUSE 14 - DRAWINGS, MANUALS ETC.

- a) VENDOR shall without additional cost to PURCHASER supply all required drawings, specifications, and other relevant technical information (whether needed for information only, approval or final record), including but not limited to, operating instructions, maintenance manuals, mill certificates giving chemical compositions and mechanical properties, fabrication reports and the like at times and in numbers of copies as specified on the face of this document. The PURCHASER in approving VENDOR'S drawings does not in any way assume responsibility for their accuracy.
- b) All intellectual property rights subsisting in or relating to any drawings, specifications, documents, equipment components or other items of information specifically prepared or developed by VENDOR in connection with the supply of the GOODS, RENTAL EQUIPMENT and/or SERVICES, or obtained by the PURCHASER shall be and remain the property of the PURCHASER. The VENDOR shall not use such items or information, nor shall authorize or knowingly permit them to be used by anyone else for, or in connection with any purpose



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other than the supply of the GOODS and/or RENTAL EQUIPMENT to the PURCHASER unless such use is expressly authorised by the PURCHASER previously and in writing.

CLAUSE 15 - PURCHASER'S MATERIALS

- a) Unless otherwise specified, VENDOR shall, at its own cost, incorporate in the GOODS and/or SERVICES, such items, materials or products, manufactured or marketed, by PURCHASER or its subsidiaries, affiliates or any member of the PURCHASER GROUP ("Oil States' Products") as PURCHASER may require. VENDOR shall ensure that all Oil States' Products provided by the PURCHASER shall be clearly marked and identified as being the property of the PURCHASER until they are returned to the PURCHASER or disposed of at the PURCHASER's request.
- b) Where PURCHASER issues materials free of charge to VENDOR, such materials shall be and remain the property of PURCHASER. VENDOR shall maintain all such materials in good order and condition. VENDOR shall use such materials solely in connection with the CONTRACT and as required by the PURCHASER. Any surplus materials shall be disposed of at the PURCHASER's discretion. Waste of such materials arising from the negligence of VENDOR shall be made good at VENDOR's reasonable expense.

CLAUSE 16 - STATUTORY REQUIREMENTS

The VENDOR warrants that the quality of GOODS, RENTAL EQUIPMENT and/or SERVICES to be supplied under the CONTRACT comply in all respects with all relevant requirements of any statute, statutory rule or order, or other instruments having the force of law, which may be applicable during the term of the CONTRACT.

CLAUSE 17 - INFRINGEMENT OF INTELLECTUAL PROPERTY OR LEGAL RESTRICTIONS

- a) The VENDOR shall fully release, indemnify and hold harmless the PURCHASER from and against any action, claim, demand, costs, charges and expenses arising from, or incurred by reason of any infringement, or alleged infringement of any copyright, letter patent, design, trade mark or trade name protected in the United Kingdom or elsewhere (whether registered or unregistered), occurring in relation to, or connection with, the provision of the GOODS, RENTAL EQUIPMENT and/or SERVICES. The VENDOR shall pay to PURCHASER for, without limitation, all costs, damages claims and charges which the PURCHASER may

incur in any action for such infringement or for which the PURCHASER may become liable in any action.

- b) If the GOODS, RENTAL EQUIPMENT and/or SERVICES or part thereof involved in such action, claim, etc., are prohibited from use, VENDOR shall at its own expense, purchase the necessary licenses in order to remove the infringement to the satisfaction of PURCHASER. Where the infringement is in respect of RENTAL EQUIPMENT, the PURCHASER shall not be liable to pay any RENTAL FEES until such infringement is removed.

CLAUSE 18 - ASSIGNMENT OR SUB-CONTRACTING

- a) The VENDOR shall not, without the prior written consent of the PURCHASER assign, transfer,
 - Charge
 - or otherwise encumber
 - create any trust over
 - or deal in any manner with
 - I. this CONTRACT or any right, benefit or interest under it;
 - II. nor transfer, novate, or sub-contract any of its obligations under it without the prior written consent of the PURCHASER;
- b) Notwithstanding such consent, any payment to an assignee, novatee, trustee, subcontractor or the like shall be subject to the PURCHASER's right to set-off any claim which PURCHASER may have against VENDOR, except to the extent that such right of setoff is expressly waived in writing by PURCHASER. Where consent to subcontract is granted by PURCHASER, VENDOR shall ensure there is a written contract between VENDOR and any of its subcontractors in connection with these Terms and Conditions of Purchase which imposes terms equivalent to, if not greater than, those imposed on VENDOR.
- c) PURCHASER'S refusal to approve any sub-VENDORS shall not increase the price of the GOODS, RENTAL EQUIPMENT and/or SERVICES or extend the delivery period. Any consent given by the PURCHASER to sub-contract any part of the CONTRACT shall not relieve the VENDOR of any of its obligations under the CONTRACT nor shall any failure of a sub-contractor be an event of FORCE MAJEURE unless such failure is caused by an event which would have been an event of FORCE MAJEURE had the work in question been performed by the VENDOR themselves.



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- d) VENDOR shall immediately furnish PURCHASER with three (3) copies, unless otherwise specified on the face of this document, of all sub-orders when they are placed. Such copies shall be in the English language and shall be complete with all attachments, drawings and specifications applicable. Sub-orders shall quote PURCHASE ORDER numbers(s) and item number(s) of GOODS and/or SERVICES where applicable.
- e) PURCHASER may at any time assign, transfer,
- mortgage
 - sub-contract
 - novate
 - create a trust over
 - or deal in any manner with
- all or any part of its rights under the CONTRACT to
- I. any third party;
 - II. any company associated with or affiliated to PURCHASER (present or future);
 - III. any third party providing finance for or in connection with the CONTRACT pursuant to a leasing or mortgaging arrangement or other arrangement analogous thereto.
- f) VENDOR shall remain fully responsible for any part of the CONTRACT performed by its sub-contractors, at any level, and for the acts and omissions of such sub-contractor and their personnel. Notwithstanding anything to the contrary on the face of this document, VENDOR shall release, defend, indemnify and hold harmless PURCHASER from and against all such acts/omissions of sub-contractors, and against any consequence of the use of sub-contractors at any level.
- g) PURCHASER'S approval of sub-contractors at any level shall not create any contractual relation between the sub-contractor and PURCHASER.

CLAUSE 19 - SUSPENSION

- a) PURCHASER may at any time suspend all or any part of the SERVICES, the provision of GOODS and/or the RENTAL PERIOD for any reason (including, without limitation, a FORCE MAJEURE occurrence, delay or suspension by PURCHASER's client, for the convenience of the PURCHASER or for any matter related to health and safety) by giving written notice to VENDOR. VENDOR shall cease all SERVICES and/or the provision of GOODS and the RENTAL PERIOD shall cease on the date specified in such notice. Said suspension shall end

when PURCHASER, by written notice to VENDOR, either requires VENDOR to resume the suspended SERVICES or provision of GOODS and/or RENTAL EQUIPMENT or the CONTRACT is terminated by PURCHASER in accordance with clause 20.

- b) Where the PURCHASER suspends the SERVICES, the provision of GOODS and/or the RENTAL PERIOD due to the fault of the VENDOR, or where the commencement of the SERVICES or the provision of GOODS and/or RENTAL EQUIPMENT is delayed through the fault of the VENDOR, the VENDOR shall pay all standby charges for VENDOR's personnel and equipment and costs incurred by PURCHASER to demobilise/remobilise any GOODS, RENTAL EQUIPMENT and/or personnel to and from the worksite, including the costs of any ancillary items related to the suspended SERVICES, and all costs and expenses incurred by PURCHASER associated with the suspension, including, without limitation, storage costs, increased costs of materials, subcontracts, and other third party charges.

CLAUSE 20 - TERMINATION

- a) The PURCHASER may by written notice to VENDOR terminate the CONTRACT in whole or in part at any time at its sole option. Where the PURCHASER elects to terminate the CONTRACT for its convenience PURCHASER shall, reimburse the VENDOR for all GOODS and/or SERVICES satisfactorily delivered in accordance with the CONTRACT prior to such termination and shall pay for the RENTAL EQUIPMENT until the date such RENTAL EQUIPMENT is returned to the PURCHASER's base or such other place as may be stipulated on the PURCHASE ORDER, or by the PURCHASER, in writing.
- b) The PURCHASER may terminate this CONTRACT immediately at any time by giving written notice if:
- I. the VENDOR is in breach (whether material or non-material) of this CONTRACT which, if remediable, it fails to remedy within 14 days of written notice from the PURCHASER requiring it to do so; and/or
 - II. the VENDOR persistently breaches this CONTRACT.
- c) If the PURCHASER terminates the CONTRACT in accordance with clause 20 (b)I. or II., the VENDOR shall only be entitled to receive the amount of money due under the CONTRACT for GOODS, RENTAL EQUIPMENT and or SERVICES satisfactorily provided less any additional sums that the PURCHASER may incur as a result of having the SERVICES satisfactorily completed and/or the GOODS and/or RENTAL EQUIPMENT provided by third parties. Furthermore, VENDOR shall reimburse PURCHASER for any sum already paid



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- related to any SERVICES, GOODS and/or RENTAL EQUIPMENT refused or returned to VENDOR and all other associated costs incurred by PURCHASER.
- d) PURCHASER may terminate this CONTRACT immediately at any time by giving written notice to VENDOR if:
- I. the VENDOR convenes a meeting of its creditors or proposes or makes any arrangement or composition with or assignment or moratorium for the benefit of its creditors generally or any class of creditors or negotiations are commenced with a view to the general readjustment or re-scheduling of all or any part of its liabilities; and/or
 - II. a resolution is passed, a petition is presented, any procedure is commenced, any meeting is convened or any other step is taken (including, without limitation the presentation of a petition, the making of an application or the filing or service of a notice) with a view to the other party being adjudicated or found insolvent, the winding up (other than a members' voluntary winding up for the purposes of a reconstruction of its affairs) or dissolution of the other party, the appointment of a trustee, supervisor, administrative or other receiver, administrator, liquidator or similar officer or encumbrancer in respect of the VENDOR or any of its assets in any jurisdiction; and/or
 - III. a third party taking possession over all or a substantial part of the VENDOR'S assets; and/or
 - IV. the VENDOR ceases to carry on business or an event occurs which would result in a floating charge crystallising over any of its assets or any step is taken by any other person to enforce or levy a distress or execution against any of its assets; and/or
 - V. the VENDOR suffers any event analogous to any of the above in any jurisdiction.
- e) If PURCHASER terminates the CONTRACT in accordance with clause 20 (d) I. - V., the VENDOR shall not be entitled to any compensation whatsoever and the PURCHASER may transfer any rights of recovery in respect of payments due to the PURCHASER by the VENDOR (including any damages), to a third party and/or give any such third party the option to carry out the CONTRACT.
- f) Either party may terminate this CONTRACT where a FORCE MAJEURE occurrence continues for over 60 days, by giving notice to the other party in accordance with clause 24.

- g) Termination of this CONTRACT shall be without prejudice to any other rights or remedies to which the PURCHASER is entitled under this CONTRACT or at law as a result of or in relation to any breach or other event which gives rise to such termination, and shall not affect any other accrued rights of the PURCHASER or the liabilities of the VENDOR as at the date of termination.

CLAUSE 21 - LIABILITY AND INSURANCE PROVISIONS

- a) The VENDOR shall release, defend, indemnify and hold harmless the PURCHASER from and against all loss, damage, costs, legal costs, professional and other expenses of any nature whatsoever incurred or suffered by the PURCHASER GROUP or by a third party, whether direct or consequential (including but without limitation any economic loss or other loss of turnover, profits, business or goodwill), arising out of any breach whatsoever by VENDOR of its obligations under the CONTRACT. Any disputes or other claims or proceedings made or brought against the PURCHASER in respect of the supply of the GOODS, RENTAL EQUIPMENT and/or SERVICES to the PURCHASER, the use of, or any other dealing with the GOODS, RENTAL EQUIPMENT and/or SERVICES by the PURCHASER or by a third party (including but without limitation product liability claims, defective design, manufacture, marketing or workmanship, and claims by a third party alleging infringement of its intellectual property rights), shall be borne by the VENDOR, except to the extent the claim or proceedings relate to death or personal injury caused by the sole negligence of the PURCHASER, its servants, or agents. Further the VENDOR shall give the PURCHASER such assistance as it may require when dealing with any such disputes or other claims or proceedings.
- b) VENDOR shall from the beginning of the manufacture, up to delivery of the GOODS and throughout the provision of the SERVICES and/or RENTAL EQUIPMENT, obtain and maintain insurance to cover the GOODS, RENTAL EQUIPMENT and/or SERVICES provided under this CONTRACT, against all risks, for their full replacement values and naming the PURCHASER as additional insured and loss payee, as their interests may appear.
- c) VENDOR shall take out and maintain all insurances in an insurance office of repute which are required by applicable law or are necessary or desirable to cover all liability accepted by VENDOR hereunder and shall on request by PURCHASER produce copies of the policy and premium receipts thereof.
- d) In the event of the VENDOR being required to incorporate in the GOODS, to connect thereto or to hold on behalf of the PURCHASER material and equipment which is supplied



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to the VENDOR directly or indirectly by the PURCHASER, the VENDOR shall be wholly responsible for any loss or damage whatsoever of or to the material or equipment so supplied to it from such time as it comes into its possession, until it passes back into the possession of the PURCHASER, or the person to whom the VENDOR shall have been directed to deliver it, in accordance with the CONTRACT. Accordingly VENDOR shall carry out an inspection upon receipt of such material or equipment and shall be responsible for any apparent damage or defects not notified to PURCHASER and which it ought to have identified and so notified in accordance with usual professional practice. VENDOR shall carry insurance on such material and/or equipment in the same manner as provided under paragraphs (b) & (c) of this clause.

- e) The VENDOR shall exercise all diligence to conduct its operations in a manner that will prevent pollution and shall assume all responsibility for, including control and removal of, and shall save, protect, defend and hold PURCHASER GROUP harmless from and against all claims, demands and causes of action of every kind and character arising from pollution or contamination emanating from VENDOR equipment or property (including but not limited to VENDOR provided GOODS and/or RENTAL EQUIPMENT).

CLAUSE 22 - WORK BY VENDOR AT ZONE OF OPERATIONS

- a) If the VENDOR in the performance of the CONTRACT furnishes the SERVICES, RENTAL EQUIPMENT and/or GOODS of itself, its agents, or employees in respect of the supervision, installation, pre-commissioning, operations, adjustments, repair, replacement or re-performance of the GOODS, RENTAL EQUIPMENT and/or SERVICES at ZONE OF OPERATIONS then the liabilities of the parties shall be as follows:
- I. Each party to the CONTRACT shall be individually and separately responsible for all personal injury to, or death of, any person due to negligence of that party, their respective agents and employees by reason of the execution of the CONTRACT.
 - II. Subject to clause 22 I. above, VENDOR, its affiliates, its contractors and its subcontractors, shall be responsible for any damage to or loss whatsoever of, property and personal injury to or death arising in the course of or in connection with such work, not due to the PURCHASER's negligence.
- b) In addition to the requirements of clause 21, the VENDOR shall ensure that the following insurances are maintained by itself and its subcontractors throughout the duration of the

SERVICES being carried out under the CONTRACT, with insurers acceptable to PURCHASER. The VENDOR warrants that it has:

- I. Employer's Liability/Workman's Compensation Insurance as appropriate to comply fully with all application laws, having a limit of indemnity of not less than £10 million sterling equivalent per occurrence onshore and £5million per occurrence offshore and endorse so that any claim against PURCHASER formulated under doctrine of "borrowed servant" shall be treated as a claim against the insured.
 - II. Automobile Public and Passenger Liability Insurance placed with a United Kingdom insurance company and having unlimited indemnity.
 - III. General Liability Insurance having a limit of not less than £5 million pounds sterling equivalent combined single limit any one occurrence covering all operations of the insured including without prejudice to the foregoing generality the contractual liabilities assumed herein. VENDOR shall ensure that all such insurances waive all rights of subrogation against the PURCHASER, its affiliates, its contractors and sub- contractors. VENDOR shall ensure that PURCHASER, its affiliates, its contractors and sub-contractors, are named as Additional Insureds to the extent of the obligations and liabilities assumed by VENDOR in this CONTRACT. The VENDOR shall on request remit certificates and policies evidencing said insurances, additional insureds and waivers of subrogation.
- c) The VENDOR shall be responsible for ensuring that its agents or personnel comply with all codes of conduct and procedures applicable and with all Regulations as to Health, Safety and training effective at the location of the aforementioned services. In particular the VENDOR should note that, for work carried out offshore, a valid certificate of fitness together with evidence of training acceptable to the PURCHASER, in Offshore Survival, First Aid, Fire Drill and Helicopter Evacuation shall be exhibited to the PURCHASER prior to mobilisation offshore. VENDOR shall ensure that every agreement or order between itself and its sub-contractors shall provide that the provisions of this clause 22 will apply between PURCHASER and such sub-contractor in the same manner as they apply between PURCHASER and VENDOR and VENDOR shall save, defend, indemnify and hold harmless PURCHASER from and against any and all consequences of its failure to so provide.



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CLAUSE 23 - CONFIDENTIALITY

- a) All information supplied by the PURCHASER to the VENDOR in connection with this CONTRACT shall be kept confidential (unless and until released into the public domain by the PURCHASER) and the VENDOR shall take and enforce at the request of the PURCHASER suitable covenants from its employees, directors, consultants and sub-contractors to enforce confidentially provided that no obligations of confidence shall apply to any information in the public domain without default of VENDOR.
- b) Where the PURCHASER and the VENDOR are already subject to a written Confidentiality Agreement or Non-Disclosure Agreement (hereinafter "NDA") in respect of the subject matter hereof and such NDA obligates the VENDOR to protect the information of the PURCHASER, such Confidentiality Agreement or Non-Disclosure Agreement shall take precedence over this Clause 23.
- c) The provisions of this clause 23 shall continue to survive for a period of 5 years after the termination or expiration of this CONTRACT, whichever is later.

CLAUSE 24 - NOTICES

Except as expressly stated herein to the contrary, any notice, consent or other communication required or permitted hereunder will be in writing and shall be given or shall be served by hand delivery, by prepaid special, signed for, or recorded delivery letter ("Pre-paid Letter") sent through the post to the intended recipient's address given on the PURCHASE ORDER or such other address as may from time to time be notified for this purpose. Any notice served by hand shall be deemed to have been served on delivery, any notice by Prepaid Letter shall be deemed to have been served two working days after posting. In proving service it shall be sufficient, in the case of service by hand or by Prepaid Letter, to prove that the notice was properly addressed and delivered or posted (as the case may be).

CLAUSE 25 - APPLICABLE LAW

This CONTRACT shall be governed by English Law. Any and all disputes, claims or proceedings arising out of, or in connection with, or concerning the validity, construction or performance of the CONTRACT raised by the VENDOR shall be subject to the exclusive jurisdiction of the English Courts. Any such disputes, claims or proceedings raised by the PURCHASER shall be subject to the non

exclusive jurisdiction of the English Courts, and the PURCHASER shall have the option to raise any such dispute, claim or proceedings in the Scottish Courts.

CLAUSE 26 - INVALIDITY AND SEVERANCE

- a) If at any time any provision of this CONTRACT is found by any court or administrative body of competent jurisdiction to be invalid, illegal or unenforceable, such illegality, invalidity or unenforceability shall not affect the other provisions of this CONTRACT which shall remain in full force and effect.
- b) If any provision of this CONTRACT found to be invalid, illegal or unenforceable but would be valid, legal or enforceable if some part of the provision were deleted, the provision in question shall apply with such modifications as may be necessary to make it valid, legal or enforceable.
- c) In the event that the circumstances referred to in clause 26 (b) occur, the parties agree to attempt to substitute for any invalid, illegal or unenforceable provision a valid, legal or enforceable provision which achieves to the greatest extent possible the same effect as would have been achieved by the invalid, illegal or unenforceable provision. The obligations of the parties under any invalid, illegal or unenforceable provision of this CONTRACT shall be suspended to the relevant extent whilst an attempt at such substitution is made.

CLAUSE 27 - THIRD PARTY RIGHTS

In this CONTRACT, subject to clauses 9, 17, 21, 22 and 23, no term of this CONTRACT shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to this CONTRACT.

CLAUSE 28 - COMPLIANCE WITH LAWS, ETHICAL BUSINESS PRACTICES

- a) Both the VENDOR and the PURCHASER shall uphold the highest standards of business ethics in the performance of the CONTRACT. Neither party shall knowingly involve itself in any business in connection with or use information arising from the CONTRACT in any manner which conflicts with the interests of the other party. Both the VENDOR and the PURCHASER agree they will not directly or indirectly receive from or give or offer to give to the other or to other contractors or vendors or to government officials or any other



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persons anything of material value which would be regarded as an improper inducement to any party.

- b) Prior to the performance of any work, the rendering of any SERVICES and/or the provision of GOODS, SERVICES and/or RENTAL EQUIPMENT, pursuant to this PURCHASE ORDER, VENDOR shall procure, at its expense, all necessary permits, certificates and licenses necessary for compliance to all applicable laws, regulations and statutes.
- c) In the performance of this CONTRACT, VENDOR shall make all reasonable efforts to avoid and prevent any conditions which may result in a conflict with PURCHASER's best interests.
- d) VENDOR warrants the SERVICES performed under this PURCHASE ORDER shall be provided in compliance with all relevant legislation, laws, regulations and any other requirements of any government authority having jurisdiction over VENDOR's activities, wherever located, which are in effect at the date of the Purchase Order or which may in the future become applicable.

CLAUSE 29 - ANTI-CORRUPTION AND TRADE COMPLIANCE

- a) VENDOR represents and warrants that it and its employees, agents, subcontractors, or any other party associated with VENDOR have not and shall not offer, authorize, make or promise to make any payment or gift, or transfer anything of value, directly or indirectly, to:
 - I. any governmental official or employee, including employees of government controlled entities;
 - II. any official, candidate, or employee of a public international organization or political party, or
 - III. to any third party knowing or having reason to know that such third party will give the payment or any portion thereof, to any of the aforementioned parties (hereinafter "Restricted Parties") in order to obtain or return business, or for any other improper purpose, in violation of any applicable anti-bribery and anti-corruption conventions and laws including but not limited to the US Foreign Corrupt Practices Act and the UK Bribery Act 2010. VENDOR warrants it will comply with all relevant laws regarding bribery and corruption including local laws related to anticorruption, anti-kickbacks, and anti-money laundering. When applicable, VENDOR shall ensure there is a written agreement with its

agents, subcontractors, or any other applicable party which imposes terms equivalent to those imposed by this clause. VENDOR warrants, to the best of its knowledge, none of its officers, employees or direct or indirect owners are Restricted Parties. VENDOR shall immediately notify PURCHASER in writing upon becoming aware of or suspecting a Restricted Party is or becomes an officer of VENDOR or acquires a direct or indirect interest. Any violation of the obligations contained in this clause shall be considered a material breach and shall entitle PURCHASER to terminate the PURCHASE ORDER immediately without prejudice to any further rights or remedies available to PURCHASER. PURCHASER may retain such amounts owed to VENDOR it reasonably believes necessary to compensate for such breach or violation and any monies paid by PURCHASER to VENDOR in connection with such breach or violation shall be refunded to PURCHASER. Any modification or amendment to the PURCHASE ORDER is considered a reaffirmation of the foregoing warranties and representations of this clause 29.

- b) VENDOR agrees that, in its performance under this PURCHASE ORDER, it is solely responsible for and warrants its compliance with all applicable economic sanctions as well as the import and export laws and trade regulations of the United States of America, the United Kingdom, and those of any other jurisdiction or country as may be applicable to any party including any applicable administrative requirements. Neither VENDOR nor PURCHASER shall, directly or indirectly, sell, export, re-export, or otherwise provide the GOODS and/or SERVICES, under this PURCHASE ORDER to any individual, entity, destination, or for any use prohibited by the laws of the United States, the UNITED KINGDOM or any other jurisdiction or country that may be applicable without proper authorization by the appropriate governmental authorities. VENDOR shall provide to PURCHASER copies of such compliance forms and documents as requested by PURCHASER verifying VENDOR's compliance with such laws and regulations. This includes but is not limited to any laws relating to anti-corruption or bribery, all applicable economic sanctions, as well as the import and export laws and trade regulations of the United States, the United Kingdom and those of any other jurisdiction or country as may be applicable to any party including any applicable administrative requirements.
- c) Upon PURCHASER's request, VENDOR shall promptly provide all information necessary to export and import products, including, as applicable, the commodity codes, the Export Control Classification Numbers (ECCN) and subheadings or munitions list category number,



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- certification and or test results relating to the GOODS, RENTAL EQUIPMENT and/or SERVICES and will notify PURCHASER in writing of any changes to the information provided by VENDOR to export and import products.
- d) By acceptance of the PURCHASE ORDER VENDOR warrants that neither it, nor any of VENDOR's principals is debarred, suspended, or proposed for debarment by the Federal Government or any State Government. Further, VENDOR shall provide immediate written notice to PURCHASER in the event that during the performance of this PURCHASE ORDER VENDOR or any of VENDOR's principals is debarred, suspended, or proposed for debarment by the Federal Government or any State Government.
- e) The VENDOR warrants and represents that its employees, subcontractors, agents or any other party associated with the VENDOR, pursuant to this CONTRACT, shall:
- I. comply with all applicable laws, statutes, regulations, including but not limited to, all codes relating to anti- bribery and anti-corruption including but not limited to the UK Bribery Act 2010;
 - II. not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if such activity, practice or conduct had been carried out in the UK;
 - III. comply with the PURCHASER's Ethics, Anti-bribery and Anti-corruption Policies, in each case as the PURCHASER or the relevant industry body may update them from time to time;
 - IV. have and shall maintain in place throughout the term of this CONTRACT its own policies and procedures, including, but not limited to, adequate procedures under the Bribery Act 2010, to ensure compliance with the Relevant Requirements, this clause 29 and clause 28(b), and will enforce them where appropriate;
 - V. promptly report to the PURCHASER any request or demand for any undue financial or other advantage of any kind received by the VENDOR in connection with the performance of this agreement;
 - VI. immediately notify the PURCHASER (in writing) if a foreign public official becomes an officer or employee of the VENDOR, or acquires a direct or indirect interest in VENDOR and the VENDOR warrants that it has no foreign public officials as direct or indirect owners, officers or employees at the date of this CONTRACT;

- VII. within 14 days of the date of this CONTRACT, certify to the PURCHASER in writing signed by an officer of the VENDOR, compliance with this clause 29 by the VENDOR and all persons associated with it under clause 28;
 - VIII. The VENDOR shall provide such supporting evidence of compliance as the PURCHASER may reasonably request;
 - IX. The VENDOR shall ensure that any person associated with the VENDOR who is performing Services or providing Goods in connection with this CONTRACT does so only on the basis of a written contract or purchase order which imposes on and secures from such person terms equivalent to those imposed on the VENDOR in this clause 29 (the "Relevant Terms"). The VENDOR shall be responsible for the observance and performance by such persons of the Relevant Terms, and shall be directly liable to the PURCHASER for any breach by such persons of any of the Relevant Terms;
 - X. Breach of this clause 29 shall be deemed a material breach of this CONTRACT. For the purpose of this clause 29, the meaning of adequate procedures and foreign public official and whether a person is another person shall be determined in accordance with section 7(2) of the Bribery Act 2010 (and any guidance issued under section 9 of that Act), sections 6(5) and 6(6) of that Act and section 8 of that Act respectively. For the purposes of this clause 29 a person associated with the VENDOR includes, but is not limited to, any subcontractor of the PURCHASER.
- f) Without prejudice to clause 20, the obligations of this clause 29 shall survive termination of this PURCHASE ORDER.
- g) To the extent permitted by law, VENDOR shall release, defend, indemnify, and hold harmless PURCHASER from and against all liabilities, damages, costs (including, without limitation, legal fees), fines, penalties and/or expenses incurred as a result of any violation or breach of this clause.

CLAUSE 30 - CONFLICT MINERALS

VENDOR acknowledges that PURCHASER is required to comply with Section 1502 of the United States Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and inter alia must file disclosures and reports with the United States Securities and Exchange Commission related to the use of tin, tantalum, tungsten and gold ("Conflict Minerals"). VENDOR represents and warrants



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that it will, to the extent reasonably possible, use its best efforts to track the chain of custody of all Conflict Minerals contained in any GOODS, RENTAL EQUIPMENT, materials and/or products provided by VENDOR to PURCHASER in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (or some other nationally or internationally recognized due diligence framework that has been established by a body or group that has followed due-process procedures, including the broad distribution of the framework for public comment but only upon notice and approval by PURCHASER which shall not be unreasonably withheld). VENDOR's efforts shall encourage its sub-contractors at any tier to comply with these requirements. At PURCHASER's request (which may be as frequently as quarterly at PURCHASER's discretion), VENDOR must execute and deliver to PURCHASER declarations in the form of the EICC-GESI Conflict Minerals Reporting Template as adopted by EICC-GESI or (at PURCHASER's discretion) in any other form that PURCHASER reasonably requests. VENDOR's are encouraged to support industry efforts to enhance traceability and responsible practices in global mineral supply chains.

CLAUSE 31 - MODERN SLAVERY ACT 2015

PURCHASER supports industry efforts to eliminate slavery and human trafficking and is committed to upholding the human rights of all workers within their supply chain (whether staff, agency, contractors, apprentices, volunteers or any other worker). PURCHASER does not permit in any way whatsoever the use of, sex trafficking, slavery, servitude, child labour, compulsory, forced or bonded labour, the transportation, smuggling or harbouring of human beings via human trafficking or the use of fraud for the purpose of exploiting human beings ("Modern Slavery"). VENDOR warrants that it will not transport, recruit or obtain goods or services from any person by means of threats, coercion, force, abduction, trafficking, blackmail or fraud and shall at all times endeavour to eliminate the exploitation of people through such acts.

VENDOR represents and warrants that it will use its best efforts to identify where there is a risk of Modern Slavery within its supply chain and shall take active steps to assess that risk ensuring that no Modern Slavery is taking place anywhere in VENDOR's supply chain. VENDOR acknowledges that PURCHASER is required to comply with Section 54 of the Modern Slavery Act 2015 ("Modern Slavery Act") and inter alia must have transparent compliance requirements of its supply chain. VENDOR shall have effective due diligence processes in place and shall be responsible for ensuring the VENDOR GROUP's compliance with the Modern Slavery Act or where the VENDOR is not in itself required to comply with Section 54, the VENDOR shall assist the PURCHASER in their compliance with the

Modern Slavery Act. VENDOR shall support industry efforts to eliminate Modern Slavery within their global supply chains. Upon PURCHASER's request VENDOR shall provide details of VENDOR's:

- a) policies in relation to Modern Slavery;
- b) due diligence processes adopted by VENDOR in relation to tackling Modern Slavery within its business and supply chains;
- c) steps taken to eliminate Modern Slavery within their supply chain.

VENDOR shall immediately notify the PURCHASER (in writing) where any breach, or anticipated breach, of clauses 30 and/or 31 is discovered within its supply chain. Breach of clauses 30 and 31 shall be deemed a material breach of this CONTRACT. To the maximum extent permitted by law, VENDOR shall release, defend, indemnify, and hold harmless PURCHASER from and against all liabilities, damages, costs (including, without limitation, legal fees), fines, penalties and/or expenses incurred as a result of any violation or breach of clauses 30 and 31.

PURCHASER shall have the right to audit the VENDOR and any member of their supply chain where PURCHASER reasonably suspects Modern Slavery has occurred within the supply chain. Without limiting any other rights in respect of this CONTRACT, PURCHASER may terminate the CONTRACT immediately, where Modern Slavery is suspected or discovered in VENDOR's supply chain.

CLAUSE 32 - DATA PROTECTION

Where personal information is disclosed by PURCHASER to VENDOR pursuant to this CONTRACT, the VENDOR undertakes to process such personal information in accordance with the laws of the country where such personal information is being processed; unless the personal information is being processed in a country which has inadequate protection according to the European Commission in which case such personal information shall be processed in accordance with the laws of England.

The VENDOR shall, and shall procure that employees who have access to personal information shall, not disclose, or deal in any manner with personal information provided by PURCHASER other than as expressly agreed by PURCHASER. VENDOR further warrants that it has sufficient procedures and policies in place to ensure its full compliance with applicable law. Where reasonably requested, VENDOR shall provide copies of such policies to PURCHASER and shall allow PURCHASER to audit their compliance procedures.