

GENERAL TERMS AND CONDITIONS FOR THE SALE OF GOODS AND/OR SERVICES AND/OR THE RENTAL OF EQUIPMENT

1 Definitions and interpretation

- 1.1 In these General Terms and Conditions for the Sale of Goods and/or Services and/or the Rental of Equipment (the **Conditions**) the following definitions shall be used for the purpose of interpreting the Agreement:

Affiliate(s) 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 and Schedule 6 of the Companies Act 2006, and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee) whether by way of security or in connection with the taking of security or (b) its nominee.

Agreement shall mean the proposal or quotation issued by STATS and all legal and technical documents referred to in such proposal or quotation which govern the sale of the Goods, and/or provision of Services and/or Equipment, these Conditions and such documents (including but not limited to any purchase order) issued by Company and expressly accepted by STATS in writing.

Agreement Price shall mean the price payable by Company to STATS for the sale of the Goods, and/or provision of the Services and/or Equipment under the Agreement. Unless otherwise stated in the Agreement, all payments shall be in the currency quoted in the proposal or quotation issued by STATS.

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

Company shall mean the company to whom STATS is selling the Goods, and/or providing Services and/or Equipment under the Agreement and shall include Company's legal representatives, successors and assigns.

Company Group shall mean the Company and its client(s) (if any), its and their co-venturers, its and their Affiliates, its and their other contractors of any tier and its and their respective directors, officers, employees and agents, but shall not include any member of the STATS Group.

Consequential Loss shall mean:

- (a) consequential or indirect loss under applicable law; and
- (b) loss and/or deferral of production, loss of product, loss of use, rig down time, loss of revenue, profit or anticipated profit (if any), in each case whether direct or indirect to the extent that these are not included in (a) and whether or not foreseeable at the effective date of the Agreement.

Control shall mean in relation to a Party, the power of a person to secure that the affairs of that Party are conducted in accordance with the wishes of that person:

- (a) by means of the holding of shares, or the possession of voting power, in or in relation to the Party or any other body corporate; or
- (b) as a result of any powers conferred by the articles of association or any other document regulating the Party or any other body corporate,

and a **Change of Control** occurs if a person who controls a Party ceases to do so or if another person acquires Control of a Party or if a Party enters into a sale, lease, consolidation, merger, exchange or other transfer of all or substantially all the assets of that Party.

Equipment shall mean any rental equipment, machinery, tools, parts and/or accessories to be supplied by STATS to the Company on hire and where STATS Personnel are not present, as specified in the Agreement.

Force Majeure shall mean acts of God, strikes, lockouts, or other industrial disturbances, terrorist acts (whether actual, threatened or reasonably perceived), acts of public enemies, wars (declared or not), blockades, insurrections, riots, pandemics, epidemics, landslides, fires, floods, civil disturbances, explosions, any delays or disruptions to delivery related to the withdrawal of the United Kingdom from the European Union, and any other causes not within the control of the Party claiming Force Majeure, which by the exercise of reasonable diligence such Party shall not have been able to avoid or overcome. For the avoidance of doubt, industrial disputes solely amongst the employees of either of the Parties or their Group shall not constitute Force Majeure.

Goods shall mean the goods, materials and/or equipment that STATS is required to sell to the Company in accordance with the provisions of the Agreement.

Hire Period shall mean the period during which the hire charge applies, commencing on delivery of the Equipment in accordance with Clause 3 and shall continue until the Equipment is returned by the Company to and received by STATS at the STATS Premises, unless otherwise agreed in writing between the Parties.

Party shall mean the Company or STATS as the context may dictate and the **Parties** shall mean both Company and STATS.

Services shall mean all services that STATS is required to perform for the Company in accordance with the provisions of the Agreement.

STATS shall mean the STATS entity selling the Goods, and/or providing the Services and/or Equipment under the Agreement and shall include STATS's legal representatives, successors and assigns.

STATS Group shall mean STATS and its Affiliates, its and their subcontractors of any tier and its and their respective directors, officers, employees and agents, but shall not include any member of the Company Group.

STATS Personnel shall mean personnel provided by STATS in support of the Equipment and/or Services;

STATS Premises shall mean the STATS premises identified in the proposal or quotation issued by STATS.

Third Party shall mean any party other than a member of the Company Group or the STATS Group.

Work shall mean the Goods, Services and/or Equipment to be provided by STATS to the Company in accordance with the terms of this Agreement.

Work Site shall mean any place where the Services are to be performed.

- 1.2 All headings in the Agreement are used for convenience only and shall not affect the construction or validity of the Agreement.
- 1.3 Reference to any statute, statutory provision, or statutory instrument includes a reference to the statute, statutory provision or statutory instrument as amended, extended or re-enacted from time to time.
- 1.4 Reference to the singular includes a reference to the plural and vice versa. Reference to persons shall include companies and firms and vice versa. Reference to any gender includes a reference to the other genders.
- 1.5 Any reference herein to a clause, sub-clause or section shall, unless expressly stated otherwise, be construed as a reference to the relevant clause, sub-clause or section of the Agreement.
- 2 **The Parties' general obligations**
 - 2.1 STATS shall provide all management, supervision, materials, personnel and equipment as stated in the Agreement.
 - 2.2 STATS shall be entitled to rely on all information provided by the Company in relation to the Goods, Services and/or Equipment and the Company shall ensure that all such information is true, correct and up to date at the date of provision.
 - 2.3 The Company shall provide, without limitation, all approvals, instructions, information, data, materials or access to Work Site as is required in relation to the performance of STATS's obligations as stated in the Agreement.
 - 2.4 Any authorisation, licence or approval required from any regulatory authority for which STATS is not expressly made responsible in the Agreement shall be obtained by the Company at the Company's expense.
 - 2.5 The Company shall, at the Company's expense, be responsible for obtaining any necessary customs clearance and shall give all reasonable assistance to STATS in obtaining any work permit, visa and similar document which STATS may require.

Hire of Equipment by the Company

- 2.6 During the Hire Period, the Company shall:
 - 2.6.1 use the Equipment in a proper and skilful manner and shall comply with all the requirements of the law relating to the possession, use or safety of the Equipment;
 - 2.6.2 ensure that the Equipment is operated by fully competent and adequately experienced Company personnel only;
 - 2.6.3 ensure that any plates or marks identifying the Equipment as belonging to STATS shall remain intact and legible throughout the Hire Period;
 - 2.6.4 keep the Equipment in the same condition as at the commencement of the Hire Period, except to the extent of fair wear and tear;

- 2.6.5 carry out routine maintenance to keep the Equipment in good working order. Where applicable, STATS shall, prior to the commencement of the Hire Period, inform Company of any routine maintenance requirements;
- 2.6.6 notify STATS immediately if any non-routine maintenance is required but shall not undertake non-routine maintenance, without first obtaining the consent of STATS in writing;
- 2.6.7 not make nor permit or suffer others to make any alterations or modifications or carry out any repairs to the Equipment without first obtaining the consent of STATS in writing;
- 2.6.8 notify STATS immediately in writing of any loss of or damage to the Equipment and comply with any instruction issued by STATS in respect of the same;
- 2.6.9 within fourteen (14) days of demand, reimburse STATS for the full cost of repair or replacement of any lost or damaged Equipment.

- 2.7 Equipment shall be deemed to have been received in good order and fully compliant with the Agreement unless written notice to the contrary is received by STATS within two (2) working days of delivery of the Equipment.
- 2.8 The Company shall return the Equipment to the STATS Premises, or such other location as may be agreed between the Parties in writing, at the end of the Hire Period at the Company's cost and expense.
- 2.9 The Equipment shall be returned by the Company in good condition and working order. Any reconditioning, redress and/or repair or replacement necessary to return the Equipment to the same condition that it possessed prior to the commencement of the Hire Period (except to the extent of fair wear and tear) shall be at the Company's cost. For the avoidance of doubt, the Hire Period shall continue until such time as any reconditioning, redress and/or repair or replacement is complete.

3 Delivery

- 3.1 Delivery dates or schedules provided for the Goods, Services and/or Equipment are estimates only. STATS will use reasonable endeavours to ensure it complies with any time stipulations agreed between the Parties but will not be liable to the Company Group for any failure to comply with any such time stipulation or for any Consequential Loss resulting therefrom.
- 3.2 Delivery of the Goods and/or Equipment shall be governed by and construed in accordance with the provisions of the *Incoterms 2020* as may be stated in the Agreement. In the event that no *Incoterm* is referenced, the delivery terms applicable to the Goods and/or Equipment shall be Ex Works (EXW) STATS Premises.
- 3.3 If Company fails to take delivery of the Goods and/or Equipment in accordance with the agreed delivery schedule then, without prejudice to any other right or remedy STATS may have, STATS shall be entitled to consider the Goods and/or Equipment accepted by Company and delivered in accordance with Clause 3.2, invoice the Company for the Goods and/or Equipment in accordance with Clause 4 and store the Goods and/or Equipment until actual delivery and charge the Company for all reasonable costs (including insurance) of such storage.

4 Payment and tax

- 4.1 The Agreement Price shall be as set out in the Agreement or, if no Agreement Price is specified in the Agreement, the Agreement Price shall be determined using the STATS price book in force at the time of entering into the Agreement.
- 4.2 Unless otherwise stated in the Agreement, the Agreement Price will be in UK Pounds Sterling (GBP/£) and the Company shall pay STATS in UK Pounds Sterling (GBP/£). In the event that more than forty percent (40%) of the Agreement Price is to be paid in a currency other than UK Pounds Sterling (GBP/£), United States Dollars (USD/\$) [or Euros (EUR/€)] (**Local Currency**) the Agreement Price shall be adjusted accordingly if the value of such Local Currency fluctuates by more than ten percent (10%) during the course of the term of the Agreement.
- 4.3 STATS shall either submit an invoice to the Company (i) in line with the milestone payment schedule set out in the Agreement, (ii) at the end of every month, or (iii) at other intervals as may be agreed by the Parties in writing, and the Company shall pay the invoice within thirty (30) days of receipt.
- 4.4 Timely payment by the Company of invoices shall be considered a material condition of the Agreement. STATS shall have the right to terminate the Agreement without any further liability to the Company in the event of untimely payment or non-payment of STATS's invoice(s) by the Company.
- 4.5 If the Company fails to make any payment due to STATS under the Agreement by the due date for payment, then without prejudice to the other rights and remedies STATS may have (including, without limitation, those specified in Clause 4.4):
 - 4.5.1 the Company shall pay interest on the overdue amount at the rate of four per cent (4%) per annum above the Bank of England base rate from the original due date of the invoice. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount, whether before or after judgment. The Company shall pay the interest together with the overdue amount; and

- 4.5.2 STATS reserves the right to suspend performance of the Services or delivery of any Goods and/or Equipment which are undelivered at the due date for such payment unless and until such payment is received.

- 4.6 The Company shall not be entitled to withhold sums due to STATS under any other Agreement or order with STATS as set off against disputes under this Agreement, nor shall it be entitled to withhold sums due under the Agreement as set off against disputes under any other Agreement or order.
- 4.7 STATS may request at any time that the Company provides STATS with such financial or other information which STATS may require to satisfy itself of the Company's ability to meet its financial obligations under the Agreement. STATS reserves the right to require that the Company provides a form of security acceptable to STATS in support of such financial obligations. STATS has no obligation to undertake Services or supply Goods and/or Equipment under this Agreement if the Company is unwilling or unable to provide such security to STATS's satisfaction when so requested.
- 4.8 STATS's prices are exclusive of import and/or export duties and/or taxes or sales, use, value added, and similar taxes. The Company shall reimburse STATS for all such duties and taxes and associated costs.
- 4.9 If the Company is required by law to withhold any tax from payments due to STATS (**Withholding Taxes**) then the Company shall inform STATS of any such amounts in advance of the withholding and shall, within thirty (30) days of the withholding, provide to STATS the original or certified receipts and/or certification from the relevant authority in respect of any and all amounts so withheld. If the Company is unable to provide such certification, it shall immediately reimburse STATS for all deductions made. Notwithstanding the foregoing, the Company will endeavour to minimise tax assessments in the country in which the Work is to be performed and shall advise and extend the benefit or concession to STATS of any and all relevant arrangements with governmental authorities concerning taxes. Where Withholding Taxes are applicable, STATS shall have the right to demand from the Company a letter of credit from a third party, in a form acceptable to STATS, equal to the value of ninety (90) days of such Withholding Taxes.
- 4.10 In the event that any changes in any applicable laws, rules and regulations made after the commencement of the Agreement result in increases in the cost to STATS of performing the Work, STATS shall be entitled to adjust its rates and prices and be compensated accordingly by the Company.
- 4.11 The Company shall be responsible for and shall save, defend, indemnify and hold STATS Group harmless in respect of any taxes imposed on the Company by any governmental authority in the country in which the Work is to be performed.

5 Confidentiality

- 5.1 Each Party shall keep confidential and shall not disclose to any third party, with the express exception of that Party's Affiliates, any information in whatever form (written, oral, visual and electronic) obtained from the other Party relating to the Agreement without the prior consent of the other Party which shall not be unreasonably withheld or delayed.
- 5.2 The provisions of this clause shall not apply to information which (i) is part of the public domain; or (ii) was in the possession of the receiving Party prior to the execution of the Agreement and which was not subject to any obligation of confidentiality owed to the disclosing Party; or (iii) was received from a third party whose possession is lawful and who is under no obligation not to disclose; or (iv) is required to be disclosed in order to comply with the requirements of any law, rule or regulation of any governmental or regulatory body having jurisdiction over the Agreement.
- 5.3 The foregoing obligations of confidentiality shall subsist for a period of five (5) years from the date of expiration or termination of the Agreement.

6 Warranty

- 6.1 Warranty for Goods:
 - 6.1.1 Subject to Clauses 6.1.2, 6.1.3, 6.1.4 and 6.4, STATS warrants that the Goods shall conform in all material aspects to the specifications as detailed in the Agreement and shall be free from defects for the warranty periods as specified in Clause 6.1.2.
 - 6.1.2 In the event that the Company discovers that the Goods fail to comply with the Agreement, the Company shall, no later than seven (7) days from its discovery, notify STATS with a report detailing the defect. STATS shall, at its option, repair or replace the said Goods. STATS's warranty obligations shall cease twelve (12) months from the date of delivery of the Goods.
 - 6.1.3 The foregoing warranty applies provided that the Goods are correctly used for the purpose as stated in the Agreement and are properly handled, installed and maintained and are not altered (other than by STATS). The above warranty does not apply to parts requiring replacement because of natural wear and tear.
 - 6.1.4 With respect to materials or products provided by a third party supplier, STATS shall use reasonable endeavours to assign to the Company the benefit of any third party supplier's warranty given to STATS, if possible, but shall have no other liability regarding such items.

6.2 Warranty for Services:

- 6.2.1 Subject to Clauses 6.2.2, 6.2.3, 6.4 and 6.5, STATS warrants that the Services shall be performed with reasonable care and diligence and with the skill to be expected of a reputable contractor experienced in the provision of the same or similar services as the Services.
- 6.2.2 All Services shall be deemed approved by the Company the earlier of (i) STATS's demobilisation from the Work Site; or (ii) ninety (90) days from completion, unless STATS is notified in writing of any defect. STATS shall re-perform any defective Services prior to demobilisation.
- 6.2.3 Once STATS has demobilised from the Work Site, any subsequent re-performance required in respect of defective Services shall be re-performed by STATS at the Company's expense; otherwise STATS shall have no obligation to re-perform such defective Services.

6.3 Warranty for the Equipment:

- 6.3.1 Subject to Clause 6.3.2, 6.3.3, and 6.4, STATS warrants that the Equipment will conform in all material respects to the specification as detailed in the Agreement, and shall be free from defects for the duration of the Hire Period.
- 6.3.2 In the event that the Company discovers that the Equipment fails to comply with the warranty in Clause 6.3.1, Company shall, not later than seven (7) days from its discovery, notify STATS with a report detailing the defect. Wherever reasonably practicable and on STATS's request, the Company shall return such Equipment to STATS for inspection. STATS shall repair or, at its option, replace the said Equipment which shall be the Company's sole remedy in respect of such deficiencies.
- 6.3.3 The foregoing warranty shall not apply if the Company has failed to make any payment in respect of the Equipment by the due date for such payment, or in the event that the breakdown or failure of the Equipment is due to: (i) normal wear and tear; (ii) use of the Equipment by any person for an unauthorised or unintended purpose; or (iii) alterations, modifications or repairs to the Equipment by any person without the prior written consent of STATS.

6.4 Notwithstanding the foregoing, in respect of defective Goods, Services and/or Equipment, STATS shall under no circumstances be liable for:

- 6.4.1 costs relating to the dismantling, retrieval or return of defective Goods; and/or
- 6.4.2 any associated costs of transportation; and/or
- 6.4.3 any other incidental or associated costs, including, without limitation, the cost of any equipment and services provided by the Company Group or any Third Party.

6.5 STATS's interpretation of well, pipeline or other related data is a matter of opinion on which professional engineers or analysts may differ. Accordingly, STATS does not warrant the accuracy or completeness of any data or interpretations, recommendations, reservoir or other models based on such data or interpretations (**Interpretations**). The Company shall save, defend, indemnify and hold STATS Group harmless from and against all Claims arising as a result of the Company's use of such Interpretations, howsoever arising.

6.6 The warranties expressly given by STATS in this Clause 6 are granted in lieu of any other warranties of merchantability, satisfactory quality or fitness for a particular purpose and all other warranties, whether express or implied, by law or otherwise, are hereby expressly excluded.

7 Force Majeure

7.1 Save for Company's obligation to pay STATS's invoices, neither Party shall be responsible for any failure to fulfil any term or condition of the Agreement, if and to the extent that fulfilment has been delayed, hindered or temporarily prevented by a Force Majeure occurrence, which has been notified in accordance with this Clause 7 and which is beyond the control and without the fault or negligence of the Party affected and which, by the exercise of reasonable diligence, the said Party is unable to provide against.

7.2 In the event of a Force Majeure occurrence, the Party that is or may be delayed in performing the Agreement shall notify the other Party without delay giving the full particulars thereof and shall use reasonable endeavours to remedy the situation without delay. STATS shall be entitled to payment during periods of Force Majeure as may be set out in the Agreement.

7.3 In the event that any suspension due to Force Majeure exceeds thirty (30) consecutive days either Party may terminate the Agreement by written notice to the other Party.

8 Proprietary rights

8.1 Save as expressly set out herein, neither Party shall have the right of use, other than for the purposes of the Agreement, whether directly or indirectly, of any patent, copyright, proprietary right or confidential know how, trade mark or process provided by the other Party and the intellectual property rights in such shall remain with the Party providing such patent, copyright, proprietary right or confidential know how, trade mark or process.

8.2 Where any potential patent or registrable right in any country in the world results from:

8.2.1 a development by STATS Group which is based wholly on data, equipment, processes, substances and the like in the possession of STATS Group at the commencement date of the Agreement or otherwise produced outside of the Agreement; or

8.2.2 enhancements of or in the existing intellectual property rights of STATS Group; such rights shall vest in STATS or an Affiliate within the STATS Group as the case may be.

8.3 STATS hereby grants to the Company, the Company's Affiliates and any client to which the Company supplies the Goods or whom the Services are ultimately provided, a non-exclusive, royalty-free, non-transferable licence to use any such intellectual property rights belonging to STATS as may be necessary to install, use, maintain or repair the Goods or to benefit from the Services or Equipment as contemplated by the Agreement and the Company hereby grants to STATS Group a non-exclusive, royalty-free, non-transferable licence to use any such intellectual property rights belonging to the Company as may be necessary for STATS to provide the Goods, Services and/or Equipment under the Agreement.

9 Variations

9.1 The Company has the right to request that STATS make variations to the Goods, Services and/or Equipment providing such changes are within the capability and resources of STATS at the time of request.

9.2 If an occurrence has taken place, or is likely to take place, which STATS considers a variation to the Goods, Services and/or Equipment, STATS shall be entitled to a variation to reflect the impact on the Agreement Price and/or the Agreement schedule.

9.3 STATS shall not be obliged to proceed with any proposed variation until the Company and STATS have agreed in writing the amount of any adjustment to the Agreement Price and Agreement delivery dates and/or schedule.

10 Liabilities and indemnities

10.1 STATS shall be responsible for and shall save, defend, indemnify and hold the Company Group harmless from and against all Claims in respect of:

10.1.1 personal injury to, including death or disease of any member of the STATS Group arising from or in connection with the performance or non-performance of the Agreement; and

10.1.2 loss of, damage to or destruction of property (owned, leased, hired or otherwise provided by STATS Group) or equipment, materials or supplies of STATS Group arising from or in connection with the performance or non-performance of the Agreement.

10.2 The Company shall be responsible for and shall save, defend, indemnify and hold STATS Group harmless from and against all Claims in respect of:

10.2.1 personal injury to, including death or disease of any member of the Company Group arising from or in connection with the performance or non-performance of the Agreement;

10.2.2 loss of, damage to or destruction of property (owned, leased, hired or otherwise provided by the Company Group) or equipment, materials or supplies of the Company Group arising from or in connection with the performance or non-performance of the Agreement.

10.3 Notwithstanding Clause 10.1, and subject to Clauses 2.6.8 and 2.6.9 the Company shall be liable to STATS for any loss of or damage to the Equipment during the Hire Period, howsoever caused.

10.4 Notwithstanding any provision to the contrary elsewhere in the Agreement, Company shall be responsible for and shall save, defend, indemnify and hold STATS Group harmless from and against any and all Claims in respect of: (i) any underground damage or damage to or loss of any well, hole or pipeline, productive formation or reservoir (including, without limitation, any costs of redrill), or the loss of oil or gas therefrom; and/or (ii) any blow out, fire, explosion, cratering, or loss of control of the well, hole or pipeline (including, without limitation, any costs of control and/or removal of debris); and/or (iii) pollution or contamination of any kind (other than surface spillage of fuels, lubricants or garbage, originating within the equipment and/or tools of STATS Group) including, without limitation, the cost of control, removal and clean-up; in each case arising from or in connection with the performance or non-performance of the Agreement.

10.5 Notwithstanding Clause 10.1, and except to the extent of fair wear and tear or where loss or damage is caused by the sole negligence or breach of duty (whether statutory or otherwise) of STATS Group, the Company shall be responsible for and shall reimburse STATS in respect of STATS Group's property, materials or equipment:

10.5.1 which are lost or damaged in the pipeline; or

10.5.2 which are lost or damaged due to the effects of corrosion, erosion, abrasion or high-temperature deterioration caused by the nature of the well effluent.

- 10.6 In the event of loss of or damage to STATS Group's property, materials or equipment as set out in Clause 10.5, the Company shall pay STATS either the repair cost or the full replacement cost of such property, materials or equipment, at STATS's sole option.
- 10.7 Notwithstanding Clause 10.1, the Company shall be responsible for and shall save, defend, indemnify and hold STATS Group harmless for any loss of or damage to property or equipment of STATS Group which occurs whilst being transported on or loaded or unloaded from the means of transport provided by the Company.
- 10.8 Notwithstanding anything to the contrary contained in this Agreement, the Company shall, at its sole expense and risk, be responsible for and shall transport and dispose of any spent or used chemicals or other hazardous waste materials resulting from or incidental to the Work (**Waste Materials**). The Company shall save, defend, indemnify and hold STATS Group harmless from and against any and all liability incurred by STATS, whether under statute, regulation or otherwise arising as a result of the Company's failure to properly transport and/or dispose of Waste Materials.
- 10.9 Subject to the exceptions specified in Clause 10.5, all exclusions and indemnities given under the Agreement 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, negligence, under contract or otherwise at law.
- 10.10 The indemnities provided under these Conditions shall be full and primary irrespective of whether the Parties carry insurance in respect of such indemnities.
- 11 Consequential Loss**
- 11.1 Notwithstanding any provision to the contrary elsewhere in the Agreement, the Company shall save, indemnify, defend and hold STATS Group harmless from the Company Group's own Consequential Loss and STATS shall save, indemnify, defend and hold the Company Group harmless from STATS Group's own Consequential Loss, arising from or in connection with the performance or non-performance of the Agreement.
- 12 Insurance**
- 12.1 All of the Company's insurances shall contain provisions whereby the insurers agree to waive their right of subrogation against STATS Group and their respective insurers in accordance with the liabilities assumed by the Company under the provisions of Clauses 10 and 11.
- 12.2 The Company shall obtain insurance cover in respect of the full replacement value of the Equipment for the duration of the Hire Period. STATS may at any time request evidence that such insurance cover exists and the Company shall promptly provide STATS with such evidence.
- 12.3 STATS will maintain insurance cover in support of its obligations under the Agreement, as a minimum including:
- 12.3.1 Employers' Liability and/or Workers' Compensation insurance covering personal injury to or death of STATS Personnel to the minimum value required by any applicable legislation; and,
- 12.3.2 Public and Products Liability insurance for any incident or series of incidents covering the performance or non-performance of the Work;
- and STATS shall supply the Company with evidence of such insurances on demand.
- 13 Suspension and termination**
- 13.1 The Company shall have the right to suspend the Agreement in whole or in part at any time by giving written notice to STATS.
- 13.2 In the event of such suspension, STATS shall as soon as reasonably practicable cease all affected Work and the Company shall pay STATS for all Work completed up to and including the date of suspension in addition to any costs reasonably incurred by STATS as a result of such suspension.
- 13.3 Upon written notice by the Company of its intention to lift any suspension, STATS will re-commence the affected part of the Work as soon as is reasonably practicable.
- 13.4 In the event that suspension persists for a cumulative period of thirty (30) days or greater, STATS shall be entitled to terminate the Agreement.
- 13.5 STATS may terminate the Agreement where there is a Change of Control of the Company.
- 13.6 In the event that (i) the Company cancels an order for Goods, Services and/or Equipment or terminates the Agreement for any reason whatsoever, or (ii) STATS terminates this Agreement pursuant to Clause 4.4, 13.4 or 13.5, or (iii) either Party terminates the Agreement pursuant to Clause 7.3, in addition to its liability to pay all outstanding STATS invoices, the Company shall be liable for all costs incurred by STATS in connection with the cancellation such as, but not limited to, all cancellation charges, administration costs and expenses and costs for demobilisation of equipment or personnel, in addition to any cancellation or termination fee that may be provided for in the Agreement. Unless otherwise agreed in writing by STATS, no Goods or any other items may be returned for credit.

14 Risk and title in the Goods and Equipment

- 14.1 Title in the Goods shall not pass to Company until STATS has been paid the price of the Goods in full.
- 14.2 All Equipment provided by STATS under the Agreement is and shall at all times be and remain the sole and exclusive property of STATS. The sole right granted to the Company is the right to use such Equipment upon the terms and conditions of the Agreement.
- 14.3 Risk of loss or damage to the Goods and/or Equipment shall pass to the Company on delivery or deemed delivery in accordance with Clause 3 and in respect of Equipment, shall rest with the Company until the end of the Hire Period.
- 14.4 The Company shall not, at any time during the Hire Period, part with possession of or control over the Equipment or supporting documentation or purport to grant any right over or in respect of the Equipment or supporting documentation to any third party or otherwise do or refrain from doing anything which might adversely prejudice any right of STATS to the Equipment.

15 Assignment

- 15.1 STATS shall have the right to assign the Agreement to any of its Affiliates without the consent of the Company or to any third party with the consent of the Company which consent shall not be unreasonably withheld or delayed.
- 15.2 The Company shall have the right to assign the Agreement to any of its Affiliates without the consent of STATS or to any third party with the consent of STATS which consent shall not be unreasonably withheld or delayed.

16 General legal provisions

- 16.1 None of the terms and conditions of the Agreement shall be considered to be waived by either STATS or the Company unless a waiver is given in writing by one Party to the other. No failure on the part of either Party to enforce any of the terms and conditions of the Agreement shall constitute a waiver of such terms.
- 16.2 These Conditions shall prevail over any terms or conditions contained in any purchase order provided by Company or any other terms and conditions unless expressly accepted and agreed by STATS in writing.
- 16.3 The Agreement constitutes the entire agreement between the Parties hereto with respect to the provision of the Goods, Services and/or Equipment and supersedes all prior negotiations, representation or agreements related to the Agreement, either written or oral.
- 16.4 No amendments to the Agreement shall be effective unless evidenced in writing and signed by the Parties.
- 16.5 It is the intention of the Parties that the Agreement shall be construed as a whole. Notwithstanding the foregoing, if any part of the Agreement is held by a tribunal of competent jurisdiction to be invalid or unenforceable, the validity of the remainder of the Agreement shall not be prejudiced thereby and every part of the Agreement shall be deemed to be severable and separately valid and enforceable. STATS and the Company hereby agree to substitute, for any invalid or unenforceable provision, a valid and enforceable provision, which achieves to the greatest possible extent the Parties' original intent as well as the economic, legal and commercial objectives of the invalid or unenforceable provision.
- 16.6 Expiry of the Agreement or its termination, howsoever arising, shall not affect or prejudice any terms of, or rights conferred by, the Agreement which are either expressly or by implication intended to come into effect or continue in effect after such expiry or termination.

17 Notices

- 17.1 All notices in respect of the Agreement shall be given in writing by a designated authority for the Party giving notice, and delivered electronically, by hand or by registered post to the relevant address or addresses as specified in the Agreement. Notices shall be effective: (i) if delivered by email, at the time of sending; or (ii) if delivered by hand, at the time of delivery; or (iii) if sent by registered post, at the time of delivery.

18 Limitation of liability

- 18.1 Notwithstanding anything to the contrary contained in this Agreement, STATS Group's total cumulative liability arising out of or related to the performance or non-performance of this Agreement shall be limited to one-hundred percent (100%) of the value of the Work performed at the time such liability arises and shall apply irrespective of cause and notwithstanding the negligence or breach of duty (whether statutory or otherwise) of STATS Group or any other entity or party, and shall apply irrespective of any claim in tort, negligence, under contract or otherwise at law. The Company shall save, defend, indemnify and hold STATS Group harmless from and against all Claims in excess of this limitation.

19 Business ethics

- 19.1 Both Parties shall at all times ensure that the actions of its employees and representatives comply with all applicable laws, statutes and regulations. Nothing in the Agreement shall be interpreted as requiring either Party to do or refrain from doing anything which would result in a breach or violation of any applicable laws, statutes or regulations including anti-trust or anti-competitive behaviour, economic sanctions and/or export controls procedures and requirements.
- 19.2 Both Parties agree that they will not directly or indirectly in any way that relates to the Agreement:
- 19.2.1 give, offer, pay, promise or authorise any financial or other advantage or anything else of value to any other person or organisation (including, without limitation, giving or offering anything of value to a person that performs a function or activity that (i) is of a public nature (e.g. where the person acts in his capacity as a government official or representative or a political party official or candidate for political office, or to anyone acting on behalf of a public international organisation, or is employed by a government-owned or controlled company), or (ii) is connected to a business performed in the course of an employment for another private commercial company or (iii) includes acting on behalf of a body of persons, with the intent to exert improper influence over the recipient, induce the recipient to violate his or her duties, secure an improper advantage, or improperly reward the recipient for past conduct;
- 19.2.2 offer, promise, pay, give, authorise, request or receive an improper advantage, or accept an offer thereof, in connection with a position, office or assignment;
- 19.2.3 request, receive or accept, for the benefit of itself or anyone else, any financial or other advantage, or anything else of value, as an inducement or a reward for violating a duty of loyalty to the other Party, or improperly performing a function that relates in any way to the Agreement or to the other Party; or
- 19.2.4 otherwise be involved in any activity, practice or conduct that would be in breach of the requirements of the Agreement in relation to ethics and anti-corruption and/or which would constitute an offence under any applicable laws in relation to ethics and anti-corruption (including, without limitation the UK Bribery Act 2010, the U.S. Foreign and Corrupt Practices Act of 1977 or Section 45/46 of the Criminal Finance Act 2017); or
- 19.2.5 be involved in any activity, practice or conduct that would be in breach of the principles set out in the STATS Group Code of Conduct.
- 19.3 In relation to this Agreement, neither Party shall be involved in any activity, practice or conduct that would be in breach of the requirements of the Agreement in relation to child labour, slavery, servitude and forced or compulsory labour or human trafficking which would constitute an offence under any applicable laws in relation to ethics and labour laws (including, without limitation, the UK Modern Slavery Act 2015).
- 19.4 Each Party shall, as soon as reasonably practicable to do so, report to the other Party any act or omission which could possibly be seen as a breach of this Clause 19.
- 19.5 If the Company breaches any provision of this Clause 19 or STATS has any reason to suspect that the Company has breached any provision of this Clause 19 then, without prejudice to its other rights and remedies, STATS shall be entitled to terminate the Agreement (or part thereof) immediately on notice to Company.
- 20 Data protection**
- 20.1 The Parties shall at all times comply with all obligations imposed by applicable laws, rules or regulations relating to matters of data protection, privacy and security (including, where relevant, the applicable requirements of the European Union General Data Protection Regulation (EU 2016/679) (the **EU GDPR**) or the EU GDPR as transposed into United Kingdom national law in the form of the UK GDPR, together with the Data Protection Act 2018).
- 21 Non-solicitation**
- 21.1 Neither Party shall, directly or indirectly, solicit or entice away (or attempt to solicit or entice away) from the employment of the other Party any person employed or engaged by it at any time during the term of the Agreement, or for a further period of twelve (12) months after expiry or termination of the Agreement other than by means of a job advertisement open to all and not specifically targeted at any employee of the other Party.
- 22 Audit**
- 22.1 During the term of the Agreement and for a period ending two (2) years thereafter, the Company or its duly authorised representative shall upon written notice to STATS, have the right to view and to audit any STATS records relating to the Agreement.
- 22.2 The Company's right to audit under Clause 22.1 shall expressly exclude the right to audit data pertaining to the makeup of rates or lump sums and/or any sensitive technical data related to the Goods, Services and/or Equipment.
- 23 Dispute resolution**
- 23.1 Any dispute, controversy or claim between the Parties in connection with or arising out of the Agreement shall be resolved by means of the following procedure:
- 23.1.1 the dispute shall initially be referred to the Parties' respective representatives who shall discuss the matter in dispute and use reasonable efforts to reach an agreement;
- 23.1.2 if no agreement is reached under Clause 23.1.1 within ten (10) calendar days from the date of referral either Party may refer the dispute to the senior management of the Parties.
- 23.2 In the absence of agreement being reached in accordance with Clause 23.1.2 within thirty (30) calendar days:
- 23.2.1 subject to Clause 23.2.2, the Parties shall settle the dispute in accordance with the arbitration rules of the London Court of International Arbitration (**LCIA**) in force as at the date of the Agreement (the **Rules**), which Rules are deemed to be incorporated by reference into the Agreement, save as expressly amended by this Clause 23.2.1; or
- 23.2.2 STATS shall be entitled, at its sole option, to forego Clause 23.2.1 and instead seek remedy in a competent court taking jurisdiction.
- 23.3 Where arbitration proceedings commence in accordance with Clause 23.2.1, the appointing authority shall be the LCIA which shall also administer any arbitration commenced under the Agreement, such administration also to be in accordance with the Rules. The number of arbitrators shall be three; the seat of arbitration shall be [London, England], however, the Parties may agree for the hearing to take place at any convenient location. The language to be used in the arbitral proceedings shall be English. The decision of the arbitrators shall be final and binding upon both Parties and, where arbitration has been commenced or completed, neither Party shall seek recourse to a law court or other authority to appeal for revisions of the decision.
- 24 Export control**
- 24.1 If the Company transfers the Goods, Equipment and/or Services to a third party, the Company shall comply with all national and international export control regulations, including without limitation the export control regulations of the United Kingdom, European Union and the United States of America.
- 24.2 The Company agrees that it shall not be party to a transaction which would allow such Goods, Equipment and/or Services to be used in connection with the design, production, use or storage of chemical, biological or nuclear weapons or missiles of any kind.
- 24.3 Upon request, the Company shall provide STATS with relevant end-use, end-user, and country of end use of the Goods, Equipment and/or Services.
- 24.4 The Company shall save, defend, indemnify and hold STATS Group harmless from and against any Claim arising out of or relating to any non-compliance with export control regulations by the Company.
- 25 Customs**
- Notwithstanding anything to the contrary contained in this Agreement:
- 25.1 Where the Company requests that STATS import and/or export materials and/or equipment under any customs exoneration, privileged duty exemption or relief regime (together **Customs Regime**) provided by the Company, the Company shall provide STATS with written evidence that such Customs Regime is in full compliance with customs and local procedures and/or applicable law, complete with all relevant documentation to confirm approval for use of said Customs Regime. If upon such request, STATS, in its sole discretion, agrees to import and/or export materials and/or equipment under any such Customs Regime provided by Company, and should any customs or local authorities (**Customs Authorities**) establish that any Customs Regime is now unlawful or unenforceable and subsequently enforce levies, fines, duties or any charges whatsoever (**Customs Charges**) in relation to the importation or exportation process on STATS, the Company shall save, defend, indemnify and hold STATS Group harmless from and against any such Customs Charges. Further, STATS shall not be liable to Company in any respect in relation to delays in the customs clearance process.
- 25.2 Where the Company is responsible for importing STATS materials and/or equipment, the Company shall inform STATS how such materials and/or equipment are to be imported. If STATS materials and/or equipment are imported under any Customs Regime, then the Company will be responsible for ensuring that any Customs Charges in relation to such Customs Regime are settled with the Customs Authorities directly by the Company or agents acting on behalf of the Company. The Company will provide to STATS original stamped customs import documentation related to STATS's materials and/or equipment (or copies when originals are not available), providing that STATS's materials and/or equipment has either (i) been fully nationalised, paying the appropriate rates of duties and taxes; or (ii) customs cleared under the Customs Regime; or (iii) in the case of transfer or re-exportation of STATS's materials and/or equipment, that all payments to the Customs Authorities have been made prior to such transfer or re-exportation. Should the Customs Authorities establish post transfer or re-exportation of STATS's materials and/or equipment that the Customs Regime used is or was unlawful or unenforceable and subsequently enforces Customs Charges on STATS, the Company shall save, defend, indemnify and hold STATS harmless from and against any such Customs Charges.

- 25.3 It is agreed that while the Company will be registered as the importer of record as per the customs import documents, STATS shall remain the sole owner of STATS's materials and/or equipment, and such materials and/or equipment cannot be (i) sold or transferred without STATS's written permission; or (ii) attached in lieu of payment to any of the Company's creditors.
- 25.4 For the avoidance of doubt, should any Customs Authorities require payment by STATS for any Customs Charges, these Customs Charges shall be recovered from the Company. It is agreed that payment of any Customs Charges by STATS to any Customs Authorities shall not constitute admission of liability for such Customs Charges.
- 26 Sanctions and trade restrictions**
- 26.1 Neither Party shall be obliged to perform any obligation required by the Agreement if this would be in violation of, inconsistent with, or expose such Party or its Affiliates to punitive measures, under any laws or regulations applicable to such Party or its Affiliate, relating to trade sanctions, foreign trade controls, export controls and similar laws (**Trade Restrictions**) or, in such Party's reasonable judgement, such circumstances exist.
- 26.2 Where any performance by a Party would be in violation of, inconsistent with, or expose such Party or its Affiliate, to punitive measures under the Trade Restrictions, such Party (the **Affected Party**) shall be entitled to immediately suspend the affected obligation (whether payment or performance) until such time as the obligation is no longer affected.
- 26.3 The Parties shall seek in good faith to find a mutual acceptable solution to minimise the effects of the above. In the absence of a mutually acceptable solution, each Party reserves the right to terminate the Agreement, and the other Party agrees that it shall have no cause of action and hereby waives any right to assert the same.
- 27 Jurisdiction and governing law**
- 27.1 The following provisions are applicable when the STATS contracting entity is *STATS International Inc*:
- 27.1.1 The Agreement 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) shall be governed by and construed in accordance with the laws of the State of Texas, USA.
- 27.1.2 The Parties agree that this statement, and the indemnity provisions throughout the Agreement comply with the requirement known as the "express negligence rule" to expressly state in a conspicuous manner to afford fair and adequate notice that the Agreement has provisions requiring one Party (the **Indemnitor**) to be responsible for the negligence, strict liability or other fault of another Party (the **Indemnitee**) or its representatives.
- 27.2 The following provisions are applicable when the STATS contracting entity is not *STATS International Inc*:
- 27.2.1 The Agreement 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) shall be governed by and construed in accordance with the laws of England & Wales.
- 27.2.2 The Parties agree that the Contracts (Rights of Third Parties) Act 1999 shall apply to the Agreement only to the extent that any member of STATS Group or the Company Group (excluding the Company and STATS) who has been granted an express benefit in terms of the Agreement shall be entitled in its own right to enforce the benefit of the indemnities given to it pursuant to Clause 10.
- 28 Commercial terms related to Rental Equipment and associated provision of STATS Personnel**
- 28.1 Rental Equipment is chargeable from date of collection from STATS Premises and remains chargeable until return to the same, or to an alternative delivery location as may be agreed by the Parties.
- 28.2 In the event there is a delay to any agreed mobilisation dates in respect of the Equipment and such delay is not caused by STATS Group, standby rates will be applicable as set out below:
- 28.2.1 for Equipment a rate of 70% of the working rate;
- 28.2.2 for associated STATS Personnel a rate of 70% of the working rate;
- 28.2.3 for any Equipment provided by a party that is not STATS or an Affiliate of STATS, a rate of 100% of the working rate.
- 29 Commercial terms related to the provision of STATS Personnel**
- 29.1 The supply of STATS Personnel is chargeable at a full day rate for each day, or part day, from the time of scheduled check-in or arrival at the designated departure point, until return to the designated departure point. The Company will be responsible for the transportation of STATS Personnel to and from the designated departure point and the Work Site. All accommodation and subsistence on- or off-shore shall be at the Company's cost.
- 29.2 In the event of any delay in departure, STATS Personnel shall remain at the departure point until instructed to stand down by the Company. Should any such delay require STATS Personnel to remain on standby overnight, the Company shall reimburse STATS in respect of all associated reasonable and documented costs.
- 29.3 Any offshore daily rate contained in the Agreement shall apply for each day or part-day working offshore. An offshore working day is a maximum of twelve (12) hours. Any overtime approved by the Company is chargeable at STATS's standard overtime rates. Time spent undertaking any Company-specific training required by STATS Personnel is chargeable at STATS's standard day rates. A full day rate will be charged for mobilisation and demobilisation days in addition to any specified mobilisation or demobilisation fee.
- 29.4 Where a crew change is required twenty-one (21) days or greater after the original mobilisation date, any specified mobilisation or demobilisation fee will apply, in addition to any overlapping day rates incurred in relation to STATS Personnel.