

Rental Equipment Addendum

Scope of Work

1.0 DELIVERY AND CONTROL OF RENTAL EQUIPMENT

1.1 Containerising of Rental Equipment

If the amount of rental equipment that Contractor is to ship offshore necessitates the use of a dedicated cargo-carrying unit (CCU), Contractor is responsible for the provision and safe packing of such CCU in accordance with Oil & Gas UK *Best Practice for the Safe Packing and Handling of Cargo to and from Offshore Locations*, including pre-slinging of equipment as required.

When a dedicated CCU is not required, Contractor shall ship the rental equipment (in accordance with Article 1.2(ii) below) to Company's nominated receipt and dispatch facility to be containerised by Company.

1.2 Delivery of Rental Equipment to Company

Contractor shall adhere to the following requirements for rental equipment being shipped offshore:

- (i) equipment being shipped in Contractor's CCU is to be delivered to Company's nominated quayside facility no later than twenty-four (24) hours prior to commencement of vessel load-out (unless a later delivery is approved/ requested by Company);
- (ii) equipment being shipped to Company for consolidated containerisation in Company-supplied CCUs is also to be delivered to Company's nominated receipt and dispatch facility no later than twenty-four (24) hours prior to commencement of vessel load-out (unless a later delivery is approved/ requested by Company); and
- (iii) all equipment and CCUs are to be delivered to Company complete with all applicable certification.

Notwithstanding (i) and (ii) above, Company will endeavour to accept early delivery of Contractor's equipment at Company's quayside/ receipt and dispatch facility (as applicable) if requested by Contractor, provided that equipment is not chargeable until the on-hire criteria outlined in Exhibit C have been fulfilled.

Contractor shall ensure that the delivery note accompanying Contractor's rental equipment (including any CCUs) includes all the following information for the rental equipment being supplied:

- Purchase Order number; and
- itemised listing of all rental equipment being supplied, showing the Purchase Order line item number and corresponding External Service Number (ESN).

Contractor shall also send an e-mail copy of the delivery note to Company at the following e-mail address: UKRentals@COP.com

1.3 Rental Equipment Status Reporting

On the first working day of each month, Contractor shall provide Company's Materials Control Representative (e-mail: UKRentals@COP.com) with a status report of Contractor's rental equipment (including CCUs). This status report, in the format outlined in Attachment 1 hereto, is to provide an overview of all rental equipment and CCUs on-hire or off-hired during the month.

2.0 TRANSPORTATION OF RENTAL EQUIPMENT

- 2.1 Contractor is responsible for providing all transportation of CCUs or loose equipment to Company's quayside or receipt and dispatch facility (as applicable).
- 2.2 When rental equipment and any associated CCUs return from offshore, Company's quayside operations contractor is responsible for returning them to Contractor's premises. Company will endeavour to have off-hired rental equipment and CCUs returned to Contractor's premises within twenty-four (24) hours of offload from supply vessel. NOTE: All equipment rented from Contractor will be returned to Contractor, regardless of the equipment's point of origin. Contractor is entirely responsible, at its own cost, for the subsequent transportation and return of any rental equipment to its subcontractors.

3.0 CONTRACTOR'S OFFSHORE SERVICE PERSONNEL

- 3.1 When Contractor has service personnel offshore together with rental equipment, Contractor's service personnel will be responsible for stock-checking and verifying the location of all Contractor's rental equipment (and any associated CCUs) and any applicable certification requirements on Company's offshore asset (per the monthly status report). Contractor's service personnel are then to obtain written confirmation from Company's nominated offshore focal point that all rental equipment has been located and verified to be within certification and fit for its intended purpose.
- 3.2 Contractor's service personnel will also be responsible for expediting the return onshore of any rental equipment (including CCUs) no longer required offshore. The equipment is to be prepared for backload in accordance with the Oil & Gas UK *Best Practice for the Safe Packing and Handling of Cargo to and from Offshore Locations*, with Dangerous Goods documentation also being prepared as required. Contractor's service personnel will also be responsible for preparing and providing packing lists and notification of backload requirements to Company's offshore Materials representative. Contractor shall follow up to ensure that rental equipment returned to Company's quayside/ receipt and dispatch facility is subsequently returned to Contractor's premises.

4.0 RENTAL EQUIPMENT ON- AND OFF-HIRE NOTIFICATIONS

- 4.1 Upon Company validation of rental equipment being on-hire and associated itemised rental charges, Company's Materials Control Representative will provide an On-Hire Notification confirmation e-mail to Contractor's nominated e-mail address. Company will endeavour to provide the On-Hire Notification within two (2) working days from the effective on-hire date.
- 4.2 Upon Company validation of rental equipment being off-hire and associated rental charges to that point, Company's Materials Control Representative will provide an Off-Hire Notification e-mail to

Contractor`s nominated e-mail address. Company will endeavour to provide the Off-Hire Notification within two (2) working days from the effective off-hire date.

- 4.3 If Contractor disagrees with an element of a Purchase Order for rental equipment (e.g., on-/ off-hire dates), Contractor must notify Company's Materials Control Representative of the nature of such disagreement within five (5) working days of Contractor's receipt of the On-Hire/ Off-Hire Notification (as applicable), otherwise Contractor will have been deemed to have agreed with the terms of the Purchase Order.

5.0 MAINTAINING CERTIFICATION OF CONTRACTOR'S LIFTING EQUIPMENT

Contractor is responsible for ensuring that lifting equipment (e.g., lift lugs, slings, shackles, etc.) associated with rental equipment are duly certified throughout the period that equipment is anticipated to be on-hire to Company. When the equipment rental period extends beyond the original expected duration such that lifting equipment might become out of certification while the rental equipment is offshore, Contractor shall promptly notify Company of this possibility and the Parties shall agree a course of action to rectify this.

Rental Equipment Addendum

Pricing

1.0 EQUIPMENT ON-/ OFF-HIRE

1.1 On-Hire

Rental equipment, including any Contractor CCUs, will be deemed to be On-Hire from the time of arrival at Company's nominated quayside/ receipt and dispatch facility, but no earlier than a maximum of twenty-four (24) hours prior to the scheduled commencement of vessel load-out. If Contractor's rental equipment is delivered to Company's nominated quayside/ receipt & dispatch facility within the specified timeframe but the vessel load-out is subsequently delayed, the equipment will remain On-Hire during the period of delay to vessel load-out.

1.2 Off-Hire

Rental equipment, including any Contractor CCUs, will be deemed to be Off-Hire from the time that equipment is received from offshore and offloaded from Company's supply vessel at the quayside.

1.3 Equipment Cannot be Located/ Out of Certification

Should Contractor's offshore service personnel or Company personnel be unable to locate rental equipment or if any equipment is found to be out of certification or unfit for its intended purpose, all rental charges for such equipment will immediately cease from the last date that equipment was acknowledged by Company to be in Company's possession, within certification and fit for its intended purpose. Contractor shall promptly credit Company for any rental charges paid by Company for any period after the aforementioned date. Liabilities for lost rental equipment will be apportioned in accordance with the Risk Structure provisions of the contract.

2.0 TRANSPORTATION OF RENTAL EQUIPMENT

Transportation costs associated with Contractor's delivery of CCUs or loose equipment to Company's designated quayside or receipt and dispatch facility (as applicable) are deemed to be included within Contractor's rental rate for the equipment.

3.0 LONG-TERM EQUIPMENT RENTAL

When the cumulative revenue received by Contractor for an individual item of rental equipment reaches a level equivalent to sixty percent (60%) of the Item Value (as set out in the Rental Equipment Status Report), Contractor shall notify Company in accordance with the Notices provisions of the contract. The Parties will discuss and agree an equitable path forward in line with the following principles:

- (i) once the aforementioned sixty percent (60%) threshold is reached, the unit rate for the applicable equipment will be reduced to seventy-five percent (75%) of the prevailing unit rate in the contract;

- (ii) should the cumulative revenue received by Contractor for an individual item of rental equipment reach a level equivalent to one hundred percent (100%) of the Item Value (as set out in the Rental Equipment Status Report), Contractor shall notify Company and the unit rate for the item will be reduced to fifty percent (50%) of the prevailing unit rate for the items in the contract.