

Revised January 2026

Purchase Order Terms and Conditions for Goods and Services in the United Kingdom

1. DEFINITIONS

Affiliate means in relation to an entity: (i) if the entity is a subsidiary of another company, the entity's ultimate holding company and any direct or indirect subsidiary (other than the entity itself) of the entity's ultimate holding company; or (ii) if the entity is not a subsidiary of another company, any direct or indirect subsidiary of the entity. For the purpose of this definition the expressions "holding company" and "subsidiary" have the meanings given to those expressions in section 1159 *Companies Act 2006* but in addition as if that section provided that a company's members are deemed to include any other body corporate whose rights in relation to it are (a) held on behalf of that body corporate by another person; or (b) held by another person by way of security but would otherwise be held by that other body corporate.

Applicable Laws means all laws (including statutes, decrees, edicts, codes, orders, judgements, judicial decisions, rules, ordinances, proclamations, by-laws, regulations, and executive orders of – and the terms of any licenses, leases, rights of way, permits, or authorisations issued by – any local, municipal, national, or other duly constituted governmental authority) that are applicable to the Work, locations where the Work is being performed, and the persons in relation to whom the term is used.

Claims means any of the following, including any combination thereof: causes of action, claims, assertions, demands, allegations, proceedings, suits, losses, liabilities, fines, penalties, costs, damages, judgments, awards, and expenses, including court costs and attorneys' fees, and sums paid by way of settlement and compromise.

Company means the party so described in the Purchase Order, and its successors and assigns.

Company Group means, any or all of: (i) Company and its Affiliates; (ii) Coventurers in relation to the Work and their Affiliates; (iii) Company's other contractors (other than members of Contractor Group), and their respective Affiliates and subcontractors of any tier, who are engaged directly or indirectly by Company to perform work or services for the project to which the Work relates or are otherwise present at a location where the Work is being performed; and (iv) the respective agents of any of the entities addressed in (i) through (iii) above; all the foregoing being "members of Company Group".

Consequential Loss means any or all of the following, in each case arising out of or occurring in connection with the Purchase Order, or performance of the Work under the Purchase Order: (a) loss or deferment of revenue or profit; (b) loss of use, loss of production, or business interruption; (c) loss of business opportunity or goodwill; whether or not any of the foregoing were (i) a natural result of the breach or matter giving rise to such loss or damages; or (ii) contemplated by the Parties at the time of execution of the Purchase Order as a probable result of such a breach or matter; and (d) any Claim resulting from or arising out of the foregoing. When the Purchase Order provides for payment of liquidated damages in specified circumstances, such liquidated damages are never to be construed as Consequential Loss.

Contractor means the party so described in the Purchase Order.

Contractor Group means any or all of: (i) Contractor and its Affiliates; (ii) Subcontractors and their Affiliates; and (iii) the respective agents of any of the entities addressed in (i) and (ii) above; all the foregoing being "members of Contractor Group".

Coventurer means any entity having an interest in a joint venture, consortium, or other joint association with Company (and being a party to the related joint operating agreement, unit operating agreement, joint venture agreement, production sharing agreement, or other agreement governing operations), on behalf of which the Work is being performed; and the successors and assigns of such entity.

Force Majeure means an event or occurrence, or condition resulting therefrom, that: (i) delays or renders impossible the affected Party's performance of its obligations under the Purchase Order; (ii) is beyond the reasonable control of the affected Party and not due to its Legal Fault; and (iii) was not reasonably foreseeable, or if foreseeable could not have been prevented or avoided by the affected Party through the exercise of due diligence. To the extent that (i) through (iii) above are satisfied, Force Majeure includes catastrophic storms or floods, earthquakes, and other acts of God; wars (declared or undeclared); civil disturbances; terrorist attacks; revolts; insurrections; sabotage; national or industry-wide strikes or lock-outs; commercial embargoes; epidemics; fires; explosions; and actions of a governmental authority that were not requested, promoted, caused by, or imposed as a result of actions or failures to act of, the affected Party.

Goods means any materials, items of equipment, spare parts, or other goods to be provided by, and subject to transfer of title from, Contractor to Company as part of the Work described in the Purchase Order, together with any associated items such as software, firmware, special tools, handling and installation aids, data, drawings, operating and maintenance manuals, and other documentation in relation thereto as required by Company.

Indemnify means defend, indemnify, release, and hold harmless; and cognate terms such as **Indemnified**, **Indemnifying**, **Indemnification**, **Indemnity**, **Indemnitor**, and **Indemnitee** are to be construed accordingly.

Legal Fault means negligence or other tort liability, breach of duty (statutory or otherwise), breach of warranty, breach of contract, strict liability, or any failure to act in accordance with legal or contractual requirements.

Parties means Company and Contractor and **Party** means either of them.

Personal Injury means any injury suffered by a natural person, including death, sickness, ill health, disease, mental anguish, and mental distress.

Personnel means in relation to an entity any or all of such entity's permanent, part-time, special, seconded, contract, or temporary staff, whether its employees or otherwise.

Price means the price of the Work set out in the Purchase Order.

Purchase Order means the contract between the Parties for the provision of Work, which incorporates these general terms and conditions, any additional terms and conditions in accordance with Article 19.6, and any amendments pursuant to Article 19.5.

Specifications means any plans, drawings, documents, specifications, data, industry standards, or other information relating to the Work that are attached to or referred to in the Purchase Order.

Subcontractor means any company engaged by Contractor or another Subcontractor of any tier to provide any part of the Work.

Taxes means all taxes and governmental and municipal levies of every kind, in any jurisdiction, to which Contractor Group is subject, including but not limited to corporate income tax, National Insurance and other social security contributions, value added tax, property tax, import and excise duties, wage and personal income taxes, and customs duties.

Work means all elements of the activities to be performed by or on behalf of Contractor under the Purchase Order, including provision of Goods, together with everything else that may be reasonably inferred from the Purchase Order as needing to be done by or on behalf of Contractor in order for Contractor to fulfil all its duties, obligations, and responsibilities under the Purchase Order.

2. BASIS OF THE PURCHASE ORDER

- 2.1. Contractor shall provide and Company will acquire the Work in accordance with the Purchase Order. The Purchase Order is not an exclusive contract with Contractor for provision of the kind of goods or performance of the kind of services referred to in the Purchase Order.
- 2.2. Contractor and Company agree and accept that:
 - 2.2.1. Company enters into the Purchase Order for and on behalf of itself and Coventurers.
 - 2.2.2. Contractor is not to look to any entity other than Company for the due performance of the Purchase Order.
 - 2.2.3. Contractor is not to commence any proceedings against any Coventurer.
 - 2.2.4. Company may enforce the Purchase Order against Contractor; and is entitled to recover from Contractor on Company's own behalf and on behalf of any Coventurer.

3. GENERAL OBLIGATIONS OF CONTRACTOR

- 3.1. Contractor shall perform its obligations under the Purchase Order to the highest standards of skill, care, expertise, and knowledge as pertain to first-class reputable contractors experienced in the supply of goods or services of a similar nature. The quantity, quality, and description of the Work are to be as specified in the Purchase Order or in the applicable Specifications and to the satisfaction of Company, who may reject any Work which is not in accordance with the Purchase Order or the Specifications. Contractor shall immediately take such action as is required to rectify such rejected Work at Contractor's sole cost and without any adjustment to the Price.
- 3.2. Contractor shall use sound engineering and technical principles that are generally accepted in the industry.
- 3.3. Contractor shall provide at its own cost and expense all materials, equipment, supplies, and suitably skilled and experienced personnel necessary for the complete and proper performance of the Work. Contractor is responsible for training the personnel of Contractor Group and verifying that they are properly prepared to perform the Work.
- 3.4. Contractor shall use or furnish materials, equipment, and supplies that are fit and new (unless otherwise agreed in writing).
- 3.5. All Work is to be of satisfactory quality and fit for its intended purpose when that is stated in the Purchase Order, otherwise for its ordinary purpose.

- 3.6. Contractor shall deliver the Goods or otherwise complete the Work within the time specified in the Purchase Order or within a reasonable time if no time is specified. It is an essential condition of the Purchase Order that Contractor, in fulfilling its obligations, strictly complies with all requirements pertaining to time that are set out or referred to in the Purchase Order.
- 3.7. Contractor shall comply (and shall ensure that its officers, directors, and Personnel and the other members of Contractor Group and their respective officers, directors, and Personnel comply) with all Applicable Laws and with all applicable exhibits, policies, and guidelines set forth by Company, as amended from time to time. These include, without limitation, those relating to matters of health, safety, and the environment; business ethics; financial crime, including bribery, tax evasion and fraud, and substance abuse. Contractor confirms by its acceptance of the Purchase Order or commencing performance of the Work that it has been given a copy of or access to Company's policies and guidelines which are applicable to the performance of the Purchase Order. Company policies and guidelines can be found at [Terms & Conditions for COPUK | ConocoPhillips United Kingdom](#).
- 3.8. Subject to Article 9, Contractor shall Indemnify each of the members of Company Group from and against any and all Claims arising out of failure by any of the members of Contractor Group (or by any of their respective officers, directors, or Personnel) to comply with Applicable Laws.
- 3.9. Contractor shall (i) review the Specifications, data, and other information that Company supplies; and (ii) as soon as possible identify and obtain Company's clarification of any discrepancies, errors, or omissions discovered by Contractor in the Specifications, data, or other information. Contractor is liable for any and all costs and expenses of Contractor Group arising from its failure to promptly obtain such clarification.
- 3.10. Contractor shall perform the Work as an independent contractor. Contractor and its Personnel are never to be considered agents, employees, or Personnel of Company. Contractor shall not execute contracts on behalf of Company nor is Contractor or any of its Personnel to act as Company's agent or employee.

4. INSPECTION AND TESTING OF THE WORK

- 4.1. Company may inspect and test the Work at all reasonable times to verify that all Work is being conducted in a manner that ensures all agreed requirements are being met, during manufacture, processing, storage, or otherwise. Contractor shall provide Company with all facilities and assistance reasonably required for such inspection and testing. Notwithstanding any such inspection and testing, Contractor remains fully responsible for proper performance of the Work. Such inspection or testing (or absence thereof) does not diminish or affect Company's rights pursuant to the Purchase Order. Company will inform Contractor if Company determines that the Work does not conform to the requirements of the Purchase Order.
- 4.2. If Company has good reason to believe that the Work will not comply in all respects with the Purchase Order, Contractor shall forthwith take all necessary steps as directed by Company to ensure compliance, without prejudice to any other rights of Company.
- 4.3. Failure of Company to inspect, test, or bring to the attention of Contractor any defect or nonconformity in the Work does not in any way relieve Contractor of its obligations under the Purchase Order.

5. DELIVERY OF GOODS; PASSING OF RISK AND TITLE

- 5.1. Contractor shall deliver the Goods to the address shown in the Purchase Order on the date or within the period stated in the Purchase Order, during the usual business hours of Company. A packing note must accompany each delivery, citing the number of the Purchase Order and describing the items being delivered.
- 5.2. Delivery is to be in accordance with the instructions of Company. Contractor is responsible for providing suitable protection and packing for Goods to ensure their safe arrival at the delivery address in an undamaged condition. Company is not obliged to return to Contractor any packaging or packing materials.
- 5.3. To the extent that any Goods contain materials that are toxic, corrosive, or otherwise hazardous to health or property, a prominently displayed notice to that effect, and a material data sheet, must accompany each delivery of the Goods.
- 5.4. Except as provided in Article 5.4.1, title and interest in the Goods, and in materials and equipment intended for incorporation into the Goods, passes from Contractor to Company upon the earlier of (i) their proper delivery to Company; or (ii) as they are paid for by Company; or (iii) start of their manufacture or preparation; or (iv) their receipt by Contractor. Contractor shall clearly mark the Goods, and materials and equipment intended for incorporation into the Goods, as soon as possible, as the property of Company with Company's name and address, and separate same from Contractor's other stock.
- 5.4.1. When Goods are to be delivered to Company elsewhere than in the United Kingdom, title and interest in Goods will pass from Contractor to Company upon their proper delivery to Company (including to Company's designated freight forwarder/ shipping company). Contractor holds in trust for Company any payments of the Price made by Company before delivery of Goods, such payments to be refunded to Company should Contractor not duly accomplish proper delivery of the Goods.

5.4.2. Company is entitled to reject any Goods which do not conform to the Agreement or the Specifications. If Company does so, Contractor shall refund to Company any amounts already paid by Company for the rejected Goods. If Company agrees to allow Contractor to correct rejected Goods (by repair, replacement, or otherwise) and to redeliver the corrected Goods, title to Goods during correction will be determined in accordance with Article 5.4 or Article 5.4.1, as applicable, as though initial delivery had not occurred. Otherwise title to rejected Goods will immediately revert to Contractor.

5.5. Unless the Parties expressly agree otherwise in writing, risk of loss of or damage to Goods will pass from Contractor to Company upon Company's acceptance of delivery of the Goods at the agreed delivery address. Company acceptance of delivery of any Goods will not occur until Company has had a reasonable time to inspect the Goods following their delivery. Acceptance is always conditional upon no defect or nonconformity in the Goods having become apparent to Company. Risk in Goods rejected by Company pursuant to Article 6.4(b) will immediately revert to Contractor. Risk in Goods rejected by Company but subsequently corrected by Contractor (by repair, replacement, or otherwise), with Company's agreement, will pass to Company upon Company's acceptance of delivery of the corrected Goods.

6. TAXES

6.1. Taxes of Contractor Group are solely the responsibility of Contractor Group and no member of Company Group is to be liable for or required in any manner to reimburse Contractor for any such Taxes. Contractor shall Indemnify each of the members of Company Group from and against any and all Claims for Taxes assessed or levied by any taxing authority of any country against Contractor Group or against Company Group for or on account of any payment made to or earned by Contractor Group in respect of any Work. If any member of Company Group is required by any taxing authority to pay any such Taxes, Contractor shall reimburse all such Taxes so paid.

6.2. Sums payable by Company to Contractor for any Work are exclusive of any Value Added Tax (VAT) unless the Purchase Order provides otherwise. Company will only make payment to Contractor in respect of VAT following Contractor's presentation of a valid tax invoice to Company.

6.3. Contractor shall:

- 6.3.1. take all reasonable steps to ensure that all members of Contractor Group adhere at all times to the Applicable Laws with respect to VAT practices;
- 6.3.2. evaluate to what extent such Applicable Laws are relevant to all or any part of the Work; and
- 6.3.3. use all lawful endeavours to minimise the imposition of VAT on all or any part of the Work.

6.4. Contractor shall not charge or impose VAT in respect of all or any part of the Work unless VAT is payable by Contractor Group. Furthermore, Contractor is only permitted to levy VAT as an additional charge or impose VAT as an additional cost to Company to the extent that Contractor has fully satisfied Contractor's obligations under Article 6.3.

6.5. The following defined terms apply to Articles 6.6 and 6.7:

Customs Duty means any duty to which goods are liable on entering or leaving any country, as laid down in the applicable Trade Tariff.

Customs Formalities means all the operations which must be carried out by the person concerned and by HM Revenue & Customs in order to comply with the statutory, regulatory, and policy provisions relating to the importation, exportation, movement, or storage of goods. This includes any conditions which must be met in order to obtain relief from any Customs Duty.

Importer of Record means the party responsible for (i) declaring the import to the applicable Governmental Authority (HM Revenue & Customs for the UK); (ii) ensuring that the import complies with the Applicable Laws of the country of import; and (iii) paying all applicable taxes and import duties payable on the import.

Tariff Code means the relevant code number within the Trade Tariff which will determine the duties and measures applicable to the import, export, and transit of goods to and from the UK or EU.

Trade Tariff means the official system of the appropriate authority which sets out the duties and measures affecting the import, export, and transit of goods to and from the UK and the EU. For the avoidance of doubt, this includes the Nomenclature of the Harmonized Commodity Description and Coding System and the UK Trade Tariff.

6.6. In circumstances where materials, goods, tools, equipment, and supplies are to be imported as part of the Work, the following provisions apply:

6.6.1. Unless instructed otherwise by Company, Contractor will be the Importer of Record for all materials, goods, tools, equipment, and supplies owned, rented, hired, or otherwise deemed to be under the control of Contractor. Contractor shall ensure that the necessary Customs Formalities for all of its imports are completed expeditiously. Contractor shall ensure that the delivery of such materials, goods, tools, equipment, and supplies is accompanied by satisfactory evidence that the Customs

Formalities have been completed and that the materials, goods, tools, equipment, and supplies have been cleared for import.

- 6.6.2. When applicable, Company and Contractor will each apply to HM Revenue & Customs for approval to operate the appropriate Customs Duty relief scheme. For the avoidance of doubt, a Customs Duty relief scheme includes Shipwork End Use ("SEU"), Inward Processing Relief ("IPR"), Outward Processing Relief ("OPR"), and Returned Goods Relief ("RGR") for such Party's respective import, export, and re-import of materials, goods, tools, equipment, and supplies provided in connection with the Work.
- 6.6.3. Contractor shall import any materials, goods, tools, equipment, and supplies provided for the Work that are subject to customs control in such a manner as to take full benefit of available HM Revenue & Customs procedures.
- 6.6.4. In the event of Contractor failing or having failed to satisfy any of the requirements pertaining to the appropriate HM Revenue & Customs procedure as a result of any action or failure to act by any of the members of Contractor Group or any of their respective officers, directors, or Personnel, Contractor shall Indemnify Company and Company's Affiliates and Coventurers from and against any and all Claims and liability for any Customs Duties, import duties, and import taxes, and any related fines, penalties, and interest resulting from such action or failure.
- 6.6.5. Each of Company and Contractor is individually responsible for complying with the relevant customs procedures in accordance with the terms of each Party's customs approval for the said customs procedures. This provision applies in relation to the relevant Party who is in possession of, irrespective of ownership, those materials, goods, tools, equipment, and supplies subject to customs control at any given time.

6.7. For all Goods supplied under this Purchase Order, Contractor shall:

- 6.7.1. provide a clear description in all purchase orders, invoices, and delivery note information of the nature and quantities sold to Company. For the avoidance of doubt, this includes the applicable Tariff Code and a description sufficient to enable identification in the Trade Tariff;
- 6.7.2. prepare and provide to Company full documentation to detail and certify all information relating to those Goods which may be subject to customs control; for the avoidance of doubt, such information should include the origin and customs status;
- 6.7.3. make available to HM Revenue & Customs on a confidential basis all data reasonably required to enable Company to obtain the maximum duties and tax benefits in respect of the relevant customs procedures and shall pass all such benefits in full to Company; and
- 6.7.4. notify Company immediately if Contractor is unsuccessful in any application for a Customs Duty relief scheme. In such case, Company will have the option to import or export or re-import any items affected under its own authorized procedure.

7. PRICING, INVOICING, AND PAYMENT

- 7.1. Company will pay Contractor, in accordance with the Purchase Order and as set out in this Article 7, for Work properly performed. All rates and prices set out in the Purchase Order (i) are fully inclusive, and provide for Contractor's due fulfilment of all its obligations in respect of such Purchase Order, including any taxes, duties, imposts, or levies other than Value Added Tax; and (ii) unless expressly provided otherwise, are to remain in effect and not be subject to change for the entire term of the Purchase Order. Any item for which there is not a specific rate or price, or which is not otherwise expressly identified as being separately remunerable, in the Purchase Order is not chargeable to Company but deemed to have been provided for in the rates and prices set forth in the Purchase Order.
- 7.2. Contractor shall provide its invoices, in the form and manner requested by Company, on Contractor's completion and Company's acceptance of the Work under the Purchase Order, unless the Purchase Order specifies otherwise. All amounts in any invoice are to be itemized in the detail required by Company and certified by Contractor as constituting allowable charges under the Purchase Order. Contractor's invoices are to be supported by all necessary documents (such as Company-signed time records and delivery documents) to enable Company's review and verification thereof.
- 7.3. Unless otherwise provided in the Purchase Order, Company will pay, or cause to be paid, within thirty (30) days of receipt, the amount of each undisputed invoice that is properly presented, together with all required supporting documentation. Provided, however, that when this would mean a payment falling due on a day when either Company's bank or Contractor's bank is not open, such payment will not be due until the next business day when both banks are open. Subject to the foregoing, the value date stipulated in Company's payment instruction to its bank is to be construed as the actual date of payment. If Contractor provides an invoice more than ninety (90) days after the time of performance of the particular Work to which such invoice relates, Company has no liability (to the extent permitted by Applicable Laws) (i) for settlement of such

invoice or (ii) otherwise to remunerate any member of Contractor Group for the performance of the Work covered by such invoice.

- 7.4. Company will inform Contractor promptly if Company disputes any invoice, in whole or in part. As required by Company, Contractor shall issue a new invoice for the undisputed portion or issue a credit note to allow for payment of the undisputed portion of the invoice while the dispute over the remaining part is resolved. Contractor's issuance of such new invoice or credit note is not to be construed as Contractor's admission that Company was necessarily correct in disputing the original invoice. The payment period set out in Article 7.3 will be measured from Company's receipt of the new invoice or credit note. Company and Contractor will endeavour in good faith to resolve the dispute without undue delay. Pursuant to such resolution, Contractor shall submit an invoice for, and Company will pay, any further amount due to Contractor as soon as practicable.
- 7.5. Company has the right to deduct from or set off against sums due to Contractor any sums rightfully due and owing to Company from Contractor for any reason. Company will notify Contractor of such deduction or set-off, providing its reasons for such action. Any payments made by Company do not prevent Company from filing Claims or prejudice its right to recover the amount of any such Claims, however or whenever they may have arisen. Without limiting the type or nature of such Claims, Company may recover any sums paid to Contractor by mistake of law or fact. Payments by Company are not to be construed as acceptance or evidence of approval of the Work.
- 7.6. Contractor may check the status of invoices on Company's My Vendor Portal (MyVP) website.
- 7.7. The provisions contained in this Article 7.7 and Article 7.8 apply only to contractors billing through Company's designated eCommerce web portal or EDI/XML direct connection.
 - 7.7.1. Company has implemented automated electronic requisition-to-pay (R2P) processes for Contractor's submission of payment requests and Company's issuance and payment of self-billing invoices. These processes require submission of payment requests electronically through Company's designated eCommerce web portal or EDI/ XML direct connection. Several methods are permitted and technical specifications are available from Company upon request. Contractor shall make every reasonable endeavour to elect a permitted method of electronic payment request submission and submit all requests accordingly.
 - 7.7.2. When it is mutually agreed between the Parties that self-billing will be operated and payment requests are to be submitted via Company's designated eCommerce web portal, all references to "invoice" in Articles 7.1 to 7.6 will be substituted with "payment request".
- 7.8. The self-billing process will be as follows:
 - 7.8.1. Contractor shall prepare and submit payment requests electronically for all Work via a format as agreed with Company. If not previously furnished by Contractor, Contractor shall sign a "Self-Billing Agreement" in the form provided by Company. Contractor shall furnish the signed original of the Self-Billing Agreement to Company prior to submission of any electronic payment request.
 - 7.8.2. Once the payment request has been reviewed and approved, taking account of any applicable credit request addressed in Article 7.4, Company will issue self-billing invoices based on all payment requests successfully submitted electronically. Company will pay the amount of such invoices by bank transfer to Contractor's designated bank account.
 - 7.8.3. Contractor is responsible for ensuring that the correct Purchase Order, Purchase Order line item, Vendor Service Number, unit of measure, and price are correctly input within each electronic payment request (with the assistance of Company when required) to minimize the occurrence of discrepancies between the value of invoices paid by Company and the value of the Work performed as documented in Contractor's systems.
 - 7.8.4. Contractor shall submit all supporting documentation (e.g., time sheets; third party invoices, etc.), as required by the Purchase Order or reasonably requested by Company, which is to be scanned and included with the electronically submitted payment request. Contractor shall submit payment requests and associated scanned back-up and supporting documentation using the selected electronic invoice submission method. This scanned supporting documentation is to be provided in a mutually agreed upon format (e.g., PDF).
 - 7.8.5. Contractor shall promptly notify Company in Excel spread sheet format for each individual period (currently per calendar month) of any disputes in respect of payments made against invoices issued by Company. Company and Contractor will endeavour to settle and adjust any disputed amount forthwith.
 - 7.8.6. Company's e-mail address for electronic invoicing questions and issues is: RSCEFSEpayablesSupport@cop.com.

8. WARRANTY

- 8.1. Contractor undertakes and warrants to Company that:

- 8.1.1. it shall perform its obligations under the Purchase Order with competent and skilled personnel to such high standards of skill, care, expertise, and knowledge as pertain to first-class reputable contractors experienced in performance of work of a similar nature;
- 8.1.2. it shall use sound engineering and technical principles that are generally accepted in the industry;
- 8.1.3. all Work, and constituents thereof, will fully comply in all respects with the Purchase Order, the Specifications, and Applicable Laws;
- 8.1.4. it shall use or furnish materials, equipment, and supplies that are fit for purpose and new (unless otherwise agreed in writing); and
- 8.1.5. all Work will be of satisfactory quality, fit for its intended purpose (when stated in the Purchase Order, otherwise for its ordinary purpose), and free from defect, discrepancy, deficiency, error, or omission in engineering, design, material, equipment, materials, construction, and workmanship, whether or not caused by negligence of Contractor and regardless of whether the Work or any part thereof was furnished or performed by Contractor or any Subcontractor.

8.2. Without prejudice to any other remedy of Company under contract or pursuant to Applicable Laws, if it is discovered that any Work, in whole or in part, is defective or otherwise not supplied in accordance with the Purchase Order, including without limitation the undertakings, warranties, and guarantees set out in Article 8.1, Company has the right, at its option, (i) to require Contractor to replace, repair, or re-perform the Work promptly and diligently at no cost to Company; or (ii) to reduce the Price accordingly; or (iii) to treat the Purchase Order as discharged by the breach of Contractor and to require the repayment of any part of the Price which has been paid; or (iv) to replace, repair, or re-perform the Work (or to engage a third party to do so), at Contractor's sole cost. Contractor is not obligated to rectify any defect or non-compliance with the Purchase Order in respect of the Work that has not been notified to Contractor within twenty-four (24) months of the satisfactory completion of the Work and its acceptance by Company. The same time limit will apply in respect of any replacement, repair, or re-performance, calculated from the date of delivery and acceptance by Company of the replacement, repair, or re-performance of the defective or non-compliant Work.

8.3. The Indemnity provisions of Article 9 are not to be construed as relieving Contractor to any extent of its warranty, repair, replacement, re-performance, and other obligations set out in this Article 8.

9. RISK STRUCTURE

- 9.1. Contractor shall Indemnify each of the members of Company Group from and against any and all Claims with respect to (i) Personal Injury of any of the officers, directors, or Personnel of any of the members of Contractor Group; (ii) loss of or damage to property of any of the members of Contractor Group or of their respective officers, directors, or Personnel; (iii) loss of or damage to Goods until risk therein has passed to Company in accordance with Article 5.5; and (iv) other loss of or damage to property of Company or Company's Coventurers or Company's Affiliates resulting from or arising out of the Legal Fault of any of the members of Contractor Group or their respective officers, directors, or Personnel. Provided, however, that Contractor's maximum liability for such loss or damage addressed in (iv) above is not to exceed One Million United States Dollars (US\$1,000,000) per occurrence; and subject to Contractor fulfilling such Indemnification obligation, Company shall Indemnify the members of Contractor Group from and against Claims in respect of such loss or damage to the extent they exceed One Million United States Dollars (US\$1,000,000) per occurrence.
- 9.2. Company shall Indemnify each of the members of Contractor Group from and against any and all Claims with respect to (i) Personal Injury of any of the officers, directors, or Personnel of any of the members of Company Group; and (ii) loss of or damage to property of any of the members of Company Group or of their respective officers, directors, or Personnel, except as provided in Articles 9.1(iii) and (iv).
- 9.3. Articles 9.1 and 9.2 apply to any Personal Injury, loss, or damage which arises out of or in connection with the performance of the Purchase Order, without regard to the cause thereof, and irrespective of whether caused by (i) breach of duty (statutory or otherwise), or the negligence of the Indemnified Party or any of the members of its group, whether Contractor Group or Company Group, or their respective officers, directors, or Personnel; and (ii) whether the basis for any Claim is in tort, under contract, or otherwise pursuant to Applicable Laws.
- 9.4. Under no circumstances whatsoever (whether by reason of any negligence, breach of duty (statutory or otherwise), or strict liability) are any of the members of Company Group to be liable to any of the members of Contractor Group for Consequential Loss suffered by any of the members of Contractor Group resulting from or arising out of the performance of the Purchase Order. Contractor shall Indemnify the members of Company Group from any and all Claims resulting from such Consequential Loss.
- 9.5. Under no circumstances whatsoever (whether by reason of any negligence, breach of duty (statutory or otherwise) or strict liability) are any of the members of Contractor Group to be liable to any of the members of Company Group for Consequential Loss suffered by any of the members of Company Group resulting from or arising out of the performance of the Purchase Order. Company shall Indemnify the members of Contractor Group from any and all Claims resulting from such Consequential Loss.

9.6. The Indemnifications provided by Company in favour of the members of Contractor Group in the Purchase Order include Indemnification against Claims made against any of the officers, directors, or Personnel of the members of Contractor Group when such persons are acting within the course and scope of their employment or engagement with and on behalf of the respective members of Contractor Group. The Indemnifications provided by Contractor in favour of the members of Company Group in the Purchase Order include Indemnification against Claims made against any of the officers, directors, or Personnel of the members of Company Group when such persons are acting within the course and scope of their employment or engagement with and on behalf of the respective members of Company Group.

10. INSURANCE

- 10.1. Contractor shall maintain, at its own cost, during the term of the Purchase Order all such insurances as may be required by Applicable Laws and general public liability insurance, including sudden and accidental pollution coverage. The general public liability insurance is to have a limit of not less than US\$5,000,000 (or the equivalent in local currency) per occurrence. Contractor's general public liability insurance is to include for the benefit of Company and Company's Affiliates and Coventurers an indemnity to principal provision to the extent of the risks, liabilities, and Indemnification obligations assumed by Contractor under the Purchase Order. Contractor's insurance is to be written or endorsed such that the insurers have no right of recovery against Company Group to the extent of any Indemnities granted by Contractor to any members of Company Group under the Purchase Order. Contractor shall provide evidence of such insurance cover when requested by Company. All insurance required above is to be primary to any insurance coverage available to Company or its Affiliates or Coventurers. The above-stated minimum requirements are not intended to indicate the amounts or types of insurance that Contractor needs or may ultimately need and do not alter or affect Contractor's liability under the Purchase Order.
- 10.2. Contractor shall maintain Employer's Liability Insurance with a limit of not less than US\$1,000,000 (or the equivalent in local currency) for any one occurrence or the statutory requirement, whichever is greater.

11. CONFIDENTIALITY AND DEVELOPMENTS

- 11.1. Contractor undertakes, warrants, and guarantees that performance of the Work will not infringe, nor will the importation, use, or resale of any Goods infringe, the patent, copyright, design right, trademark, or other intellectual property rights of any other person or entity. Contractor shall Indemnify each of the members of Company Group from and against any and all Claims asserted by or arising in favour of any person for or as a result of violation or infringement of any intellectual property rights, or misappropriation or misuse of any trade secret or other confidential information, arising out of performance of the Work.
- 11.2. Copyright, design rights, or any other intellectual property rights arising out of or developed by Contractor in connection with the Work or related to the Specifications or data or other information that it receives from members of Company Group vest exclusively in Company.
- 11.3. Contractor shall (and shall ensure that the other members of Contractor Group are to) hold in strict confidence and not disclose to any third party any Specifications or data or other information that it receives from Company Group or becomes aware of belonging to members of Company Group, or relating to Company Group or the Purchase Order, except to the extent that a Specification or other information is or becomes public knowledge through no fault of Contractor Group.
- 11.4. Contractor shall not reproduce or use (and shall ensure that the other members of Contractor Group do not reproduce or use) the Specifications or data or other information that it receives from members of Company Group or becomes aware of belonging to members of Company Group, or relating to Company Group or the Purchase Order, for any purpose unrelated to the Purchase Order without the express written consent of Company. Contractor promptly deliver to Company, upon request at any time and without charge, any and all such Specifications or data or information then in its possession.

12. TERMINATION

- 12.1. Company is entitled to cancel the entire Purchase Order, or any part of the Work thereunder, by giving written notice to Contractor, in which event the sole liability of Company will be to pay to Contractor the part of the Price for any Work properly performed in accordance with the Purchase Order.
- 12.2. Company is entitled to terminate the entire Purchase Order or any part of the Work by giving written notice to Contractor at any time if Contractor:
 - 12.2.1. fails or refuses to supply competent supervision or sufficient, competent, and properly skilled Personnel or proper materials; or
 - 12.2.2. does not make proper or timely performance of the Purchase Order; or
 - 12.2.3. otherwise prejudices or fails to carry out its obligations in accordance with the Purchase Order and has not effected an appropriate remedy within any reasonable time allowed by Company; or
 - 12.2.4. goes into liquidation or receivership.

12.3. In the event of termination under Article 12.2, Company will not be liable to pay Contractor any further monies in respect of the Purchase Order and Contractor shall repay to Company any part of the Price paid for Work not performed and accepted at the date of termination. Furthermore, Contractor shall be liable for and shall pay Company any costs, expenses, or damages incurred by Company as a result of termination, including the additional cost of Company providing the Work itself, or having the Work provided by others, if applicable.

13. AUDIT RIGHTS

Company and its authorised representatives may at any time during the term of the Purchase Order and for four (4) years thereafter, on reasonable prior notice, have access to and audit all relevant books and records of Contractor Group for the purpose of confirming compliance by Contractor with the requirements of the Purchase Order.

14. VARIATIONS

Company may instruct Contractor in writing to make changes to the Work, which may include, without limitation, additions, omissions, substitutions, and changes in quantity, quality, form, character, kind, position, dimension, level, or line and changes in any method of construction specified by Company. Contractor shall immediately proceed with any such Company-instructed changes. The remuneration payable under the Purchase Order will be adjusted by increase or decrease as appropriate.

15. FORCE MAJEURE

15.1. In the event either Party is prevented by Force Majeure from performing any of its obligations under the Purchase Order, that Party's obligations will be suspended during the period of such Force Majeure. For the avoidance of doubt, late delivery of services, purchased equipment, or rental equipment caused by Contractor Group or caused by inefficiency on the part of Contractor Group does not constitute an event of Force Majeure. Each Party is to bear its own costs due to the Force Majeure occurrence and no remuneration or compensation will be payable by Company for the period of Force Majeure.

15.2. The Party prevented from performing by Force Majeure shall notify the other as soon as possible of its inability to meet its obligations, specifying the cause of the Force Majeure and estimated extent to which the event or condition will impact performance. If the Party claiming Force Majeure fails to give such notice within seventy-two (72) hours of the occurrence of the event or condition, that Party may not claim Force Majeure as a defence under the Purchase Order. The Party claiming a Force Majeure event or condition shall act diligently to remove or remedy such event or condition; and shall notify the other Party when the impact thereof ceases.

15.3. When performance of the Purchase Order is halted by reason of Force Majeure, Company may terminate the Purchase Order immediately upon written notice to Contractor and Contractor will only be entitled to remuneration earned to time of notice plus any demobilization charge expressly provided for in the Purchase Order.

16. ASSIGNMENT AND SUBCONTRACTING

Contractor shall not assign or purport to assign or transfer to any other person or entity any of its rights or subcontract any of its obligations under the Purchase Order without the prior written consent of Company. Said written consent does not relieve Contractor from any of its responsibilities or obligations to Company under the Purchase Order. Notwithstanding the foregoing, reasonable utilization by Contractor of hired labour and purchases of minor quantities of materials and components are not to be considered subcontracts that require Company's consent.

17. EXPORT COMPLIANCE

17.1. Contractor shall comply (and shall ensure that its officers, directors, and Personnel and the other members of Contractor Group and their respective officers, directors, and Personnel comply), with all Applicable Laws relating to export and re-export control, including those applicable for the United Kingdom and those of the United States. Notwithstanding anything to the contrary in this Article 17, neither Party will be required to meet its obligations under the Purchase Order if doing so would result in such Party, in its reasonable opinion, violating Applicable Laws.

17.2. Contractor is responsible for obtaining any authorisations or licences required under all applicable export control regimes, including, without limitation, licences required for the transfer of any regulated technology to nationals of certain countries.

17.3. Contractor shall promptly identify in writing to Company those items, technology, software, or services which form part of the Work for which an export authorisation or licence is required for export or re-export; and shall provide: (i) in writing to Company the relevant export control classification number and licensing information required by any Applicable Laws, including those of the United Kingdom and of the United States; and (ii) a copy of any relevant export control licence or authorisation relating to any export, re-export, or transfer undertaken as part of the Work.

- 17.4. When Contractor is responsible for procurement on behalf of Company under the Purchase Order, Contractor is responsible for ensuring that any authorisations or licences required under applicable export control regimes (including those of the United Kingdom and the United States) are obtained by parties or entities from whom such items are procured, including, without limitation, licences required for the transfer of any regulated technology to nationals of certain countries.
- 17.5. Contractor shall keep records of its export- and re-export-related activities for a minimum of five years or such period as required by all Applicable Laws, whichever is the greater, and shall make those records available to Company upon request.
- 17.6. In connection with the Work, Contractor shall not:
 - 17.6.1. hire, charter, or contract or sub-contract with any person or entity that is listed on any applicable government list, including U.S government lists, of prohibited or denied parties or organised under the laws of, operating under the flag of, performing services in, or resident in any country against which any applicable government, including the United States, has imposed comprehensive economic sanctions; or
 - 17.6.2. obtain any items, technology, software, or services originating from any country against which any applicable government, including the United States, has imposed comprehensive import sanctions or restrictions.
- 17.7. Should Contractor act as the agent of Company in connection with any procurement of goods, technology, or services or the management of contractors or suppliers engaged by Company, Contractor shall verify and ensure that the contractors and suppliers contracted or managed by Contractor do not perform any act prohibited by Articles 17.6.1 and 17.6.2 in connection with the Work.
- 17.8. Contractor shall Indemnify each member of Company Group from and against any and all Claims with respect to Contractor's breach of its obligations under this Article 17.
- 17.9. Company confirms that no item, technology, or software which forms part of the Work received from Contractor is intended to be shipped, either directly or indirectly, to any country, company, or person, or for any end-use, that is prohibited under applicable export control regulations. Company shall Indemnify each member of Contractor Group from and against any and all Claims with respect to Company's breach of its obligations under this Article 17.9.

18. GOVERNING LAW AND DISPUTE RESOLUTION

The Purchase Order and the construction and performance hereof are governed by and to be construed in accordance with English law and in any dispute (including non-contractual disputes) the Parties hereto irrevocably submit to the exclusive jurisdiction of the courts of England.

19. MISCELLANEOUS

- 19.1. Failure or delay by Company in the exercise of any rights or remedies under the Purchase Order or pursuant to any Applicable Laws does not release Contractor from any warranties or obligations contained or referred to in the Purchase Order or pursuant to any Applicable Laws. Any waiver by either Party of a breach of any requirement of the Purchase Order is not to be considered a waiver of any subsequent breach of the same or any other requirement hereof.
- 19.2. The Purchase Order constitutes the entire agreement between Company and Contractor with regard to the Work and supersedes (save as provided in Article 19.6) all prior negotiations, representations, or agreements relating to the subject matter of the Purchase Order, either written or oral. Any terms or conditions that Contractor may attach or refer to in any written material (including, without limitation, on any invoice or packing note) or any course of dealing between Contractor and Company are of no effect.
- 19.3. Captions and headings used in the Purchase Order are inserted solely for convenience and are not to be taken into consideration in interpretation of the Purchase Order.
- 19.4. When the context admits or requires, words used in their singular form include their plural form and vice versa; and references indicating a particular gender include any gender.
- 19.5. Any purported amendment of the terms, requirements, or obligations of the Purchase Order is void and of no force unless it:
 - 19.5.1. is in writing and signed by duly authorized representatives of Company and Contractor;
 - 19.5.2. expressly refers to the specific Article to be amended; and
 - 19.5.3. expressly indicates agreement of Company and Contractor to amend such specific Article.
- 19.6. If the Purchase Order is issued pursuant to another existing agreement between Company and Contractor, the terms and conditions referenced in that existing agreement apply to the provision of the Work and are to take priority in the event of any conflict with these general terms and conditions.

- 19.7. Contractor shall immediately notify Company of any anticipated delay in performance of the Purchase Order, specifying the cause of and probable duration of the delay, and the measures Contractor will implement in order to avoid or mitigate the delay. If Contractor cannot substantiate that such measures will be adequate, Contractor shall take such additional measures reasonably required by Company to avoid or mitigate the delay.
- 19.8. The *Contracts (Rights of Third Parties) Act 1999 (the Act)* applies only for the purpose of extending the benefit of the Indemnities in Articles 3.8, 6.1, 6.6.4, 8.3, 9, 11.1, 17.8, and 17.9 to the other members of Contractor Group (other than Contractor) and Company Group (other than Company) (collectively **Beneficiary Third Parties**) The rights of such Beneficiary Third Parties do not prevent the exercise of any right Contractor or Company may have to vary or terminate the Purchase Order, even if that results in the rights of such Beneficiary Third Parties being varied or extinguished. In enforcing any right to which it is entitled by virtue of the Act and the provisions of the Purchase Order, the remedies of the Beneficiary Third Parties are limited to damages. A Beneficiary Third Party is not entitled to assign any benefit or right conferred on it under the Purchase Order by virtue of the Act.
- 19.9. Contractor shall comply at all times with its obligations under all Applicable Laws in relation to anti-bribery and anti-corruption, tax evasion, fraud and other financial crime in respect of the Purchase Order. Contractor confirms that
 - 19.9.1. it has adopted internal controls reasonably designed to prevent violations of such Applicable Laws and will enforce those provisions where appropriate; and
 - 19.9.2. at the date of the Purchase Order it is not aware of any such violation by any of its directors, officers, employees, or agents in relation to this Purchase Order; and
 - 19.9.3. it shall ensure that all persons associated with it or other persons who are performing services or providing Work in connection with this Purchase Order comply with this Article 19.9.
- 19.10. If any term or provision or part of this Purchase Order is held by a court of competent jurisdiction to be invalid, illegal, or unenforceable, in whole or in part, such term or provision or part is to be deemed to that extent not to form part of this Purchase Order but the validity and enforceability of the remainder of this Purchase Order is not to be affected.