



GENERAL SERVICES AGREEMENT

FOR

GEOLOGY & WELL LOGGING SUPERVISOR SERVICE

BETWEEN

CNOOC IRAQ LIMITED

AND

Dated as of

_____, **2023**

Dubai, UAE

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GENERAL SERVICES AGREEMENT FOR GEOLOGY & WELL LOGGING SUPERVISOR SERVICE

This General Services Agreement for Geology & Well Logging Supervisor Service (Contract No. CMIT-PRT-10.53-230061) (this “**Agreement**”) is made and entered into as of _____, 2023 (the “**Contract Date**”), between CNOOC Iraq Limited, a company registered at British Virgin Islands (“**Company**”), and _____, a company established and existing under the laws of _____, _____ (“**Contractor**”). Company and Contractor are sometimes referred to in the Agreement as the “**Parties**” and individually as a “**Party**.” Unless otherwise defined, capitalized terms used in the Agreement shall have the meaning set forth in Appendix A, Section 1.1.

RECITALS

WHEREAS, Company is engaged in the exploration and development of oil and natural gas, and in activities related thereto;

WHEREAS, Company desires to engage Contractor to provide Services in connection with Company’s activities;

WHEREAS, Contractor is interested in providing such Services to Company in accordance with the Agreement; and;

NOW, THEREFORE, in consideration of the premises and the mutual promises and agreements contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I SERVICES

1.1 Scope of Services

Subject to the terms and conditions of the Agreement, Contractor shall provide, or cause to be provided, to Company all work, services and activities required to be performed by the Contractor pursuant to the Agreement as described in Appendix B (the “**Services**”).

1.2 Term

The term (the “**Term**”) of the Agreement shall commence on the Contract Date and continue to be effective for a period of Thirty-Six (36) months unless terminated earlier in accordance with its terms or by law. The Contractor shall perform the Services for a period commences from the date the Contractor’s first crew arrives at the Company work base in Iraq and be ready to perform the Service, which is confirmed by the Company representative until the expiry date of the Agreement (the “**Service Period**”). Company shall have the right to renew the Term and Service Period for twelve (12) months as the maximum with same terms and conditions by

mutual agreement of the Parties, by Thirty (30) days prior notice provided by Company to Contractor.

ARTICLE II PRICING AND PAYMENT TERMS

2.1 Contract Pricing

As full consideration for the Services performed by Contractor in accordance with the terms and conditions of the Agreement, Company shall compensate Contractor in accordance with Appendix C. The compensation shall fully and finally discharge the Company of its liabilities under this Agreement, and it shall be inclusive of each and every taxes including but not limited to income taxes, profit taxes, property taxes, stamp taxes, document taxes, value added taxes, general sales taxes, sales taxes, excise taxes, surtaxes, surcharges or any other taxes or governmental charges which any Governmental Authority having jurisdiction over the Agreement, or the relevant Delivery Point may impose, assess or levy against any member of Contractor and its Affiliates on account of or resulting from the execution or performance of the Agreement by Company or Contractor and its Affiliates engaged in performing the Services (the “**Contract Price**”).

The actual Contract amount will depend on actual workload and the Contract amount shall not exceed the total cap value of _____ **US Dollar (US \$ _____)**.

2.2 Invoicing

Contractor shall submit invoices for the Services performed to Company on a monthly basis. The contents of the invoice shall be agreed with Company representative prior to submission of each invoice.

2.3 Account

All payments by Company to Contractor under the Agreement shall be made in US Dollars by wire transfer to the following bank account of Contractor:

Title of Beneficiary’s Bank Account: xxx
IBAN / Account Number of Beneficiary: xxx
Name of Beneficiary’s Bank: xxx
Name of Branch of Beneficiary’s Bank: xxx
Address of Branch of Beneficiary’s Bank: xxxx
SWIFT/SORTING CODE: xx
Name of Intermediary Bank: xxx
Name of Intermediary Bank Branch: xxx
SWIFT/SORTING CODE: xxx

**ARTICLE III
ADDITIONAL PROVISIONS**

3.1 Other Company Designations

- (a) **“Business Jurisdictions”** means the Republic of Iraq and the United Arab of Emirates

3.2 Delay in Performance

- (a) If Contractor fails to Deliver the Services specified in Appendix B for reasons not attributable to Company, Contractor shall pay to Company, as liquidated damages, the amount calculated as follows ("**Liquidated Damages**"), which shall be payable within forty-five (45) days of receipt of the invoice issued by Company, or alternatively, may at Company's sole discretion be deducted from any amount owing by Company to Contractor under this Agreement:

- (i) Unit Daily Rate per delayed position × 10% × number of days of delay of mobilization

The initial mobilization period for each Contractor's Personnel shall be within four (4) months of receipt of written notice from the Company.

- (b) If Contractor fails to complete the Services within the required time window following the deadline set out above in paragraph (a) for reasons not attributable to Company, Company shall have the right to terminate this Agreement immediately and Contractor, notwithstanding the termination, shall be obliged to pay the afore said Liquidated Damages to Company without delay.
- (c) The Parties confirm that the Liquidated Damages represent a genuine pre-estimate of Company's loss.

3.3 Limitation of Liability

Notwithstanding any other provision of the Agreement, Contractor aggregate liability for Liquidated Damages shall not exceed ten percent (10%) of the total cap value of the Agreement.

**ARTICLE IV
MISCELLANEOUS PROVISIONS**

4.1 General Terms and Conditions

In addition to the terms herein, the general terms and conditions set forth in Appendix A shall govern the Agreement.

4.2 Performance Guarantee

Within thirty (30) days after the Contract Date, Contractor shall provide to Company a bond, issued by a recognized international bank or any other financial institution approved by Company at the time of issuance (which approval shall not be unreasonably withheld), substantially in the form contained in Appendix D, in the amount of five percent (5%) of the Contract Price to guarantee the performance of Contractor's obligations hereunder (the "**Performance Guarantee**"). All the bank guarantees shall be sent by Swift Message by the authorized bank of the Contractor to authorized bank of the Company as specified in the Agreement.

4.3 Notice

All notices and other communications hereunder shall be in writing and shall be deemed given if: (i) delivered personally, mailed by registered or certified mail (return receipt requested), or sent by internationally recognized overnight courier to the Parties at the following addresses (or at such other address for a Party as shall be specified by like notice); (ii) sent by email, sent to the other Party's email address provided below (or at such other email address for a Party provided through a notice), with confirmation of its transmission been recorded by the sender's email system:

If to Company, to

Mr. _____

Email: _____

Tel: _____

Address: CNOOC Buzurgan camp, Missan

If to Contractor, to

Mr.: _____

Email: _____

Tel: _____

Fax No.: _____

Address: _____.

4.4 Governing Law

The Agreement shall be construed in accordance with and governed by the laws of England (without reference to its rules as to conflict of laws).

4.5 Contract Documents

(a) The following documents shall be incorporated herein by reference and shall constitute part of the Agreement:

| | |
|------------|------------------------------|
| Appendix A | General Terms and Conditions |
| Appendix B | Scope of Services |
| Appendix C | Contract Pricing |

| | |
|------------|--|
| Appendix D | Form of Performance Guarantee |
| Appendix E | Health, Safety and Environmental Standards |
| Appendix F | Contractor Required Insurance |

- (b) Should any conflict exist between or among documents forming the Agreement, the order of priority in which the conflicting provisions shall govern, one over the other, is as follows:
- (i) This document;
 - (ii) The general terms and conditions set forth in Appendix A;
 - (iii) Any other Appendices;
 - (iv) All other certificates, documents and instruments delivered under the Agreement.

Each Party acknowledges, however, that all of the parts of the Agreement are cumulative, and the fact that one or more provision requires more work or set higher standards of performance than another provision shall not be deemed a conflict.

[Signature page follows]

IN WITNESS WHEREOF, each Party has caused its duly authorized representative to sign the Agreement as of the date first written above.

CNOOC IRAQ LIMITED, as Company

By: _____

Name: Xie Wensheng

Title: General Manager

XXXXX, as Contractor

By: _____

Name: _____

Title: _____

**APPENDIX A
GENERAL TERMS AND CONDITIONS**

**ARTICLE I
DEFINED TERMS**

1.1 Defined Terms

The following terms shall have the following meanings in the Agreement:

“Affiliate” means, with respect to any Person, any other Person controlling, controlled by or under common control with such Person. For purposes of this definition and the Agreement, the term “control” (and correlative terms) means the power, whether by contract, equity ownership or otherwise, to direct the policies or management of a Person.

“Agreement” has the meaning set forth in the preamble to the Agreement.

“Applicable Law” means all laws (including any rules of the common law and Environmental Laws), statutes, rules, regulations, ordinances, subsidiary legislation, codes, judgments, orders, decrees, injunctions, and requirements of Governmental Authorities with jurisdiction or authority over the Parties, any Facilities or the performance of the Work, including Permits now or hereafter issued under any of the foregoing.

“Business Day” means any day other than (a) a Friday or Sunday or (b) a day on which commercial banks in any Business Jurisdictions are authorized or required to be closed.

“Business Jurisdictions” has the meaning set forth in Section 3.1 of the Agreement.

“Change Order” means a document issued by Company pursuant to Appendix A, Article XII, setting forth adjustment to the scope of Services.

“Claim” means any judgment, claim, action, cause of action, demand, lawsuit, proceeding, grievance, governmental investigation or audit, loss, assessment, fine, penalty, administrative order, arbitral award, obligation, cost (including attorneys’ fees), expense, lien, liability or damage (whether direct, indirect, actual, consequential or punitive).

“Company” has the meaning set forth in the preamble to the Agreement.

“Company Default” has the meaning set forth in Appendix A, Section 17.3.

“Company Indemnitee” is defined in Appendix A, Section 14.1(a).

“Company Insureds” is defined in Appendix A, Section 16.2(b).

“Company Suspension” is defined in Appendix A, Section 10.2(a).

“Confidential Information” is defined in Appendix A, Section 9.1(a).

“Contract Date” is defined in the preamble to the Agreement.

“Contract Price” means the sum of all costs payable by Company to Contractor pursuant to the Agreement for Contractor’s performance of the Work.

“Contractor” has the meaning set forth in the preamble to the Agreement.

“Contractor Default” is defined in Appendix A, Section 17.1.

“Contractor Indemnitee” is defined in Appendix A, Section 14.1(b).

“Contractor Liens” means any claim, Lien, charge or encumbrance on the Worksites, the Facilities or any part thereof or interest therein in favor of Contractor, any Subcontractor or any of their respective employees, laborers, materialmen or other suppliers of goods or services.

“Contractor’s Representatives” means is defined in Appendix A, Section 5.2(a).

“US Dollar”, “Dollar” and “US \$” mean the currency of the United States of America.

“Environmental Law” means any Applicable Law relating to: (a) the conservation, improvement, protection, pollution, contamination or remediation of the environment; (b) any Release, including investigation and cleanup of such Release or threatened Release; or (c) the storage, treatment, disposal, recycling or transportation of any Hazardous Substances, including Permits now or hereafter issued under any of the foregoing.

“Force Majeure” means any event that: (a) renders a Party unable to comply with its obligations under the Agreement; (b) is beyond the reasonable control of the affected Party; (c) does not result from the fault, negligence or intentional act of the affected Party or such Party’s failure to comply with Applicable Law or Good Industry Practices; and (d) could not have been avoided by the affected Party through the exercise of proper diligence including the expenditure of reasonable monies and/or taking reasonable precautionary measures, including (to the extent that such events satisfy the foregoing criteria), the following:

- (i) acts of God;
- (ii) expropriation or confiscation of facilities;
- (iii) war, terrorism, rebellion, sabotage or riot;
- (iv) fires, explosions, hurricanes, tornados, floods, microbursts or other natural catastrophes;
- (v) actions or inaction of Governmental Authorities that render(s) illegal performance required in connection with the Work;
- (vi) national labor strikes;

- (vii) a change in any Applicable Law (other than one affecting only a tax payable by Contractor or any other cost of Contractor's performance hereunder) that takes place after the date of the Agreement; and
- (viii) injunctions issued by Governmental Authorities;

provided, however, Force Majeure shall not include:

- (A) lack of finances;
- (B) strikes or labor disturbances limited to a single employer performing any of the Work, unless, as a result of any such strike or labor disturbance, there is no other Person capable and reasonably available to Contractor to perform such Work;
- (C) shortages or price fluctuations with respect to materials used in connection with the Work;
- (D) late delivery of materials used in the Work except to the extent caused by an event that would otherwise constitute a Force Majeure;
- (E) economic hardship;
- (F) shortages of manpower, except to the extent caused by an event that would otherwise constitute a Force Majeure;
- (G) delay or failure to perform of a Subcontractor, except to the extent caused by an event that would otherwise constitute a Force Majeure;
- (H) machinery or equipment breakdown, except to the extent caused by an event that would otherwise constitute a Force Majeure; or
- (I) unavailability at the Worksites of necessary water and other utilities, except to the extent caused by an event that would otherwise constitute a Force Majeure.

“Good Industry Practices” means performance of the Work (a) in a good and workmanlike manner, (b) in accordance with internationally accepted professional best practices methods, techniques and standards in effect that are used at the time of performance of the Work by first class firms for the provision of the services of similar type to the Services, including those codes and standards listed in the scope of Services and (c) in accordance with all Applicable Laws.

“Governmental Authority” means any government and any political, judicial, administrative, executive or legislative subdivision thereof, including (a) any national, state, provincial, county, municipal, local or other governmental body, authority or agency, and (b) any governmental, regulatory, administrative, executive, and judicial departments, courts, commissions, boards, bureaus, ministries, agencies or other instrumentalities exercising any administrative, regulatory, executive, judicial, legislative, police, arbitral or taxing authority or power having authority over any

Party, any Subcontractor, the Work or any officer or other official representative of any of the foregoing Persons.

“Hazardous Substance” means any pollutant, contaminant, constituent, chemical, mixture, raw material, intermediate product, finished product or by-product, hydrocarbons or any fraction thereof, or industrial, solid, toxic, radioactive, infectious, disease-causing or hazardous substance, material, waste or agent, including, without limitation, all substances, materials or wastes which are identified or regulated under any Environmental Law, or which may threaten life, health or property or adversely affect the environment.

“Indemnitee” means a Company Indemnitee or a Contractor Indemnitee, as applicable.

“LCIA Rules” is defined in Appendix A, Section 18.10(c).

“Legal Dispute” means any dispute, controversy or claim, of any and every kind or type, whether based on contract, tort, statute, regulations, or otherwise, arising out of, connected with, or relating in any way to the Agreement, the relationship of the Parties, the obligations of the Parties or the operations carried out under the Agreement, including any dispute as to the existence, validity, construction, interpretation, negotiation, performance, non-performance, breach, termination, or enforceability of the Agreement, *provided* a Legal Dispute shall not include any matter referable to an accounting firm for determination pursuant to the Agreement.

“Lien” means any lien, pledge, security interest, claim, mortgage, deed of trust, lease, option, right of first refusal, easement, covenant, condition, restriction or servitude, transfer restriction under any agreement (other than the Agreement), encumbrance or any other restriction, encumbrance or limitation whatsoever.

“Party” or **“Parties”** has the meaning set forth in the preamble to the Agreement.

“Party Group” includes employees, officers, shareholders, representatives/agents, subsidiaries and Affiliates of the Party.

“Performance Security” is defined in Section 4.2 of the Agreement.

“Permits” means any permit, license, approval, consent, ruling, authorization, certification, exemption, notification or registration by or with a Governmental Authority or third parties in connection with the Work.

“Person” means any individual, corporation, partnership, joint venture, association, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Personnel” is defined in Appendix A, Section 5.1(a).

“Proprietary Information” has the meaning set forth in Appendix A, Section 8.3.

“Release” means any spill, discharge, leak, emission, injection, escape, dumping, leaching, dispersal, emanation, migration or release of any Hazardous Substance into

the environment, including the abandonment or discard of barrels, containers, tanks or other receptacles containing or previously containing any Hazardous Substance.

“Replacement Contractor” means any Person other than Contractor retained by Company to perform some or all the Work following Contractor’s failure to perform such Work.

“Retention” means the percentage set forth in Section 2.4 of the Agreement.

“Retention Amount” has the meaning set forth in Appendix A, Section 7.2(a).

“Services” has the meaning set forth in Section 1.1 of the Agreement.

“Service Period” has the meaning set forth in Section 1.2 of the Agreement.

“Subcontract” means any contract, agreement, purchase order or obligation between Contractor and any Subcontractor.

“Subcontractor” means any Person retained by Contractor and approved by Company hereunder to supply materials or services in connection with the Work.

“Suspension” means a Company Suspension or a Contractor Suspension, as applicable.

“Taxes” means any tax and similar governmental charge, impost, levy, fee or assessment, however denominated (including income tax, business asset tax, franchise tax, net worth tax, capital tax, estimated tax, withholding tax, use tax, gross or net receipt tax, sales tax, transfer tax or fee, excise tax, real and personal property tax, *ad valorem* tax, value added tax, payroll related tax, employment tax, unemployment insurance, social security tax, minimum tax, and import tax and other obligations of the same or a similar nature), together with any related liabilities, penalties, fines, additions to tax or interest, imposed at the national, state or municipal level, including monetary corrections.

“Target Jurisdiction” has the meaning set forth in Section 3.1 of the Agreement.

“Term” has the meaning set forth in Section 1.2 of the Agreement.

“Unit Daily Rate” means the daily rate of Contractor’s Personnel set forth in Appendix C.

“Unrestricted Information” means any information disclosed by one Party to the other Party that: (a) is or becomes part of the public domain without fault of the receiving Party; (b) was received by the receiving Party from a Person under no obligation to the disclosing Party with respect to maintaining the confidentiality thereof; or (c) was already in the receiving Party’s possession and not subject to confidentiality restrictions at the time the information was made available by the disclosing Party.

“Work” means all of the services, activities, equipment and materials necessary to perform any Services.

“Worksites” means any real property on which the Work is being performed.

1.2 References and Titles

- (a) All references in the Agreement to Appendices, Articles, Sections, subsections, and other subdivisions refer to the corresponding Appendices, Articles, Sections, subsections, and other subdivisions of the Agreement and all of the Appendices are incorporated into and made a part of the Agreement, unless in each case expressly provided otherwise.
- (b) Titles appearing at the beginning of any Articles, Sections, subsections, or other subdivisions of the Agreement are for convenience only, do not constitute any part of such Articles, Sections, subsections or other subdivisions, and shall be disregarded in construing the language contained therein.
- (c) The words “the Agreement,” “herein,” “hereby,” “hereunder,” “and hereof,” and words of similar import, refer to the Agreement as a whole and not to any particular subdivision unless expressly so limited. The words “this Section,” “this subsection,” and words of similar import, refer only to the Sections or subsections hereof in which such words occur.
- (d) The word “or” is not exclusive, and the word “including” (in its various forms) shall mean including (in its various forms) without limiting the generality of the description preceding such term.
- (e) Pronouns in masculine, feminine, or neuter genders shall be construed to state and include any other gender.
- (f) Words, terms, and titles (including terms defined herein) in the singular form shall be construed to include the plural and vice versa, unless the context otherwise expressly requires.
- (g) General words in this Agreement shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words.
- (h) A reference to a party to any document includes that party's successors and permitted assigns.

ARTICLE II CONTRACTOR’S GENERAL OBLIGATIONS

2.1 Standards of Performance

Contractor shall perform all Work in a professional, competent and diligent manner in accordance with the terms of the Agreement, Good Industry

Practices and Applicable Laws. Contractor shall be responsible for ensuring that all personnel of Contractor and each of its Subcontractors are qualified, competent and properly licensed to do the Work that they perform. Contractor shall conduct itself (and ensure that each Subcontractor conducts itself) with appropriate ethical and professional standards.

2.2 Access

Contractor shall ensure that its Personnel and that of its Subcontractors enter and exit Company's premises only by the entrances and exits designated from time to time by Company.

2.3 Permits

Contractor shall, at its sole cost and expense, obtain and maintain in full force and effect all Permits required by any Governmental Authority for Contractor to operate its business and perform the Work in accordance with the Agreement.

If import license is required by any Governmental Authority for the equipment / materials, the import license shall be obtained by the Contractor at its own cost/expense and risk. Company may but shall not be obligated to provide reasonable necessary assistance to Contractor for obtaining such import license.

Contractor hereby acknowledges that pursuant to Iraqi laws, Iraqi government's rules and regulations and the requirement of Technical Service Contract for the Missan Oil Fields dated May 17, 2010 entered into by and between Company and other contracting parties, it is responsible for completing the relevant corporate and trade registrations (in the form of establishing a legal entity or otherwise) and obtaining all required Permits and consents (including without limitation security clearance) in a timely manner at its own costs and risk, and shall indemnify and hold Company harmless against any loss, damages, penalties, Claims, liabilities, costs and/or expenses Company may suffer arising from or in connection with any failure by Contractor to complete such registration or obtain such Permits or consents.

2.4 Health and Safety

- (a) Contractor shall take all precautions necessary and shall be solely responsible for the safety of Work and the safety and adequacy of the manner and methods it employs to perform the Work. Contractor shall not require or allow any of its Personnel or any of its Subcontractors' Personnel to work in surroundings or under working conditions that are unsanitary, hazardous or dangerous to health or safety. Contractor shall conduct Work and cause any Subcontractors to perform Work in conformance with all Applicable Laws relating to safety and health and, when on Company's premises, those imposed by Company.

- (b) Contractor shall, and ensure that its servants, agents and Subcontractors shall observe all Company's rules, regulations, guides and requirements in relation to health, environment protection and safety as specified in Appendix E or as may be notified to the Contractor from time to time.
- (c) Upon request of Company, Contractor shall develop a health, safety and environmental plan for the performance of the Work acceptable to Company and shall comply with such plan in its performance of the Work.

2.5 Liens

Contractor shall not directly or indirectly create, incur, assume or suffer to be created any Contractor Liens and hereby expressly waives any right to file, or cause to be filed, any such Contractor Liens. Contractor shall promptly pay or discharge, and discharge of record, any claim, Lien or encumbrance which, if unpaid, might be or become a Contractor Lien. Contractor shall immediately notify Company of the assertion of any Contractor Liens.

ARTICLE III COMPANY'S RIGHTS

3.1 Inspection

Company shall have the right from time to time to inspect Work in progress or Work completed whether at Contractor's or Company's premises. Company shall provide reasonable advance notice prior to any such inspection on Contractor's premises. Contractor shall provide safe access to such Work and shall provide scaffolds and ladders in place and/or such other equipment as required by Company to conduct such inspections. No inspection performed by, or failed to be performed by, Company under this Appendix A, Section 3.1 shall: (a) be deemed a waiver of Contractor's obligations under the Agreement; or (b) be construed as an approval or acceptance of any portion of the Work. In the event Company detects any defect in the Work, Contractor shall promptly correct such Work at no cost to Company.

3.2 Right to Audit

Contractor shall, and shall cause Subcontractors to: (a) allow Company to inspect and audit any books, records, correspondence, receipts, vouchers and other documentation related to the Work or performance under the Agreement; and (b) preserve all such documentation for a period of two (2) years after final payment under the Agreement.

**ARTICLE IV
REPRESENTATIONS AND WARRANTIES**

4.1 Contractor's Representations and Warranties

Contractor represents to Company as follows:

- (a) Contractor is duly incorporated, organized or formed (as applicable), validly existing and in good standing under the law of the jurisdiction of its incorporation, organization or formation. Contractor has full power and authority to own its property and to carry on its business as now conducted.
- (b) Contractor has full power and authority to execute the Agreement and to carry out all its obligations under the Agreement. Its execution and performance of the Agreement and the consummation of the transactions contemplated by the Agreement have been duly authorized by all requisite corporate action on its part. The Agreement constitutes a valid and legally binding obligation of Contractor, enforceable against it in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws now or hereafter in effect relating to creditors' rights generally. Contractor's representative executing the Agreement has sufficient authority to sign the Agreement in Contractor's name and on Contractor's behalf, and such authority has not been limited or revoked.
- (c) Contractor's execution and performance of the Agreement and the transactions contemplated hereby do not constitute a breach of any term or provision of, or a default under, (i) any contract or agreement to which it or any of its Affiliates is a party or by which it or any of its Affiliates or its or their property is bound, (ii) its organizational documents or (iii) any Applicable Law.
- (d) There is no legal proceeding pending or, to its knowledge, threatened against Contractor that could adversely affect the validity of the Agreement or the ability of Contractor to perform its obligations hereunder.
- (e) Contractor has reviewed the Agreement and has and will be at all times have (or, relying on the services of Subcontractors, will be able to obtain and maintain for the term of the Agreement) the requisite expertise, professional qualifications, licenses, registrations, skills, Personnel, technology, experience, technical and financial resources to perform the Work in accordance with the Agreement.
- (f) The provision by Contractor of the Work will not infringe any patents or any copyrights, trademark or proprietary information rights of others.

4.2 Company's Representations and Warranties

Company represents to Contractor as follows:

- (a) Company is duly incorporated, organized or formed (as applicable), validly existing and in good standing under the law of the jurisdiction of its incorporation, organization or formation. Company has full power and authority to own its property and to carry on its business as now conducted.
- (b) Company has full power and authority to execute the Agreement and to carry out all its obligations under the Agreement. Its execution and performance of the Agreement and the consummation of the transactions contemplated by the Agreement have been duly authorized by all requisite corporate action on its part. The Agreement constitutes a valid and legally binding obligation of Company, enforceable against it in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws now or hereafter in effect relating to creditors' rights generally. Company's representative executing the Agreement has sufficient authority to sign the Agreement in Company's name and on Company's behalf, and such authority has not been limited or revoked.
- (c) Company's execution and performance of the Agreement and the transactions contemplated hereby do not constitute a breach of any term or provision of, or a default under, (i) any contract or agreement to which it or any of its Affiliates is a party or by which it or any of its Affiliates or its or their property is bound, (ii) its organizational documents or (iii) any Applicable Law.
- (d) There is no legal proceeding pending or, to its knowledge, threatened against Company that could adversely affect the validity of the Agreement or the ability of Company to perform its obligations hereunder.

ARTICLE V CONTRACTOR'S PERSONNEL AND REPRESENTATIVES

5.1 Contractor's Personnel

- (a) Contractor shall, and shall cause its Subcontractors to, furnish all personnel, crews, supervisors, watchmen and other employees, agents and representatives ("**Personnel**") necessary to properly and timely perform the Work in a safe manner and otherwise in accordance with the Agreement. Company shall not be responsible for providing shelter, food, water, medical attention, transportation, security or any other service or facility whatsoever for the Personnel of Contractor or any Subcontractor. All immigration requirements, and all passports, visas and other migratory documents, required for Personnel of Contractor or any Subcontractor shall be the responsibility of Contractor.

- (b) Contractor shall, and shall cause its Subcontractors to, employ qualified, competent and properly licensed Personnel to perform the Work. Contractor shall immediately remedy any failure by any Personnel of Contractor or any Subcontractor to comply with the Agreement.
- (c) Contractor shall provide adequate personal supervision of the Work by skilled supervisors, inspectors, superintendents, foremen and watchmen to the extent necessary or appropriate to ensure compliance with the provisions of the Agreement, including with respect to quality control, health, safety and environmental matters.
- (d) Contractor shall use all commercially reasonable efforts to prevent, and mitigate the effects of, any strikes, work stoppages, slowdowns or similar activities of or by, or lockouts against, Contractor's Personnel or the Personnel of any Subcontractor that would delay or otherwise impede the progress or quality of the Work.
- (e) If Company determines that any Personnel of Contractor or any Subcontractor is acting in an unsafe manner with respect to the Work or in a manner not in material compliance with Applicable Law (including environmental compliance with respect to the Work) or Good Industry Practices, Company shall have the right to cause Contractor to remove the relevant person or persons from the Work. If Company has a reasonable basis for designating such removal, Contractor shall indemnify, defend and hold harmless each Company Indemnitee from and against any and all Claims of any kind whatsoever based on negligence, defamation, wrongful discharge, wrongful dismissal or otherwise that such Company Indemnitee may suffer, sustain, pay or incur as a result of any such removal.
- (f) Contractor's Labor Issue and Employee Protection
 - i. Without prejudice to Company's rights under this Agreement, the Contractor shall be solely responsible for managing and protecting the rights and interests of its employees in accordance with applicable labor laws, and preventing labor issues and handling labor disputes in a timely manner. The Contractor shall select its employees strictly in accordance with Applicable Laws and ensure that all its employees hold and maintain all licenses, authorizations and permissions, and, where applicable, a valid visa, required for the employee to work for the Contractor in his or her assigned role in accordance with Applicable Laws and the Contractor shall not use for the purposes of this agreement any employee who has a criminal record, who has been involved in any terrorist related activity or the funding of terrorist related activity or who is otherwise not of good character. The Contractor shall indemnify and hold Company harmless against any losses, whether direct or indirect, and damages arising out of or incidental to

Contractor's failure to comply with this article and/or Applicable Laws.

ii. Insofar as the Contractor which is registered in China or is governed by Chinese laws or controlled by Chinese entity is concerned, the Contractor shall strictly follow Chinese rules and regulations and instructions of the Chinese government, including but not limited to: Regulation on the Administration of Contracting Foreign Projects, Regulation on the Administration of Foreign Labor Cooperation, Provisions on the Prevention and Treatment of Overseas Labor Affairs. Specifically, the Contractor:

- ✓ shall sign contracts (employ contract or service contract, as the case may be) with the employees, strictly follow the terms and conditions of the contracts, and pay salaries and provide the agreed benefits to the employees in a timely manner;
- ✓ shall NOT utilize labor service agents which do not have Chinese certificates for foreign labor cooperation or labor service agents which has materially breached Chinese laws, and shall not engage persons who do not have valid VISA of the country in which this Agreement is performed;
- ✓ shall NOT subcontract the labor service of this Agreement;
- ✓ shall strengthen the management of its subcontractors and ensure its subcontractors will neither assign the project to any other person nor dismember the project and then assign the project in part to other persons; and
- ✓ shall establish and strictly follow the mechanism for preventing and managing labor disputes and group events, as well as mechanism for emergency treatment, and protect the interest of the employees.

The Contractor shall indemnify and hold Company harmless against any losses, whether direct or indirect, and damages arising out of or incidental to Contractor's failure to comply with this article and/or Applicable Laws.

5.2 Contractor's Representatives

- (a) Contractor shall designate from time to time in writing to Company certain of its Personnel as Contractor's representatives as to the

Agreement (the “**Contractor’s Representatives**”), which designations may limit the authority of such individuals.

- (b) One of Contractor’s Representatives shall have full authority to act on behalf of Contractor with respect to entering into Change Orders and with respect to all other aspects of the Agreement and the Work.
- (c) Contractor shall also designate in writing to Company at least one (1) of its employees or representatives as a substitute for the Contractor’s Representative referred to in the immediately preceding sentence in the event such Contractor’s Representative is unable to serve as the Contractor’s Representative at any time. Contractor shall have at least one (1) of the Contractor’s Representatives with full authority available during all periods, including overtime and second and third shifts, when Work is in progress.
- (d) Contractor shall advise Company in advance of any planned absences of any Contractor’s Representative along with the name of the Contractor’s Representative acceptable to Company who is authorized to act in his absence.

ARTICLE VI TAXES AND CUSTOMS

6.1 Tax Payment

Contractor shall bear and pay any and all Taxes which any Governmental Authority having jurisdiction over the Agreement or the Work may impose, assess or levy against any member of Contractor and its Affiliates on account of or resulting from the execution or performance of the Agreement or the Work by Company or Contractor and its Affiliates. For avoidance of doubt, Contractor accepts full and exclusive responsibility for, and acknowledges that Company shall not reimburse Contractor for, any corporate income taxes (whether imposed upon gross or net income), franchise taxes, or property taxes on the Work imposed upon Contractor or any of its Affiliates by any Governmental Authority having jurisdiction over the Agreement or the Worksites in connection with or incidental to the Agreement or the provision of the Work. Contractor shall agree to have taken into account, in its rates, sums, and prices all and any Taxes which any Governmental Authority having jurisdiction over the Agreement may impose, assess or levy against any member of Contractor and its Affiliates on account of or resulting from the execution or performance of the Agreement by Company or Contractor and its Affiliates.

6.2 Legal Compliance

Contractor shall make all reports and take all other actions legally required to satisfy tax, accounting and reporting requirements of any Governmental Authority having jurisdiction over the Agreement or the performance of Contractor and its Affiliates.

6.3 Withholding

- (c) Contractor shall withhold from wages, salaries, fees or other remuneration of its agents, servants, employees or Subcontractors (or, if applicable, the agents, servants or employees of its Affiliates or Subcontractors), all sums required to be withheld by the Applicable Laws of the country or countries having jurisdiction over the Agreement and to pay the same promptly when due to the proper authorities, and to pay any additional amounts in taxes or other required payments required by such laws, rules and regulations related to the employment of Contractor's agents, servants, employees or Subcontractors (or, if applicable, the agents, servants or employees of its Affiliates or Subcontractors).
- (d) Company, in the event that it is so required by Applicable Law and after written notification of such withholding obligation to Contractor, shall withhold any such Tax imposed, levied, or assessed on account of Contractor's operations pursuant to the Agreement. In such event, Company shall furnish Contractor all receipts for all Taxes so paid, and Company shall have no obligation to gross up for such charges paid. Contractor shall produce valid evidence in the form of letter issued by the competent authorities of the countries having jurisdiction over the Agreement if Contractor claims that tax should not be withheld or tax should be deducted at the lower rate or tax already withheld should be released.

6.4 Additional Tax

All compensation and payments due to Contractor under the Agreement are stated inclusive of any and all value added tax, general sales taxes, sales tax or similar tax which may be levied on such compensation or payments. Any such tax, if imposed by any Governmental Authority having jurisdiction over the Agreement, shall be paid by Contractor, and Company shall have no obligation to pay any such taxes. Contractor shall remit these Taxes collected to the appropriate taxing authorities. Contractor shall furnish Company, upon request, all receipts for all Taxes.

6.5 Indemnification

Contractor shall defend and indemnify Company against those liabilities or claims for Taxes which are obligations of Contractor and its Affiliates engaged in performing the Work and are assessed by and paid to any Governmental Authority by Company in connection with the operations of Contractor and such Affiliates under the Agreement. Such indemnification shall include interest and penalties if the interest and penalties are assessed and paid as a result of the acts or omissions of Contractor or such Affiliates. Contractor further agrees that if Company is subject to any demand to pay other taxes arising out under this Agreement, Contractor either assume, pay and discharge in a timely manner all such other or additional taxes or Company may offset any amounts due from Contractor under this indemnity from any payments Company is due to make to Contractor under this

Agreement or the Company may require the Contractor to refund back the other tax or the additional taxes which is not adjustable against the payment due to Contractor.

6.6 Tax Deduction from Payments

All payments under this Agreement shall be subject to the deduction of any tax that requires to be deducted as per tax laws applicable in the Republic of Iraq.

**ARTICLE VII
PAYMENTS**

7.1 Invoicing

Each invoice shall set forth in Dollars the aggregate amount due and payable to Contractor and shall be accompanied by reasonable supporting documentation.

7.2 Retention (Not Applicable)

7.3 Payments of Invoices

- (a) no later than ninety (90) days after Company's acceptance of an invoice submitted in accordance with the Agreement (including all supporting data), Company shall remit the undisputed amount due to Contractor with respect to such invoice. Payments made by Company shall not preclude the right of the Company to thereafter dispute any of the items invoiced. Payments shall be made by wire transfer of immediately available funds in Dollars to the account specified under Section 2.3 of the Agreement.
- (b) Company shall not be obligated to make any payment to Contractor if:
 - (i) at the time of such proposed payment a Contractor Default shall have occurred and be continuing or an event shall have occurred, for which Company has delivered a notice of default and which with the passage of time and the failure of Contractor to cure would constitute a Contractor Default (*provided* a Contractor Default or a notice of default shall not affect any obligation of Company to pay any undisputed amounts of an invoice due to Contractor under the Agreement unless withholding such undisputed amounts is reasonably necessary to protect Company from loss because of Contractor Default or notice of default); or
 - (ii) Contractor fails to submit proper invoices with all required attachments and supporting documentation.

7.4 Set-Off

Company may set off any amount it owes to Contractor pursuant to the Agreement by the amount that Contractor owes to it pursuant to the Agreement.

7.5 Error in Payment

If an error is made in connection with a payment, the Party receiving the payment shall immediately refund the amount erroneously received by it to the paying Party.

7.6 Payment Not Waiver or Acceptance of Work

No payment made by Company under the Agreement shall constitute a waiver of any claim or right Company may have at that time or thereafter, including claims regarding unsettled Contractor Liens, warranty rights and indemnification obligations of Contractor. No payment made by Company under the Agreement shall be considered or deemed to represent that Company has inspected the Work or checked the quality or quantity of the Work or that Company knows or has ascertained how or for what purpose Contractor has used sums previously paid, and shall not be deemed or construed as an approval or acceptance of any Work or as a waiver of any claim or right Company may have hereunder.

7.7 Social Security Clearance letter

Company shall pay the Contract Price after the Services have been completed and satisfactorily accepted by Company and the Contractor provide Social Security Clearance Letter from the Social Security Department of the Republic of Iraq. The Company reserves the rights to withhold any payment under this contract if the Social Security Clearance letter has not been provided by the Contractor.

7.8 Contractor cannot hold salary payment(s) in any case and is liable to make arrangement for payment of salaries to Contractor's Personnels on time as per schedule agreed with the Company regardless if Invoice(s) are under process or outstanding for payment.

ARTICLE VIII INTELLECTUAL PROPERTY

8.1 New Intellectual Property

Company will, upon the creation thereof, own any intellectual property, including trademarks, patents, copyrights and trade secrets, resulting from the Work. The Work performed hereunder shall be deemed "work made for hire." Contractor shall execute documents, including agreements with its

Subcontractors, employees and agents and assignment documents, necessary to effectuate Company's ownership of such intellectual property.

8.2 Infringement Claims

Should Contractor become aware of any Claim based on infringement, unauthorized use or misappropriation of any intellectual property right used by Contractor or any Subcontractor in connection with the Work, Contractor shall: (a) promptly upon learning thereof, investigate such Claim; and (b) promptly submit to Company copies of all documents relating to such Claim and a detailed, written analysis of such Claim, including the course of action recommended by Contractor with respect thereto, which analysis shall be updated by Contractor as reasonably appropriate.

8.3 Proprietary Information

All drawings, designs, specifications, databases, computer software and other proprietary information created in connection with the Work or pursuant to the Agreement or any Subcontracts ("**Proprietary Information**") shall, immediately upon the creation thereof, become the property of Company. Such data, together with all data furnished by Company to Contractor, shall be delivered to Company upon completion of the Work or upon termination of the Agreement. Contractor shall procure from each Subcontractor rights to Proprietary Information as provided for in this Appendix A, Section 8.3. Company may use, release, disclose, copy and reproduce any data resulting from the Agreement in any manner it deems appropriate.

8.4 Use of Trademarks, Etc

Contractor shall not, without the prior written consent of Company: (a) use any name, trade name, registered trademark or logo of Company or any of its Affiliates in any advertising or communications to the public in any format; (b) issue or publish any releases or announcements regarding the Agreement, the Work or any activities related thereto; or (c) except as required in connection with the performance of the Work, take any photographs, video or other recordings of Company's property.

ARTICLE IX CONFIDENTIALITY

9.1 Protection of Confidential Information

- (a) Contractor shall hold in confidence and refrain from disclosing any business, technical, subcontractor, personnel, and other information that is made available by Company, directly or indirectly, or developed or acquired by Contractor or any Subcontractor in connection with the Work or pursuant to the Agreement, including any such information made available to Contractor prior to the execution of the Agreement (collectively "**Confidential Information**"); *provided, however*, Confidential Information shall not include Unrestricted Information.

- (b) Notwithstanding anything to the contrary set forth herein, all information pertaining to the Work schedule shall constitute Confidential Information.

9.2 Permitted Disclosures

- (a) Contractor shall disclose Confidential Information to its Personnel on a need-to-know basis.
- (b) Contractor may disclose Confidential Information to Subcontractors only to the extent reasonably necessary in connection with their performance under Subcontracts and *provided* as a condition to such disclosure such Subcontractors shall execute non-disclosure agreements on materially identical terms to those set forth in this Appendix A, Article IX.
- (c) Contractor may disclose Confidential Information to its insurance providers to the extent reasonably necessary to procure required insurance.
- (d) If Contractor receives legal notice to compel disclosure of any Confidential Information, Contractor shall provide Company with prompt written notice thereof so that Company may seek a protective order or other appropriate remedy at Company's sole cost and expense. If Contractor is legally obligated to disclose any Confidential Information, Contractor shall furnish only that portion of such Confidential Information which it is legally required to produce and Contractor shall cooperate with Company and its legal counsel to enable Company to obtain a protective order or other reliable assurance that confidential treatment will be accorded the Confidential Information.

9.3 Contractor's Use of Confidential Information

Contractor shall not, without the prior written consent of Company, use any Confidential Information for any purpose other than the performance of the Work.

9.4 Survival

This Appendix A, Article IX shall remain in effect for a period of five (5) years from the later of: (a) the expiration of the Term; or (b) the date of termination of the Agreement.

9.5 Non-Disclosure of Contract Terms

Except as required by Applicable Law, neither Party shall disclose the terms of the Agreement without the consent of the other Party; *provided, however*, a Party may disclose the terms of the Agreement in confidence to its lenders and prospective lenders without the consent of the other Party.

9.6 Contractor Information

Except as expressly provided in the Agreement, Company shall have no obligation of confidence with respect to any information disclosed to Company by Contractor or any Subcontractor, and Company shall be free to use or disclose any or all such other information without accounting to Contractor therefore, regardless of whether Contractor or any Subcontractor places any restrictive notices on any information disclosed hereunder.

ARTICLE X TERMINATION; SUSPENSION

10.1 Termination for Convenience by Company

- (a) Company, by written notice to Contractor and for convenience of Company, may at any time terminate the Agreement in whole or in part.
- (b) Upon termination of the Agreement for convenience, Contractor shall comply with instructions in the notice of termination regarding delivery to Company of the Work in progress and the completed Work. Any such Work not owned by Company shall become the property of Company upon termination of the Agreement.
- (c) Upon termination for convenience of the Agreement by Company pursuant to Appendix A, Section 10.1(a), Company shall, as its exclusive liability to Contractor, pay Contractor:
 - (i) for all Work performed (including all materials purchased and not cancelable by Contractor or its Subcontractors for the Work) prior to Contractor's receipt of Company's notice of termination; and
 - (ii) the actual costs incurred by Contractor in connection with cancellation payments owed by Contractor with respect to the cancelled portion of the Work.

10.2 Company Suspension

- (a) Company may suspend all or any portion of the Work at any time, with or without cause, by giving notice to Contractor specifying the part of the Work to be suspended and the effective date of such suspension (such a suspension, a "**Company Suspension**").
- (b) During any Company Suspension, Contractor shall properly protect and secure the Work in accordance with Good Industry Practices and otherwise as directed by Company. Unless otherwise directed by Company, Contractor shall, during any such suspension, maintain staff, labor and equipment on or near the Worksites ready to proceed with the Work upon receipt of further instructions from Company.

- (c) Company may, at any time following a suspension under Appendix A, Section 10.2(a), notify Contractor to proceed with all or any portion of the Work previously suspended. Promptly upon receipt of any such notice, Contractor shall proceed with the suspended as directed by Company.

ARTICLE XI FORCE MAJEURE

11.1 Excused Performance

A Party shall not be in default of its obligations hereunder to the extent its delay in performance results from an event of Force Majeure, *provided* the Party affected by the Force Majeure uses all commercially reasonable efforts to: (a) proceed with its obligations under the Agreement to the extent that it is not prevented from doing so by the event of Force Majeure; (b) remove or relieve any event of Force Majeure and its consequences and minimize the effects of the delay caused thereby; and (c) resume performance as soon as practicable after the event of Force Majeure. The occurrence of an event of Force Majeure shall not relieve the affected Party of its obligations to mitigate the effects thereof.

11.2 Notification

A Party affected by an event of Force Majeure shall provide written notice thereof to the non-affected Party promptly upon the occurrence of the Force Majeure event, and in no event later than ten (10) days after the occurrence thereof. Such notice shall describe in reasonable detail the Force Majeure event, the damages suffered, the activities which are being and will be undertaken to mitigate the effects of such event, and the length of delay anticipated to result from such event. In addition, the affected Party shall timely provide the non-affected Party with written supplemental notices periodically during the period that the event of Force Majeure continues detailing any changes, development, progress or other relevant information of which the affected Party is aware. When the affected Party is able to resume performance of its obligations under the Agreement, it shall give the non-affected Party written notice to that effect.

ARTICLE XII CHANGE ORDERS

12.1 Changes in Scope of Services

Company shall have the right to revise the scope of Services pursuant to a Change Order. No Change Order shall be required other than to revise the scope of Work. A Change Order revising the scope of Work shall include, to the extent necessary, an equitable adjustment of the Contract Price to account for the impact of the net revision to the scope of Work. For purposes of the Agreement a modification to the requirements set forth in Appendix B shall constitute a revision to the scope Work.

12.2 Preparation of Change Orders

Upon Company's request, Contractor shall prepare proposed Change Orders. Any such proposed Change Order shall become effective only if and when approved in writing by the duly authorized representative of the Company.

**ARTICLE XIII
WARRANTIES**

13.1 Scope of Warranties

Contractor warrants to Company that the Work shall:

- (a) comply in all respects with the specifications and requirements set forth in the Agreement;
- (b) all applicable codes, standards and Contractor's published specifications;
- (c) comply with all Applicable Laws and shall be performed in a competent, diligent and workmanlike manner in accordance with Good Industry Practices.

13.2 Warranty Obligations

Upon receipt of notice from Company of any failure or defect covered by the warranties set forth in Appendix A, Section 13.1, Contractor shall, at its own cost and expense, promptly correct or re-perform any portion of the Services or the Work so that it satisfies Contractor's warranties. If, after notification of any warranty claim, Contractor fails to commence, continue or complete any correction or re-performance in the manner required hereunder, Company may, but shall not be obligated to, perform or cause one or more Replacement Contractor(s) to perform such Services or Work, in which case Contractor shall reimburse Company for all costs, charges and expenses incurred by Company in connection with such Services or Work. Performance of any work by Company or any such third Person does not relieve Contractor of any obligation under the Agreement.

**ARTICLE XIV
INDEMNIFICATION**

14.1 General Indemnity

- (a) To the fullest extent permitted by Applicable Law, Contractor shall indemnify, save harmless and defend Company, its Affiliates, and all of their respective employees, agents, directors and officers (each, an "**Company Indemnitee**") from all Claims, including reasonable attorneys' fees, growing out of personal injury, death or damage to property arising out of, or in any way connected with, Contractor's, any Subcontractor's or any of their respective employees', agents' and representatives' performance or nonperformance hereunder (negligent or otherwise) suffered or claimed to have been suffered by any Person

(including Company Indemnitees and anyone directly or indirectly employed by Contractor or any Subcontractor), except to the extent caused by the negligence of any Company Indemnitee.

- (b) To the fullest extent permitted by Applicable Law, Company shall indemnify, save harmless and defend Contractor, its Affiliates and their respective employees, agents, directors, officers and representatives (collectively, the “**Contractor Indemnitees**”) from all Claims, including reasonable attorneys’ fees, growing out of personal injury, death or damage to Contractor’s property to the extent caused by Company, its Subcontractors at any level or any of their respective employees or agents, except to the extent such injury, death or damage is caused by Company, its Subcontractors at any level or their respective employees or agents acting at the direction of Contractor or any of its Subcontractors.

14.2 Environmental Indemnities

- (a) To the fullest extent permitted by Applicable Law, Contractor shall indemnify, save harmless and defend Company Indemnitees from all Claims, including reasonable attorneys’ fees, to the extent arising from: (i) any release or disposal of (or arranging for the disposal of) any Hazardous Substance by Contractor or any Subcontractor; (ii) the existence, use, release, transportation or disposal of any Hazardous Substance that has been brought onto any Worksite by Contractor, any Contractor Personnel, any Subcontractor, any employees of any Subcontractor or any Person acting on behalf of, or under the direction or supervision of any such Person; (iii) Contractor’s failure to timely notify Company of the presence of any Hazardous Substance on any Worksites; (iv) Contractor’s failure to remove or properly dispose of any Hazardous Substance brought onto any Worksite or generated by Contractor, any Contractor Personnel, any Subcontractor, any employees of any Subcontractor or any Person acting on behalf of, or under the direction or supervision of any such Person; or (v) the failure of Contractor, any Contractor Personnel, any Subcontractor, any employees of any Subcontractor or any Person acting on behalf of, or under the direction or supervision of any such Person to comply with any Environmental Law.
- (b) To the fullest extent permitted by Applicable Law, Company shall indemnify, save harmless and defend Contractor Indemnitees from all Claims, including reasonable attorneys’ fees, to the extent arising from the existence of any Hazardous Substance at, on or under any Worksite prior to Contractor’s commencement of the Work on such Worksite except to the extent: (i) Contractor is liable for any such Claim pursuant to Appendix A, Section 14.2(a); or (ii) such Claim results from the negligence of any Contractor Indemnitee or Subcontractor.

14.3 Intellectual Property Indemnity

To the fullest extent permitted by Applicable Law, Contractor shall indemnify, save harmless and defend Company Indemnitees from any Claims, including reasonable attorneys' fees, to the extent arising from an infringement of patent, trade secret, copyright or other intellectual property rights provided or required to be provided by Contractor in connection with the Work; *provided, however*, Contractor shall not be liable for any such Claim to the extent arising out of: (a) the use of such intellectual property rights in combination with devices or products not supplied by Contractor or any Subcontractors; or (b) the use of such intellectual property rights in an application or environment other than as intended by Contractor. Should any such Claim materially impair Contractor's performance of the Work, Contractor shall, at its own cost and expense, timely procure the right to continue its performance of the Work. If any Claim described in this Appendix A, Section 14.3 is held to constitute an infringement of any intellectual property rights and use of any equipment or process included in the Work is enjoined, Contractor shall, at its own cost and expense: (i) procure for Company the right to continue to use the infringing equipment or process; (ii) replace such equipment or process with non-infringing equipment or process of equal utility and efficiency; or (iii) modify such equipment or process so that it becomes non-infringing without affecting its utility or efficiency; *provided, however*, Contractor may only elect the action described in clause (ii) or (iii) if Contractor and Company agree upon a schedule for such action that will allow Contractor to complete such action within a reasonable period of time without unreasonably interfering with the Work.

14.4 Indemnity Against Contractor Liens

To the fullest extent permitted by Applicable Law, Contractor shall indemnify, save harmless and defend Company Indemnitees from any and all Contractor Liens.

14.5 Defense of Indemnified Claims

- (a) Within a reasonable time after receipt by any Indemnitee of any Claim as to which the indemnity provided for in the Agreement may apply, such Indemnitee shall notify the indemnifying Party in writing of such fact; *provided, however*, delay in notifying the indemnifying Party shall not relieve such Party of its indemnification obligations except to the extent that it is materially prejudiced by such delay.
- (b) The indemnifying Party shall diligently, competently and in good faith control and conduct the defense, with counsel reasonably satisfactory to the Indemnitee, of any Claim as to which the indemnity provided for in the Agreement applies; *provided, however*, the indemnifying Party may not settle or compromise any such Claim without the Indemnitee's consent unless the terms of such settlement or compromise unconditionally release the Indemnitee(s) from any and all liability with respect thereto and do not impose any obligations on any Indemnitee.

- (c) An Indemnitee shall have the right, at its option (but not the obligation), to be represented by advisory counsel of its own selection and at its own expense and to monitor the progress and handling of an indemnified Claim. An Indemnitee shall also have the right, at its option (but not the obligation), to assume the defense of any such Claim with counsel of its own choosing at its sole cost and expense; *provided, however*, an Indemnitee shall have the right to assume the defense of, and to settle or compromise, any such indemnified Claim at the indemnifying Party's expense if: (i) the indemnifying Party fails to acknowledge, in writing, its responsibility to assume the defense of such Claim; (ii) the indemnifying Party fails to diligently, competently and in good faith control and conduct the defense of such Claim with counsel reasonably satisfactory to the Indemnitee; (iii) there is an apparent conflict of interest between the indemnifying Party and the Indemnitee with respect to such Claim; or (iv) such Indemnitee shall have reasonably concluded that there are legal defenses available to it which are different from, additional to or inconsistent with those available to the indemnifying Party.

14.6 Waiver

An indemnifying Party's obligations to indemnify, defend and hold each Indemnitee harmless shall not be reduced or limited in any way by any provision of any workers' compensation act, disability benefits act or other employee benefit acts. With respect to claims against Company by Contractor's employees, Contractor hereby expressly waives its immunity as a complying employer under any workers' compensation law, but only to the extent that such immunity would bar or affect recovery under or enforcement of this indemnification obligation.

14.7 Attorneys' Fees

An indemnifying Party shall be liable for reasonable attorneys' fees and costs of litigation associated with enforcement of an Indemnitee's rights pursuant to this Appendix A, Article XIV.

ARTICLE XV NO CONSEQUENTIAL DAMAGES; LIMITATION OF CLAIMS

15.1 Exclusion of Consequential Damages

Neither Party shall be liable to the other Party for any special, indirect, incidental, punitive, consequential or exemplary damages of any kind or nature whatsoever, or damages arising from or in connection with the other Party's loss of actual or anticipated profits or revenues, in each case arising out of, in connection with or resulting from the Agreement, regardless of whether any claim for such losses or damages is based on contract, warranty, tort (including negligence), strict liability or otherwise, *provided, however*, nothing in this Appendix A, Article XV shall limit either Party's obligation to provide indemnification or to pay Liquidated Damages as expressly provided for in the Agreement.

15.2 Limitation on Initiating Claim

Contractor must bring any cause of action arising under the Agreement within one (1) year from the time the cause of action accrues.

**ARTICLE XVI
INSURANCE**

16.1 Contractor Required Insurance

During the Term, Contractor shall, at its sole cost, risk and expense, obtain from an insurance company acceptable to Company the insurance coverage set forth in Appendix F with respect to its obligations under the Agreement, and the obligations of any field Subcontractors, and any additional insurance coverage that is required by Applicable Law.

16.2 Contractor's General Insurance Requirements

- (a) Contractor shall be solely responsible for all costs and deductible or retention amounts under the insurance coverage required pursuant to Appendix A, Section 16.1.
- (b) All liability insurance policies (except Workers' Compensation Insurance and Employer's Liability insurance) required to be maintained by Contractor under Appendix A, Section 16.1 shall name Company and its Affiliates and each of their respective successors, assigns, directors, officers, employees and agents (collectively, the "**Company Insureds**") as additional insureds. All liability insurance policies required to be maintained by Contractor under Appendix A, Section 16.1 shall include a waiver of subrogation in favor of the Company Insureds.
- (c) All liability insurance policies required to be maintained by Contractor under Appendix A, Section 16.1 shall be endorsed or otherwise provide that Contractor's insurance coverage shall be primary with respect to liability insurance policies maintained by Company and all other Company Insureds, and any other insurance coverage maintained by Company or any other Company Insured shall be in excess of any insurance maintained by Contractor. The liability insurance policies shall be endorsed to provide a severability of interest or cross liability clause.
- (d) All insurance policies required to be maintained hereunder shall provide that such insurance shall not be canceled, reduced, restricted or changed in any way without the insurer giving at least thirty (30) days' prior written notice to Company.
- (e) Before the commencement of any Work hereunder, Contractor shall deliver to Company certificates acceptable to Company evidencing the insurance coverage Contractor is required to maintain hereunder. Certificates of each renewal of the insurance coverage Contractor is

required to maintain hereunder shall be delivered to Company upon renewal and prior to expiration of any policy being renewed. Further, Contractor shall, upon Company's request, provide Company with a reasonable opportunity to review, at a reasonable time and place, a copy of the actual policy for any insurance coverage required to be maintained by Contractor hereunder.

- (f) If any of the insurance policies required to be maintained by Contractor hereunder shall be canceled for any reason during the period of the Agreement, Contractor shall immediately procure replacement coverage.
- (g) In the event Contractor fails to provide or maintain the insurance coverage as required under Appendix A, Section 16.1, Company shall have the right, but not the obligation, upon ten (10) days' prior written notice to Contractor, to procure any such insurance coverage and to deduct the cost thereof from any amounts due and payable to Contractor or, if there are no such amounts due and payable, Contractor shall reimburse Company for such costs on demand.

16.3 Liability not Affected by Insurance

Except as otherwise expressly provided hereunder, the obtaining of any insurance by Company or Contractor under the Agreement shall not in any way diminish the responsibility or limit the respective liabilities of Company or Contractor, as the case may be, as provided under any Section of the Agreement or otherwise, nor shall anything in this Appendix A, Article XVI in any way limit either Party's rights or remedies against the other Party hereunder, and each Party shall remain solely responsible for the amount of any Claim, liability or loss exceeding the amount of any insurance coverage maintained by Company or Contractor, as the case may be, hereunder, for any excluded claims under such policies and for any deductible or retention amounts.

ARTICLE XVII DEFAULT; REMEDIES

17.1 Contractor Default

Each of the following shall constitute an event of default by Contractor (each a "**Contractor Default**"):

- (a) Contractor abandons the Work and such abandonment is not cured within seven (7) Business Days after notice thereof;
- (b) Contractor fails to pay any undisputed amount owing to a Subcontractor or any other Person or entity related to the Work within ninety (90) days after the date due or fails to remove any Contractor Liens in accordance with Appendix A, Section 2.6;

- (c) a representation or warranty of Contractor made pursuant to the Agreement shall have been incorrect as of the date made and shall remain incorrect for a period of thirty (30) days after notice thereof;
- (d) Contractor fails to correct any defective Work in accordance with Appendix A, Section 13.2;
- (e) Contractor fails to perform any other material obligation under the Agreement and such failure continues for thirty (30) days after notice thereof by Company, or if such failure cannot be cured in such thirty (30) day period with the exercise of all commercially reasonable efforts, such longer period as shall be reasonably necessary to cure such failure, not to exceed ninety (90) days, so long as Contractor diligently continues without interruption all commercially reasonable efforts to cure such failure;
- (f) Contractor commits a substantial violation or repeated violation of any Applicable Law;
- (g) the financial institution that provides the Performance Security repudiates its obligations under, or fails to comply with the terms of, the Performance Security;
- (h) Contractor is dissolved or liquidated; and
- (i) any bankruptcy or insolvency proceeding is instituted against Contractor, or a receiver, trustee or assignee for the benefit of creditors of Contractor is appointed, and such condition or conditions are not cured within forty-five (45) days after occurrence.

17.2 Remedies for Contractor Default

- (a) If a Contractor Default occurs and is continuing, Company may exercise any remedy available at law or in equity, including termination of the Agreement; *provided, however*, if the Agreement explicitly specifies that a remedy is exclusive, Company shall be limited to the exercise of that remedy. Without limiting other remedies to which Company may be entitled hereunder, Company may, whether or not the Agreement is terminated, retain a Replacement Contractor to perform the Work by whatever method that Company and such Replacement Contractor may deem expedient. Company may make such expenditures as in Company's sole judgment will best accomplish the timely completion of the Work; *provided, however*, Company shall not be required or expected to terminate, repudiate or renegotiate any Subcontracts.
- (b) Upon termination of the Agreement r by Company pursuant to Appendix A, Section 17.2(a), Company shall pay Contractor:
 - (i) for all Work performed (including all materials purchased and not cancelable by Contractor or its Subcontractors for the

Work) prior to Contractor's receipt of Company's notice of termination; and

- (ii) the actual costs incurred by Contractor in connection with cancellation payments owed by Contractor with respect to the cancelled portion of the Work; reduced by
- (iii) damages suffered by Company as a result of such Contractor Default including amounts owed by Contractor pursuant to its indemnity and warranty obligations hereunder. Company's rights under this Appendix A, Section 17.2(b) are in addition to (but not duplicative of) any other rights and remedies available to Company.

17.3 Company Default

Each of the following circumstances or events shall constitute a default by Company ("**Company Default**"):

- (a) any representation or warranty of Company made pursuant to the Agreement shall have been incorrect as of the date made and shall remain incorrect for a period of thirty (30) days after notice thereof;
- (b) a proceeding is instituted against Company seeking to adjudicate Company as bankrupt or insolvent and such proceeding is not dismissed within sixty (60) days of filing, Company makes a general assignment for the benefit of its creditors, a receiver is appointed on account of the insolvency of Company, Company files a petition seeking to take advantage of any other Applicable Law relating to bankruptcy, insolvency, reorganization, winding up or composition or readjustment of debts, or Company is unable to pay its debts when due or as they mature.

17.4 Remedies for Company Default

If a Company Default occurs, Contractor may terminate the Agreement. In the event of such termination, Company shall pay, as Contractor's sole and exclusive remedy:

- (a) for all Work performed pursuant to any terminated Work (including all materials purchased and not cancelable by Contractor or its Subcontractors for the Work) prior to receipt of Contractor's notice of termination; and
- (b) the actual costs incurred by Contractor in connection with (A) cancellation payments owed by Contractor with respect to materials or equipment ordered or leased by Contractor from any Person that is not an Affiliate of Contractor and (B) the demobilization of Contractor's equipment and repatriation such equipment and all Personnel to return to their respective points of origin in accordance with Contractor's policies as of the Contract Date.

17.5 Effect of Termination

- (a) Upon termination of the Agreement for any reason, including a termination for convenience pursuant to Appendix A, Section 10.1, Contractor shall:
 - (i) promptly prepare and submit to Company an itemization of the completed Work;
 - (ii) execute no further Subcontracts and place no further orders with any Subcontractor(s);
 - (iii) exercise all commercially reasonable efforts to procure cancellations of all Subcontracts on terms satisfactory to Company, except to the extent Company requests that any Subcontract(s) be assigned to Company or a Replacement Contractor, in which case Contractor shall assign such Subcontract(s) to Company or Replacement Contractor as may be directed by Company;
 - (iv) execute only that portion of the Work as may be necessary to preserve and protect Work already in progress and to protect equipment and materials at the Worksites or in transit thereto;
 - (v) deliver or cause to be delivered all uninstalled equipment and materials at the Worksites or such other locations as shall be directed by Company;
 - (vi) if requested by Company, provide Company and/or any Replacement Contractor(s) with the right to continue to use any and all intellectual property reasonably necessary for the completion of the Work which Contractor has the right to use (subject only to the same restrictions and costs as may apply to Contractor);
 - (vii) assist Company in preparing an inventory of all equipment and materials in use or in storage;
 - (viii) remove from the Worksites all rubbish and other materials as Company may request; and
 - (ix) deliver to Company all other information related to the Work as may be requested by Company.

- (b) Upon termination of the Agreement for any reason, including a termination for convenience pursuant to Appendix A, Section 10.1, Company may take over any or all of the Work and/or have the Work completed by others.

ARTICLE XVIII
GENERAL PROVISIONS

18.1 Assignment

Contractor may not assign the Agreement or delete or Subcontract any of its obligations under the Agreement, without the prior written consent of the Company. Any attempted assignment, delegation or Subcontracting without such consent shall be void *ab initio* and shall have no legal effect.

18.2 Independent Contractor

Contractor shall be an independent contractor for, and not the agent or employee of, Company. The relationship of employer and employee shall not exist between Company and Contractor Personnel. Contractor acknowledges and agrees that no Contractor Personnel shall be eligible to participate in, nor shall they receive any benefits from, any employee benefit plan(s) sponsored by Company. Neither the Agreement nor the performance of the Work shall create or be construed to create any partnership or joint venture or operation between Company and Contractor or any Subcontractor.

18.3 Certain Practices

- (a) Each Party hereby represents, warrants and covenants that neither it nor any of its Affiliates, officers, directors, employees or agents has made or will make, with respect to the Work, any payments, loans, gifts, or promises or offers of payments, loans, gifts or anything of value, directly or indirectly to or for the use or benefit in whole or in part of, any foreign official or employee of any Governmental Authority or state-owned oil company or other state-owned enterprise, or to or for the use of any political party or official thereof, or candidate for political office, or to any other Person if any such Person knows, should have known or has or had reason to suspect, that any part of such payment, loan, gift or promise or offer:
 - (i) is for purposes of corruptly (A) influencing any act or decision of the recipient in its official capacity, (B) inducing such recipient to (1) do or omit to do any act in violation of its lawful duty or (2) use its influence to affect or influence any act or decision of the government of the Target Jurisdiction or instrumentality thereof, or (C) securing any improper advantage, in each case, in order to assist such Person or the related Party in obtaining or retaining business for or with, or directing business to, any Person unless such payment, loan, gift or promise or offer thereof is lawful under the laws of the Target Jurisdiction or other Applicable Law; or
 - (ii) would violate any Applicable Law, including the U.S Foreign Corrupt Practices Act, the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and the laws of the Target Jurisdiction.

- (b) Each Party shall advise all of its and its Affiliates' employees and representatives engaged in implementing the Agreement regarding the practices referred to in Appendix A, Section 18.3(a) and Applicable Law. Contractor shall cause each Subcontractor to comply with these practices and Applicable Law. Each Party shall take appropriate steps to ensure that it and its Affiliates and their respective representatives comply with these practices and Applicable Law. Each Party shall respond promptly, and in reasonable detail, to any notice from the other Party or the other Party's auditors pertaining to the above stated warranty and representation, and shall furnish documentary support for such response upon request from such other Party.
- (c) Contractor shall make and keep books, records and accounts which, in reasonable detail, accurately and fairly reflect the transactions contemplated in connection with the Work and any dispositions of its assets, and shall devise and maintain a system of internal accounting controls sufficient to comply with Applicable Law.
- (d) In the event that one Party has breached or violated this Appendix A Section 18.3, the other Party may terminate this Agreement. The breaching Party shall indemnify the non-breaching other Party all damages and losses arising out of any failure by the breaching Party Group to comply with its obligations in this Appendix A, Section 18.3. Such indemnity obligation is not subject to any limit of maximum aggregate liability and shall survive termination or expiration of this Agreement.

18.4 Notices

All notices, requests or instructions given in accordance with the Agreement shall be deemed given (a) on the date of delivery, if hand delivered, *provided* if the delivery is on a day that is not a Business Day or if delivery is made after 5.00 p.m. such delivery is deemed to have been made on the next Business Day, (b) on the same Business Day when sent by email during regular business hours at the place of delivery or on the next Business Day after transmission if sent by email after regular business hours at the place of delivery, in each case, when confirmation of its transmission has been recorded by the sender's email system, (c) three (3) Business Days after the date of mailing, if mailed by registered or certified mail, return receipt requested, and (d) one (1) Business Day after the date of sending, if sent by internationally recognized overnight courier.

18.5 Currency Conversion

Any cost incurred or savings realized in a currency other than Dollars shall be converted into Dollars at the open market exchange rate applicable on the date such costs were incurred by Contractor or would have been incurred had the savings not been realized.

18.6 Entire Agreement

The Agreement (including all Appendices) constitutes the entire agreement of the Parties and supersedes all prior agreements, letters of intent and understandings, both written and oral, among the Parties with respect to the subject matter hereof. There are no representations or warranties, agreements, or covenants other than those expressly set forth in the Agreement.

18.7 Severability

If any term or other provision of the Agreement is determined by a court of competent jurisdiction to be invalid, illegal, or incapable of being enforced by any Applicable Laws, or public policy, all other conditions and provisions of the Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated herein are not affected in any manner materially adverse to any Party. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the Parties shall negotiate in good faith to modify the Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated herein are consummated as originally contemplated to the fullest extent possible.

18.8 Nature of Obligations

Nothing herein shall be deemed to constitute a partnership, joint venture, association, and trust or agency relationship between the Parties.

18.9 Amendments and Waivers

No amendment, supplement, waiver or termination of the Agreement shall be binding unless executed in writing by the Party to be bound thereby and any permitted assignees of such Party and expressly states that it is an amendment, supplement, waiver or termination of the Agreement. No waiver of any of the provisions of the Agreement shall be deemed or shall constitute a waiver of any other provisions (whether or not similar) nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

18.10 Dispute Resolution

- (a) The Parties agree to make a good faith effort to resolve any Legal Dispute that may arise first by negotiations between representatives of each Party who have authority to settle the controversy. When a Party believes there is a Legal Dispute, the Party will give the other Party written notice of the Legal Dispute. The authorized representatives of the Parties shall meet at a mutually acceptable time and place within thirty (30) days after the date of the notice to exchange relevant information and to attempt to resolve the Legal Dispute. The authorized representatives of the Parties shall be entitled to representation by legal counsel at the negotiations. All negotiations

shall be confidential and shall be treated as compromise and settlement negotiations.

- (b) Notwithstanding the above, if either Party deems that time is of the essence in resolving the Legal Dispute, it may initiate arbitration and seek an expedited formation of the tribunal, seek interim measures, if appropriate, and then comply with the requirements for negotiations as long as they are fully completed before the commencement of the final hearing on the merits in the arbitration proceeding.
- (c) If the Legal Dispute has not been resolved within sixty (60) days after the date of the notice of the Legal Dispute, or if the Party receiving such notice fails or refuses to meet within such time period, either Party may initiate arbitration proceedings. The arbitration shall be conducted in accordance with the London Court of International Arbitration Rules as in effect on the date of commencement of the arbitration proceeding (the “**LCIA Rules**”). The arbitration shall be conducted and finally settled by three arbitrators. All Legal Disputes shall be settled through final and binding arbitration, it being the intention of the Parties that this is a broad form arbitration agreement designed to encompass all possible Legal Disputes between the Parties relating to the transactions that are the subject of the Agreement.
- (d) The arbitration process referred to in Appendix A, Section 18.10(c) shall take place in London, shall be administered by the London Court of International Arbitration and shall be conducted in the English language, with appropriate arrangements made for the translation of any oral testimony.
- (e) The Party in whose favor the Legal Dispute is resolved may request the enforcement of the arbitration award before any court of competent jurisdiction if the other Party does not comply with what is resolved.
- (f) Each Party agrees that service of process in any action, suit or proceeding referred to in this Appendix A, Section 18.10 shall be deemed in every respect effective service of process upon it if sent to it at the address for notice purposes pursuant to the provisions of the Agreement. The arbitrators shall apply principles of legal privileges, such as those involving the confidentiality of communications between a lawyer and a client. The arbitrators shall render any monetary award in Dollars, with interest calculated at the interest rate thereon and are authorized to award costs and attorneys’ fees or allocate them between the Parties. The Parties waive any defense based on sovereignty, including immunity to arbitration, immunity to judicial proceedings to enforce or to aid any such arbitration, and immunity to enforcement and execution of the award or any judgment entered thereon.
- (g) Each of the Parties, together with their Affiliates, as relevant, shall appoint one arbitrator, within thirty (30) days of receipt of notice of the commencement of the arbitration, and the two arbitrators so appointed shall select the presiding arbitrator within thirty (30) days of their

nomination. If either Party does not appoint an arbitrator as specified in the immediately preceding sentence or if the Party-appointed arbitrators fail to agree on the presiding arbitrator within thirty (30) days of their nomination, then the London Court of International Arbitration shall appoint such arbitrator.

- (h) A majority of the arbitrators may grant interim measures including injunctions, attachments and conservation orders in appropriate circumstances, which measures the Parties agree may be immediately enforced by the arbitrators or by court order. Hearings on requests for interim measures may be held in person, by telephone or by video conference, and requests for relief, responses, briefs or memorials may be sent to, and orders or awards received from, the arbitrators by facsimile or other similar means which include a confirmation of delivery. Notwithstanding the requirements for negotiation between the Parties, prior to the constitution of the arbitration tribunal and thereafter as necessary to enforce the arbitrators' rulings or in the absence of the jurisdiction of the arbitrators to rule on interim measures in a given jurisdiction, either Party may apply to a court for interim measures, and the Parties agree that seeking and obtaining such measures shall not waive the right to arbitration.

18.11 Waiver of Immunity

- (a) Each Party hereby irrevocably consents to and waives any objection which it may now or hereafter have to the laying of venue of any proceeding relating to enforcement of the arbitration provisions, or any award thereunder brought in the courts specified, and further irrevocably waives, to the full extent it may effectively do so, the defense of an inconvenient forum to the maintenance of any such proceeding in such courts.
- (b) To the extent that a Party or any of its revenues, assets or properties shall be entitled, with respect to any proceeding relating to enforcement of the arbitration provisions, or any award thereunder at any time brought against such Party or any of its revenues, assets or properties, to any sovereign or other immunity from suit, from jurisdiction, from attachment prior to judgment, from attachment in aid of execution of judgment, from execution of a judgment or from any other legal or judicial process or remedy, and to the extent that in any jurisdiction there shall be attributed such an immunity, such Party irrevocably agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction (including, without limitation, the Foreign Sovereign Immunities Act 1976 of the United States).

18.12 Counterparts

The Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more

counterparts have been signed by each Party and delivered to the other Party, it being understood that both Parties need not sign the same counterpart.

18.13 Binding Effect

The Agreement shall be binding upon and inure solely to the benefit of each Party and their successors, assigns and transferees, and, notwithstanding the Contracts (Rights of Third Parties) Act 1999, nothing in the Agreement, express or implied, is intended to confer upon any other person (other than the Indemnified Parties as provided in the Agreement) any rights or remedies of any nature whatsoever under or by reason of the Agreement.

18.14 Survival

Except as expressly otherwise provided in the Agreement, all covenants, indemnities, representations, warranties, acknowledgments and agreements in the Agreement shall survive and not be affected by termination of the Agreement or the expiration of the Term.

**APPENDIX B
SCOPE OF SERVICES**

As per Section 3 of ITT documents.

**APPENDIX C
CONTRACT PRICING**

As per Section 4 of ITT documents.

Contractor shall submit invoices with Time Sheet of each assigned Contractor's personnel for the Services performed to Company on a monthly basis. The contents of the invoice shall be agreed with Company representative prior to submission of each invoice.

Company shall pay 100% of each invoice after the Services have been accepted and satisfactorily by Company and the Contractor provide Social Security Clearance Letter from the Social Security Department of the Republic of Iraq for local employees, which not applicable for foreigner. The Company reserves the rights to withhold any payment under this Agreement if the Social Security Clearance Letter has not been provided by the Contractor.

The payment terms will be within (90) days and after all services are completed and accepted by company and the submission of acceptable invoice with complete support documents.

All payments under this Agreement shall be subject to the deduction of any tax that requires to be deducted as per tax laws applicable in the Republic of Iraq.

Company Bank Account Details:

Company Name: CNOOC Iraq Limited
Bank Name: Citibank N.A., Dubai, UAE
Bank Address: PO BOX 749, Oud Metha Road, Al Wasl Branch, Dubai, U.A.E
SWIFT CODE: CITIAEAD
IBAN: AE940211000000100745011

Invoice Submitted to:
Finance Department
Accounts Payable Section
Tel: 00971-4-2108100
Address: 3100, 7WB, Dubai Airport Free Zone, P.O. Box 54799, Dubai, United Arab Emirates

APPENDIX D

PERFORMANCE GUARANTEE

To CNOOC Iraq Limited (“Company”), [Insert address]

WHEREAS,

A. This bond (this “**Bond**”) is referring to the General Services Agreement for Geology & Well Logging Supervisor Service (No. CMIT-PRT-10.53-230061) dated _____ (the “**Agreement**”) executed by and between _____. (the “**Contractor**”) and Company. Any capitalized term used but not defined herein shall have the meaning set forth in the Agreement.

B. Company has required the Contractor to furnish a bond in the form and tenor of this instrument, conditioned upon the faithful employment, for the purpose of the Agreement, of said monies.

C. This Bond is given to guarantee the performance of Contractor under the Agreement and to hold Company harmless against any and all losses, which may result from the failure of the Contractor to faithfully perform the Agreement and pay in accordance with the terms and conditions of the Agreement any amount owing thereunder up to the Maximum Draw Amount (as defined below).

NOW, we _____, an internationally recognized bank incorporated in _____ as a corporation with a capital of _____, whose registered office is located at _____, registered with _____ under the number of _____ (the “**Guarantor**”) hereby as primary obligor unconditionally and irrevocably guarantee as follows:

1. The Guarantor shall pay to Company on first written demand, in the manner described in 2 below, without proof or condition and without requiring any statement of breach, up to and not exceeding the sum of \$ _____ (the “**Maximum Draw Amount**”), notwithstanding any contest or protest by the Contractor or by the Guarantor or any other third party. Upon receipt by Guarantor of a written notice signed by authorized representatives of Company and Contractor, respectively, that Project Completion has occurred, the Maximum Draw Amount under this Bond shall be reduced to \$ _____.
2. Company may call upon this Bond for the whole or part of the Maximum Draw Amount and may make any number of calls up to the Maximum Draw Amount. We undertake to pay you the claimed amount, within seven (7) Business Days upon receipt of your written demand stating the effect and aspect of the failure of performance by the applicant. The transfer of the claimed amount shall be effected free of any charges and deductions in favor of the account indicated by Company.
3. The Guarantor shall not be discharged or released from its obligations under this Bond by any arrangement between the Contractor and Company or by any alteration in the obligations of the Contractor or by any forbearance whether as to payment,

time, performance or otherwise, or any change in the name or constitution of Company.

4. This Bond shall remain in force and effect until the earlier of (a) Thirty Nine (39) months from the date hereof (the “**Expiry Date**”), and (b) receipt by Guarantor of a notice signed by an authorized representative of Contractor and Company stating that the Warranty Period has ended.
5. If Guarantor has not received the notice referred to in Section 4(b) and if Contractor has not extended the Expiry Date at least thirty (30) days prior to the Expiry Date, then Company shall be entitled to draw the undrawn balance of this Bond by delivery of a draw certificate referencing this paragraph 5.
6. The laws of England and Wales shall govern the interpretation, construction, enforceability, legality and validity of this Bond, and all disputes arising hereunder or in any manner related hereto. This Bond shall be subject to the Uniform Rules for Demand Guarantees, published as number 758 by the International Chamber of Commerce, except as stated above. The Guarantor hereby submits to the exclusive jurisdiction of the courts of England with respect to any action, suit or proceeding arising under, or in connection with, this Bond.

Given under our hand the date first above mentioned.

Signed by the
Guarantor :.....

Name :.....
Designation :.....
Guarantor’s Seal :.....

Witnessed By:
Name :.....
Designation :.....
Company’s Seal :.....

Exhibit A to Form of Performance Bond

[COMPANY]

DRAW CERTIFICATE

The undersigned, an authorized representative of Company, a _____, hereby certifies as follows (capitalized terms used herein but not defined shall have the meanings set forth in the General Services Agreement for Geology & Well Logging Supervisor Service dated _____ (the “**Agreement**”), by and between _____ and _____:

Company is entitled to draw, and hereby requests immediate payment of, US\$ _____ in immediately available funds by wire transfer to the following account:

Executed on this ____ day of _____, 20__

[COMPANY]

By: _____
Name: _____
Title: _____

APPENDIX E
HEALTH, SAFETY AND ENVIRONMENTAL STANDARDS

1. General Requirements

- a) Contractor shall comply in all respects with Company health, safety, security and environmental ("HSSE") requirements, all Applicable Laws, Good Industry Practices and other applicable codes and standards.
- b) Contractor shall provide its HSSE management system to Company. And Contractor shall fully implemented HSSE management system which is accepted by Company.
- c) Contractor shall independently obtain all permits, certificates and licenses required for the Services at its sole cost, risk and expense.
- d) Contractor shall provide Company with the name of the Contractor's representative who shall have responsibility for HSSE affairs, and the enforcement of the applicable codes and standards at each work site.

2. HSSE Details

2.1 Health/Hygiene/Medical

- a) Contractor shall be fully and solely responsible for the health, industrial hygiene and medical treatment of its Personnel and shall provide appropriate numbers of medical professionals on each work site.
- b) Contractor shall ensure that all its Personnel and Subcontractors' Personnel are medically fit to perform their work.
- c) Contractor shall train and ensure that its Personnel and Subcontractors' Personnel shall fully understand all occupational health hazards involved in their work and shall monitor all Personnel to ensure that such health hazards are dealt with and minimized to the satisfaction of Company.
- d) Contractor shall comply with all applicable WHO and Iraq epidemic prevention and control requirements and entry regulations.
- e) Contractor shall comply with Company's epidemic prevention and control requirements:
 - Establish an epidemic prevention and control plan, and conduct emergency case drills periodically.

Contractor shall obey the Guidelines for Prevention and Control of epidemic prevention at Missan Oil Fields and all other requirements issued by Company.

2.2 Safety

- a) Contractor and Company shall agree that safety is of paramount importance in the performance of the Work and that Contractor is fully and solely responsible for the safety of the Work, Services, its personnel and property and ensuring that all operations are performed in a safe manner.
- b) All materials, equipment and products provided to Company, as well as the packing and transporting of the same, shall be in conformity with Good Industry Practices, safety standards and other applicable codes and standards.
- c) Contractor shall fully implement its safety operation procedures, regulations and all applicable Company safety requirements.
- d) Contractor shall ensure that all personnel and Subcontractor's personnel have been given all necessary instructions and HSSE training according to HSSE laws, regulations and Company HSSE requirements, and shall provide qualification certificate(s) and records if required by Company.
- e) Contractor shall ensure that its personnel and the personnel of its Subcontractors do not use, possess, distribute, or sell alcohol, illegal drugs and any other controlled substances while on Company premises or while engaged in performing the Services for Company.
- f) Contractor shall supply its personnel and Subcontractors' personnel with adequate protective clothing and equipment as required in connection with the safe performance of the Work. Such clothing and equipment shall be maintained in good condition and shall be used on all relevant occasions at all times.
- g) Contractor shall report to Company all hazards and HSSE violations which occur during performance of the Work and all corrective measures taken, regardless of whether such hazards or violations are discovered by Contractor itself or by Company.

2.3 Security

- a) Contractor shall be solely responsible for the security of its personnel and property including those of its Subcontractors. Contractor shall be solely responsible for all security related matters relating to its own Personnel and property, such as obtaining required permissions and licenses.
- b) Contractor shall be solely responsible for providing and implementing a security plan to ensure the security of all personnel and locations where the Work is performed or where Technical Data, materials (including harmful materials), equipment and other items relating to the Work are maintained.
- c) Contractor personnel shall be fully trained on relevant security knowledge and awareness prior to performing any work.
- d) Contractor shall fully comply with Company's requirements on camp safety, travel, work in border areas, precautions relating to mines & UXO and any other regulations and procedures.

- e) Contractor shall provide Company with the Contractor's personnel information, such as name, sex, age, position and nationality and the name of Contractor's representative who shall have responsibility for security.

2.4 Environment

- a) Throughout performance of the Services, Contractor shall conduct all operations in such a way as to minimize any impact upon the natural environment, and shall ensure full compliance with all Applicable Laws, regulations and rules relating to the environment.
- b) Contractor shall promptly notify Company and respond to all environmental incidents related to the Services.
- c) Gas, waste water discharge and solid wastes disposal shall comply with Company HSSE requirements. Industrial noise and dust shall be properly reduced either by technical or by protective methods.
- d) Contractor shall take full responsibility for and shall indemnify Company in respect of all claims, damage, costs and penalties relating to any environmental damage or loss or non-compliance with any Applicable Laws or regulations arising from the Work or Services and shall be solely responsible for any related cost, risk and expense.

2.5 Emergency & Incident/Accident

- a) Contractor shall be fully and solely responsible for all accidents, injuries, near-misses and property loss arising from the Services.
- b) Contractor shall establish an emergency plan for the Work, and shall actively perform and participate in emergency drills.
- c) In the event of any emergency endangering life or property, Contractor shall take such action as may be necessary to prevent, avoid or mitigate injury, damage or loss and shall promptly notify Company of any emergency and the actions taken by Contractor. If Contractor fails to take such actions, Company, before notifying Contractor, may (but is not obligated to) take reasonable precautions to prevent, avoid, or mitigate injury, damage or loss, but such actions by Company or Company's failure to do so shall not limit or affect Contractor's obligations under this Agreement. Contractor shall reimburse Company for the costs incurred by Company in taking such activities.
- d) Contractor shall immediately report to Company the occurrence of any incident or accident during the Work, including near-misses.
- e) Contractor shall at its sole cost and expense to investigate and to implement corrective measures following any accident, injury or near-miss relating to the Services.

- f) All documents relating to incidents or accidents shall be submitted to Company.

3. Miscellaneous

- a) Contractor shall perform its obligations in a professional, competent and diligent manner in accordance with the HSSE terms of the Agreement, Good Industry Practice, general International Practices and all applicable standards relating to the Services.
- b) No firearms, ammunition, or deadly weapons are permitted on Company premises.
- c) Any actions of physical violence, threats, intimidation, harassment, or coercion shall be strictly prohibited in Company's camp and worksites.
- d) Upon completion of the Work, Company's representative and Contractor shall inspect the final/completed Work site to determine that all hazards, contaminated areas and wastes related to the Work site have been cleaned or removed in accordance with Company HSSE requirements.
- e) Contractor shall provide Company with all related HSSE reports and documents as reasonably requested by Company and archive full and detailed HSSE reports and documents related to the Services for audit or reference.
- f) Company may refuse any Contractor personnel access to Company's camps and worksites if such personnel do not comply with Company standards for safe and good workmanship due to attitude, lack of skill or insufficient training or experience.
- g) Company's representatives and nominees shall have the right to access at any time any Contractor facility, equipment, personnel or records to inspect or audit any aspect of the Contractor's operations relevant to safety and security.
- h) Company may require Contractor to stop work under this Agreement or remove Contractor personnel from Company's premises at any time where it identifies an imminent hazard to people, property or the environment in the work procedures or work environment, or where Contractor is in violation of any Applicable Laws, regulations, Company HSSE policies or procedures or any applicable HSSE standards.

4. HSSE Compliance and Compensation

Contractor shall comply with and cause its servants, agents and subcontractors to comply with Company's HSSE requirements as specified in the Agreement, including this Appendix, or as may otherwise be notified in writing by Company to Contractor from time to time ("**HSSE Requirements**").

Company shall be entitled to issue warning letter(s) to and/or impose HSSE Liquidated Damages and/or other remedies on Contractor if Contractor or its servants, agents and

subcontractors does not comply with Company’s HSSE Requirements and/or fails to rectify the non-conformities in Company’s required time, as detailed in the following (1) and (2). Any accident, noncompliance or violation of HSSE Requirements by Contractor’s servants, agents and subcontractors shall be deemed as Contractor’s accident, noncompliance or violation in terms of warning letter(s) and/or HSSE Liquidated Damages and/or other remedies.

Company and Contractor agree that this Appendix for HSSE, including the HSSE Requirements, HSSE Liquidated Damages and any other terms, is not in conflict of any other clause or part of the Agreement, including the indemnification clause. Company and Contractor agree that the HSSE Liquidated Damages and other remedies are not consequential damages.

Contractor acknowledges and agrees that Company has a legitimate interest in ensuring that Contractor complies with the HSSE Requirements and that the liquidated damages set out in this Appendix are a genuine pre-estimate of Company’s loss in the event of Contractor failing to comply with the HSSE Requirements, including the cost of the investigation, handling and management of the HSSE accident, the damage to Company’s reputation, etc., and such liquidated damages are proportionate to the legitimate interest of Company. All the HSSE Liquidated Damages and/or other remedies set out below shall be in addition to, and not in substitution for, any other remedies or rights provided under any other provision of this Agreement or at law to Company, including the compensation for the loss of Company’s property due to the accident.

Unless otherwise provided herein, all the HSSE Liquidated Damages and/or other remedies set out below shall be cumulative. Notwithstanding any other provisions, the total amount of Contractor’s liability for HSSE Liquidated Damages under this Appendix shall not exceed the Contract Price.

Company has the right to deduct any amount of the HSSE Liquidated Damages in any payment as set forth in Appendix D and Article IX of Appendix A, or from the performance guarantee or in any other way, at the sole and absolute discretion of Company.

(1) Accident and corresponding HSSE Liquidated Damages and other remedies

1) Accident Rank

| Accident Level | Persons Injured /Fatalities | Property Loss | Environment Damage |
|----------------|---|---|-----------------------------------|
| A | fatalities ≥ 3 ; or serious injured ≥ 10 ; | direct property loss $\geq 1,500,000$ \$ | oil spill ≥ 100 t |
| B | $1 \leq$ fatalities ≤ 2 ; or $3 \leq$ serious injured ≤ 9 ; | $150,000$ \$ \leq direct property loss $< 1,500,000$ \$ | 10 t \leq oil spill < 100 t |
| C | $1 \leq$ serious injured ≤ 2 , with lost work time | $15,000$ \$ \leq direct property loss $< 150,000$ \$ | 1 t \leq oil spill < 10 t |

For purpose of the above Accident Rank, a person shall be considered “serious injured” if he or she:

- a) suffers a loss [whether functional, physical or otherwise] of a body part; or

b) sustains a serious, permanent disfigurement.

2) HSSE Liquidated Damages and other remedies for Accident

For the Persons Injured /Fatalities accident, the Maximum HSSE Liquidated Damages for each accident shall be compensated as below:

| Contract Price(USD) | Trigger | Maximum HSSE Liquidated Damages for each accident |
|--|------------------|---|
| Contract Price ≤ 1,000,000 | Accident Level C | 2% × Contract Price |
| | Accident Level B | 3% × Contract Price |
| | Accident Level A | 5% × Contract Price |
| 1,000,000 ≤ Contract Price ≤ 5,000,000 | Accident Level C | 1% × Contract Price |
| | Accident Level B | 1.5% × Contract Price |
| | Accident Level A | 2% × Contract Price |
| 5,000,000 ≤ Contract Price ≤ 20,000,000 | Accident Level C | 0.5% × Contract Price |
| | Accident Level B | 0.7% × Contract Price |
| | Accident Level A | 1% × Contract Price |
| 20,000,000 ≤ Contract Price ≤ 100,000,000 | Accident Level C | 0.3% × Contract Price |
| | Accident Level B | 0.5% × Contract Price |
| | Accident Level A | 0.7% × Contract Price |
| Contract Price ≥ 100,000,000 | Accident Level C | 0.2% × Contract Price |
| | Accident Level B | 0.3% × Contract Price |
| | Accident Level A | 0.5% × Contract Price |

For the Property Loss and Environment Damage accident, the Maximum HSSE Liquidated Damages for each accident shall be compensated as below:

| Trigger | Maximum HSSE Liquidated Damages for each accident [Property Loss] | Maximum HSSE Liquidated Damages for each accident [Environment Damage] |
|------------------|---|--|
| Accident Level C | 40% × Direct Property Loss | 40% × Direct Property Loss |
| Accident Level B | 70% × Direct Property Loss | 70% × Direct Property Loss |
| Accident Level A | 100% × Direct Property Loss | 100% × Direct Property Loss |

Note:

- a) Company has the sole and absolute right to determine the actual amount of the HSSE Liquidated Damages within the Maximum HSSE Liquidated Damages standard aforementioned, based on the Company's investigation report, taking into consideration the cause and nature of the accident, the severity, the actions taken by

Contractor, etc. Company has the right to take further actions with respect to the accident.

- b) The Direct Property Loss of an accident shall be calculated in accordance with Company's investigation report.
- c) If the contract price of the Agreement is based on unit price rather than lump sum, for the calculation of the HSSE Liquidated Damages, the Contract Price hereunder shall be deemed to be the service fees actually incurred from the effective date of the Agreement to the date when the accident happens.
- d) In respect of the Level A accident, Company has the right to terminate the Agreement upon written notice to Contractor.
- e) In respect of Environment Damage, Company shall be entitled to liquidated damages at the higher of:
 - i: oil leakage volume \times SOMO oil price, plus maintenance and material fee, any fines, penalties, costs and charges imposed on Company by any governmental authority;
 - ii: the actual amount of the HSSE Liquidated Damages determined by Company in accordance with the rates in the table above.
- f) If the Person Injured /Fatalities and/or Property Loss and/or Environment Damage happen in the same accident, the HSSE Liquidated Damages could be calculated accumulatively or using the higher or highest amount, subject to Company's sole and absolute discretion and determination, taking into consideration the cause and nature of the accident, the severity, the actions taken by Contractor, etc.

(2) Warning Letter and corresponding HSSE Liquidated Damages and other remedies

1) Warning Letter

Company has the right to issue Warning Letter which signed by the General Manager of Company to Contractor if Contractor or its servants, agents and subcontractors substantially fails to comply with the HSSE Requirements, including but not limited to any of the following unsafe action or unsafe condition, which has or will give rise to HSSE risk or accident:

- a) Reject or disturb HSSE Requirements on purpose.
- b) Violations or intentional actions which may cause unacceptable consequence to Company.
- c) Conceal incident, delay incident report, organize emergency response not immediately which cause secondary disaster, or refuse or fail to cooperate in accident investigation.

2) HSSE Liquidated Damages and other remedies for Warning Letter

| Trigger | HSSE Liquidated Damages and other remedies [per each warning letter] |
|--------------------------------|--|
| 1 st Warning Letter | N/A |
| 2 nd Warning Letter | 0.05% \times Contract Price |
| 3 rd Warning Letter | Company has the right to reject Contractor's bidding or participation in any Company's procurement, within a period from the issuance of the 3 rd Warning Letter to the second anniversary of the completion the expire date or termination of the Agreement (whichever is earlier).. |

APPENDIX F
CONTRACTOR REQUIRED INSURANCE

- (a) Workers' Compensation or Personal Accident insurance, or its equivalent, in compliance with Applicable Law, whether or not Contractor is required by such law to maintain such insurance, and Employer's Liability insurance with limits not less than [insert number in words] US Dollars (\$insert figure) per occurrence, covering all personnel of Contractor;
- (b) commercial automobile liability insurance written on an occurrence basis with a limit of not less than [*insert number in words*] Dollars (\$*insert figure*) per accident for bodily injury and property damage covering all owned, hired and non-owned vehicles used by Contractor Group in the performance of the Work;
- (c) commercial general liability insurance with limits of not less than [*insert number in words*] Dollars (\$*insert figure*) per accident for bodily injury and property damage including contractual liability covering the indemnity obligations included in this Agreement, sudden and accidental pollution liability for risks assumed by the Contractor under this Agreement (provided that Contractor shall be permitted to self-insure such sudden and accidental pollution liability risk), broad form property coverage, personal injury, contractor's protective liability, completed operations, contingent employer's liability and incidental medical malpractice;
- (d) All risks insurance covering the full replacement value of Contractor Group property, Contractor's Equipment and Company Procured Materials used by Contractor Group for the performance of the Work, but not incorporated into or forming part of the Project Facilities; including removal of wreck/debris coverage.

Any other insurance which may be relevant and/or which may be required by any Applicable Laws to which Contractor and/or Subcontractors are subject to or required by the Company.