

## **GENERAL INFORMATION**

The CONTRACTOR Reference associated with this SERVICE ORDER is **XX**.

This reference is included only insofar as it relates to the price and supply of the WORK commenced under this SERVICE ORDER. The terms and conditions referenced below shall govern the supply of Services/ Rental Equipment and the CONTRACTOR reference shall in no way supersede these terms.

## **ENQUEST HEATHER LIMITED - SERVICE ORDER TERMS AND CONDITIONS**

The COMPANY (named above) wishes that certain WORK shall be carried out and the CONTRACTOR (named above) wishes to carry out the WORK in accordance with the terms of this SERVICE ORDER. Such WORK shall be provided in accordance with LOGIC General Conditions of Contract for Services (On and Offshore) – Edition 2 – October 2003 (copies of which are deemed to be in the possession of both the COMPANY and the CONTRACTOR - <http://www.logic-oil.com/standard-contracts/documents>), in conjunction with the following special conditions. The terms shall be read as one document. In the event of ambiguity or contradiction between the General Conditions of Contract and the Special Conditions the Special Conditions shall take precedence over the General Conditions of Contract.

### **1 DEFINITIONS**

“AFFILIATE” - delete definition in its entirety and replace with the following – “shall mean means in relation to a Party:

(a) if the Party is a subsidiary of another company the Party’s ultimate holding company and any subsidiary (other than the Party itself) of the Party’s ultimate holding company; or

(b) if the Party is not a subsidiary of another company any subsidiary of the Party;

and for the purposes of this definition the terms “holding company” and “subsidiary” shall have the meanings given to them by section 1159 Companies Act 2006; provided that a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of (i) another person (or its nominee), whether by way of security or in connection with the taking of security, or (ii) its nominee.”

“COMPANY REPRESENTATIVE” – delete “referred to in Clause 3” and replace with “referred to in the SERVICE ORDER”.

“CONTRACT” – delete definition in its entirety and replace with the following – “SERVICE ORDER” shall mean the contract formed by the acceptance of this SERVICE ORDER, including the abovementioned General Conditions of Contract for Services as amended by the special conditions referred to in this SERVICE ORDER. Any references to “CONTRACT” within the General Conditions of Contract shall be deemed to be replaced with “SERVICE ORDER”.

“CONTRACT PRICE” - delete definition in its entirety and replace with the following – “SERVICE ORDER PRICE” shall mean the price for the WORK as set out in the SERVICE ORDER. Any references to “CONTRACT PRICE” within the General Conditions of Contract shall be deemed to be replaced with “SERVICE ORDER PRICE”.

“CONTRACTOR GROUP” – Line 1, after “its subcontractors” insert “of any tier”.

“CONTRACTOR GROUP” – Line 2 after “directors” insert “agents, invitees”.

“CONTRACTOR GROUP” - Line 5, after “WORK” insert “onshore or”.

“CONTRACTOR GROUP” - Line 5, after “wellsite” insert “or at any fabrication yard or construction site”.

“CONTRACTOR REPRESENTATIVE” – delete “referred to in Clause 3” and replace with “referred to in the SERVICE ORDER”.

“SUBCONTRACT” -Line 2 after “party” insert “and between that party and their SUBCONTRACTORS of any tier”.

Insert new Clause 1.16 as follows: “WILFUL MISCONDUCT” means an intentional or reckless disregard by a director, officer or employee (including agency personnel) of a party of good oilfield practice or any of the terms of this SERVICE ORDER in utter disregard of avoidable and harmful consequences.

### **3 COMPANY AND CONTRACTOR REPRESENTATIVE**

3.1(a) Line 2, delete “Appendix 1 to Section I – Form of Agreement” and replace with “the SERVICE ORDER”.

### **5 OFFSHORE TRANSPORTATION**

5.1 Line 5, delete “Appendix 1 to Section I – Form of Agreement” and replace with “the SERVICE ORDER”.

### **6 CONTRACTOR TO INFORM ITSELF**

6.1 Line 5, delete “Section III – Remuneration” and replace with “the SERVICE ORDER”.

### **7 CONTRACTOR TO INFORM COMPANY / COMPANY TO INFORM CONTRACTOR**

7.1 Line 1 after “notify” insert “in writing”.

Line 7, replace “show” with “justify with supporting documentation to the COMPANY’s satisfaction”.

7.2 Line 1, delete “requirements of Section V – Health, Safety and Environment and”.

Line 2 after “notify” insert “in writing”.

Line 4 after “notify” insert “in writing”.

At the end of the first sentence insert - “The CONTRACTOR shall allow the COMPANY to participate in any investigation into such accidents and if requested shall provide a full copy of any accident report and / or any investigation report to the COMPANY as soon as such reports become available.”

7.3 Line 1 after “notify” insert “in writing”

At the end of the first paragraph insert:

“including, but not limited to, any disputes between the CONTRACTOR and its SUBCONTRACTORS.”

### **8 ASSIGNMENT AND SUBCONTRACTING**

8.2(b) Paragraph 1, add the following new sentence at the end of the sub-clause, “Any such review by the COMPANY or entry into a SUBCONTRACT shall not relieve the CONTRACTOR from its obligations or liabilities under the SERVICE ORDER.”

- 8.2(e) Insert new Clause 8.2(e) as follows: - The CONTRACTOR shall ensure that any SUBCONTRACT entered into by the CONTRACTOR shall contain as a minimum, provisions the same, mutatis mutandi, as those contained in Clauses 10, 13, 16, 17, 19, 21, 22, 24, 25, 26, 27 and 32 of this SERVICE ORDER. Any failure by the CONTRACTOR to negotiate like terms within any such SUBCONTRACT shall not rediminish, relinquish nor reduce any liability or obligation which the CONTRACTOR has to the COMPANY under the SERVICE ORDER”.

## **CLAUSE 9 CONTRACTOR PERSONNEL**

- 9.2 In line 1 after “WORK” insert “including, but not limited to, employees of the CONTRACTOR, SUBCONTRACTORS of any tier including agency personnel,”

- 9.7 Delete in full and replace with the following:

"The CONTRACTOR shall be responsible for and shall ensure that, prior to being engaged in the performance of the WORK, all personnel engaged by the CONTRACTOR and any SUBCONTRACTOR in relation to the performance of the WORK comply with all applicable laws including, without limitation, immigration laws and that all such personnel have an entitlement to work in the United Kingdom for the duration of the SERVICE ORDER. At the request of the COMPANY evidence of an individual's entitlement to work in the United Kingdom shall be immediately provided by the CONTRACTOR to the COMPANY.

The CONTRACTOR shall save, indemnify, defend and hold harmless the COMPANY GROUP from and against any loss including, without limitation, fines, penalties, charges, costs (including legal costs) and expenses incurred by the COMPANY GROUP in connection with the CONTRACTOR'S failure to comply with its obligations pursuant to this Clause 9.7.

This clause will survive the expiry or earlier termination of the SERVICE ORDER.”

- 9.9 Insert new Clause 9.9 as follows:

"The CONTRACTOR warrants that all personnel engaged by it to perform the WORK or any part or parts thereof shall in no circumstances nor for any purpose be deemed to be employees or workers of the COMPANY and the CONTRACTOR shall be responsible for and shall save, indemnify, defend and hold harmless the COMPANY GROUP against all claims, losses, damages, costs (including legal costs) and expenses whatsoever resulting from or in any way connected with the employment or worker status of those personnel and all benefits and rights adhering thereto including, without prejudice the foregoing generality, claims for wages, salary, holiday pay, unfair dismissal, notice or payment in lieu of notice and redundancy payments. Nothing in this SERVICE ORDER shall constitute the relationship of master and servant or employer and employee between the COMPANY and said personnel. The parties agree that there is no mutuality of obligations whatsoever between the COMPANY and said personnel in respect of all or any part or parts of the WORK under this SERVICE ORDER or during any period when the WORK is so performed."

## **10 EXAMINATION AND DEFECTS CORRECTION**

- 10.2(a) Line 2, after “CONTRACT” delete the remaining clause and insert “,the WORK will conform to specification and where no specification is included within the SERVICE ORDER the WORK will be fit for its intended purpose and will be free from defects.”

- 10.2(b) Paragraph 1, line 3, delete “specified in Appendix 1 to Section I – Form of Agreement” and replace with “which shall be twenty-four (24) months commencing at the date at which the WORK or the relevant part of the WORK was completed.”

Paragraph 2, line 4, delete “specified in Appendix 1 to Section I – Form of Agreement” and replace with “of twenty-four (24) months”.

## **12 FORCE MAJEURE**

12.6 Insert New Clause 12.6:

“Notwithstanding the above, the COMPANY shall be entitled to terminate the SERVICE ORDER if the force majeure occurrence delays the WORK for a period of 90 days.”

## **13 SUSPENSION**

13.2(b) After “by the COMPANY” insert “and shall use all reasonable endeavours to minimise costs and expenditure during suspension.”

13.4 Line 3, delete “Section III – Remuneration” and replace with “the SERVICE ORDER”.

13.8 Line 2/3, delete “the period stated in Appendix 1 to Section I – Form of Agreement” and replace with “a period of thirty (30) days”.

Line 3 after “serve a” insert “written”

Line 6 after “further” insert “written”

## **14 TERMS OF PAYMENT**

14.1 Line 2, delete “Section III – Remuneration” and line 3, delete “Section III” and replace both with “the SERVICE ORDER”.

14.2 Line 4, delete “Section III – Remuneration” and replace with “the SERVICE ORDER”.

14.3 Paragraph 2, line 2/3 delete “after the time specified in Appendix 1 to Section I – Form of Agreement” and replace with sixty (60) days”.

14.4 Delete Clause 14.4 in its entirety and replace with “Value Added Tax shall be added to the SERVICE ORDER PRICE as appropriate. To the extent that payments to be made under the SERVICE ORDER attract Value Added Tax, such Value Added Tax shall be payable by the COMPANY to the CONTRACTOR where the CONTRACTOR is required to account to the tax authority for such Value Added Tax and by the COMPANY to the tax authority where the COMPANY is required to account for such Value Added Tax. Where appropriate, the CONTRACTOR shall issue to the COMPANY a proper Value Added Tax invoice, which shall detail the proper amount of such Value Added Tax payable by the COMPANY to the CONTRACTOR.”

14.5 Delete it its entirety and replace with “Each invoice shall quote the SERVICE ORDER number and be forwarded to the address referenced on the SERVICE ORDER. All invoices shall be supported by the relevant documentation as appropriate, including but not limited to COMPANY approved timesheets, Payment certificates for reimbursable goods, materials and services, Third party invoices and Receipts.”

14.9 Line3, delete “the annual percentage stated in Appendix 1 to Section I – Form of Agreement” and replace with “one percent (1%)”.

## **15 TAXES AND TAX EXEMPTION CERTIFICATES**

Delete Clause 15 in its entirety and replace with the following:

15.1 The CONTRACTOR shall, in accordance with the provisions of Clause 18, except as may otherwise be provided in Section III- Remuneration, be responsible for:

- (a) the payment of all taxes, duties, levies, charges and contributions (and any interest or penalties thereon) for which the CONTRACTOR is liable as imposed by any appropriate governmental authority whether of the United Kingdom or elsewhere, whether or not they are calculated by reference to the wages, salaries, benefits or expenses and other

remuneration paid directly or indirectly to persons engaged or employed by the CONTRACTOR; and

- (b) the payment of all taxes, duties, levies, charges and contributions (and any interest or penalties thereon) including but not limited to income, profits, corporation taxes and taxes on capital gains, turnover and added value taxes for which the CONTRACTOR is liable, whether arising in the United Kingdom its territorial waters, its continental shelf or elsewhere, now or hereafter levied or imposed by any appropriate governmental authority whether of the United Kingdom or elsewhere, arising from this SERVICE ORDER; and
- (c) compliance with all statutory obligations to make deductions on account of tax and remit the required amounts to any appropriate governmental authority whether of the United Kingdom or elsewhere, including, but not limited to income tax, PAYE, national insurance, employee taxes, charges, social security costs, levies and contributions whether or not they are measured by the wages, salaries or other remuneration or benefits paid to persons employed by the CONTRACTOR, or persons providing services in connection with the SERVICE ORDER to the CONTRACTOR, and the imposition of a similar obligation upon all SUBCONTRACTORS or any other persons employed by them or providing services to them in connection with the SERVICE ORDER; and
- (d) ensuring that any SUBCONTRACTOR or any other person employed, or providing services on or in connection with the SERVICE ORDER shall comply with this Clause.

15.2 The CONTRACTOR shall supply to the COMPANY all such information, in connection with activities under the SERVICE ORDER, as is necessary to enable the COMPANY to comply with the lawful demands for such information by any appropriate government authority whether of the United Kingdom or elsewhere.

15.3 Where the CONTRACTOR, any SUBCONTRACTOR or any other person employed by them, or providing services to them on or in connection with the SERVICE ORDER, is or may become liable for tax as a result of the operation of Part 7A of the Taxes Management Act 1970 and/or Section 1013 of the Income Tax Act 2007 and/or section 1313 of the Corporation Act 2009 and/or Section 1170 of the Corporation Tax Act 2010 and/ or Section 276 of the Taxation of Chargeable Gains Act 1992 (or, in each case, any amending legislation), and if such a person, within forty five (45) days of the EFFECTIVE DATE OF COMMENCEMENT OF THE SERVICE ORDER, is not able to exhibit to the reasonable satisfaction of the COMPANY that the person is "resident" for tax purposes within the United Kingdom, the CONTRACTOR shall, where the WORK or any part thereof is to be performed within the United Kingdom and/or within a "designated area", obtain for itself and procure that any such SUBCONTRACTOR or other person employed by them, or providing services to them on or in connection with the SERVICE ORDER, obtains an exemption certificate from an officer of HM Revenue and Customs in favour of the COMPANY in accordance with Section 77F of the Taxes Management Act 1970 and any amendment thereto. The CONTRACTOR shall immediately upon receipt thereof, forward such certificate to the COMPANY or where such certificate is refused, the CONTRACTOR shall upon being so informed, immediately notify the COMPANY of such refusal. In the event that the person ceases to be so resident or such exemption certificate is cancelled the CONTRACTOR shall immediately advise the COMPANY of such event.

If such exemption certificate is not obtained within forty five (45) days of the EFFECTIVE DATE OF COMMENCEMENT OF THE SERVICE ORDER, or having been obtained is subsequently withdrawn, the COMPANY shall have the right to make deductions from any amounts due to the CONTRACTOR up to the maximum estimated potential tax liability arising to the person or persons whose exemption certificate has not been obtained or has been withdrawn, as reasonably computed by the COMPANY, arising out of the SERVICE ORDER.

In the event that any such deductions are made by the COMPANY, these shall be paid to the CONTRACTOR on the receipt by the COMPANY of satisfactory evidence that the CONTRACTOR, SUBCONTRACTOR or other person employed by them or providing services to them on or in connection with the SERVICE ORDER has paid all taxes arising out

of the SERVICE ORDER and HM Revenue and Customs will not be serving a notice on the COMPANY under Section 77C of the Taxes Management Act 1970.

"designated area" shall for the purpose of this Clause bear the same meaning as that given to the "UK sector of the Continental Shelf" in Section 874 of the Income Tax (Trading and Other Income) Act 2005 and/or "designated area" in Section 278 of the Corporation Taxes Act 2010 and/ or "designated area" in Section 276 of the Taxation of Chargeable Gains Act 1992.

"resident" shall for the purpose of this Clause mean that the company or person is regarded by HM Revenue and Customs as United Kingdom resident.

If the CONTRACTOR subcontracts any part of the CONTRACT to a SUBCONTRACTOR who is not resident in the UK for tax purposes the CONTRACTOR must provide to the COMPANY details of all such SUBCONTRACTORS on a quarterly basis to include the following:

- the name of the person or company;
- their main place of business; and
- the licensed area in which the work was carried out.

If the SUBCONTRACTOR's are non-resident divers and diving supervisors the information to be provided is limited to the full name and address of the person(s).

The information to be provided to the COMPANY, no later than thirty (30) days after the end of the calendar quarter, relates only to those non-resident SUBCONTRACTORS working in connection with the SERVICE ORDER in a licensed area operated by the COMPANY on the last day of the calendar quarter.

- 15.4 "In the event that the CONTRACTOR is or becomes a contractor under the terms of Chapter 3 of Part 3 of the Finance Act 2004 ("FA 2004") and associated law and regulations for the purposes of the Construction Industry Scheme (referred to as "the Scheme") and where any of the WORK to be performed under this SERVICE ORDER is to be performed within the territorial limits of the UK and involves the performance of construction operations specified in Section 74(2) FA 2004, the CONTRACTOR shall promptly provide the COMPANY with its tax reference and company registration numbers. Within 30 days of the EFFECTIVE DATE OF COMMENCEMENT OF THE SERVICE ORDER, or if earlier, prior to the due date for payment, the COMPANY shall verify with HMRC whether payment can be made to the CONTRACTOR without deduction of tax.

Where at the due date for payment, the COMPANY has verified with HMRC that the CONTRACTOR is registered for the Scheme and is entitled to be paid gross, the COMPANY shall pay any invoiced amounts due to the CONTRACTOR without deduction.

Where at the due date for payment, the COMPANY has verified with HMRC that the CONTRACTOR is registered for the Scheme and should be paid under deduction, the COMPANY will deduct tax at the rate applicable from the full payment due to the CONTRACTOR in respect of such construction operations, except for elements which are exempt from deduction under the terms of Chapter 3 of Part 3 of the FA 2004."

- 15.5 The CONTRACTOR shall save, indemnify, defend and hold harmless the COMPANY against all levies, charges, contributions and taxes of the type referred to in this Clause and any interest or penalty thereon which may be assessed, by any appropriate government authority whether of the United Kingdom or elsewhere, on the CONTRACTOR GROUP in connection with the SERVICE ORDER and from all costs reasonably incurred in connection therewith.
- 15.6 If the COMPANY receives a notice requiring it to pay any levies, charges, contributions or taxes of the types referred to in this Clause and/or any interest or penalty thereon whether with respect to the CONTRACTOR, any SUBCONTRACTOR, their respective AFFILIATES or any other person employed by the CONTRACTOR or any SUBCONTRACTOR or providing any services to the CONTRACTOR or any SUBCONTRACTOR on or in connection with the SERVICE ORDER, the COMPANY shall forthwith notify the CONTRACTOR who shall work with the COMPANY to make all reasonable endeavours to make any valid appeal against such payment. In the event that the COMPANY is ultimately required to make such payment, the

COMPANY may recover from the CONTRACTOR any such sums and all costs reasonably incurred in connection therewith and the CONTRACTOR shall within fourteen (14) days of receiving written notice from the COMPANY pay to the COMPANY any such sum or the COMPANY shall be entitled to deduct such sums from any monies due, or which may become due, to the CONTRACTOR.

- 15.7 The COMPANY shall save, indemnify, defend and hold harmless the CONTRACTOR against all levies, charges, contributions and taxes of the type referred to in this Clause and any interest or penalty thereon which may be assessed, by any appropriate government authority whether of the United Kingdom or elsewhere, on the COMPANY in connection with the SERVICE ORDER and from all costs incurred in connection therewith, other than those taxes and other matters referred to above which the provisions of this Clause allow the COMPANY to recover from the CONTRACTOR.”

## **17 PATENTS AND OTHER PROPRIETARY RIGHTS**

- 17.2(a) Line 3, delete “EFFECTIVE DATE OF COMMENCEMENT OF THE CONTRACT” and replace with “date of the SERVICE ORDER”.

- 17.3(a) Line 3, delete “EFFECTIVE DATE OF COMMENCEMENT OF THE CONTRACT” and replace with “date of the SERVICE ORDER”.

- 17.4 Line 4, delete “party or parties specified in Appendix 1 to Section I - Form of Agreement” and replace with “COMPANY”.

## **18 LAWS AND REGULATIONS**

- 18.3 Line 2, delete “EFFECTIVE DATE OF COMMENCEMENT OF THE CONTRACT” and replace with “date of the SERVICE ORDER”.

Line 4, delete “Section III – Remuneration” and replace with “the SERVICE ORDER”.

## **19 INDEMNITIES**

- 19.1 (a) Insert the following after “CONTRACT” on line 4:

“provided that such loss of or damage to property shall not be as a result of WILFUL MISCONDUCT of any member of the COMPANY GROUP”

- 19.1 (b) Insert the following after “CONTRACT” on line 3:

“provided that such personal injury death or disease shall not be as a result of WILFUL MISCONDUCT of any member of the COMPANY GROUP”

- 19.1 (c) Line 4 after “negligence” insert “,WILFUL MISCONDUCT”.

- 19.2 (a) Insert the following after “CONTRACT” on line 6:

“provided that such loss of or damage to property shall not be as a result of WILFUL MISCONDUCT of any member of the CONTRACTOR GROUP”

- 19.2 (b) Insert the following after “CONTRACT” on line 3:

“provided that such personal injury death or disease shall not be as a result of WILFUL MISCONDUCT of any member of the CONTRACTOR GROUP.”

- 19.2 (c) Line 4 after “negligence” insert “,WILFUL MISCONDUCT”.

- 19.2(d) Line 3, delete “Appendix 1 to Section I – Form of Agreement” and replace with “the SERVICE ORDER, if applicable,”.

Insert the following sentence at the end of the Clause:-

“For the purposes of this Clause 19.2(d) only, consequential losses shall have the same definition assigned to it as contained in Clause 21”

19.5 Insert the following at the end of the paragraph:

“save that where in this SERVICE ORDER a Party gives an indemnity, such indemnity shall not extend, apply or be enforceable to the extent the cause or causes of the event giving rise to the claim is the WILFUL MISCONDUCT of the person or body indemnified.”

19.7 Insert a new Clause 19.7 - “Notwithstanding anything else to the contrary it is agreed that the indemnities contained in the SERVICE ORDER shall be primary, full and without prejudice to any right of contribution from an insurer or any third party.”

## **20 INSURANCE BY CONTRACTOR**

20.2(a) Line 5, delete “required by any applicable legislation” and replace with “of ten million pounds sterling (£10,000,000)”.

Line 6, insert a semicolon after “offshore” and delete the remainder of the Clause.

20.2(b) Line 3, delete “that set out in Appendix 1 to Section I – Form of Agreement” and replace with “ten million pounds sterling (£10,000,000)”.

20.2(d) Line 1, delete “Appendix 1 to Section I – Form of Agreement” and replace with “the SERVICE ORDER”.

## **21 CONSEQUENTIAL LOSS**

21(ii) Line 4, delete “EFFECTIVE DATE OF COMMENCEMENT OF THE CONTRACT” and replace with “date of the SERVICE ORDER”.

In line 5 of the final paragraph after “Consequential Loss” insert “provided that such Consequential Loss is not a result of WILFUL MISCONDUCT of any member of the CONTRACTOR GROUP”

In line 7 of the final paragraph after “Consequential Loss” insert “provided that such Consequential Loss is not a result of WILFUL MISCONDUCT of any member of the COMPANY GROUP”.

## **22 CONFIDENTIALITY**

22.4 Paragraph 2, line 4, delete “EFFECTIVE DATE OF COMMENCEMENT OF THE CONTRACT” and replace with “date of the SERVICE ORDER”.

## **23 CUSTOMS PROCEDURES**

23 The numbering of each sub Clause should be amended to substitute “22” with “23” where it appears.

23 Delete all references to “HM Customs and Excise” in Clause 22 and replace with “HM Revenue and Customs”.

## **24 TERMINATION**

24.1 (d) Insert a new Clause 24.1 (d):

“In the event of a force majeure occurrence which delays the WORK for a period of 90 days.”



24.2 Insert “within the time period set out on such notice of default” after “not” in line 5.

24.3(a) Add “in a prompt and orderly manner with the purpose of mitigating losses, minimising further expenditures and minimising disruptions to the COMPANY’s ongoing operations” after the words “specified in the notice”.

24.4 Insert “(a)” at the beginning of the paragraph.

24.4 (b) Insert new clause 24.4 (b):

“In the event of termination under Clause 24.1 (d) the CONTRACTOR shall be entitled to payment as set out in Section III- Remuneration for the part of the WORK performed up to the date of the force majeure occurrence in accordance with the SERVICE ORDER.”

24.7(a)(iii) Delete sub-clause (iii) in its entirety and replace with “All additional Clauses and Special Conditions of Contract.”

## **Clause 25 AUDIT**

25.1 In line 1 replace the word “thereafter” with “following expiry or earlier termination of the SERVICE ORDER”

## **27 BUSINESS ETHICS**

27 Delete this Clause in its entirety and replace with the following:-

27.1 The CONTRACTOR shall (and shall procure that its SUBCONTRACTOR’s, of any tier, shall) perform the WORK for the COMPANY’s exclusive benefit. The CONTRACTOR and SUBCONTRACTOR’s must provide the diligence and care required to prevent any action or condition that might result in a conflict with the COMPANY’s interests. The CONTRACTOR’s efforts shall include but not be limited to the establishment of measures to prevent its personnel from giving or receiving gifts, payments, loans, or any other inducement for any purpose from any firm, corporation or other body in connection with the performance of the SERVICE ORDER, unless such gift and/or receipt is strictly in accordance with the COMPANY’s Code of Conduct, as defined and fully described at <http://www.enquest.com/responsibility/corporate-social-responsibility/code-of-conduct.aspx>.

27.2 The CONTRACTOR shall:

- (a) comply with all applicable laws, statutes, regulations and codes relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010 (“RELEVANT REQUIREMENTS”);
- (b) not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if such activity, practice or conduct had been carried out in the UK;
- (c) comply (and procure that its employees, agency staff and consultants) comply) with the COMPANY’s Code of Conduct (as if it applied *mutatis mutandis* to the CONTRACTOR (and its employees and agents)), as fully described at <http://www.enquest.com/responsibility/corporate-social-responsibility/code-of-conduct.aspx> throughout the performance of the WORK. The Code of Conduct may be modified from time to time by the COMPANY (acting in its sole discretion) and the Parties acknowledge that where such modifications are notified to the CONTRACTOR in writing, the CONTRACTOR shall strictly comply with the amended Code of Conduct. (“RELEVANT POLICIES”);
- (d) have and shall maintain in place throughout the term of this agreement its own policies and procedures, including but not limited to adequate procedures under the Bribery Act

2010, to ensure compliance with the RELEVANT REQUIREMENTS, the RELEVANT POLICIES and clauses 27.1 and 27.2(b) and will enforce them where appropriate;

- (e) promptly report to the COMPANY any request or demand for any undue financial or other advantage of any kind received by the CONTRACTOR in connection with the performance of this agreement;
- (f) immediately notify the COMPANY (in writing) if a foreign public official becomes an officer or employee of the CONTRACTOR or acquires a direct or indirect interest in the CONTRACTOR and the CONTRACTOR warrants that it has no foreign public officials as direct or indirect owners, officers or employees at the date of this SERVICE ORDER.

27.3 The CONTRACTOR shall ensure that any person associated with the CONTRACTOR who is performing services or providing equipment, labour or material in connection with the WORK does so only on the basis of a written contract which imposes on and secures from such person terms equivalent to those imposed on the CONTRACTOR in this Clause 27 ("RELEVANT TERMS"). The CONTRACTOR shall be responsible for the observance and performance by such persons of the RELEVANT TERMS, and shall be directly liable to the COMPANY for any breach by such persons of any of the RELEVANT TERMS.

27.4 For the purpose of this Clause 27, the meaning of adequate procedures, foreign public official and whether a person is associated with another person shall be determined in accordance with section 7(2) of the Bribery Act 2010 (and any guidance issued under section 9 of that Act) and section 8 of that Act respectively. For the purpose of this Clause 27, a person associated with the CONTRACTOR includes but is not limited to any member of the CONTRACTOR GROUP.

27.5 Any breach of this Clause 27 shall constitute a material breach of the SERVICE ORDER.

27.6 The CONTRACTOR's compliance with the provisions of this Clause 27 is subject to audit by the COMPANY."

## **28 GENERAL LEGAL PROVISIONS**

28.4 Insert the following as the last paragraph:

"Nothing in the SERVICE ORDER is intended to, or shall be deemed to, constitute a partnership or joint venture of any kind between any of the parties, nor constitute any party the agent of another party for any purpose. No party shall have authority to act as agent for, or to bind, the other party in any way."

28.5 Delete the first paragraph and replace with the following:

"This SERVICE ORDER, and any non-contractual rights or obligations arising out of or in connection with it or its subject matter, shall be governed by and construed in accordance with English law and each of the parties agrees that, subject to the provisions of Clause 30, the courts of England shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this SERVICE ORDER or its subject matter."

28.6 Line 2 after "telefax" insert ", email".

Line 2, delete "Appendix 1 to Section I – Form of Agreement" and replace with "the SERVICE ORDER".

28.6(b) Line 1, after "telefax" insert "or email".

## **29 LIMITATIONS OF LIABILITY**

29.1 In the final paragraph on line 4 after "Clause 19" insert "or where any member of the CONTRACTOR GROUP has acted in a WILFUL MISCONDUCT manner."

29.1(a) and (b), delete references to "the sum specified in Appendix 1 to Section I – Form of Agreement" and replace with "one hundred and fifty percent (150%)."

29.2 Line 2, delete "described in Appendix 1 to Section I – Form of Agreement" and replace with "as defined by Statutory Law".

## **30 RESOLUTION OF DISPUTES**

30.1 Line 1 after "dispute" insert "whether contractual or non-contractual".

30.1(b) Line 2, delete "two persons named in Appendix 1 to Section I – Form of Agreement" and replace with "respective Managing Directors of each party".

## **31 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT**

31.2 Add the following new sentence at the end of the sub-Clause, "For the purposes of clause 35.2 only, 'Third Party' shall also be deemed to include 'OTHER CONTRACTOR' and 'OTHER CONTRACTOR GROUP'.

## **32 HEALTH, SAFETY AND ENVIRONMENT**

Rename the Clause - **HEALTH, SAFETY, ENVIRONMENT & QUALITY**

Clause 32.2 and 32.3, delete "of Section V – Health, Safety and Environment" and replace with "this Clause 32".

32.2 Delete the final sentence of this clause.

Add the following new clauses 32.5:

32.5 "The CONTRACTOR must have in place and be actively using a formal HSEQ management system(s) which demonstrates commitment to continuous improvement and excellence in HSEQ issues. The Health and Safety Executive publication HSG 65 'Successful Health and Safety Management', BS EN ISO 9001:2008, BS EN ISO 14001:2004 and BS EN OHSAS 18001:2007 may be used as guidance for what constitutes an effective process for overall HSEQ management.

The CONTRACTOR's HSEQ management system(s) shall be adequately documented, shall be shown to be effective in implementing the aims and objectives of the CONTRACTOR's HSEQ policy, and shall include provisions for auditing the effectiveness of the CONTRACTOR's HSEQ management system(s) as applied to the WORK.

The CONTRACTOR shall observe and comply with all relevant and current statutory requirements, approved codes of practice and industry guidance on HSEQ matters.

The CONTRACTOR shall have a formal system of Competence Assurance in place for personnel provided by the CONTRACTOR GROUP. Personnel provided by the CONTRACTOR shall be properly qualified, skilled, experienced and competent in their respective disciplines to a recognised industry standard, where available.

The CONTRACTOR's HSEQ management system shall, where relevant interfaces exist, be compatible with the COMPANY's HSEQ management system. Where appropriate, the interfaces between the CONTRACTOR and the COMPANY shall be documented in the form

of an HSEQ Management System (HSEMS) Interface Document, which shall be deemed part of the SERVICE ORDER.

The CONTRACTOR shall submit a formal monthly report to the COMPANY REPRESENTATIVE, where applicable, which summarises its HSEQ performance in the preceding reporting period.

Where applicable, the CONTRACTOR shall ensure that similar standards apply to the HSEQ management system(s) used by all SUBCONTRACTORS.

### **33 INCIDENTAL LOSSES**

33 Insert new Clause 33 as follows:-

"CONTRACTOR shall be liable for all INCIDENTAL COSTS incurred by COMPANY GROUP as a result of CONTRACTOR GROUP's failure to perform the WORK in accordance with the SERVICE ORDER.

For the purposes of this Clause 33, INCIDENTAL COSTS shall mean those costs (over and above the costs of re-performing any defective WORK), which are directly incurred by COMPANY as a result of CONTRACTOR's failure to perform the WORK in accordance with the SERVICE.

Such costs shall include but not be limited to making the WORK safe, where necessary, accommodation, catering, transportation, personnel, plant, equipment and materials and the mobilisation and demobilisation thereof, and any like costs incurred by COMPANY from COMPANY's other contractors.

This Clause 33 shall apply whether COMPANY elects to rectify or re-perform any WORK under the auspices of Clause 10.2(b) and 10.2(c) or whether COMPANY solely decides to abandon any such rectification or re-performance of the WORK.

For the avoidance of doubt the Parties agree that INCIDENTAL COSTS shall not be deemed to be Consequential Loss as defined in Clause 21"

### **34 INDUSTRY MUTUAL HOLD HARMLESS (IMHH)**

34 Insert new Clause 34 as follows:-

34.1 Notwithstanding the provision of Clauses 8.2(e), Clause 19 and Clause 21:

34.1.1 The CONTRACTOR is obliged to confirm that it is a signatory to the current Industry Mutual Hold Harmless Deed and the Industry Mutual Hold Harmless Deed 2012.

34.1.2 The CONTRACTOR shall use its reasonable endeavours to ensure that its SUBCONTRACTORS (of any tier) are also signatories to the current Industry Mutual Hold Harmless Deed and the Industry Mutual Hold Harmless Deed 2012.

34.1.3 The CONTRACTOR shall save, indemnify, defend and hold harmless the COMPANY GROUP against all claims, losses, damages, costs (including legal costs) expenses and liabilities in respect of any breach of this clause 34.1.

34.2 Notwithstanding the provision of Clauses 8.2(e), Clause 19 and Clause 21, if the CONTRACTOR or any member of the CONTRACTOR GROUP, OTHER CONTRACTOR or OTHER CONTRACTOR GROUP is not a signatory to the Industry Mutual Hold Harmless Deed throughout the entirety of their respective contracts, or where the Industry Mutual Hold Harmless Deed does not apply, the following shall apply:

(a) Commencing from the effective date on which any OTHER CONTRACTOR became bound by a clause effectively containing the same undertakings as this

clause 34.2 in any contract which any OTHER CONTRACTOR has entered into with the COMPANY, and for the duration that the OTHER CONTRACTOR remains bound by the provisions of such clause, the CONTRACTOR shall save, indemnify, defend and hold harmless the OTHER CONTRACTOR GROUP from and against all claims, losses, damages, costs (including legal costs), expenses and liabilities in respect of:

- (i) loss of or damage to property of the CONTRACTOR GROUP whether owned, hired, leased or otherwise provided by the CONTRACTOR GROUP arising from or relating to the performance of the CONTRACT; and
  - (ii) personal injury including death or disease to any person employed by the CONTRACTOR GROUP arising from or related to the performance of the CONTRACT; and
  - (iii) any consequential loss sustained by the CONTRACTOR GROUP. Consequential losses shall mean indirect losses and / or loss of production, loss of product, loss of use and loss of revenue, profit or anticipated profit, arising from or relating to the performance of the CONTRACT, whether or not such losses were foreseeable at the time of entering into the CONTRACT.
- (b) All exclusions and indemnities given under this clause 34.2 shall apply irrespective of cause notwithstanding the negligence or breach of duty (whether statutory or otherwise) of the indemnified party or any other entity or party and shall apply irrespective of any claim in tort, under contract or otherwise at law.
- (c) All the CONTRACTOR's insurances shall be endorsed to provide that underwriters waive any rights of recourse, including in particular subrogation rights against the OTHER CONTRACTOR and its AFFILIATES to the extent of the obligations assumed herein.
- (d) For the purpose of this clause 34.2, the following definitions in addition to those set out in Clause 1 shall apply –
- (i) "OTHER CONTRACTOR" shall mean any other contractor, other than members of the CONTRACTOR GROUP, engaged by the COMPANY to perform work or the provision of goods, equipment, materials or service contract(s) with the COMPANY; and
  - (ii) "OTHER CONTRACTOR GROUP" shall mean the OTHER CONTRACTOR, its subcontractors of any tier, its and their AFFILIATES, its and their respective directors, officers and employees (including agency personnel) but still shall not include any member of the COMPANY GROUP or the CONTRACTOR GROUP."

## **35 INFORMATION USAGE POLICY**

Insert new Clause 35 as follows:-

35.1 "The CONTRACTOR shall comply (and procure that its employees, agency staff and consultants comply) with the COMPANY's Information Usage Policy (as if it applied mutatis mutandis to the CONTRACTOR (and its employees, agency staff and consultants)), as fully described at [ENQ-COR-IT-POL-00007](#). The Information Usage Policy may be modified from time to time by the COMPANY (acting in its sole discretion) and the Parties acknowledge that where such modifications are notified to the CONTRACTOR in writing, the CONTRACTOR shall strictly comply with the amended Information Usage Policy."

**REMUNERATION:**

For satisfactory provision of the Services/ Rental Equipment in accordance with this SERVICE ORDER, the COMPANY shall reimburse the CONTRACTOR in accordance with the prices herein.

The COMPANY shall not accept the CONTRACTOR's invoices for WORK where prices have not been agreed in writing between the parties via a variation to the CONTRACT.

**ADMIN INSTRUCTIONS:**

Invoices which do not include the required information will be rejected and returned.

Good quality scanned invoices should be submitted to [accounts-invoices@enquest.com](mailto:accounts-invoices@enquest.com).

Any Invoicing/Payment queries please contact: [accounts-queries@enquest.com](mailto:accounts-queries@enquest.com)

The terms and conditions of this SERVICE ORDER will apply to the exclusion of any other term which the CONTRACTOR seeks to impose or incorporate (whether in any form of acknowledgement, delivery note, invoice or otherwise) or which are implied by trade, custom, practice or course of dealing.

By signing below the CONTRACTOR's authorised representative confirms that the CONTRACTOR shall supply the Services/ Rental Equipment in accordance with the terms and conditions of this SERVICE ORDER. In the event that the CONTRACTOR does not return a signed SERVICE ORDER to the COMPANY but supplies the Services/ Rental Equipment detailed herein, then the CONTRACTOR shall be deemed to have accepted the terms and conditions of this SERVICE ORDER:

Signature:

Name:

Title:

Date: