

TERMS AND CONDITIONS OF ENGINEERING SERVICES BLRT 2022

1. General

Consultant – as defined in Contract – and their subsidiaries and affiliates (individually and collectively "Consultant") provide services in the marine and offshore industry ("Services") to the recipients of such Services ("Client"). Consultant and Client are hereby collectively referred to as "Parties."

2. Applicable terms and conditions

These Consultant Terms and Conditions ("T&C's") shall govern the provision of all Services by Consultant to Client and Client's continual instructions and/or performance in accordance with these T&C's shall constitute an agreement of the same.

Any terms and conditions other than these T&C's shall not bind Consultant. Consultant's failure to object to any amendments, alterations, additions or proposals contained in any email, purchase order or other form or document from Client shall not be construed as a waiver of these T&C's or an acceptance of any such amendments, alterations, additions or proposals.

3. Client Information

Client warrants in connection with the Services that, prior to the execution of such Services by Consultant, he has provided Consultant with all data, calculations, information and records ("Information") he requires to execute the Services fully and to his satisfaction and that all Information provided: a) is factual information, complete, true and accurate in all material respects; 2) and if such Information was a Services related projection or forecast, that this is explicitly identified as such in writing to Consultant prior to the Services being performed by Consultant and that such a projection or forecast is prepared on the basis of recent historical information and on the basis of reasonable assumptions and was arrived at after careful consideration; c) and if such Information was an opinion or intention, that this is explicitly identified as such in writing to Consultant prior to the Services being performed by Consultant and is made after careful consideration and was fair and made on reasonable grounds.

4. Services Information

Except as explicitly provided for in these T&C's, the Services provided by Consultant to Client does not create any right, license or entitlement of Client to Consultant's confidential or proprietary information ("Services Information"). In particular, Client will not by virtue of the possession or use of Services Information acquire any right to or proprietary interest in such Services Information, or any right of prior use regarding patentable inventions comprised in Services Information if Consultant, subsequent to the disclosure, applies for intellectual property rights on such inventions. Client shall not directly or indirectly, claim or assert any legal right to Services Information of Consultant, whether by means of patent application or otherwise.

Notwithstanding the above wording of Section 4, any:

- intellectual property, knowhow or knowledge substantially derived from Services Information and not existing at the effective date of the contract; and
- intellectual property rights thereto will vest in Consultant.

Any Services Information disclosed as part of the Services is provided "AS IS". Consultant hereby specifically disclaims any warranty, express and implied, as to: a) the accuracy, completeness, utility, fitness for any purpose or merchantability of any part of the Services Information disclosed by or on behalf of it; and b) the freedom from infringement of any intellectual property right by Client's use of Services Information of Consultant, regardless of any verbal or written statement made in connection with it.

Any Information provided as part of the Services by Consultant can contain trade secrets and confidential proprietary knowhow of Consultant.

Any use or disclosure by Client other than the permitted use or disclosure under these T&C's will constitute misappropriation of Consultant's intellectual property and may result in civil or criminal liability. Furthermore, Services Information provided by Consultant is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation. Any disclosure of Services Information by Client to a third party requires Consultant's prior written approval.

5. Duty of care

Notwithstanding any legal requirement of any relevant jurisdiction, Consultant shall have no liability other than in respect of failure to exercise the reasonable skill, care and diligence to be expected from a professional service provider experienced in the provision of such services comprising the Services for projects of similar size, nature and complexity.

6. Performance of services and acceptance

Consultant undertakes to carry out Services in a workmanlike manner and with qualified personnel.

Client shall enter into an agreement with a servicing technician, or shall use its own personnel, to timely provide any primary data, explanations, clarifications, calculations, engineering, drawings, technical solutions and approval (confirmation) of Consultant's requests. Client shall cooperate and provide assistance to Consultant to ensure that Consultant is enabled to undertake the Services, and will, likewise, require its personnel to co-operate with Consultant and designate a representative with whom Consultant may have direct contact. Client acknowledges that, during the course of providing Services, Consultant may recommend that the services shall be changed or supplemented.

Without written permission of Consultant, Client shall have no right to directly or indirectly employ Consultant's personnel for any installation, service, repair or maintenance services, consulting or works and no responsibility for same is taken by Consultant. This restriction shall be valid for 5 years from completion of the Services under the last Contract.

Consultant has the right to suspend the performance of its obligations under the Contract if it is reasonably clear from the circumstances that Client will not be able to perform its obligations as stated in the Contract.

Consultant together with certain scope of performed works provides to Client a protocol of completed services ("Protocol"). Protocol is provided via e-mail.

Client is obliged to confirm Protocol or provide substantiated grounds of rejection within 5 working days from receipt of Protocol. If Client does not approve Protocol and does not provide substantiated grounds of rejection, it is considered, that he unconditionally accepts the Services (being in all respect satisfactory to Client and in full conformity with the Contract) and irrevocably undertakes to pay for the Services. In such case Consultant provides an invoice on the basis of Protocol. Such invoice shall be paid by Client according to the Contract.

7. Compensation and payment

All prices quoted in the offer and submitted by Consultant and all prices stated in Consultant's price list (if provided to Client personally) are net and exclude taxes, duties and similar assessments which are payable in addition as applicable. Consultant reserves the right to make changes in the price list without prior notice. Unless otherwise agreed, payment is to be made by bank remittance in the currency and to the bank account set forth in the invoice upon completion of the Services. Payment shall be made in full without any set off, counterclaim or deduction, all expenses for remitting payments being borne by Client.

Client shall pay interest on overdue payments from the maturity date until the actual date of payment at the rate of one and one quarter percent (1.25%) per month, compounded annually. Client shall pay Consultant all costs related to the collection of overdue amounts, including attorneys' fees. In the event any payment is more than fourteen (14) days late, Consultant shall be entitled to suspend or terminate the Contract by written notice to Client, and such remedies shall not be exclusive of Consultant's additional rights under contract or law. Consultant may as a precondition for the performance of the Services, request that Client provides Consultant with security covering any unpaid amount already owed to Consultant or its affiliates.

8. Limit on liability

Without affecting any other provision of these T&C's providing a lower limit for or an exclusion of Consultant's liability, Consultant's liability in connection with the Services, including without limitation liability in connection with section 9, 11 and 12, is limited to the lower of:

- 25 percent of the fees/price actually received by Consultant for the Services, or
- euro 25,000, in the aggregate.

Except as stipulated otherwise by mandatory law, this limit applies without exception and regardless of how that liability arises, including liability arising by breach of contract, pursuant to any indemnity (except where a specific indemnity provision explicitly states otherwise), in tort (including the tort of negligence) or for breach of duty, whether statutory or otherwise.

9. Exclusion of certain damages

Notwithstanding any term or condition to the contrary in these T&C's or any applicable legal requirement of the relevant jurisdiction neither party will under any circumstances be liable for any:

- loss or deferral of profit or revenue, cost of capital, cost of financing, interruption of business, loss of use, loss of product, loss or deferral of production, idle or down time costs, increased operating costs, cost of replacement power, loss of opportunity, loss of contract, loss of goodwill, loss of reputation, reservoir damage, loss of hole or damage due to blowout or cratering, other pure economic loss, or environmental damage, in each case whether direct or indirect and regardless of whether or not foreseeable at the time of the formation of these T&C's or relevant contract; or
 - consequential or indirect loss or damage;
- c) without exception and regardless of cause, whether if arising by way of breach of these T&C's, pursuant to any indemnity (except where a specific indemnity explicitly states otherwise), in tort (including the tort of negligence), or for breach of duty, whether statutory or otherwise.

10. Time bar

Notwithstanding any term or condition to the contrary in these T&C's or any applicable legal requirement of the relevant jurisdiction, Consultant shall not be considered liable for any loss or damage resulting from any occurrence unless a claim is formally made in writing and by registered post on Consultant by Client before the expiry of 6 months, such period to commence upon the delivery of the Services by Consultant to Client. Client agrees to waive all claims against Consultant in so far as such claims are not formally made in writing in accordance with this section 10.

11. Indemnity

Client shall indemnify and hold harmless Consultant, its subsidiaries and affiliates, and their respective officers, directors, employees, and agents from and against any and all expenses, damages, costs, judgments, and losses arising from or on connection with the Services provided by consultant or any portion thereof.

12. Warranty

Consultant shall only be responsible for deficiencies related to services solely performed by Consultant, if it can be proved that such deficiencies are solely and directly attributable to the fact that Consultant's personnel has acted with gross negligence in the course of the services. Gross negligence shall in respect of these T&C's be understood as a conscious and voluntary act or omission of a party in reckless disregard of a legal duty which fundamentally, seriously and substantially deviates from a diligent course of action and which is in reckless disregard of or indifference to the direct and harmful consequences to the other party ("gross negligence").

In providing services, Consultant warrants that he shall use due care and skill in performing services. Should services performed by Consultant be inadequate solely and directly due to a failure of Consultant to use such reasonable care and skill in the performance of the services, Consultant undertakes to re-perform its services to the extent practicable.

Client shall immediately take appropriate steps to prevent any failure of Consultant to use reasonable care and skill from becoming more serious and to enable Consultant to re-perform the services.

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Any claims or actions with respect to this warranty must be made in writing without delay and, in any event, within six (6) months from the completion of the services.

Consultant makes no warranty, express or implied, in relation to:

- 1) work or any services not provided by Consultant and any parts or components used in work or services, for which Client should obtain appropriate warranties from primary data creator, the third party providing such services or the manufacturer as appropriate; and
- 2) any defect due to or connected with: i) material or components or design provided by Client or any other party on behalf of Client; or ii) negligence or other improper acts or omissions of Client or primary data creator, their employees or agents or other third parties.

This section 12 sets forth the only warranty applicable to the services and is in lieu of any other warranties, guarantees, obligations and liabilities express or implied including warranties, guarantees, obligations or liabilities against non-conformity or defects. Client hereby waives all other remedies, warranties, guarantees and liabilities, express or implied, arising by law or otherwise (including without limitation fitness for purpose, merchantability or satisfactory quality).

13. IP rights

All intellectual property rights related to reports, drawings, specifications, bills of quantities, calculations and other similar documents prepared and provided by Consultant as part of or in connection with the Services ("documents") remain vested in Consultant. Client shall have a license to copy and use the documents for any purpose relating to project or Services for which the Services is directly being provided by Consultant. Consultant shall not be liable for the use by any person of such documents for any purpose other than that for which the same were prepared by or on behalf of Consultant in execution of the Services.

14. Entire agreement

These T&C's, plus the additional agreed upon terms of Contract (relating only to price, time and location for performance, and technical specifications and scope of Services to be performed) contain the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersede all prior agreements and understandings relating to such subject matter. If a provision of these T&C's is at variance with necessary requirements of applicable law, then these T&C's shall be deemed to be amended to the minimum extent necessary to comply with such applicable law. No terms, conditions, representations, warranties or covenants contained in any correspondence, catalogue, or in any other form shall be applicable unless incorporated herein by express written agreement of the parties hereto.

15. Insurance

Client shall at its own cost provide for and maintain comprehensive insurance coverage to protect its own property (including any equipment, installation or vessel) personnel and third-parties. Such insurance for personnel shall include travelling insurance and events on Consultant's premises. Consultant shall at its own cost provide for and maintain comprehensive insurance coverage to protect its own personnel only. Each party shall obtain a waiver of all rights of recourse and subrogation against the other party from its insurers as well as indemnify and hold the other party harmless for all claims of or by either party's insurers.

16. Force majeure and other excusable delays

Consultant shall not be liable for any failure or delay in performing its obligations hereunder, or for any loss or damage resulting therefrom, caused by or arising from an event of force majeure ("Force Majeure"), which includes without limitation acts of God, wars whether declared or not, any event involving armaments of war, civil wars and riots, hostilities, public disorder, acts of terrorism and severe threat of terrorism, any measure taken by public authorities in connection with threat of terrorism, embargos and import or export restrictions, acts of civil or military authorities, sanctions, boycotts, fire, flood, accidents, strikes, failure of a subcontractor to provide manpower or services, materials or goods caused by an event that qualifies under this Clause 16, undue transportation or customs clearance problems or transportation or customs clearance problems, epidemics, unusually severe weather affecting either party, or causes beyond their control. Lack of financial resources by Client shall not be considered as Force majeure.

If the Services are interrupted by Force Majeure or for other reasons not attributable to Consultant, the costs for maintaining Personnel including, without limitation, wages and lodging, if needed, will be borne by Client. If the interruption continues for more than one week, Consultant's personnel may be withdrawn and returned to their home country. All expenses in relation to such withdrawal and/or subsequent return shall be borne by Client. If the period of suspension exceeds two (2) months, either party may terminate Contract by three (3) days' notice in writing to the other party without prejudice to the rights of either party up to the date of termination. All reasonable additional costs incurred by Consultant as a consequence of the suspension and any subsequent resumption or completion of the Services shall be reimbursed by Client.

17. Suspension and termination

If Client does not in time and/or adequately fulfil any of its financial or other obligations (including but not limited to – supply of explanations, information, data or documents on agreed date), is declared bankrupt, requests (temporary) moratorium on payments, proceeds to liquidate or restructure its business (or similar) or when any of its assets are attached or arrested, Consultant is immediately entitled at its option to suspend the performance of its obligations and/or to terminate Contract in whole or in part by written declaration to Client without further formalities and without prejudice to any rights of Consultant to claim compensation for damages.

18. Law and arbitration

Parties agreement, contract and these T&C's are governed by and construed in accordance with law of place of registration of the Consultant.

Any dispute arising out of or in connection with the Parties agreement, contract, these T&C and/or any services, including any disputes regarding the existence, breach, termination or validity thereof, shall be finally settled by arbitration under the rules of arbitration procedure adopted by the Nordic Offshore and Maritime Arbitration Association ("Nordic Arbitration") in force at the time when such arbitration proceedings are commenced. Nordic Arbitration's Best Practice Guidelines shall be taken into account.

The place of arbitration shall be place of registration of the Consultant and the language of the arbitration shall be English. The arbitration tribunal shall be composed of three (3) arbitrators.