

## Global Purchasing Terms for Goods and Services

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## 1. DEFINITIONS

**Affiliates** shall mean any corporation, partnership, or other business entity controlled by, or controlling, or under common control with any **Party** or signatory to this **Agreement**, with "control" meaning direct or indirect ownership of more than fifty percent (50%) of the voting power, or of the interest in the income of such corporation, partnership or other entity, or having the power to appoint the majority of its directors or otherwise having the power to direct its business activities.

**Agreement** shall mean a written document such as a **Purchase Order**, or any form of written supply document between the **FMCTI** and **Supplier** of which these purchasing terms form part.

**Agreement Documents** means all documents as specified in Article 2.1.

**Agreement Price** means the total sum payable to **Supplier** in accordance with the **Agreement**, or compensated at a unit rate/day/hourly rates based on actual performance in contrast to a lump sum.

**Agreement Price Book** means the pricing protocol, including price breakdown, connected with and in support of an **Agreement**.

**Agreement Schedule** means the delivery milestones and dates as set out in the **Agreement**.

**Applicable Law** means any constitutional provision, statute, act, code, regulation, rule, law, ordinance, order, decree, directive, ruling, proclamation, resolution, regulatory act, provisional measure, judgment, decision, declaration or official interpretation or application thereof by a governmental authority having jurisdiction at any location at which the **Work** is performed.

**Background Intellectual Property** shall mean all **Intellectual Property** owned by or licensed to a **Party**: (a) developed prior to entering into the **Agreement**; or, (b) developed outside the scope of any **Work** performed pursuant to the **Agreement**.

**Business Day** means any **Day** (other than Saturday and Sunday and any public holiday) on which **FMCTI** is open for business.

**Company** means the ultimate customer of **FMCTI**.

**Company Group** means **Company**, the field-operator, the group of licensees under the relevant production license, production sharing agreement or equivalents, each of the participants therein, their **Affiliates**, contractors (other than **FMCTI Group** and **Supplier Group**) including subcontractors, participating in the project for which **Work** is intended and in as much as they are involved in the relevant project, and the directors, consultants, agents and employees of the aforementioned companies.

**Consequential Loss** means any indirect loss or damage under **Applicable Law**, and/or loss of production, loss of product, loss of use, loss of business, business interruption, loss of revenue and profit or anticipated profit; whether arising directly or indirectly from or related to the performance of the **Agreement** and whether or not such loss was foreseeable at the time of entering into the **Agreement**.

**Contract** means all documents together with any variation that represents **FMCTI**'s contract with **Company**.

**Day(s)** shall mean consecutive calendar days according to the Gregorian calendar.

**Deliverables** means the object(s) and/or **Service(s)** which **Supplier**, according to the **Agreement**, shall deliver, together with **Final Documentation** and all parts thereof, except for **FMCTI Provided Items** before their incorporation into **Deliverables**.

**Delivery Date** means the date of delivery of **Deliverables** as set out in the **Agreement**, or as varied in accordance with the provisions of Articles 9, 10, 11.

**Delivery Terms** shall be Incoterms FCA ("Free Carrier") at a named place of delivery to be specified in the **Agreement**. Unless expressly stated in the **Agreement**, specified delivery terms shall be applied pursuant to "Incoterms 2010", or the latest revision thereof published by the International Chamber of Commerce.

**Effective Date** means the date of the issue of the **Agreement**, acceptance by **Supplier** of the **Agreement** in the **FMC Supplier Portal** indicated as "SRM" (an SAP format for communicating with suppliers), or when the **Agreement** is signed, whichever occurs earlier.

**Final Documentation** means, all printed documentation and data on electronic, optical and magnetic media as stipulated in the **Agreement Documents** to include but not limited to documentation and data related to the design, detailed engineering, equipment and **Materials**, supply, construction, interface, commissioning start up, operations and maintenance, such as "as-built" drawings, certificates of inspecting and/or certifying entities (whether official or not), descriptive and operating manuals and instructions, maintenance and safety manuals and instructions, documentation (with the necessary information and data to start up, operate and maintain the related equipment including spare parts and special tools identification) and including such documentation obtained from **Subcontractors**.

**FMCTI** means the legal entity within the **FMC Technologies** system, as stated in the **Agreement** document or the **Special Conditions**, which holds the **Agreement** with **Supplier**, as well as its successors and assignees.

**FMCTI Group** means **FMCTI** and its **Affiliates** participating in the project for which the **Work** is intended, its other suppliers and their subcontractors in as much as they are involved in the relevant project for which the **Work** is intended, except for any member of **Supplier Group**, participating companies in an enterprise established for the performance of the project for which the **Work** is intended, and the directors, consultants, agents and employees of the aforementioned companies.

**FMCTI Provided Documents** mean all documents provided to **Supplier** by **FMCTI** and/or **Company**.

**FMCTI Provided Items** mean all items, other than **Materials**, to be incorporated into **Deliverables** provided to **Supplier** by **FMCTI** and/or **Company**.

**Force Majeure** means an occurrence beyond the control of the **Party** affected, effectively preventing contractual performance, provided that such occurrence could not have been reasonably foreseen by him at the time of **Effective Date** and that the occurrence could not reasonably have been avoided or its consequences or so overcome. **Force Majeure** includes but is not limited to Acts of God (such as epidemic, tidal wave, lightening, earthquake, hurricane), hostilities or acts of war (whether declared or not), acts of terrorism, sabotage, riots (other than among employees of **Company**, **FMCTI**, **Supplier** or **Subcontractor**), civil or military disturbances, national strikes, or regional strikes (excluding strikes, lock outs and other industrial disputes or actions by, between or originated among employees of **Company**, **FMCTI**, **Supplier** or **Subcontractors**) and acts of any government or public authority or any representative thereof whether or not legally valid. **Force Majeure** does not include events such as insolvency of any **Party**.

**Intellectual Property** means all commercial and technical information, including all kinds of technology, ideas, concepts, drawings, inventions, formulas, processes, procedures, designs, specifications computer programs, data, patents, patent applications, trademarks, trademark applications, copyrights, and documentation or information together with copies of same irrespective of means of storage.

**Key Personnel** means key personnel resources of **Supplier** and/or **Subcontractors** specified in the **Agreement**, which shall be fully qualified and experienced in field and position which they occupy or as specified in the **Agreement**.

**Mark-up** means the percentage to be added to the net amount of invoices in respect of **Reimbursable Items**, and shall include for all obligations under the **Agreement**, procurement services, supervision, administration, financing, overheads, profit, and all other costs associated with such purchase.

**Materials** mean all items required for and/or to be incorporated into **Deliverables**, other than **FMCTI Provided Items**.

**Party (pl. Parties)** means **FMCTI** or **Supplier** individually/**FMCTI** and **Supplier** collectively.

**Purchase Order (Syn. P.O. or PO)** means a document signed/issued by an authorized **FMCTI** employee and addressed to a **Supplier** requesting the delivery of supplies, equipment, or material, or the performance of services in accordance with these terms in exchange for a promise by **FMCTI** to pay a stated price.

**Reimbursable Items** means items of the **Work** to be compensated based on the net amount of invoices plus a **Mark-up** as applicable.

**Service(s)** mean(s) work performed, which is a performance, act or deed, rather than a physical object, including but not limited to all services, personnel, consumables and equipment to be rendered in accordance with the **Agreement**.

**Site** means a place where the **Work** is performed.

**Special Conditions** means the document stating any complementary terms and conditions and/or modifications to these Global Purchasing Terms.

**Subcontract** means a separate agreement entered into between **Supplier** and a **Subcontractor** for the supply of goods and/or services in connection with the **Work**.

**Subcontractor** means a party who has entered into a separate agreement with **Supplier** for the supply of goods and/or services in connection with the **Work**.

**Supplier** means the legal entity responsible for performing **Work** and supplying **Deliverables** to **FMCTI** under the **Agreement**.

**Supplier Group** means **Supplier**, its **Affiliates** participating in the **Work**, its **Subcontractors** and their subcontractors in as much as they are involved in the relevant project, participating companies in an enterprise established for the performance of the **Work**, and the directors, consultants, agents and employees of the aforementioned companies.

**Third Party** means any party not a member of **FMCTI Group**, **Supplier Group**, and **Company Group**.

**Variation** means a change to the **Work** that has been ordered of the **Supplier** to perform in accordance with Article 9.

**Variation Order** means instructions of **Variation** in accordance with Article 9.

**Variation Order Request** means a request submitted by **Supplier** in accordance with Article 9.

**Work** means all work, including **Services**, which **Supplier** shall perform or cause to be performed in accordance with the **Agreement**.

## 2. AGREEMENT DOCUMENTS

2.1 The **Agreement** consists of the following documents:

**Special Conditions** (if applicable)

These Global Purchasing Terms

Scope of **Work** or specification of **Work** otherwise described in the **Agreement**

**Agreement Price Book** and **Agreement Schedule**

**FMCTI** Administration Requirements

**Purchase Order** document

2.2 In the event of any conflict between the provisions of the **Agreement Documents**, they shall be given priority in the order as listed above. However, all **FMCTI** and **Company** documents shall supersede **Supplier's** documents. The **Agreement Documents** contemplated in this Article 2 together with any **Variation** constitutes the entire **Agreement** between the **Parties**.

2.3 The **Agreement** shall be accepted by **Supplier** either by the signature on and return of an acknowledgment form; shipment of any of **Deliverables**; or the rendering of any **Work** pursuant hereto.

2.4 No modification of or release from the Global Purchasing Terms (PRD-0000030203) shall be binding on **FMCTI** unless agreed to in writing and specifically labeled as a modification or **Special Conditions**. The terms and conditions of this document shall be the only terms and conditions applicable hereto and **FMCTI** hereby rejects any terms and conditions submitted by **Supplier** in any acceptance, proposal or acknowledgment.

## 3. OBLIGATIONS OF SUPPLIER

3.1 **Supplier** represents that it is fully experienced, properly qualified, financed, organized, equipped and technically competent to supply all of the **Work** described in the **Agreement Documents**. **Supplier** shall manage, control and direct **Work** as an independent **Supplier** and shall perform all obligations and duties of the **Agreement** at his own cost, risk and responsibility, in due compliance with the **Agreement Schedule** and with the provisions of the **Agreement**. **FMCTI** shall be entitled to ascertain that the **Service(s)**, **Materials** and **Deliverables** will satisfy the **Agreement** requirements and shall have the right to inspect the **Work** at all stages of execution in order to verify that these results are being obtained to the extent defined in the **Agreement Documents**. **Supplier's** failure to perform any obligations shall always be at his sole cost and risk. Omissions or actions of **FMCTI** and/or inspecting authorities or certifying agencies, including any comments or absence thereof, presence or absence of representatives at any time including during tests and inspections, issuance of certificates, payments, approval and the like, shall not release **Supplier** in any way from any of his obligations and liabilities under the **Agreement** or at law, nor imply acceptance of defective **Work**.

3.2 **Work** shall be performed according to the generally accepted industry standards and applicable codes within the industry, or if higher, to the standards specified within the **Agreement**. As part of such performance, **Supplier** shall give priority to safety in order to protect life, health, property and environment, and cooperate with any representative appointed by **FMCTI**.

3.3 **Supplier** shall take good care of **Deliverables**, **FMCTI Provided Items** and **Materials** and shall ensure that they are kept safely and securely, and in good order and condition.

3.4 **Supplier** shall perform **Work** in accordance with the **Agreement Schedule**. If **Supplier** should have cause to believe that **Work** cannot be carried out in accordance with the dates set out in the **Agreement Schedule**, then **Supplier** shall immediately inform **FMCTI** and, at **Supplier's** own cost, carry out the necessary measures to avoid, recover or limit the consequences of such anticipated non-conformance with the **Agreement Schedule**. If **Supplier** fails to give notice, **FMCTI** shall be entitled to compensation for any additional costs which it incurs and which it could have avoided had it received such notice. **FMCTI** may instruct **Supplier** to, or itself take, any reasonable measures considered necessary to recover any anticipated delay at **Supplier's** cost.

**3.5 Supplier** shall, at his own cost, ensure proper storage, adequate protection and maintenance of any and all **FMCTI Provided Items, Materials and Deliverables** when in care, custody and control of **Supplier Group**.

**3.6 Supplier** undertakes to provide competent and suitably qualified personnel in sufficient numbers at all times to ensure performance and completion of the **Work and Services and Deliverables** in accordance with the provisions of the **Agreement** and generally accepted industry practice. **Supplier** shall verify all relevant qualifications of such personnel upon the request of **FMCTI**. **FMCTI** shall not be deemed to be the employer of **Supplier's** personnel, even if such personnel are to perform all or parts of the **Work** in cooperation with **FMCTI** or at **FMCTI's** facilities.

**3.7 FMCTI** may instruct **Supplier** to replace, at **Supplier's** cost, any personnel engaged in **Work** who conduct themselves in an improper manner or are considered unsuitable to perform their tasks. In the event of any industrial dispute, or indication of a potential dispute involving personnel, **Supplier** shall forthwith give details thereof to **FMCTI** and shall consult **FMCTI** before taking remedial action. If required by **FMCTI**, **Supplier** shall meet regularly with **FMCTI** and **Company** to review industrial relation matters (whether as part of a general progress meeting or otherwise). **Subcontractors** shall attend these meetings as may from time to time be required by **FMCTI**.

**3.8** Prior to the commencement of **Work**, each **Party** shall appoint a representative with authority to act for and on behalf of the respective **Party**. **Supplier's** representative and other **Key Personnel** within **Supplier's** organization shall not be replaced without **FMCTI's** prior written approval, which shall not be unreasonably withheld. **Supplier** shall ensure that the replaced **Key Personnel** and its replacement have a sufficient hand-over period to collaborate on transferring the replaced responsibilities under the **Agreement**. The additional cost due to such hand-over period is to be carried by **Supplier**.

## **4. COMPLIANCE WITH LAWS AND REGULATIONS**

**4.1 FMCTI** may, from time to time, provide **Supplier** selected information as to the legal, regulatory, administrative, judicial and other requirements that may be applicable to the performance of the **Work**. However, **FMCTI** relies on the **Supplier** to:

- a) Be fully knowledgeable as to all legal, regulatory, administrative, judicial and other requirements applicable to the **Supplier's Group's** performance of the **Work**,
- b) Be fully knowledgeable of **FMCTI's** business practices policy as are defined in Article 30 and **FMCTI's** Core Values (see Attachment A),
- c) Fully develop **Supplier's** own sources of information,
- d) Stay current in all respects with regard to any changes in applicable governmental, administrative and judicial laws, rules, codes, regulations, directives and orders,
- e) Maintain standards of health, safety, environmental and security requirements that is in accord with **FMCTI** standards and commit to establishing a recognized HSE management system comparable to ISO 14001/18001,
- f) Be able to demonstrate quality control and maintain standards of quality system that are in accordance with **FMCTI** standards and commit to establishing a recognized quality management system comparable to ISO-9001 or American Petroleum Institute ("API"),
- g) Ensure that **Subcontractor's** personnel engaged in the performance of **Work** are legally employed or otherwise retained and fully comply with the laws and regulations as stipulated in this Article, and
- h) Independently verify any legal, regulatory, administrative, judicial or other matter involving **Work**.

## 5. AUTHORITY REQUIREMENTS AND PERMITS

**5.1 Supplier** shall, in its best efforts and in due time, obtain and maintain such authority approvals, permits and other information as is deemed necessary for the performance of **Work** at the **Site**, and which have to or may be obtained in the name of **Supplier**. **FMCTI** may provide any necessary assistance in this connection.

**5.2 FMCTI** will, in its best efforts and in due course, obtain and maintain all other required approvals and permits. When so requested by **FMCTI**, **Supplier** shall at his own cost assist in obtaining approvals, permits and information concerning **Work**.

**5.3** If so requested by **FMCTI**, **Supplier** shall provide **FMCTI** with, and request his **Subcontractor** to provide, any kind of information related to the **Work**, as **FMCTI** or **Company** is obliged to disclose to public authorities.

## 6. FMCTI PROVIDED DOCUMENTS AND ITEMS

**6.1** Upon receipt, **Supplier** shall review all **FMCTI Provided Documents** and items relative to the **Supplier's** scope of work for defects, errors, inconsistencies and non-conformances (below referred to as "Errors"). **Supplier** shall without undue delay notify **FMCTI** of any such Errors discovered. Upon receipt of notice from **Supplier**, **FMCTI** shall without undue delay make the necessary corrections and if required instruct **Supplier** as to the further progress of the **Work**. **FMCTI** shall promptly advise **Supplier** if **FMCTI** becomes aware of any inaccuracy contained within the documentation provided to **Supplier**, or any error in **Supplier's** interpretation of **FMCTI Provided Documentation**.

**6.2 Supplier** shall notify **FMC** of Errors in **FMC Provided Documents** relating to the **Supplier's** scope of **Work**, that would be identifiable by **Supplier** acting in its capacity as a subject matter expert in its field of operation and that should be discovered in a document review in accordance with ISO 9001. If **Supplier** fails to notify **FMC** of such Errors which he discovered or ought to have discovered, then all direct extra cost resulting there from shall be borne by **Supplier**.

**6.3 Supplier** may only use **FMCTI Provided Documents** in accordance with Articles 27 and 28. At the request of **FMCTI**, **Supplier** shall after the completion of the **Work**, at **FMCTI's** option either return, destroy, or secure **FMCTI Provided Documents** in such a manner that the documents are not inadvertently utilized after the **Work** for which they were specifically issued.

**6.4** Upon receipt of **FMCTI Provided Items**, **Supplier** shall make an immediate visual inspection. In case of apparent depreciation or damage, **Supplier** shall issue notice of loss or damage in writing to the freight forwarder. **Supplier** shall immediately give notice to **FMCTI** of any Errors discovered.

**6.5** If **Supplier** does not notify **FMCTI** of any Errors in **FMCTI Provided Items** that it discovered or ought to have discovered by such examinations performed in accordance with ISO 9001 requirements and as a result **FMCTI** incurs direct extra costs in connection with the **Work**, then all such direct extra costs shall be borne by **Supplier**.

**6.6** **FMCTI's** property shall be removed upon **FMCTI's** instructions, shall be for **FMCTI's** exclusive use, shall be held at **Supplier's** risk, and shall be kept insured by **Supplier** and at **Supplier's** expense while being either in **Supplier's** care or custody or control in an amount equal to the replacement cost with loss payable to **FMCTI**.



## 7. SUBCONTRACT AGREEMENTS

**7.1 Supplier** shall not enter into any **Subcontract** without the prior written consent of **FMCTI**. However, such consent is neither required for deliveries of work by **Subcontractors** which are specifically approved in writing by **FMCTI** prior to the **Effective Date**, nor for materials that do not impact **Supplier's** final product or product realization, nor for limited use of hired labor.

**7.2 Supplier** is acting independently and not as an agent for **FMCTI**, and shall be responsible according to the **Agreement** for the fulfillment of **Subcontracts**.

**7.3 Subcontracts** shall state that:

- a) The **Subcontract** may be assigned to **FMCTI** and/or **Company**,
- b) **Subcontractor** is included in **Supplier's Group** with regard to the provisions of Article 25,
- c) Article 19 shall apply in the relationship between **Supplier** and the **Subcontractor**,
- d) **FMCTI** shall have the rights to information, documents, inventions and computer programs as stated in Article 27,
- e) Articles 8 and 17 regarding audit rights shall apply in the relationship between **Supplier** and **Subcontractors**,
- f) Any provisions of the **Agreement** which are necessary to enable **Supplier** to fulfill his obligations in accordance with the **Agreement** shall apply accordingly between **Supplier** and **Subcontractor**,
- g) **Supplier**, when requested by **FMCTI**, shall provide un-priced copies of all **Subcontract** documents provided that the **Subcontract** concerns an important part of **Supplier's** delivery. However, **FMCTI** may only request priced copies of **Subcontract** when **FMCTI** shall compensate the **Supplier** on a **Reimbursable Items** basis.

## 8. QUALITY AND HSE MANAGEMENT, PERFORMANCE AUDITS, INSPECTION AND TESTING

**8.1 Supplier** and any **Subcontractor** shall have an implemented and documented system for quality management (QM) and health, safety and environment (HSE) in accordance with applicable **FMCTI** QM and HSE standards and other QM and HSE requirements stated in the **Agreement**. **Supplier** shall plan and carry out QM and HSE audits in his own organization and in his **Subcontractor's** organization.

**8.2 Supplier** acknowledges and agrees that the QM and HSE requirements are essential to the performance of the **Agreement**. In the event that such requirements are not met, and should **Supplier** have failed to correct such improper performance of **Work** within a reasonable period of time, **FMCTI** shall be entitled, without any discharge of **Supplier's** obligations, to enforce such corrective actions necessary to meet said requirements.

**8.3 FMCTI's** representative and personnel authorized by him, shall have the right to undertake quality audits and verifications of **Supplier's** and any **Subcontractor's** quality management procedures.

**8.4** During the performance of the **Work**, **FMCTI** may effect, or have effected by any designated **Third Party**, any safety and technical audits of all aspects of the **Work** with respect to design, detail engineering, equipment, **Materials**, service, construction, commissioning, start up, operations and maintenance. **Supplier** shall provide his full co-operation to the audit team and shall make available all necessary documents, services and facilities to enable the proper performance of such audits. After reviewing the reports prepared by the audit team, **FMCTI** shall be entitled to instruct **Supplier** to perform modifications identified as required by the audit team. **Supplier** shall perform at his own cost such modifications as are requested in order to comply with the requirements of the **Agreement**. Notwithstanding the results of such audits, **Supplier** shall remain liable for all of his obligations under the **Agreement**.

**8.5 Supplier** shall perform all reviews, inspections and tests as requested by **FMCTI** for the purpose of ascertaining that **Deliverables** meets the requirements as is set out in the **Agreement** and/or to ensure that any construction equipment used for the manufacturing of **Deliverables** shall be fit for the use it is intended for and maintained at all times in good operating condition with appropriate and uninterrupted valid certification in accordance with **Applicable Laws** and **Agreement** requirements.

**8.6 Company** and **FMCTI**'s representatives and personnel authorized by **FMCTI** and/or **Company** may witness, collect evidence and report with respect to all and any such review, inspections and tests. **Supplier** shall in due time notify **FMCTI** in writing of any tests as prescribed for in the **Agreement** for the purpose of permitting **Company** and **FMCTI** to be represented at the tests. Any such inspection or attendance by **FMCTI**'s representative or personnel authorized by him, shall not relieve **Supplier** of his obligations under the **Agreement**.

**8.7** If **Supplier** fails to duly notify **FMCTI** of any test as described in this Article, and if so requested by **FMCTI**, **Supplier** shall at its own cost uncover any part of **Deliverables** and re-perform any such test as prescribed for in the **Agreement**. If **Deliverables** is found to be non-compliant, **Supplier** shall promptly remedy such non-compliance at his own cost and risk.

## **9. RIGHT TO VARY**

**9.1** **FMCTI** has the right to instruct any **Variation** to the **Work** that in **FMCTI**'s opinion is desirable. **Variations** may include a change in **Agreement Documents**, an increase or decrease in the quantity, character, quality, kind or execution of the **Work**, as well as changes to the **Agreement Schedule**. Nevertheless, **FMCTI** has no right to order **Variation Work** which cumulatively exceeds that which the **Parties** could reasonably have expected when the **Agreement** was entered into.

**9.2** When **FMCTI** orders a **Variation** to be performed, **Supplier** shall without undue delay submit an estimate to **FMCTI**, unless otherwise agreed by the **Parties**. **FMCTI** may require the submission of such estimate prior to ordering the performance of a **Variation**. The estimate shall contain: (i) a description of **Work** in question under the **Variation**, (ii) a detailed schedule for the execution of **Work** under the **Variation** showing the required resources and significant milestones, (iii) the effect on the **Agreement Price**, if any, and showing the rates used when preparing the estimate, and (iv) the effect on the **Agreement Schedule**, if any, with documentation demonstrating such effect.

**9.3** Upon occurrence of an event affecting the **Agreement Schedule**, scope of **Work** or cost, and to the extent such an event is attributable to **FMCTI**, **Supplier** may request a **Variation**. **Supplier** shall request a **Variation** from **FMCTI** without undue delay, never to exceed a maximum of 14 **Days**, after the occurrence of any such event. **Supplier** shall prepare at his own cost and without undue delay, submit to **FMCTI** an estimate as described in this Article 9. **Supplier** shall not be entitled to any **Variation** if it fails to meet said time limits unless otherwise agreed to by **FMCTI** in writing.

**9.4** **Supplier** may propose a **Variation** through a **Variation Order Request**. If **FMCTI** accepts **Supplier**'s proposal, **FMCTI** will issue a **Variation Order**.

## **10. EFFECTS OF VARIATIONS**

**10.1** Upon receipt of an instruction for a **Variation**, **Supplier** shall implement it without undue delay, even if the effects of the **Variation** on the **Agreement Price**, the **Agreement Schedule** or other provisions of the **Agreement** have not yet been agreed. All of **Supplier**'s obligations under the **Agreement** shall apply to **Variations**, unless otherwise agreed in writing between the **Parties**.

**10.2 Supplier** shall only be entitled to compensation for changes which affect the **Agreement Price** and/or change in the **Agreement Schedule**. Unless otherwise agreed between the **Parties**, the price for **Variations** shall be determined by **FMCTI** according to the following principles:

- a) If the **Agreement** contains prices and rates applicable for the **Variation Work**, such rates shall apply,
- b) If the **Agreement** does not contain prices and rates applicable for the **Variation Work**, prices and rates for **Variation Work** shall be prepared reflecting the general level of pricing prescribed in the **Agreement**. If the **Parties** do not reach an **Agreement** on the price for **Variation Work**, such **Work** shall be compensated as **Reimbursable Items**,
- c) If **FMCTI** instructs **Supplier** to purchase additional equipment, **Materials** or **Services** as **Reimbursable Items**, **Supplier** shall be reimbursed according to the following:

| <b>Cost of Reimbursable Item</b><br>[USD equivalent] | <b>Cost + Mark-up (%)</b> |
|--|---------------------------|
| 0 –250 000   | 10%                       |
| > 250 000  | To be mutually agreed     |

**10.3** Hourly rates in the **Agreement** shall include normal working hours, overtime hours, and hours worked during weekends and public holidays, and during any periods of shift working. The hourly rates are deemed to be fully inclusive of, but not limited to, necessary tools and equipment, all travel time and costs to and from the normal work location of the personnel, together with all accommodation and subsistence costs at the normal work location of the personnel.

**10.4** Unless otherwise agreed between the **Parties**, items such as administration, management, organization, facilities, financing, profits and other overhead related costs are included in the **Agreement Price** and shall not be compensated in **Variations** to **Work**.

**10.5** The effects of **Work** under the **Variation** on the overall **Agreement Schedule** shall be agreed upon in the particular **Variation** for such **Work** on the basis of the accumulated net effect of the **Variation**, with full consideration being given to the accumulated delay resulting from previous **Variation Work**.

**10.6** A **Variation** caused by circumstances for which **Supplier** is responsible, or which could have been reasonably foreseen by an experienced **Supplier**, shall not result in any **Variation** to the **Agreement Price** or to the **Agreement Schedule** in favor of **Supplier**.

## **11. DISPUTES REGARDING VARIATIONS**

**11.1** If the **Parties** agree that there is a **Variation**, but disagree as to the **Variation's** effect on the **Agreement Price**, **FMCTI** shall pay to **Supplier** a provisional compensation as calculated by **FMCTI** in accordance with Article 10. Payment shall be made in accordance with the provisions of Article 16. If the **Parties** disagree as to the effect on the **Agreement Schedule**, **FMCTI** may reasonably determine such effect. The views of both **Parties** may be recorded in the **Variation**.

**11.2** The compensation paid for the **Variation** and/or its determined effect on the **Agreement Schedule** shall be considered final unless the **Parties** within sixty (60) **Days** from the issue of the **Variation Order** by **FMCTI**, have agreed to proceed to a review by each **Party's** General Management. Should the General Managers not reach an agreement within ninety (90) **Days** from the issue of the **Variation Order** by **FMCTI** then dispute resolution in accordance with Article 31 shall be sought concerning the effect of the **Variation**.

**11.3** If FMCTI is of the opinion that the requested **Variation** is part of the **Work**, it shall be recorded that the **Variation** is disputed. A disputed **Variation** shall be expressly identified as disputed and shall identify the **Variation Work** in dispute between the **Parties**. Upon receiving a disputed **Variation**, **Supplier** shall implement it without delay.

**11.4** The **Parties** recognize that the amicable settlement of disputes is in their mutual best interests and as such both **Parties** agree to follow the dispute resolution as defined in Article 31.2 for disputed **Variations**. If one of the **Parties** has not submitted the decision to the courts after unsuccessful review by each **Party's** General Management, the **Variation** work in dispute will be deemed to be part of the **Work**, and **Supplier** will not be entitled to any corresponding **Variation**.

## **12. TERMINATION FOR CONVENIENCE**

**12.1** FMCTI may, by notice to **Supplier**, terminate the **Agreement** wholly or partially for any reason. By such termination for convenience, the performance of the **Work** shall cease immediately. The same shall also apply in respect of any partial termination for convenience of the **Agreement**. Upon partial termination for convenience, **Supplier** shall, in accordance with the **Agreement**, continue the execution of that part of the remaining **Work** which is not terminated.

**12.2** Following termination for convenience, FMCTI shall pay the necessary and documented costs directly attributable to, and irrevocably incurred by the termination for convenience. Payment shall be made in accordance with the provisions of Article 16. Such payment shall constitute the full and final amount payable by FMCTI under the **Agreement**.

**12.3** In the event of termination for convenience, **Supplier** shall in accordance with FMCTI's instructions immediately cease all terminated **Work**. **Supplier** shall not issue any further **Subcontracts** or purchase orders relevant to the **Work**. In accordance with FMCTI's instructions, **Supplier** shall immediately assign to FMCTI any **Subcontracts** and/or purchase orders relevant to the termination for convenience, or make its best efforts to cancel such **Subcontracts** and purchase orders in the most cost-effective manner and on terms acceptable to FMCTI.

**12.4** Upon request by FMCTI, the **Parties** shall conclude delivery documentation stating each **Party's** view of the percentage of **Deliverables** and the **Work** delivered, completed and calculated in accordance with the principles of progress measurement stated in the **Agreement**. The provisions of Article 16 shall apply accordingly.

**12.5** Upon termination for convenience, **Supplier** shall, if so requested by FMCTI, promptly deliver **Deliverables** to FMCTI together with copies of the engineering work performed up to the date of termination for convenience, including incomplete documents. **Supplier** shall similarly deliver one set of drawings marked up to show the actual as-built status for **Deliverables** at the time of termination for convenience. Furthermore, **Supplier** shall deliver to FMCTI copies of all plans, drawings, specifications and other documents and rights which FMCTI owns or is entitled to use in accordance with the **Agreement**.

## **13. TERMINATION FOR CAUSE**

**13.1** FMCTI is entitled to terminate for cause the whole or parts of the **Agreement** with immediate effect by notifying **Supplier** when:

- a) FMCTI has become entitled to be paid maximum liquidated damages in accordance with Article 20, or
- b) it is evident that completion or delivery of any part of the **Agreement** will be delayed by more than fifteen percent (15%) of the time from start of the **Work** until the corresponding completion/delivery date, or by ninety (90) days - whichever is the shorter period, or
- c) **Supplier** is, or is reasonably anticipated to become, in breach of his obligations under the **Agreement**,  
or

- d) **Supplier** becomes insolvent, makes an arrangement with his creditors, goes into liquidation, has an execution/restraining order levied on his goods, stops his payments, the ownership structure of **Supplier** or that of its parent company is changed, a significant part of **Supplier's** assets is sold or transferred to any other party.

**13.2** Upon termination for cause, **FMCTI** is, at its discretion, entitled to take over from **Supplier** any part of **Deliverables, Materials, FMCTI Provided Items, Subcontracts**, documents and other rights necessary to enable **FMCTI** to complete **Deliverables**, either by itself or with the help of others. The delivery documentation shall be signed for **Deliverables** in accordance with Article 15.

**13.3** **FMCTI** is entitled either by itself or with the assistance of any other party, to use **Supplier's Site(s)**, equipment, tools, drawings, etc. as necessary to complete **Deliverables**. This only applies when such use is compensated for and is of a limited duration, and provided further that business secrets, know-how and other information which **FMCTI** or such other party acquire shall be used only for completion of **Deliverables**.

**13.4** **FMCTI's** rights and remedies regarding termination for cause under this **Agreement** shall not be exclusive and are in addition to any other rights and remedies provided by law.

## **14. RIGHT TO TEMPORARILY SUSPEND WORK**

**14.1** **FMCTI** may temporarily suspend the performance of the **Work** or parts thereof by giving notice to **Supplier**. The notice shall specify which part of the **Work** shall be suspended, which items and services shall be held on standby to enable resumption of **Work** without undue delay, the effective date of the suspension and the expected date for the resumption of **Work**.

**14.2** **Supplier** shall resume **Work** after notification by **FMCTI**. The date for resumption of **Work** shall take into consideration the measures adopted during the suspension period.

**14.3** **FMCTI** shall compensate **Supplier** for all reasonable expenses arising from:

- a) demobilization of personnel,
- b) safeguarding the **Work**, including **Deliverables**, and related **Materials and FMCTI Provided Items**,
- c) personnel, **Subcontractors** and equipment which must be kept available in accordance with the mobilization plan,
- d) moving the **Work** and **Deliverables**, if necessary, so that it does not interfere unreasonably with **Supplier's** other activities,
- e) other expenses incurred by **Supplier** as a result of the suspension of **Work**

**14.4** **Supplier's** claim for compensation under this Article 14 and for any effect of the suspension on the **Agreement Schedule** shall be submitted in accordance with the provisions of Articles 9, 10 and 11.

**14.5** If the **Work** or parts thereof have been suspended continuously for a period exceeding 120 **Days**, then **Supplier** may cancel the **Agreement** for that part of the **Work** which is suspended by giving fourteen (14) **Days** written notice. If **FMCTI** has not ordered a resumption of **Work** within fourteen (14) **Days** after receiving the notice, then the provisions of Article 12 shall apply accordingly.

## **15. DELIVERY, COMPLETION AND RISK TRANSFER**

**15.1** Delivery of **Deliverables** occurs in accordance with the agreed **Delivery Terms** as specified in the **Agreement**. Notwithstanding the **Delivery Term**, delivery will not be deemed accomplished unless **Deliverables**: (i) has been satisfactorily completed and passed the tests as specified in the **Agreement**, (ii) is accepted by **FMCTI**, (iii) is accompanied with all necessary documentation as defined in the **Agreement**, (iv) is properly packed and secured in such a manner that it will safely reach its destination under adequate conditions of transportation for items of its nature.

**15.2** At FMCTI's discretion, delivery may take place even if minor parts of **Deliverables** remain incomplete, provided that such remaining parts do not have any practical significance for the use of **Deliverables** in question. Upon such deliveries, the delivery documentation shall contain a list of any outstanding items of the **Work** related to **Deliverables** in question, and information of when such items shall be completed.

**15.3** The delivery shall be concluded when the conditions set forth above in this Article 15 have been met, provided that **Supplier** has so requested by minimum twenty one (21) **Days'** notice. The delivery documentation shall be dated and signed by both **Parties**. **Supplier** shall not under any circumstance refuse to deliver **Deliverables** even if **Supplier** disputes that **Deliverables** is fully paid for.

**15.4** FMCTI may upon **Supplier's** request issue a completion certificate when all **Work**, with the exception of any warranty work, has been completed in accordance with the **Agreement**. The issue of such completion certificate does not relieve **Supplier** from its obligations or liabilities pursuant to the **Agreement**.

**15.5** When **Supplier** considers the **Services** as completed, the **Supplier** shall notify FMCTI in writing without delay. Within a reasonable time after receiving such notice, FMCTI shall in writing either accept the **Services** as completed, or declare that the **Service** is not accepted as completed and the reason for this determination. **Services** shall be deemed delivered when FMCTI declares acceptance.

## **16. PAYMENT, INVOICING, TAXES, CUSTOMS AND DUTIES**

**16.1** **Supplier** shall be deemed to have satisfied himself as to all conditions and circumstances affecting the **Agreement Price** and other matters, and to have fixed his prices according to his own view of such conditions and circumstances. The **Agreement Price** is thereby deemed to be all inclusive, firm and neither subject to escalation nor currency fluctuations for the duration of the **Agreement**. No additional allowance or adjustment will afterwards be made to the **Agreement Price**, except as otherwise expressly provided in the **Agreement**.

**16.2** For **Purchase Orders** the currency of purchase shall be in the functional currency of the purchasing FMCTI entity, or **Supplier's** currency, as long as said currencies are from one of the OECD countries (Organization for Economic Cooperation and Development).

**16.3** FMCTI shall not reimburse **Supplier** the **Agreement Price** or any part of it before full delivery of **Deliverables** and satisfactory performance of same in accord with Article 15. Notwithstanding the above, FMCTI will have the right to withhold ten percent (10%) of the **Agreement Price** until receipt of all **Final Documentation**. Payment shall neither be construed as a waiver of any right under the **Agreement**, nor as acceptance of **Deliverables**. FMCTI has no obligation to pay until **Supplier** has submitted a guarantee, if so required by FMCTI, in accordance with Article 18.

**16.4** In the event **Supplier** does not correct non-conformances stated in implementation reviews, quality assurance audits or engineering technical audits within the agreed due dates, then FMCTI shall have the right to withhold up to fifteen percent (15%) of the total of each monthly invoiced value until FMCTI has verified that the specified corrective actions have been carried out. The total withheld value shall be paid in the first monthly payment after FMCTI has verified that the specified corrective actions have been carried out. Interest shall not be paid on such withheld money.

**16.5** The invoice shall be prepared in accordance with the provisions of the **Agreement Documents**, and Articles 9 to 11 if applicable, and all documentation necessary for control of the invoiced amount shall be appended.

**16.6** FMCTI shall, within fifty eight (58) **Days** after receipt of a correct, fully documented and approved invoice which satisfies the requirements in this Article, pay the amount due to **Supplier** according to the invoice. The following deductions may be made from the payment;

- 
- a) Any previous payments on account to **Supplier** which relate to, or directly concern, the **Work** covered by the invoice,
  - b) Such parts of the invoiced amount as are insufficiently documented or otherwise disputed, provided that **FMCTI** as soon as possible, and no later than by payment, specifies what documentation is considered insufficient and/or what the dispute concerns,
  - c) All amounts due to **FMCTI** from **Supplier** and its **Affiliates**,
  - d) Any additional cost incurred by **FMCTI** for which **Supplier** is liable according to the **Agreement**, or
  - e) Any withholding or assessment of any nature resulting from the location of payment designated on **Supplier's** invoice which shall be for the sole account of **Supplier**.

**16.7** If **FMCTI** fails to pay by the stipulated date, **Supplier** shall as sole remedy for any delay in payment of any undisputed invoice be entitled to interest from the day on which payment was due. The rate of interest shall be the rate of one year London Interbank Offered Rate ("LIBOR") in force on the due date of payment.

**16.8** Within sixty (60) **Days** after all **Work**, with the exception of warranty work, is completed, **Supplier** shall submit his proposal to the final account. Claims not included in the proposed final account cannot be submitted later by **Supplier** unless otherwise agreed to by **FMCTI** in writing. Any proposal to final account stating that monies are due by **FMCTI** which is submitted later than the mentioned sixty (60) **Days** will not be compensated by **FMCTI**. This does not apply to compensation for work performed by **Supplier** as instructed by **FMCTI** after completion of the **Work**.

**16.9** **Supplier** shall be liable for and pay, and shall assure that **Supplier Group** shall pay, all taxes (including withholding), any fees, levies, imposts, duties and charges and the like (with all direct and indirect expenses to discharge same and any and all penalties and fines pertaining to any of the preceding) assessed or imposed on **Supplier Group** by any public or governmental authority in connection with the performance of the **Work** for which it is liable with no exception whatsoever. **Supplier** shall indemnify and hold harmless **FMCTI** from and against any and all liabilities, claims and charges under this Article.

**16.10** **Supplier** shall in this connection fulfill all administrative requirements, including but not limited to the registration and filing of documents.

**16.11** If requested, **Supplier** shall in due time provide **FMCTI** with any documents or information required for compliance with applicable customs laws, rules, and regulations. This includes but is not limited to the required Import or Export documents in support of any Free Trade Agreement ("FTA") or duty free claim. Similarly **Supplier** shall in due time inform **FMCTI** of any errors or omissions contained in such document certifications provided by **Supplier**, or of any non-compliance by **Supplier** with the aforesaid regulations or FTA requirements.

**Supplier** acknowledges that, notwithstanding any other provision of this Agreement, **FMCTI** may withhold payment on any **Supplier's** invoice until the documents or information required for compliance with applicable customs laws, rules, and regulations is provided.

## **17. AUDIT OF FINANCIAL RECORDS**

**17.1** **FMCTI's** representative and persons appointed by him are entitled to audit at **Supplier's** and **Subcontractor's** premises all payments to **Supplier** and **Subcontractors**. Such audit right does not entitle **FMCTI** to examine the composition of lump sum prices.

**17.2** For the purpose of performing such audit, access shall be given during all office hours to all timesheets, records and other documents, including original invoices and supporting documentation from **Subcontractors** together with all books of accounts incorporating such account details.

17.3 Such audit right shall apply during the period of the **Agreement** and up to five (5) years after the end of the year when the **Work** with the exception of warranty work, is completed. If charges are proven incorrect, a new account shall be prepared.

## 18. BANK AND/OR PARENT COMPANY GUARANTEE

Upon request by **FMCTI**, **Supplier** shall, at his own cost, provide a Parent Company Guarantee (as found in Attachment C) or a Bank Guarantee (as found in Attachment B) acceptable to **FMCTI** within thirty (30) **Days** after **Effective Date**, and such other guarantee as may be approved by **FMCTI**. If so requested, the guarantee shall, in any event, be furnished to **FMCTI** prior to submission of the first invoice in accordance with the provisions of Article 16. **FMCTI** will require a Parent Company Guarantee or a Bank Guarantee when advance payment milestones are included in the **Agreement**.

## 19. TITLE AND LIENS

19.1 Unless otherwise advised in writing by **FMCTI**, full and unencumbered title to **Deliverables** shall pass to **FMCTI** progressively as the **Work** is performed, and such title to **Materials** shall pass to **FMCTI** on arrival at **Site**, or when paid for by **FMCTI**, if this occurs earlier.

19.2 As soon as **Materials** and **FMCTI Provided Items** arrive at **Site**, **Supplier** shall mark them with an identification number and **FMCTI's** name, and as far as possible keep them separate from other items.

19.3 During the performance of the **Work** and upon delivery, **Deliverables** and **Materials** owned by **FMCTI** shall be free of liens or retentions other than those for which **FMCTI** is responsible.

19.4 Upon termination according to Articles 12 and 13, title to **Deliverables** shall immediately re-transfer to **Supplier** if **FMCTI** so requests.

## 20. DELAY

20.1 Delay occurs when any part of the **Work** has not been completed in accordance with the corresponding delivery or milestone dates prescribed in the **Agreement Schedule**.

20.2 If the **Work** is delayed in relation to the delivery or milestone dates set forth in the **Agreement Schedule**, **Supplier** shall, without any proof of loss, pay to **FMCTI** as liquidated damages one half of one percent (0,5%) of the **Agreement Price** per **Day** until delivery takes place in accordance with Article 15. **Supplier's** cumulative liability for payment of liquidated damages under this Article is limited to fifteen percent (15%) of the **Agreement Price**. The amount payable as liquidated damages becomes due at **FMCTI's** demand. **FMCTI** and **Supplier** acknowledge that the assessment of liquidated damages is a genuine pre-estimate of **FMCTI's** loss arising from such failure. Payment of liquidated damages is the sole financial remedy for losses caused by **Supplier's** delay in completion of **Work**, however, if this Article 20 is found for any reason to be void, invalid or otherwise inoperative so as to disentitle **FMCTI** from recovering the full amount of liquidated damages, **FMCTI** shall be entitled to claim against **Supplier** in damages at law.

20.3 If **Deliverables** is not ready for delivery on the **Delivery Date**, then **FMCTI** is entitled to require the delivery of **Deliverables** for completion by another supplier.

20.4 If **FMCTI** is late in supplying **FMCTI Provided Items** or is late in performing any other of its obligations under the **Agreement**, then **Supplier** shall be entitled to an adjustment of the **Agreement Price** and/or **Agreement Schedule**. **Supplier** has a corresponding right to an adjustment of the **Agreement Price** and/or **Agreement Schedule** in respect to any delay caused by defects or discrepancies in **FMCTI's Materials** or **FMCTI Provided Documents**. Nevertheless, such adjustment shall not be made in so far as the delay is due to **Supplier** not fulfilling its obligations. If the **Supplier** considers it is entitled to an adjustment to the **Agreement Price** or **Agreement Schedule**, **Supplier** may request a **Variation Order** in accordance with Articles 9, 10 and 11 which shall apply accordingly.



## 21. WARRANTY

**21.1 Supplier** warrants the performance of the **Work**, design and workmanship of **Deliverables** and its suitability for its intended purpose according to the **Agreement**. **Supplier** also warrants that **Materials** delivered by **Supplier** for incorporation into **Deliverables** are new and conform to the **Agreement** requirements, and that all documents provided by **Supplier** and any engineering performed by **Supplier** will be free from any error and suitable for the purpose and use for which it according to the **Agreement** is intended. **Supplier** also warrants that **Deliverables** will conform to **FMCTI Provided Documents**, all documents provided by **Supplier** and the engineering performed by **Supplier**.

**21.2** This warranty does not apply to **FMCTI Provided Items** unless the contrary follows from Article 6. **Supplier's** liability for defects covered by the warranty is determined in accordance with the provisions of Article 22.

**21.3** The warranty period for **Deliverables** commences when it is delivered in accordance with Article 15. It expires sixty (60) months from the date received by **FMCTI** or forty eight (48) months from the date delivered to **FMCTI's** customer whichever is earlier. In case **Supplier** performs rectification work during the warranty period, **Supplier** warrants those parts of **Deliverables** affected by the rectification work. This warranty for rectification work applies for twenty four (24) months after the date of completion of the rectification work, unless the remaining part of the initial warranty period is longer.

**21.4** Upon written notice, **FMCTI** may assign the warranty granted by **Supplier** to **Company**.

## 22. DEFECT AND WARRANTY LIABILITY

**22.1** If **Deliverables** has a defect when delivered to **FMCTI**, whether stated in the delivery documentation or not, or if a defect or non-conformity arises for which **Supplier** is liable under his warranty according to Article 21, **Supplier** is responsible for such defect or non-conformity in accordance with the provisions of this Article 22.

**22.2** When **Supplier** is responsible for a defect or non-conformity, **Supplier** shall, without undue delay, rectify such defect or non-conformity at his own cost, expense and risk. Such rectification work shall, at **FMCTI's** option, include all necessary repair or replacement, including searching, dismantling, replacement, re-performance, re-installation and re-testing. However, except for services provided by **Supplier** offshore, **Supplier** will not be liable for offshore operations related to removal and re-installation of **Deliverables**.

**22.3** **Supplier** shall assume all costs and risks related to care, custody and control for **Deliverables** during rectification, including any transportation between the rectification **Site** and **Company's** onshore base in the country where **Deliverables** are located.

**22.4** If **FMCTI** decides that rectification work for a defect which has been discovered during the warranty period cannot be performed during the said period, then **Supplier's** obligation to remedy the defect shall apply for a period of twenty four (24) months from the expiry of the warranty period. However, **Supplier** shall not be responsible for increased costs occurring as consequence of expansion of defect after expiry of the warranty period due to the delayed rectification.

**22.5** **Supplier** shall notify **FMCTI** of which measures **Supplier** intends to apply and the time for rectification. **FMCTI** shall notify **Supplier** of its views on the rectification plans as soon as possible.

**22.6** If **Deliverables** contains any parts similar to a defective item, **Supplier** shall, upon **FMCTI's** written request, inspect all such similar items and repair or replace them at its own cost if any defect or deficiency is found during inspection.

**22.7** **FMCTI** shall be entitled to rectify the defect or re-perform the non-conformity itself or to engage another party to do so. In such case, **Supplier** shall reimburse all reasonable rectification costs.

**22.8** In addition, **FMCTI** may claim damages for defects according to law, unless the contrary follows from Article 22 or 25.

## **23. FORCE MAJEURE**

**23.1** Neither of the **Parties** shall be considered as being in breach of his obligations under the **Agreement** to the extent the **Party** can establish that the fulfillment of certain **Agreement** obligations has been prevented by **Force Majeure**.

**23.2** The **Party** invoking **Force Majeure** shall immediately notify the other **Party** of the **Force Majeure** situation.

**23.3** In the case of **Force Majeure**, each **Party** shall cover its own costs resulting from the **Force Majeure** situation. **Supplier** is responsible for taking due care of **Deliverables**, **FMCTI Provided Items** and **FMCTI Provided Documents** as are in **Supplier**'s care, custody and control.

**23.4** If the **Force Majeure** situation lasts without interruption for more than ninety (90) **Days**, both **Parties** shall be entitled to terminate the **Agreement**.

**23.5** Within 14 **Days** after the **Force Majeure** situation has ceased, **Supplier** shall present to **FMCTI** his proposed claim for adjustment of the **Agreement Schedule** in accordance with the provisions of Articles 9, 10 and 11. Any adjustments to the **Agreement Schedule** shall be made with due regard to the delay incurred by **Supplier** due to the **Force Majeure** situation.

**23.6** When a **Delivery Date** which would have applied in the absence of **Force Majeure** is reached and **Force Majeure** still continues, or the **Force Majeure** situation last without interruption for more than ninety (90) **Days**, **FMCTI** is entitled to demand delivery of **Deliverables**. In such case the delivery documentation shall be issued in accordance with Article 15.

## **24. LOSS OF OR DAMAGE TO DELIVERABLES, FMCTI PROVIDED ITEMS OR MATERIALS**

If loss of or damage to **Deliverables** and/or related documentation occurs between the start of **Work** and the time the delivery has taken place in accordance with Article 15, **Supplier** shall carry out necessary measures to ensure that **Deliverables** is completed in accordance with the **Agreement**. The costs of carrying out such measures shall be borne by **Supplier**. The same applies if any loss of or damage to **FMCTI Provided Items**, **Materials** or **Deliverables** re-delivered to **Supplier** occurs whilst in the care and custody of **Supplier Group**.

## **25. INDEMNITIES**

**25.1** **Supplier** shall defend, indemnify and hold harmless **FMCTI Group** and **Company Group** from and against any claim concerning;

- a) Personal injury to or loss of life of any employee of **Supplier Group**, and;
- b) Loss of or damage to any property of **Supplier Group**;

arising out of or in connection with the **Work** or caused by **Deliverables** in its lifetime. This applies regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of **FMCTI Group** or **Company Group**.

**25.2** **Supplier** shall, as far as practicable, ensure that other members of **Supplier Group** waive their right to make any claim against **FMCTI Group** or **Company Group** when such claims are covered by **Supplier**'s obligation to indemnify under the provisions of this Article 25.

**25.3 FMCTI** shall defend, indemnify and hold harmless **Supplier Group** from and against any claim concerning;

- a) Personal injury to or loss of life of any employee of **FMCTI Group** or **Company Group**, and;
- b) Loss of or damage to any property of **FMCTI Group** or **Company Group**;

except as stated in Article 24, arising out of or in connection with the **Work** or caused by **Deliverables** in its lifetime. This applies regardless of any form of liability whether strict or by negligence, in whatever form, on the part of **Supplier Group**.

**25.4 FMCTI** shall, as far as practicable, ensure that other members of **FMCTI Group** and **Company Group** waive their right to make any claim against **Supplier Group** when such claims are covered by **FMCTI's** obligation to indemnify under the provisions of this Article 25.

**25.5 Supplier** shall defend, indemnify and hold harmless **FMCTI Group** and **Company Group** from and against any claim from **Third Parties** arising out of or in connection with the **Work** or **Deliverables** to the extent **Supplier Group** has caused loss or damage to **Third Party** property, or death or injury to **Third Party** personnel, including product liability according to law.

**25.6 FMCTI** shall defend, indemnify and hold harmless **Supplier Group** from and against any claim from **Third Parties** arising out of or in connection with the **Work** or **Deliverables** to the extent **FMCTI Group** has caused loss or damage to **Third Party** property or death or injury to **Third Party** personnel.

**25.7 Supplier** must use all reasonable endeavors to perform **Work** in a manner that will prevent pollution and shall be liable for **Supplier Group's** disposal of all pollutant substances, articles, gases or liquids under the performance of **Work**. Furthermore, **Supplier** is liable for all costs of control or removal of any and all debris caused by **Supplier Group** and shall, subject to the provisions of Article 25.3, defend, indemnify and hold harmless **FMCTI Group** and **Company Group** in this respect, provided that the debris is originating from above the surface of the sea or arising from spills or discharges of fuels, lubricants, motor oils, paints, solvents, garbage and other like materials in **Supplier Group's** possession and control and directly associated with **Supplier Group's** equipment and facilities.

**25.8** Subject to the provisions of Articles 25.1 and 25.7, **FMCTI** shall defend, indemnify and hold harmless **Supplier Group** from and against any claim regarding damage to or loss of the hole or casing therein or of any reservoir or for any cost of regaining control of a wild well. Furthermore, **FMCTI** shall defend, indemnify and hold harmless **Supplier Group** from and against any claim regarding pollution arising from subsurface behavior, blow-out or loss of control.

**25.9 Supplier** shall defend, indemnify and hold harmless **FMCTI Group** and **Company Group** from claims resulting from infringement of patent or other **Intellectual Property** rights in connection with **Work**, or **FMCTI Group's** or **Company Group's** use of **Deliverables**. **FMCTI** shall, at **Supplier's** expense, have the right to be represented by a counsel of its own choice which shall cooperate fully in the defense of any such action, suit, claim or demand and shall provide all evidence in its control. However, this does not apply where such infringement directly results from the use of **FMCTI Provided Items** and **FMCTI Provided Documents**.

**25.10** With reference to Article 16.11, **Supplier** shall release, defend, indemnify, and hold harmless **FMCTI Group** and **Company Group**, its **Affiliates**, and their employees, agents, officers, directors from and against any and all claims, losses, expenses (including without limitation all costs, demands, damages, suits, judgments, fines, penalties, liabilities and attorneys' fees) and causes of action that arise out of or relate to **Supplier's** delay or failure to furnish any documents or information required for compliance with applicable customs laws, rules, and regulations, including but not limited to the required Import or Export documents in support of any Free Trade Agreement ("FTA") or duty free claim or from any errors or omissions contained in such document certifications provided by **Supplier**, or from any non-compliance by **Supplier** with the aforesaid regulations or FTA requirements.

**25.11** Save for **Supplier's** liability to pay Liquidated Damages in accordance with Article 20, **FMCTI** shall defend, indemnify and hold harmless **Supplier Group** from **FMCTI Group's** and **Company Group's** own **Consequential Loss**, and **Supplier** shall defend, indemnify and hold harmless **FMCTI Group** and **Company Group** from **Supplier Group's** own **Consequential Loss**. This applies regardless of any liability, whether strict or by negligence, in whatever form, on the part of any member of either Groups and regardless of any other provisions of the **Agreement**.

**25.12** The limitations of liabilities in Articles 13, 20, 21, 22 and 37, and indemnities given by **FMCTI** under this Article will solely apply to the extent any breach of **Agreement** or loss, damage and injury are not caused by the gross negligence or willful misconduct of **Supplier Group**.

## **26. INSURANCE**

**26.1 Supplier** shall at his own expense provide and maintain and cause his **Subcontractors** to provide and maintain the following insurances to the extent applicable under the **Agreement** and/or required by **Applicable Law**;

- a) Workers' Compensation Insurance in the amount required by applicable state or local law and Employers Liability with limits no less than \$1,000,000;
- b) General liability and Product liability with minimum limits commensurate with \$ 3,000,000 per occurrence;
- c) All risk replacement cost Property Insurance for **FMCTI's** property while under **Supplier's** care, custody and control or not specifically covered by **FMCTI's** insurance policies to the extent of the liabilities assumed;
- d) If applicable to the **Work**, **Supplier Group** shall also provide the following insurance:
  - 1) Auto Liability
  - 2) Watercraft Liability
  - 3) Aircraft Liability
  - 4) Professional Liability

**26.2** Subject to the extent of the indemnities and liabilities assumed, such insurance coverage(s) shall:

- a) Name **FMCTI** as an additional insured or equivalent (i.e., "indemnity to principal");
- b) Contain a waiver of subrogation in favour of **FMCTI**;
- c) Be primary, non-contributory and not excess coverage;
- d) Be issued by a company with a minimum AM Best Financial Strength Rating of A-VII or equivalent;
- e) Upon request, a complete copy of the policy must be provided to **FMCTI**

**26.3** The insurance requirements set forth in this **Agreement** may be met by a combination of primary and umbrella insurance policies. The provisions stated herein shall under no circumstances limit **Supplier's** indemnities or other liabilities under the **Agreement**. **Supplier's** failure to obtain and maintain any insurance required by his **Agreement** shall constitute a material breach of this **Agreement**.

**26.4** Prior to beginning the **Work**, the **Supplier** shall produce the appropriate insurance certificates in accordance with this article and containing the requirements outlined in 26.2.

**26.5** If **Supplier** fails to take out insurance according to his obligations under this article, **FMCTI** may at its sole option either take out such insurance and claim the costs thereof from **Supplier** or deduct the costs from any sums due to **FMCTI** by **Supplier**.

**26.6 Supplier** shall immediately notify **FMCTI** of any occurrence that may give rise to an insurance claim and shall endeavour to notify **FMCTI** thirty (30) days before the insurance is cancelled or lapses for any material reason.

## **27. INTELLECTUAL PROPERTY RIGHTS**

**27.1 FMCTI** and **Supplier** shall retain any right, title or interest in their respective **Background Intellectual Property**.

**27.2** Right to, or title or interest in, **Intellectual Property** developed during the performance of **Work** that is specifically identified as a line item on a **Purchase Order** and for which **FMCTI** provides specific funding shall vest in **FMCTI**. Right to, or title or interest in, **Intellectual Property** developed during the performance of **Work** that is not specifically identified and for which specific funding is not provided by **FMCTI** shall vest in **Supplier**.

**27.3 Supplier** shall grant to **FMCTI Group** and **Company Group** an irrevocable, royalty-free, non-exclusive and worldwide license to use **Intellectual Property** under this **Agreement** vesting in **Supplier Group** to the extent necessary for **FMCTI** to test, operate, maintain, repair, modify, extend or rebuild the **Deliverables**.

**27.4 Supplier** shall notify **FMCTI** of such developed **Intellectual Property** which shall vest in **FMCTI**, and **Supplier** shall provide the necessary assistance to enable **FMCTI** to acquire and register such **Intellectual Property**. **FMCTI** shall reimburse **Supplier** all reasonable costs in connection with such assistance, including compensation to **Supplier's** employees or others, in accordance with **Applicable Law** or general agreements concerning compensation for **Intellectual Property**.

**27.5 Background** and developed **Intellectual Property** vesting in **FMCTI** according to this Article 27 shall not be used by **Supplier** for any other purpose than to perform **Work**. All documentation, computer programs and copies of the same shall be provided to **FMCTI** at the date of delivery, unless explicitly agreed otherwise.

## **28. CONFIDENTIAL INFORMATION**

**28.1** All information exchanged between the **Parties** shall be treated as confidential and shall not be disclosed to any other than **FMCTI**, **Supplier** and **Company** without the other **Party's** written permission, unless such information:

- a) May be disclosed in accordance with Article 27, or;
- b) Is already known to the **Party** in question at the time the information was received, or becomes part of the public domain other than through the fault of any member of **Supplier Group** or **FMCTI Group**, or;
- c) Is rightfully received from another party than **FMCTI**, **Supplier** and **Company**, without an obligation of confidentiality, or;
- d) Is lawfully required to be divulged by law, public authority or a commonly recognized stock exchange.

**28.2** Each of the **Parties** may, however, use or disclose confidential information to another party than **FMCTI**, **Supplier** and **Company**, to the extent necessary for the performance and control of the **Work** and use of **Deliverables**. In such cases, the **Parties** shall ensure that such party signs a written confidentiality agreement containing provisions similar to the provisions of this Article 28.

**28.3 Supplier** shall not publish information concerning the **Work** or the **Agreement** without **FMCTI's** written approval.

## 29. ASSIGNMENT

**FMCTI** may upon prior written notice freely assign its rights and obligations under the **Agreement**. **Supplier** may not assign or mortgage the **Agreement** or a part or interest in it without **FMCTI's** written approval. Such approval is not required for an assignment or mortgage to a bank or other financial enterprise.

## 30. BUSINESS PRACTICES POLICY

**30.1 Supplier** acknowledges principles enshrined in the pertinent international and regional conventions on combating corruption and to ensure compliance with the anti-corruption laws applicable to the activities under the **Agreement** and any other anti-corruption laws otherwise applicable to the **Parties**, if any, or their ultimate parent companies, including but not limited to the Foreign Corrupt Practices Act (USA) and the UK Bribery Act 2010 (UK).

**Supplier**, in respect of the **Agreement** and the matters that are the subject of the **Agreement**, warrants that neither it nor to its knowledge anyone on its behalf, has made or offered nor will make or offer any payment, gift, or promise or give any advantage, whether directly or through an intermediary, to or for the use of any person, organization or company, where such payment, gift, promise or advantage would be for purposes of:

- (i) influencing any act or decision of such person, organization or company;
- (ii) inducing an act of a public official to do or omit to do any act in violation of his or her lawful duties;
- (iii) securing any improper advantage; or
- (iv) inducing a public official to use his or her influence to affect any act or decision of any department, agency or instrumentality of any government or public enterprise.

**30.2 Supplier** represents and agrees that it has not made and will not make any payments to, or provide anything of value to, any employee, consultant or agent of **FMCTI Group** or **Company Group**, or any of their family members, or to any other person, in connection with its activities under the **Agreement**.

**30.3 Supplier** shall establish processes and procedures to comply with the requirements of this Article 30. **FMCTI's** representative and personnel authorized by it shall have the right to undertake audits and verifications of such processes and procedures.

**30.4 Supplier** shall provide an annual certification of compliance with this Article.

**30.5 Supplier** consents to the written disclosure (if required or compelled by operation of **Applicable Law**, regulation or court order) by **FMCTI** of **Supplier's** identity and the amounts paid or to be paid to **Supplier** under this **Agreement**.

**30.6 Supplier** declares that all payments due to **Supplier** under this **Agreement** shall be made by bank wire transfer to the bank account of **Supplier** at a designated bank in the country where **Supplier** performs **Work** under this **Agreement**.

**30.7 Supplier** further declares, represents and agrees that it or any **Subcontractor** will not utilize child labor or forced labor in violation of the OECD Guidelines for Multinational Enterprises, including ILO Conventions on child labor and forced labor. (OECD is the Organization for Economic Cooperation and Development and ILO is the International Labor Organization (UN)).

**30.8** In case of any potential and/or possible breach of the obligations set forth in this Article, **FMCTI** shall immediately be notified in writing by **Supplier** thereof, and **FMCTI** shall be given access to sufficient documentation and information to determine whether such a breach has occurred.

**30.9** In the event **FMCTI** has reason to believe that a breach of any of the representations and warranties in this Article has occurred or may occur, **FMCTI** may withhold further payments until such time as it has received confirmation to its satisfaction that no breach has occurred or will occur. **FMCTI** shall not be liable to **Supplier** for any claim, losses or damages whatsoever related to its decision to withhold payments under this provision.

**30.10 Supplier** represents and warrants that it, its subsidiaries and **Affiliates**, neither has taken nor will take any direct or indirect action inconsistent with this Article. In the event of any breach of the representations and warranties in this Article, the **Agreement** shall be void and invalid from the outset without the requirement of any written notice of cancellation. Any claims for payment by the **Supplier**, including claims for services previously rendered shall be automatically terminated and cancelled and all payments previously made shall be forthwith refunded to **FMCTI**. **Supplier** shall further indemnify and hold **FMCTI** harmless against any and all claims, losses or damages arising from or related to such breach or the cancellation of this **Agreement**, or both.

## **31. CHOICE OF LAW AND DISPUTE RESOLUTION**

**31.1** This **Agreement** shall be governed by and interpreted in accordance with the laws of England and Wales.

**31.2** The **Parties** recognize that the amicable settlement of disputes is in their mutual best interests. As such, the **Parties** agree to promptly notify the other **Party** of any dispute and to engage in good faith in consultations to resolve such a dispute. If such consultations do not resolve the dispute within sixty (60) **Days** from notification thereof, the **Parties** agree to submit any dispute to consultations between the General Managers of the **Parties**. If such consultations fail to resolve the dispute within sixty (60) **Days** from submission of the dispute to the General Managers of the **Parties**, the dispute shall be referred to and settled by English Courts.

**31.3** The **Parties** agree to waive all rights under or applicable to the UN Convention on Contracts for the International Sales of Goods (aka: Vienna Convention or International Sale of Goods Act).

## **32. PROVISIONS SURVIVING AGREEMENT**

Termination of the **Agreement** and/or fulfillment of the **Parties'** obligations under the **Agreement** shall not release the **Parties** from obligations which expressly or by their nature survive the **Agreement** or extend beyond **Agreement** termination and acceptance of **Deliverables**.

## **33. INVALIDITY AND SEVERABILITY**

If any provision of this **Agreement** shall be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, the invalidity or unenforceability shall not affect the other provisions of this **Agreement** and all provisions not affected by such invalidity or unenforceability shall remain in full force and effect. **FMCTI** and the **Supplier** agree to attempt to substitute, for any invalid or unenforceable provision, a valid or enforceable provision which achieves to the greatest possible extent, the economic, legal and commercial objectives of the invalid or unenforceable provision.

## **34. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT**

Subject to the express terms of Article 25 in so far as it applies to benefit members of the **Company Group** and **Supplier Groups**, the **Agreement** is not intended to confer rights on third parties and accordingly the Contracts (Rights of Third Parties) Act 1999 (an Act of the Parliament of the United Kingdom) does not apply.

## **35. LANGUAGE OF THE AGREEMENT**

English shall be the governing language of the **Agreement**. All matters pertaining to the **Agreement**, including **Agreement Documents** and written communication between the **Parties**, shall be conducted in English.

### 36. NOTICES

Unless otherwise expressly prescribed elsewhere in the **Agreement**, all instructions, notifications, agreements, authorizations, approvals and acknowledgements shall be in writing. Electronic transmission of said writing is permissible unless otherwise is specified in the **Agreement**.

### 37. LIMITATION OF LIABILITY

**Supplier**'s total liability for breach of the **Agreement** whether terminated or not, but excluding liability according to Articles 4, 16, 19, 24, 25, 26, 27, 28 and 30, shall not exceed the higher of two hundred percent (200 %) of **Agreement Price** or one (1) Million US Dollars.

Attachment A: FMCTI Technologies – Core Values

Attachment B: Bank Guarantee Template

Attachment C: Parent Company Guarantee Template



## **ATTACHMENT A – CORE VALUES**

### **SAFETY AND SUSTAINABILITY**

We protect the health and safety of our people and promote the sustainability of the environment and the communities where we operate.

Expected Behaviours:

- Take responsibility for preventing injuries.
- Follow all safe work practices and policies.
- Report and address all injuries and unsafe working conditions.
- Protect the safety and health of all employees, visitors, and communities where we operate.
- Operate efficiently to preserve natural resources.
- Commit to corporate responsibility and support our local communities.

### **COLLABORATION**

We promote an environment of open and sharing cooperation within the company and with our suppliers and customers.

Expected Behaviours:

- Proactively share experiences and information within the company.
- Focus on common goals rather than individual achievements.
- Encourage interaction and teamwork guided by clear direction and structured feedback.
- Embrace and share best practices.
- Act as one global company.

### **INNOVATION**

We believe the best is yet to be invented. We encourage purposeful creativity and thoughtful risk taking to create value for all stakeholders.

Expected Behaviours:

- Constantly look for better ways of doing things.
- Foster an environment of innovation and seek breakthrough ideas and initiatives.
- Proactively share information, best practices and ideas throughout the company.
- Balance the pursuit of innovation against the value of standardization.
- Pursue creativity without fear of failure.

### **VALUING PEOPLE**

We have the best people, invest in their development and provide opportunities for their growth. Our strength and success comes from respecting people, embracing diversity and valuing different cultures.

Expected Behaviours:

- Provide equal opportunity and fair treatment to all employees.
- Maintain a great work environment.
- Foster a culture of workforce diversity and value a multicultural approach.
- Take responsibility for improving existing skills and acquiring new skills and knowledge.

- Help others advance by providing tools and opportunities for professional development.

**INTEGRITY**

We do what is right and we do what we say. We always act ethically, lawfully and in accordance with our values.

Expected Behaviours:

- Never compromise our values for results.
- Accept accountability for your own actions and those of your team.
- Raise concerns without hesitation and address issues with no retaliation.
- Speak the truth and insist on an open and trusting environment.
- Lead consistently by actions, not just words.

**CUSTOMER CENTERED**

We create value by building close partnerships with our internal and external customers to achieve mutual success.

Expected Behaviours:

- Help internal and external customers succeed by insisting on measurable requirements.
- Deliver only conforming products and services to our customers.
- Build alliances with customers and suppliers who share our values.
- Cultivate long-term relationships with our external customers and suppliers.
- Share performance metrics with customers to achieve mutual success.
- Live our values to build the FMC Technologies brand.

**QUALITY**

We embrace the Five Absolutes of Quality. Through strict conformance to requirements, a prevention mindset and a zero-defect performance standard, we eliminate the price of non-conformance and create customer success.

Expected Behaviours:

- Insist on clear requirements and agree on them upfront.
- Recognize and celebrate individuals who demonstrate a prevention mindset.
- Develop, implement and maintain zero-defect capable processes.
- Understand the price of non-conformance and personally strive for zero defects in everything we do.
- Work to requirements and standard operating procedures; avoid waivers and workarounds.

**ATTACHMENT B – STANDARD BANK GUARANTEE**

This bank guarantee (hereinafter the “Guarantee”) is given by

.....

(hereinafter the "Guarantor") to

FMC Technologies Inc and its associated companies, its successors and assignees (hereinafter “FMCTI”).

With reference to **Agreement** ..... (hereinafter the "the **Agreement**") regarding the provision of

.....

entered into on the ..... between **FMCTI** and ..... (hereinafter the "**Supplier**"), Guarantor hereby opens an unconditional and irrevocable bank guarantee as primary obligor for an amount of 10% of the **Agreement Price**, which equals **FILL IN AMOUNT** .....

1. Guarantor will, upon **FMCTI**'s first written demand stating that **Supplier**, its successors or assignees, is in default under the **Agreement**, pay to **FMCTI** an amount limited to the amount stated above. Guarantor waives any right to use any defence pleaded by **Supplier** against **FMCTI**'s claims.
2. Guarantor waives any right to put forward any cross-claim towards **FMCTI**.
3. This Guarantee becomes effective on the above stated **Agreement** entering date or upon **FMCTI**'s first payment to **Supplier** according to the **Agreement**, whichever date comes first. The Guarantee expires in accordance with the provisions of the **Agreement**, and in any case no later than **FILL IN DATE OF EXPIRY**.
4. If the **Agreement** provides gradual reduction of the bank guarantee stated therein, the amount in this Guarantee shall be reduced in accordance with the **Agreement**.
5. Guarantor will accept any **Variation** or modification to the **Agreement** without notice to or approval from Guarantor, and without affecting Guarantor's obligations in accordance with this Guarantee.
6. **FMCTI** will return this Guarantee within thirty (30) **Days** after it has expired.
7. This Guarantee shall be governed by the laws of England. Court proceedings arising in connection with this guarantee shall be brought before London City Court.

|                      |                      |
|----------------------|----------------------|
| Place and Date:..... | Place and Date:..... |
| Signature:.....      | Signature:.....      |
| Typed name:.....     | Typed name:.....     |
| Position:.....       | Position:.....       |

**ATTACHMENT C – PARENT COMPANY GUARANTEE**

Dear Sirs:

We understand that FMC Technologies Inc. and its associated companies (hereafter “**FMCTI**”) has entered into an **Agreement** with **FILL IN NAME AND ADDRESS OF SUPPLIER** (hereafter the “**Supplier**”), a subsidiary of the undersigned **FILL IN NAME AND ADDRESS OF PARENT COMPANY** (hereafter the “**Guarantor**”) in a **Agreement** dated **FILL IN DATE** (hereafter the “**Agreement**”) for the supply of **FILL IN SCOPE DESCRIPTION**.

The Guarantor hereby guarantees the full and faithful performance by the **Supplier** of all the terms, provisions, conditions and obligations to be made, carried out, performed or observed as provided in the **Agreement**.

This guarantee shall be valid until completion of all **Agreement** terms and the issuance of the final acceptance certificate, or **FILL IN DATE** (hereafter the “**Expiration Date**”), whichever shall first occur, unless extended by the Guarantor in writing, in the event that the **Agreement** should be extended by mutual agreement between the **FMCTI** and **Supplier**. Notwithstanding the **Expiration Date**, this guarantee shall remain valid and shall cover any claims made by **FMCTI** prior to the **Expiration Date**.

If the **Supplier** shall fail to perform any or part of its obligations under the **Agreement**, the Guarantor shall for itself perform or cause to be performed by another party, the remaining portion of the **Agreement**. In the absence of performance by the Guarantor, **FMCTI** shall be entitled to hire an independent supplier, other than the original **Supplier** or the Guarantor, and Guarantor shall pay the cost of performance by such new supplier, without limitation to any increased cost.

Any claim hereunder must be submitted to **FILL IN NAME AND ADDRESS OF OFFICER** at the address shown above or by fax number **FILL IN FAX NO**, together with your simple statement declaring that **Supplier** has failed to perform its obligations under the terms of the **Agreement** and stating the nature of its breach.

This guarantee shall be governed by and interpreted in accordance with the laws of England, and any dispute which are not resolved by mutual agreement, shall be settled by court proceedings unless the parties agree otherwise. Any court proceeding shall be brought before the Courts of London, UK.

Very truly yours,

For: **NAME OF GUARANTOR**