



TERMS AND CONDITIONS FOR PROVISION OF GOODS AND SERVICES

1. DEFINITIONS

- 1.1 "Amendment" shall mean a change to the original Order issued pursuant to and in accordance with Article 8.
- 1.2 "Business Day" shall mean any day other than a Saturday or Sunday on which banks in Scotland are generally open for business.
- 1.3 "Conditions" shall mean these general terms and conditions of purchase together with any amendments agreed in writing by Purchaser and Vendor.
- 1.4 "Order" shall mean the Purchase Order including the Conditions together with all documents referred to therein as varied by any Amendment.
- 1.5 "Price" shall mean all sums payable to Vendor as specified in the Order for performance of the Work.
- 1.6 "Purchaser" shall mean Stena Drilling Ltd.
- 1.7 "Purchaser Group" shall mean: Purchaser, its clients of any tier, its other contractors, its and their parent, subsidiary and affiliate companies and the employees and its subcontractors and agents of all of them.
- 1.8 "Delivery Date" shall mean the date specified in the Order as the Delivery Date.
- 1.9 "The Work" shall mean the goods and/or services to be provided as defined in the Order and may be changed by written and agreed Amendment only.
- 1.10 "Vendor" shall mean the person, firm or company as specified in the Order and to whom the Order is issued.

2. ACCEPTANCE OF ORDER

- 2.1 Unless otherwise specifically agreed in writing, Vendor's acceptance of the Order and any Amendment shall be deemed to constitute an acceptance of and an agreement to comply with the Conditions. The Order shall have precedence over any conditions appearing on any Order acknowledgement or Order acceptance documentation issued by the Vendor.
- 2.2 The Vendor's provision of the Work pursuant to the Order and any Amendment shall constitute acceptance thereof.

3. QUALITY AND DESCRIPTION

- 3.1 All Work shall:
 - a) Conform strictly as to quantity, quality and description with the particulars stated in the Order and with all applicable local laws, regulations and statutory requirements applicable to such Work;
 - b) Be of sound materials and workmanship;
 - c) Be in strict compliance with samples, patents, drawings or specifications, if any referred to in the Order;
 - d) Be capable of the standard of performance specified in the Order;
 - e) Be designed/provided for and fit for the intended use, application or purpose for which it is supplied, as described in the Order.
- 3.2 All work performed pursuant to the Order shall be performed by suitably qualified and competent personnel and all equipment and tools provided shall at all times be maintained in operating condition by Vendor, and in the event that Vendor shall provide personnel the same shall be competent and suitably qualified for the purpose for which they are provided. Purchaser reserves the right to require the replacement of any personnel, equipment or tools provided by Vendor which in the Purchaser's sole opinion are negligent or inadequate and do not comply with the foregoing provisions at Vendor's cost.

4. PAYMENT

- 4.1 In consideration of the satisfactory performance of the Work, Purchaser shall pay Vendor the Price in the manner set out in the Order and Conditions.
- 4.2 Vendor shall send Purchaser a detailed price invoice or invoices as instructed on the Order clearly stating the Order Number, the item numbers and the settlement terms and containing all information required to be stated on a tax invoice for VAT purposes.
- 4.3 Unless otherwise specified in the Order all payments hereunder shall be made by BACS 45 days net of receipt of Vendor's true and correct invoice at Purchaser's invoicing address stated in the Order. Payment shall not operate as a waiver of any of the rights of Purchaser under the Order or otherwise.
- 4.4 Unless otherwise stated in the Order all payments hereunder shall be made in Great British Pounds (GBP).
- 4.5 Vendor acknowledges that except as specifically provided in the Order the rates and Prices contained therein are sufficient to cover all its obligations whether expressed or implied under the Order. When the Work or any part thereof is to be performed other than at Vendor's premises Vendor shall be deemed to have satisfied itself as to all local conditions and other factors as may in any way affect the performance of the Work.
- 4.6 Purchaser reserves the right to audit Vendor's charges and it shall for a period of 2 years from the date of completion or delivery of the Work have access to any detailed cost data necessary for that purpose, and be entitled to copies of such data and supporting documents and information.
- 4.7 Purchaser may withhold any payment due to Vendor to such extent as may be necessary to protect the Purchaser from loss because of a doubt that the Work will fulfil the requirements of the Order or reasonable suspicion of a breach by Vendor of any part of the Order, these Conditions, or due to a dispute in an invoice.



5. INSPECTION AND TESTING

- 5.1 Purchaser and its representatives shall at all reasonable times be granted access to any premises (including those of Vendor's subcontractors) and be allowed to inspect and test the Work at any time prior to acceptance or delivery of the Order, whichever shall be the later.
- 5.2 Purchaser or his representative shall have full power to reject any Work that it considers defective or inferior in quality of material, workmanship or design and/or not in accordance with Purchaser's Order. Any Work so rejected shall immediately be replaced or corrected as required by Purchaser or its representative, at Vendor's expense. Vendor shall then re-submit the re-performed Work for re-inspection and re-testing at Vendor's cost.
- 5.3 Vendor shall make available at its own expense all tools, instruments, apparatus, facilities, services and materials necessary for carrying out tests on the Work (or on Purchaser's request, confirmatory re-tests), as may be required by Purchaser, and when requested the Work shall be completely assembled for such tests and at Purchaser's option shall be dismantled for inspection before despatch.
- 5.4 Where reasonably practical not less than 14 days' notice shall be given by Vendor to Purchaser that the Work or any part thereof is ready for inspection and/or testing.
- 5.5 Inspection, testing or acceptance of any Work or any waiver of any rights in respect thereof by Purchaser or its representative shall not relieve Vendor from any of its obligations under the Order or otherwise, including without limitation, its responsibility for any defects subsequently found in materials and/or workmanship.
- 5.6 Vendor shall supply at its own expense certificates of analysis, test, inspection or origin as may be required by Purchaser or required by law, which shall in any event be delivered to Purchaser on Delivery Date.

6. COMPLETION AND DELIVERY

- 6.1 The Work shall be completed by the Delivery Date specified in the Order as varied by any Amendment.
- 6.2 Vendor shall provide at its own expense such information concerning status and progress of the Work as Purchaser shall deem necessary to ensure that the Work will be completed by the Delivery Date.
- 6.3 If the Vendor fails to complete the Work by the Delivery Date, Vendor shall pay Purchaser [0.5%] of the Order value as liquidated damages in respect of each [day/week]'s delay in fulfilling the Order, up to a maximum of [10%] of the Order value, payable on demand. The Purchaser and Vendor agree that these liquidated damages are reasonable and proportionate to protect the Purchaser's legitimate interest in performance.
- 6.4 Any part of the Work ready for delivery before Purchaser has authorised delivery shall be stored by Vendor at its own risk and expense.
- 6.5 Delivery of the Work shall be effected in the manner(s) and at time(s) specified by Purchaser. If the Work is not delivered in accordance with Purchaser's Order requirements Vendor shall be responsible for any additional expense arising therefrom. Except as otherwise specified in the order, Vendor shall be responsible for and bear the cost of packaging, loading and/or carriage of the Work.
- 6.6 Vendor shall take all necessary precautions, to ensure that all Work which is to be delivered to Purchaser is packaged in a safe and sufficient manner so as to avoid damage or loss to the Work whilst in transit and until delivered and the packaging shall comply with all statutory requirements and/or codes of practice applicable to the kind of Work the subject of the Order. Vendor shall indemnify Purchaser in respect of any and all loss, expense, damage claim and liability incurred by Purchaser Group arising in connection with any breach of Vendor's obligations under this Article.
- 6.7 Purchaser shall have the right to reject the delivery if the Order does not satisfy the requirements of the Order. In such circumstances, Purchaser may elect to terminate the Order in accordance with Article 12.1, or by written notice require Vendor to replace and/or repair the Works as necessary in order to re-deliver the Order within a timescale agreed between the parties.

7. DEFECTS AND WARRANTY

- 7.1 Vendor shall be responsible for remedying at his expense any defects that may arise in the Work within 12 months from the date when the Work has been put into service for its specified use, or 12 months from delivery, whichever is the later. Vendor shall guarantee for a further period of 12 months all remedial work carried out under this warranty. Where a defect arises within the aforesaid original warranty period but does not become apparent until that period has expired, Vendor's liability shall not cease merely because Purchaser Group has been unable to give notice of the defect to Vendor within the said period. And whether the Work has been put into service by, or delivered to, the Purchaser, or a member of the Purchaser Group. If any defects which Vendor is obliged to remedy under this Clause, are not remedied within a reasonable time, or circumstances render it impracticable for Vendor to do the same, Purchaser may do so itself or authorise others to do the same, and Vendor shall reimburse Purchaser for all costs arising therefrom.
- 7.2 This warranty and Purchaser Group remedies hereunder are in addition to Purchaser Group other rights and remedies existing under the Order or at Law.
- 7.3 Where applicable, Purchaser shall have the right to assign the benefit of this warranty to its successors or assignees or clients of any tier.



8. AMENDMENTS

- 8.1 Vendor will not perform any changes to the original Work requested by Purchaser without obtaining written approval. Such changes may include, without limitation, additions to, or reductions in the quantity of Work. When Purchaser is contemplating any change to the Work, Purchaser shall give written notice to Vendor, who shall promptly advise Purchaser of its reasonable effect on Price and Delivery Date.
- 8.2 No change shall be accepted by Purchaser and Purchaser shall not be liable to make any payment in respect thereof to Vendor unless such change has been authorised by written instruction and subsequently confirmed by an Amendment issued by Purchaser's purchasing department.

9. ASSIGNMENT AND SUBCONTRACTING

- 9.1 Vendor shall not assign the Order nor subcontract any part of the Work, without Purchaser's prior written consent. No assignment or subcontract (even with Purchaser's consent) shall relieve Vendor of any of his obligations under the Order.
- 9.2 Vendor shall at Purchaser's request, supply Purchaser at no extra cost with un-priced copies of all subcontracts.
- 9.3 All applicable terms and conditions of the Order shall be imposed in all subcontracts entered into by Vendor.
- 9.4 Vendor shall obtain from all of its subcontractors a guarantee in identical terms to that required from Vendor under the Order. Where required by Purchaser, Vendor shall enforce its subcontract guarantees for the benefit of Purchaser or at Purchaser's discretion shall assign such guarantees to Purchaser and assist such assignee in the enforcement thereof.

10. STATUTORY AND SAFETY OBLIGATIONS

- 10.1 Vendor shall comply with all relevant statutes, laws, regulations, byelaws and EEC directives affecting performance of the Order and shall comply with Purchaser's safety regulations, a copy of which is available on request.
- 10.2 Vendor shall provide Purchaser in writing with such information as is necessary relating to the use of any materials and or equipment supplied and/or used and its design, testing and use and relating to any conditions necessary to ensure it will be safe and without risk to health when properly handled, stored, transported and used.
- 10.3 Vendor shall give notices and shall obtain all permits required to be given or obtained in Vendor's name, which may relate to the Work and are required by any statute, law or regulation and shall bear all costs in connection therewith.
- 10.4 The Parties acknowledge that compliance with all applicable Export Regulations should be maintained. To achieve compliance in a timely manner the Parties shall at all times make full disclosure of all information applicable under Export Regulations or other compliance obligations, which may affect the delivery or use of the products or the performance of the obligation.
- 10.5 The Vendor must disclose to the Purchaser any control which is applicable under the Export Laws, including but not limited to the Open General Export License (OIL and GAS Exportation: Dual Use Items).
- 10.6 The Vendor shall comply with all applicable anti-bribery and anti-corruption legislation including, without limitation, the Bribery Act 2010 and any applicable European Union Directives. The Vendor shall also comply with Purchaser codes and policies on Anti-Bribery. Any breach of this clause shall be deemed a material breach under this Agreement.
- 10.7 Throughout the term of this Agreement the Vendor shall maintain and enforce its own policies and procedures, including adequate procedures under the Bribery Act 2010, to ensure compliance with all applicable anti-bribery and anticorruption legislation and European Union Directives. Adequate procedures shall be determined in accordance with section 7(2) of the Bribery Act 2010 (and any guidance issued under section 9 of the Act).
- 10.8 The Vendor shall use all reasonable endeavours to ensure that all persons associated with the Vendor (as defined by section 8 of the Bribery Act 2010) including any subcontractors and suppliers comply with clause 9.1 and 9.2 above.

11. SUSPENSION

- 11.1 Purchaser may by written notice require Vendor to suspend performance of the Work, and Purchaser will reimburse Vendor in respect of any reasonable costs associated with the suspension.
- 11.2 Vendor shall during suspension properly protect and secure any materials or equipment used in the performance of the Work.

12. TERMINATION FOR DEFAULT OR INSOLVENCY

- 12.1 In the event of any default by Vendor in performance of any of its obligations hereunder, including, without limitation, failing to carry out the reasonable instructions of Purchaser (but specifically excluding the Vendor's failure to deliver the Work by the Delivery Date, which shall be subject to Article 6.3), Purchaser may when such default is capable of remedy give Vendor written notice to rectify such default within the time specified therein. If Vendor shall fail to comply with the requirements of the said notice or in the event that in Purchaser's sole opinion Vendor's default shall be incapable of remedy to Purchaser's satisfaction, Purchaser shall be entitled to terminate the Order in whole or in part immediately by serving notice in writing on Vendor to such effect without prejudice to any of its other rights under the Order or otherwise and shall have the right to retain any Work previously supplied under the Order.
- 12.2 If Vendor becomes insolvent or if a petition in bankruptcy is filed against it, or a receiver, administrator, administrative receiver or liquidator or on notifying anyone in whom the Order may become vested, without prejudice to the existing rights and obligations of Vendor and Purchaser.



- 12.3 Without prejudice to Purchaser's other rights, on termination of the Order pursuant to Article 12, Purchaser shall be entitled to enter Vendor's premises or any place where the Work is situated and take possession of the whole or any part of the Work and remove the same, and title thereto (in so far as the same shall not already be vested in Purchaser) shall forthwith vest in Purchaser. Furthermore, Purchaser shall be entitled to retain and apply any balance of the Price in whole or in part which may be otherwise due to the Vendor towards the payment of completing the Work whether by itself or by a third party. If the cost of completing the Work exceeds the balance due to the Vendor, the Vendor shall pay the excess forthwith to the Purchaser.
- 12.4 In the event that liquidated damages are payable to the Purchaser, and the cap on liquidated damages in Article 6.3 is reached, the Purchaser may terminate the Order immediately upon notice without prejudice to any of Purchaser's other rights under these Conditions.
- 12.5 In the event that either party is affected by Force Majeure and fails to fulfil its obligations within an extension granted by the other party under Article 17.1, the non-affected party may terminate the Order immediately upon notice.

13.0 TERMINATION FOR PURCHASER'S CONVENIENCE

- 13.1 Purchaser shall be entitled at any time to terminate the Order in whole or in part by serving notice in writing on Vendor to such effect and Vendor shall cease all performance hereunder unless and to the extent otherwise provided in the notice of termination. In such event, title in all Work including goods and materials for which Vendor has been or shall be paid shall pass to Purchaser upon service of a notice in accordance with Article 25.1.
- 13.2 Vendor acknowledges its obligation to take all reasonable steps to mitigate liabilities arising from such termination.
- 13.3 In the event of termination of the Order pursuant to Article 13, Purchaser shall be entitled to enter Vendor's premises or any place where the Work is situated and take possession of the whole or any part of the Work and remove the same, and title thereto (in so far as the same shall not already be vested in Purchaser) shall forthwith vest in Purchaser.
- 13.4 In the event of termination of the Order under this Article 13, Purchaser shall pay the Vendor:
 - a) in respect of the Work undertaken up to the point of termination as a proportion of the Order value, which shall be agreed between the parties, acting reasonably; and
 - b) an amount equal to the value of any outlays incurred or to be incurred by the Vendor up to the date of termination, subject to Article 13.2.

14.0 TITLE AND RISK

- 14.1 Title in the Work shall pass to Purchaser on either
 - a) When the Work or part of thereof are first identifiable as being appropriated to the Order or
 - b) Payment for the Work (when title shall pass in proportion to the payments made therefore) or
 - c) Acceptance of the Work by Purchaser at the specified delivery point or
 - d) termination of the Order pursuant to Article 13.1, whichever occurs first.
- 14.2 Notwithstanding passage of title (in whole or in part) on the occurrence of (a), (b) or (d) above, risk shall remain with Vendor until delivery or acceptance of the Work by Purchaser in accordance with the provisions of the Order, whichever shall be the later.
- 14.3 All materials or equipment to be incorporated in the Work and Work the title of which has passed to Purchaser shall be clearly marked by Vendor as Purchaser's property shall be stored separately from Vendor's property.
- 14.4 Title and risk in rental equipment shall remain with Vendor at all times.

15.0 INDEMNITIES

- 15.1 Vendor shall indemnify and hold harmless Purchaser Group against any action, liability, cost or expense (including legal costs and expenses) whatsoever arising by reason of:
 - a) Any infringement or alleged infringement of any letters patent, registered design, copyright or trade mark referring to the performance of the Work, provided that this indemnity shall not apply in respect of any infringement arising as the result of the correct use by Vendor of a design supplied by Purchaser;
 - b) Personal injury including fatal injury and disease and loss of or damage to or loss of use of the property of third parties arising out of or in connection with the performance of this Order irrespective of the negligence or breach of duty of any member of Purchaser Group. The indemnity and hold harmless in this Article 15.1b shall be limited to GBP 5 million and excess liability shall be determined by applicable law.
 - c) All injury to or death of personnel and agents of Vendor, its parent, subsidiary and associates, its subcontractors of any tier and its and their suppliers and/or loss of or damage to their property of Vendor, its parent, subsidiary and associates, its subcontractors of any tier and its and their suppliers, including the property of, the personnel and agents of all of them arising out of or in connection with the performance of this Order irrespective of the negligence or breach of duty of any member of the Purchaser Group.
- 15.2 Purchaser Group shall not be liable and Vendor shall indemnify, defend and hold harmless Purchaser Group in respect of any direct loss, loss of profits or indirect or consequential loss whatsoever to up to a maximum of total Order value incurred in connection with the Work by Vendor, its parent, subsidiary and associates, its subcontractors of any tier and its and their suppliers and the employees, and agents of all of them irrespective of any negligence or breach of duty of any member of Purchaser Group.
- 15.3 Vendor shall maintain insurance cover against such liabilities as are referred to in Articles 15.1 b) and c) and shall provide to Purchaser on demand valid certificates of insurance in respect thereof.



16.0 INSURANCE

In addition to the requirements of Article 15.3, Vendor shall ensure that the following insurances are maintained by itself and its subcontractors throughout the duration of the Work being carried out under the Order, with insurers acceptable to Purchaser:

- (i) Employer's Liability Workmen's Compensation Insurance as appropriate to comply fully with all applicable laws.
- (ii) Automobile Public and Passenger Liability Insurance placed with a United Kingdom insurance company and having unlimited indemnity.
- (iii) General Liability Insurance having a limit of not less than £5 million sterling equivalent combined single limit any one occurrence covering all operations of the insured including without prejudice to the foregoing generally the contractual liabilities assumed herein.

Vendor shall ensure that all such insurances waive all rights of subrogation against the Purchaser Group. The Vendor shall remit certificates evidencing said insurances.

17.0 FORCE MAJEURE

- 17.1 Where either party is unable to perform the Order in the time specified by reason of Force Majeure, they shall be entitled to a reasonable extension of time for performance.
- 17.2 Any right of Vendor to an extension of time to perform shall be without prejudice to Purchaser's right to terminate under Article 13.
- 17.3 "Force Majeure" shall mean any acts of god, fire, explosion, flood, lightning, strike or labour dispute (other than strike or labour dispute by personnel of Vendor, its parent, subsidiary or associate and its subcontractors of any tier a strike or labour dispute of personnel of the Vendor, its parent, subsidiary or associate companies, or its subcontractors or suppliers of any tier - should this occur the Purchaser may seek liquidated damages as per Article 6.3), war, rebellion, riot or terrorism. Any delay caused by the inefficiency or late performance of the Vendor, any of its subcontractors of any tier, or suppliers shall not constitute an event of Force Majeure.
- 17.4 In any such event the party concerned should immediately notify the other party in writing and estimate how long these circumstances are likely to continue.
- 17.5 The party concerned shall take all reasonable steps to avoid further or consequential delay and to proceed with the due performance of the Order.

18.0 LIENS AND CLAIMS

- 18.1 Vendor agrees to pay discharge and hold Purchaser harmless from all liens, claims (including legal fees and other expenses incidental thereto, whether groundless or not) judgements and awards which may arise out of or in connection with this Order. Vendor shall at Purchaser's request, furnish proof satisfactory to Purchaser that all such liens, claims, suits, judgements and awards have been satisfied or released. Purchaser shall also have the right to make payment direct to any such lien or claimant and such payments shall be reimbursed by Vendor on demand, or deducted from such payments outstanding.
- 18.2 Vendor agrees to waive any right to exercise a lien, to make a claim or seek a judgement or award against the Work or any part thereof at any time and acknowledges that his sole right in the event of any failure by Purchaser to perform any of its obligations under the Order is to seek financial relief in respect thereof.
- 18.3 Vendor shall if and when required by Purchaser (irrespective of whether Vendor shall have been paid for the Work or any part thereof) provide a certificate to the effect that the Vendor waives any lien on the Work or the right to make any claim or seek any judgement or award against the Work, or any part thereof.
- 18.4 In the event that title has passed to Purchaser it shall at all times be entitled to enter Vendor's premises or any place where the Work is situated and take possession of the whole or any part of the Work and remove the same.

19.0 FREE ISSUE MATERIALS

- 19.1 Where Purchaser provides free issue materials for incorporation in the Work, such materials shall remain the property of Purchaser but shall become at the risk of Vendor and shall so remain until delivery to or acceptance of the Work by Purchaser in accordance with the provisions of the Order whichever shall be the later.
- 19.2 Vendor shall use such materials economically and any surplus shall be accounted for to Purchaser and disposed of or returned in accordance with Purchaser's instructions. Waste, loss of or damage to such materials arising from bad workmanship or failure of Vendor to maintain such materials in good order and condition shall be made good at Vendor's expense, replacements thereof to be equivalent quality and specification and subject to Purchaser's approval.
- 19.3 All such free issue materials provided by Purchaser shall be deemed to be in good condition when received by or on behalf of Vendor unless Vendor otherwise notifies the Purchaser within 48 hours.

20.0 DRAWINGS (Where applicable)

- 20.1 Vendor shall prepare at his own expense and submit to Purchaser such drawings as Purchaser may require. Purchaser shall have the right to approve all drawings in writing, but such approval shall not relieve Vendor of any of his responsibilities under the Order. Drawings shall not be departed from without Purchaser's written instructions.

21.0 PATENTS AND OTHER PROPRIETARY RIGHTS

- 21.1 Title to, access to, copyright in, the right to possession of and free use of all intellectual property created under or arising in connection with the Work shall vest in Purchaser immediately upon date of commencement of the Work or creation of the article or documents as applicable.
- 21.2 Purchaser shall have the sole right to seek patents on any item or idea arising in connection with the Work.



22.0 CONFIDENTIAL INFORMATION

22.1 Vendor, his officers, employees, subcontractors and agents shall maintain full secrecy and confidentiality on all matters not in the public domain concerning or arising from the Order or the tendering thereof for the period of 7 years from the date of signing of the Order.

23.0 PERSONAL INFORMATION - DEFINITION

23.1 "Personal Information" means information provided by either party to the other in the course of performance under an Order that identifies or can be used to identify an individual (including, without limitation, names, signatures, addresses, telephone numbers, e-mail addresses and other unique identifiers, noting however that the Vendor's business contact information is not by itself deemed to be Personal Information).

24.0 PERSONAL INFORMATION

24.1 The Vendor and the Purchaser acknowledge and agree that, in the course of the Work being undertaken, either party may receive or have access to Personal Information of the employees, agents and subcontractors of the other. The Purchaser and the Vendor shall comply with the terms and conditions set forth in these Conditions in its collection, receipt, transmission, storage, disposal, use and disclosure of such Personal Information and be responsible for the unauthorised collection, receipt, transmission, access, storage, disposal, use and disclosure of Personal Information under its control or in its possession by all Authorised Persons.

In recognition of the foregoing, both parties shall:

(i) keep and maintain all Personal Information in strict confidence, using such degree of care as is appropriate to avoid unauthorised access, use or disclosure; (ii) use and disclose Personal Information solely and exclusively for the purposes for which the Personal Information, or access to it, is provided pursuant to the Order and these Conditions, and not use, sell, rent, transfer, distribute, or otherwise disclose or make available Personal Information for its own purposes or for the benefit of anyone other than the other party, in each case, without that party's prior written consent; and (iii) not, directly or indirectly, disclose Personal Information to any person other than its Authorised Persons, including any subcontractors, agents, outsourcers or auditors without express written consent from Vendor unless and to the extent required by Government authorities or as otherwise, to the extent expressly required by applicable law in which case the relevant party shall (i) use best efforts to notify the other party before such disclosure or as soon thereafter as reasonably possible; (ii) be responsible for and remain liable to the other party for the actions and omissions of such third party concerning the treatment of such Personal Information as if they were the relevant party's own actions and omissions; and (iii) require the third party that has access to Personal Information to execute a written agreement agreeing to comply with the terms and conditions of this Agreement relating to the treatment of Personal Information.

25.0 PERSONAL INFORMATION – COMPLIANCE WITH DATA PROTECTION LAWS

25.1 Purchaser and Vendor represents and warrants that its collection, access, use, storage, disposal and disclosure of Personal Information does and will comply with all applicable privacy and data protection laws, as well as all other applicable regulations and directives.

25.2 At a minimum, both parties' safeguards for the protection of Personal Information shall include: (i) limiting access of Personal Information to Authorised Persons; (ii) securing business facilities, data centres, paper files, servers, back-up systems and computing equipment, including, but not limited to, all mobile devices and other equipment with information storage capability; (iii) implementing network, device application, database and platform security; (iv) securing information transmission, storage and disposal; (v) implementing authentication and access controls within media, applications, operating systems and equipment.

26.0 TAX WITHHOLDING AND IR35 (where applicable)

26.0 For the purposes of this Clause 26, the following terms shall be defined as below:

- "Contract Worker" shall mean an individual supplied by Vendor to support the performance of the Work who is paid on a pay as you earn basis but who is not an employee of Vendor.
- "Contingent Worker" shall mean any personnel which Vendor (or any subsidiary, affiliate or subcontractor of Vendor) proposes to supply to Purchaser for which Purchaser or any member of Purchaser Group would be deemed to be a 'client' for the purposes of Chapter 10 of Part 2 of the Income Tax (Earnings and Pensions) Act 2003 ("ITEPA").
- "PAYE" shall mean that an individual will be paid by Vendor on a 'pay as you earn' basis but will not necessarily be an employee of Vendor.
- "Determination" shall mean an assessment of the working status for the purposes of OPW Rules of any such Contract Worker by mutual agreement of the parties.
- "OPW Rules" shall mean the off-payroll working rules contained in Chapter 10 of Part 2 of Income Tax (Earnings and Pensions) Act 2003.

26.1 The Vendor shall, and shall procure that each Contract Worker shall, before the commencement of an Order, give Purchaser all such information and documentation that it may reasonably request or require to consider the application of this Clause 26 to anything to be done by the Vendor or any of the Contract Workers pursuant to the Order.

26.2 To the extent that the Vendor demonstrates to Purchaser's satisfaction, that the Contract Worker is engaged by the Vendor as an employee on a PAYE basis, the Vendor shall:



- a) comply (and remain compliant) with all its obligations under any employment tax legislation, including accounting to HMRC for correct amount of income tax, national insurance contributions (both employer and employee) and, if applicable, apprenticeship levy on all remuneration payable to that Contract Worker; and
 - b) free, relieve and indemnify Purchaser against any claims for, and undertakes to pay an amount equivalent to, any taxes, deductions, levies, assessments or any associated costs, expenses, penalties or interest which may be brought against Purchaser at any time in connection with the provision of services to it by that Contract Worker pursuant to the Order.
- 26.3 To the extent that clause 26.2 does not apply to a Contract Worker, Purchaser shall be entitled to consider whether the OPW Rules apply to the provision of services by that Contract Worker and, to the extent that they do, to make a Determination.
- 26.4 Where Clause 26.3 applies, Purchaser shall issue to the Vendor and the Contract Worker in question the Determination and, where any such Contract Worker is to be regarded as Purchaser's deemed employee pursuant to OPW Rules (such Contract Worker being a "deemed employee") and, subject to Clause 26.5, the Vendor shall:
- a) be required to deduct from the remuneration payable to such deemed employee and relating to such deemed employee's provision of services to Purchaser the appropriate amount of income tax and employee national insurance contributions and to pay them to HMRC, together with the appropriate amount of employer national insurance contributions and, if applicable, apprenticeship levy, in connection with such deemed employment; and
 - b) free, relieve and indemnify Purchaser against any claims for, and undertakes to pay an amount equivalent to, any taxes, deductions, levies, assessments or any associated costs, expenses, penalties or interest which may be brought against Purchaser at any time in connection with the OPW Rules.
- 26.5 In the event that the deemed employee and/or the Vendor disagrees with the Determination, they shall be entitled to make written representations to Purchaser that it has reached the wrong conclusion in its Determination. Provided that Purchaser receives such representations at any time before the Vendor receives the final payment of the fees for the Contract Worker in question, Purchaser shall, having regard to the representations made to it and within forty five (45) working days of such representations being received, inform the relevant Contract Worker (and/or, as the case may be, the Vendor) whether or not the original Determination stands together with the reasons for arriving at that conclusion. In the event that Purchaser reaches a different conclusion, it will provide the relevant Contract Worker (and/or, as the case may be, the Vendor) with a new Determination and confirm the original Determination is withdrawn.
- 26.6 The Vendor shall, and shall procure that each Contract Worker shall, promptly upon Purchaser's request, give Purchaser all such information and documentation as may be reasonably required to comply with the Purchaser's obligations (including, for the avoidance of doubt, the obligations set out in the OPW Rules) or as may be reasonably requested by Purchaser to verify that the Vendor has complied (and remains compliant) with its obligations under this Clause 26.
- 26.7 If Purchaser has a requirement for Vendor to provide an individual or individuals to work as a tow master (who is responsible for the overseeing and co-ordinating all marine activities in relation to heading control, disconnection and tow away of Purchaser's drilling unit(s)), then it is incumbent on Vendor to ensure that the such individual(s) can choose work assignments on their own merits and according to their own criteria and are not obligated by Vendor either under a contract of employment or of service to perform such work.
- 26.8 Vendor shall not, and shall not permit any Vendor subsidiary, affiliate or subcontractor to, provide any Contingent Worker for the performance and/or completion of the Work who is engaged by Vendor or any Vendor subsidiary, affiliate or subcontractor through an Intermediary, without the prior written approval of Purchaser. Vendor will provide all relevant information for Purchaser to make a Status Determination in this regard. The terms "Intermediary" and "Status Determination" shall be as defined by Chapter 10 of Part 2 of ITEPA.

27.0 TAXES

- 27.1 Vendor shall be responsible for all taxes, import duties, fees and the like related to the performance of the Work and shall indemnify Purchaser in respect of all liabilities and associated costs and expenses which may be incurred in connection therewith.

28.0 LAW AND LANGUAGE

- 28.1 The Order shall be construed and shall operate in all respects in conformity with Scottish Law and the parties hereby submit to the jurisdiction of the Scottish Courts.
- 28.2 All documentation provided by Vendor or its subcontractors in connection with this Order shall be in the English language.

29.0 NOTICES

- 29.1 Notices shall be sent by either electronic mail delivery or first class recorded delivery post to the addresses from the parties stated respectively on the Order or to any address subsequently notified in writing by one party to the other party. Notices to Purchaser to be specifically marked for the attention of the "Procurement Manager".
- 29.2 Notices served under these Conditions shall be deemed to have been received by the addressee (i) immediately, in respect of notices served by electronic mail; or (ii) on the second Business Day after posting, if sent by first class recorded delivery post.



30.0 ENTIRETY

30.1 The Order, these Conditions, and documents made a part thereof by express reference constitute the entire agreement between the parties and supersede all prior agreements and understandings written or oral and shall in any event supersede any terms and conditions that may be contained in Vendor's delivery documentation.

31.0 WAIVER

31.1 None of the provisions of this Order shall be considered waived by Purchaser unless such waiver is given by Purchaser in writing.