

Terms and Conditions for Rental of Equipment

Dated: 29-January-2025

1 DEFINITIONS

For purposes of these Terms and Conditions, the following terms have the meanings specified or referred to below:

- 1.1 'Inco' or 'Lessor' means the Dutch limited companies Inco-Drilling B.V., Inco-Drilling North Europe B.V., or Inco-Drilling Eastern Europe B.V., having its registered office at Havenkade 24, 1775 BA Middenmeer.
- 1.2 'The Company' or the 'Customer' or "Client" or "Lessee" means the person, firm or company specified as such in any Agreement to whom Inco supplies any Goods and/or Equipment by way of rental.
- 1.3 'Parties' mean Inco and Company.
- 1.4 'Purchase Order' means Company's written and formal request to Inco for the supply of Goods and/or Equipment.
- 1.5 'Agreement' or 'Contract' means any agreement or contract between Inco and the Company for the supply of Goods and/or Equipment. Any such agreement or contract shall consist of these Terms and Conditions and the Purchase Order.
- 1.6 'Terms and Conditions' means these Terms and Conditions.
- 1.7 "Equipment" means any equipment, plant, machinery or other items to be provided by Inco to the Client by way of rental.
- 1.8 "AFFILIATE" shall mean any entity controlled, directly or indirectly, by a Company, any entity that controls, directly or indirectly, such company, or any entity directly or indirectly under common control with such company. For this purpose, "control" of any entity or person means ownership of a majority of the voting power of the entity or person."
- 1.9 "COMPANY GROUP" means the COMPANY, its client (of any tier), its and their other Contractors, its and their respective AFFILIATES and its and their respective directors, shareholders, officers and employees (including agency personnel), but shall not include any member of INCO GROUP.
- 1.10 "INCO GROUP" means Inco, its SUBCONTRACTORS, and their AFFILIATES, its and their respective directors, shareholders, officers and employees (including agency personnel). "INCO GROUP" shall also include any subcontractors (of any tier) of a SUBCONTRACTOR which are performing Work, their AFFILIATES, their directors, shareholders, officers and employees (including agency personnel).
- 1.11 "Contract Price" means the price to be paid for the completed part of the Work and / or for the supplied Goods and / or Equipment, calculated in accordance with the Terms and Conditions of the Agreement.
- 1.12 "Inco's Supply Base" means Inco's premises at Havenkade 24, 1775 BA Middenmeer, the Netherlands, unless otherwise stated in Inco's offer/quotation.
- 1.13 "Lost-In-Hole" or "LIH" means any Equipment provided by Inco which is determined to be stuck or lost in the hole and/or well, after reasonable attempts to fish it have been unsuccessful or where the Parties agree to abandon-in-hole.

2 APPLICABILITY

- 2.1 These Terms and Conditions are to govern any Agreement between Inco and the Company and shall prevail over any terms put forward by the Company in any way, unless both parties expressly agree to such different terms in writing.
- 2.2 Any written confirmation of these Terms and Conditions containing proposals or terms additional to or different from those set forth herein, are not binding on any party, unless both parties expressly agree to any such proposal or terms in writing.
- 2.3 No conduct by any party shall be deemed to constitute acceptance of any terms put forward by the other Party.
- 2.4 These conditions shall also apply to all future deliveries of Goods and/or Equipment by Inco to the Company, except when Inco explicitly and in so many words agrees otherwise and confirms such in writing.

3 OFFERS / QUOTATIONS

- 3.1 All offers or quotations of Inco, in any form whatsoever, are free of obligations unless Inco expressly designates them as binding. Binding offers shall expire by the date mentioned in the binding offer and in any case 60 days after the date of the offer, unless they are extended by Inco in writing.
- 3.2 All information provided in respect of Inco's offers or quotations, including cost estimates, quotes, illustrations, drawings, calculations, pricelists, timelines, and catalogues etcetera is as accurate as possible. This is only binding on Inco if Inco confirms so in writing.
- 3.3 If the Company provides Inco with information, then Inco may consider this information complete and correct.

4 PRICES

- 4.1 Pricing shall be calculated in the manner and with the prices provided on Inco's offer or quotations and it shall appear on each Purchase Order of the Company.
- 4.2 Unless agreed otherwise in writing, all prices mentioned in the offer or quotation are valid for 12 months after providing an offer or quotation and the acceptance of such offer or quotation. After 12 months Inco has the right to increase the prices. Inco shall inform the Company of any increase at least 30 days before the new prices come into effect.
- 4.3 Unless otherwise agreed, the prices provided in the offers or quotations by Inco are:
- a) based on the information the Company has provided.
 - b) VAT excluded and other (import) duties, taxes (other than Dutch taxes on Inco's profits) and other possible charges are also excluded.
 - c) All prices are based on delivery Ex Works (Incoterms 2020) at Inco's Supply Base. If Company requests Inco to provide any equipment at any specific location, Inco can arrange transportation for and on behalf of the Company at cost plus a markup as stated in Inco's quotation.
- 4.4 If requested Inco undertakes to provide the Company a tax residency certificate in Netherlands valid for the current tax year.
- 4.5 Rental rates for Inco's supplied Equipment shall start to apply the day the Inco's Equipment leaves Inco's Supply Base. Such rates shall continue to run until Inco's Equipment arrives back at Inco's Supply Base. The operational rate (or also called "Below Rotary Table Rate") for Inco's Equipment will be applicable during the time such equipment is below rotary table.
- 4.6 The prices for Inco's Equipment that is Lost-In-Hole, Lost-in-Transit, stolen or Damaged-Beyond-Repair are referred as Lost-In-Hole (LIH) or replacement values. LIH prices are fixed and not subject to any depreciation nor any adjustment whatsoever. Operating days for Inco's Equipment LIH will continue to be charged until the Company formally communicates a Lost-In-Hole event to Inco.
- 4.7 Redress or Run Charges are applied per tool run below the rotary table and include pre- and pos inspections only. Any wear, tear or damage will be charged at cost plus a markup as stated in Inco's quotation.

5 PURCHASE ORDER

- 5.1 A Purchase Order constitutes Company's formal request to Inco for the provision of Good and/or Equipment and shall be in the written form. A Purchase Order will only become binding on Inco when it is accepted by Inco in writing.
- 5.2 The Purchase Order will specify the required equipment, quantity, its prices according to clause 4 above, delivery date, estimated duration and any reference.
- 5.3 If Inco cannot provide Company with the requests specified in the Purchase Order, Inco shall notify Company within 15 days after the receipt of the Purchase Order and Parties shall negotiate on an alternative in good faith.
- 5.4 Company can request reasonable changes to the requests made in the Purchase Order with respect to design, quality and specification of the Equipment. The consequences, in particular additional or reduced costs as well as delivery and/or provision of services deadlines, shall be agreed in writing by both parties. If Inco cannot supply the Company with the modified Equipment with the modifications, Inco shall notify Company as quickly as possible.
- 5.5 If Parties within a reasonable time cannot agree on the new terms after the Company has made a request in accordance with 5.4 and it is not possible to carry out the Work and/or provide the personnel and / or supply of Goods as mentioned in the agreed upon Purchase Order, or the Company has made clear in writing that they don't want Inco to comply with the agreed upon Purchase Order, Inco has the right to assume that the Contract is terminated by the Company in accordance with clause 18.4.
- 5.6 Inco shall show the Purchase Order number on all invoices and packages include a package list and tag each item with a serial or part number. Export symbols, serial numbers, weights, measurements and other identification numbers shall be clearly visible, if possible stenciled on each box, crate or bundle, package etc. as directed by Inco prior to shipment. No extra charge for marking or standard packaging shall apply unless agreed and specified in a Purchase Order.
- 5.7 Upon acceptance of the Purchase Order by Inco as per 5.1 above, Inco will submit an invoice to the Company for a percentage of the purchase value subject to the provision in 9.4 below. This percentage is specified in Inco's quotation. This payment by the Company shall be regarded as a deposit, which will be paid back to the Company until Company has fulfilled all its obligations to Inco as per these Terms and Conditions. Inco has the right to set-off any amounts due with the deposit if the Company is in default.

6 DELIVERY

- 6.1 Agreed delivery times for the delivery of Inco's Equipment agreed by both parties in writing are binding upon Inco. If delays occur or are expected to occur, Inco shall inform Company without delay, stating the reasons and the expected duration of the delay.
- 6.2 N/A
- 6.3 Parties agree that the date for delivery of Inco's Equipment at the Place of Delivery agreed by both parties in writing is the only date that Inco can agree to. Due to the nature of the Work that Inco shall carry out, all other dates for progress and completion of the Works that Inco agrees to are estimates only. Minimum call-off time for Inco Equipment is provided in the offer or quotation, but shall in no case be less than 4 days if such minimum call-off time is not agreed upon beforehand.

- 6.4 If Inco fails to deliver Equipment at the Place of Delivery agreed by both parties in writing within the agreed time limit for reasons other than Force Majeure or Company's act or omission, the Company shall have the right to obtain Liquidated Damages from Inco. Liquidated Damages shall be calculated at the rate equal to 0.5% of the value of the Purchase Order (Contract Price) for each day of delay in delivery, until a maximum total amount of 5 % (five percent) of the Contract Price. Parties agree that such Liquidated Damages are a genuine pre-estimate of damages that the Company will suffer because of delay in delivery of Inco's Equipment and / or Personnel and not a penalty. Such liquidated damages shall be Company's sole financial remedy for any costs, losses or damages that it may suffer due to such delay and Inco shall not be liable for any other costs, losses or damages whatsoever.
- 6.5 Notwithstanding any provision to the contrary, the Client shall ensure in cooperation with the Inco field representatives, that the Equipment returned to Inco is free from:
- (i) foreign substances produced from the wells, which shall include but are not limited to mud, brine, hydrocarbons, drilling or completion fluids;
 - (ii) residual torque (exceeding 900 ft/lbs torque); and
 - (iii) LSA (low specific activity) or radioactivity readings above those permitted by local laws and regulations.

If the Company has not complied with this clause, Inco has the right to charge the Company for the costs of making sure the Equipment is free from the everything mentioned in this clause and Inco has the right to add a 20% mark-up for the time and effort that they will have to put in for this extra work.

7 IMPORT AND EXPORTS, CUSTOMS

- 7.1 In case of deliveries and services effected from an EU member country outside the Netherlands, the EU Tax-ID number of Inco must be indicated.
- 7.2 Imported Equipment shall be delivered 'duty paid'. Inco is obliged to any declarations and information requested in terms of Ordinance (EC) no. 1207/2001 (as amended by Ordinance 1617/2006) at the cost of Inco, to allow inspections by the necessary official confirmations.
- 7.3 Inco is obliged to inform the Company about custom provisions in case of (re-) exports by Inco, where appropriate.

8 PAYMENTS AND INVOICES

- 8.1 For the performance and completion of the Work, Company shall pay Inco the Contract Price according to clauses 4 and 5 above.
- 8.2 Inco shall submit to Company an invoice within 15 days after the work has been performed in periods of 15 days or per drilling section, whichever comes first.
- 8.3 The Company shall make payment in respect of such invoice into the bank account specified by Inco within the payment period as specified in Inco's quotation.
- 8.4 Inco shall have the right to suspend any upcoming delivery of Good and/or Equipment at any time in the event the Company does not make the payment in the above indicated payment term and will have the right to collect its Equipment at the Cost of the Company. Company will be responsible for all the costs and liabilities incurred during the suspension, including any storage costs, mobilization, demobilization or remobilization. For the avoidance of doubt, Inco will not be held accountable for any charges and the Company will remain liable to pay the rental rates for the Equipment during the suspension period.
- 8.5 In case Company does not pay the Inco after 45 days from the date the invoice was sent, a penalty of 5% of the value of the invoice will apply. If Company does not pay Inco's invoices within 60 days from the invoice date in full, Company is automatically in default. Inco is then entitled to suspend its own obligations under this Contract. Company is liable for damages, which in any case are no less than the statutory interest. If Inco suffers more damage, it is entitled to the losses, in addition to the statutory interest.
- 8.6 As far as Inco's payment claim is jeopardized due to circumstances, which cause a substantial deterioration of the Company financial situation, Inco is authorized to declare all payment obligations arising under the business relationship as immediately due and payable. Under such circumstances, Inco shall also be entitled to demand advance payments or payment securities for all regular business. The legal remedies for delay in payment shall not be affected by this provision.
- 8.7 The Company shall pay all sums due to Inco without deduction, withholding or set-off and payment shall not be withheld or deferred because of any claim, counterclaim, withholding tax, or set-off.
- 8.8 If the Company disputes any items on any invoice in whole or in part or if the invoice is prepared or submitted incorrectly in any respect, the Company shall notify Inco, within 10 days from the date the invoice was sent, the reasons and request Inco to review the unaccepted part of whole of the invoice as applicable. The Company, however, will make the payment of the undisputed amount as per 9.3. The 10 days for disputing an invoice are not applicable if Inco has supplied the Company with a cost tracker for certain Work, in which case The Company has 10 days – starting the day after receiving the cost tracker - to dispute any costs mentioned in the cost tracker.
- 8.9 All legal and extrajudicial collection costs made by Inco in relation to any amount due and/or any breach of contract, are for the Customer's expense and risk.
- 8.10 If Inco sells Goods to Company, title to the Goods will pass from Inco to Company upon receipt of full payment of the purchase price for the Good and/or Equipment.

9 CONFIDENTIALITY

- 9.1 Either Party is obliged to treat all commercial and technical details, even those who are not apparent, which are disclosed by the other Party because of the business relationship, as confidential and will not disclose such details to any third party. The obligation for confidentiality does not apply in case information is disclosed to the third party with the express written consent of either Party or belongs to the public domain before the disclosing Party has provided that information to the receiving Party.

10 DEFECTIVE EQUIPMENT

- 10.1 In the event that Inco's Equipment breaks down or otherwise does not perform in accordance with the Contract ("Defect" or "Defective"), the Company shall inform Inco in writing of the nature of the Defect and the Equipment involved.
- 10.2 Inco's liability to the Company for any Equipment that is Defective because of a cause that can be directly attributed to Inco (hereinafter "**Non Productive Time**" or "**NPT**") shall be limited inly to the repair or replacement of the Defective Equipment.
- 10.3 Inco shall be responsible for correcting any Defective Equipment as soon as reasonable possible. However, Inco shall not be liable for:
- a) the costs of routine maintenance for such materials and equipment; or
 - b) the costs of correcting any such defects which result from the following:
 - i) incorrect operation by the Company; or
 - ii) the reasonable actions of Inco in relaying on Technical Information supplied by the Company; or
 - iii) actual operating conditions being different from those specified by the Company; or
 - iv) defects in materials and equipment supplied by the Company which could not reasonable have been discovered by Inco.
- 10.4 Inco's only liability as provided by this Clause is for Defective Equipment and not for Defective Work. Inco assumes and has no liability whatsoever for Defective Work.
- 10.5 Any interpretation, analysis, recommendation, or data furnished to Customer are opinions based upon inferences of measurements from electrical or other instruments and empirical relationships and assumptions, which inferences and assumptions are fallible and with respect to which professional engineers and analysts may differ. Accordingly, Inco cannot and will not guarantee the accuracy, correctness, or completeness of any such interpretation or description nor will it be liable for any loss, cost, damage, or expense Customer incurs or sustains from any description or interpretation. Therefore, Customer should not rely upon any such interpretation, recommendation, or description as the sole or main basis for any drilling, completion, well treatment, production, or financial decision or any procedure involving any risk to the safety of any drilling venture, rig, or crew or any other individual. Inco does not guarantee results. The Services and equipment are provided on an "AS IS" basis with absolutely no warranties. Inco MAKES NO REPRESENTATIONS OR WARRANTIES, IMPLIED OR EXPRESS, AND ALL REPRESENTATIONS AND WARRANTIES ARE DISCLAIMED AND EXCLUDED INCLUDING, BUT NOT LIMITED TO, THOSE OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND ACCURACY.

11 LIABILITY AND INDEMNITY

- 11.1 Inco shall be responsible for and shall save, indemnify, defend and hold harmless the COMPANY GROUP from and against all claims, losses, damages, costs (including legal costs) expenses and liabilities in respect of:
- (a) subject to Clause 11.5, 11.6 and 11.8; loss of or damage to property of INCO GROUP whether owned, hired, leased or otherwise provided by INCO GROUP arising from or relating to the performance of the Contract; and
 - (b) personal injury including death or disease to any person employed by INCO GROUP arising from or relating to the performance of the CONTRACT; and
 - (c) subject to any other express provisions of the CONTRACT, personal injury including death or disease or loss of or damage to the property of any third party to the extent that any such injury, loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of INCO GROUP. For the purposes of this Clause 11.1(c) "third party" shall mean any party which is not a member of INCO GROUP or COMPANY GROUP; and
- 11.2 The COMPANY shall be responsible for and shall save, indemnify, defend and hold harmless Inco GROUP from and against all claims, losses, damages, costs (including legal costs) expenses and liabilities in respect of:
- (a) loss of or damage to property of the COMPANY GROUP arising from or related to the performance of the CONTRACT located at the Work Site; and

- (b) personal injury including death or disease to any person employed by the COMPANY GROUP arising from or relating to the performance of the CONTRACT; and
 - (c) subject to any other express provisions of the CONTRACT, personal injury including death or disease or loss of or damage to the property of any third party to the extent that any such injury, loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of the COMPANY GROUP. For the purposes of this Clause 11.2(c) "third party" shall mean any party which is not a member of Inco GROUP or COMPANY GROUP; and
 - (d) loss of or damage to any third party geothermal, mining, oil and gas wells or production facilities and pipelines and consequential losses arising therefrom, where such loss or damage arises from or relates to the performance of the CONTRACT. The provisions of this Clause 11.2(d) shall apply notwithstanding the provisions of Clause 11.1 (c).
- 11.3 Notwithstanding the provisions of Clause 11.1(c) and except as provided by Clause 11.1(a), Clause 11.1(b) and Clause 11.4 the COMPANY shall save, indemnify, defend and hold harmless Inco GROUP from and against any claim of whatsoever nature arising from pollution and/or contamination including without limitation such pollution or contamination emanating from the reservoir and / or from any equipment or property of the COMPANY GROUP or INCO GROUP arising from or related to the performance of the CONTRACT.
- 11.4 Notwithstanding the provisions of Clause 11.2(c) and except as provided by Clause 11.2(a), Clause 11.2 (b) and Clause 11.2(d); Inco shall save, indemnify, defend and hold harmless the COMPANY GROUP from and against any claim of whatsoever nature arising from pollution arising from or relating to the performance of the CONTRACT where such pollution occurs on the premises of INCO GROUP.
- 11.5 Notwithstanding the provisions of Clause 11.1 (a) the COMPANY shall reimburse Inco in respect of loss of or damage to property, materials or equipment of Inco GROUP which occurs whilst in-hole below the rotary table except to the extent that such damage is caused by the negligence of Inco.
- The COMPANY's liability for such loss or damage shall not be subject to any depreciation, nor adjustment, be either the actual repair or replacement cost, whichever is the lesser, as substantiated by Inco to the COMPANY. Where repair is possible and does not exceed 50% of the replacement value, Inco will provide the COMPANY the repair costs. If the repair cost exceeds 50% of the replacement value, the replacement value (LIH) will apply.
- 11.6 Notwithstanding the provisions of Clause 11.1(a), and except to the extent of fair wear, if Inco can demonstrate that Inco's equipment other than that located downhole has been subject to abnormal damage (meaning damage which could not be reasonably expected) which has resulted directly from corrosion, erosion or abrasion caused by the nature of the well effluent, Inco shall be reimbursed for the costs of repair or replacement resulting from such damage except to the extent that such damage is caused by the negligence or breach of duty (whether statutory or otherwise) of Inco. Where repair is possible and does not exceed 50% of the replacement value, Inco will provide the COMPANY the repair costs. If the repair cost exceeds 50% of the replacement value, the replacement value (LIH) will apply.
- 11.7 Inco shall notify the COMPANY in writing within 10 days of the date of recorded loss or of return of Inco's equipment to Inco as applicable giving full details of any loss and/ or damage to such equipment and the amount of reimbursement due to Inco under Clause 11.5 and Clause 11.6.
- 11.8 Notwithstanding the provisions of clause 11.1, the COMPANY shall save, indemnify, defend and hold harmless INCO GROUP from and against any claim of whatever nature relating to the costs of recovery and/or damage of the property provided by INCO GROUP lost during transportation by the COMPANY. This clause shall apply irrespective of any transportation arranged by Inco on behalf of the COMPANY.
- 11.9 Subject to Clause 11.4 but notwithstanding anything contained elsewhere in the CONTRACT to the contrary, the COMPANY GROUP shall save, indemnify, defend and hold harmless Inco GROUP against all claims, losses, damages, costs (including legal costs) expenses and liabilities resulting from:
- (a) loss of or damage to any well or hole; and
 - (b) blow-out, fire, explosion, cratering or any other uncontrolled well condition (including the costs to control a wild well and the removal of debris); and
 - (c) damage to any reservoir, geological formation or underground strata or the loss of water, oil or gas therefrom.
- 11.10 All exclusions and indemnities save for those under Clause 11.1(c), Clause 11.2(c), Clause 11.5 and Clause 11.6 given under this Clause 11 and Clause 12, shall apply irrespective of cause and notwithstanding the negligence or breach of duty (whether statutory or otherwise) of the indemnified party or any other entity or party and shall apply irrespective of any claim in tort, under contract or otherwise at law.
- 11.11 If either party becomes aware of any incident likely to give rise to a claim under the above indemnities, they shall notify the other and both parties shall co-operate fully in investigating the incident.

12 CONSEQUENTIAL LOSS

- 12.1 For the purposes of this Clause the expression "Consequential Loss" shall mean:

(i) any special, punitive, exemplary, incidental, indirect, or consequential damages or losses under applicable law, and

(ii) any loss, delay, or interruption of business, profits, revenue, production, or opportunity; loss of product, use, or equipment (including loss of use of Inco's Equipment); COMPANY GROUP standby time; rig time, facility, or equipment downtime; cost of capital; cost of substitute equipment, facilities, services, or replacement power; or overhead; whether any of the foregoing are direct or indirect, and whether or not foreseeable at the time of entering into the Contract or at the time of commencing performance; and

(iii) claims of a party's customers for any of the above losses, costs or damages arising from or related to the performance of the Agreement.

Parties agree that pre-agreed liquidated damages or termination fees are not an Excluded Loss.

- 12.2 Notwithstanding any provisions to the contrary elsewhere in this Contract and except to the extent of any agreed liquidated damages (including any predetermined termination fees) provided for in this Contract, the COMPANY shall save, indemnify, defend and hold harmless INCO GROUP from the COMPANY's GROUP own Consequential Loss and Inco shall save, indemnify, defend and hold harmless the COMPANY GROUP from INCO GROUP's own Consequential Loss, arising from, relating to or in connection with the performance or non-performance of the Contract.

13 INTELLECTUAL PROPERTY RIGHTS

- 13.1 It is the responsibility of Inco to ensure that the Equipment delivered does not infringe with third party patents or third-party property rights. Inco shall indemnify Inco against such claims. Inco will reimburse Inco in any aspect whatsoever. If license fees should become due in the context of delivery of the Equipment, Inco shall bore them.
- 13.2 Inco will notify Inco immediately of any risk of (potential) violation or infringement of any intellectual property rights and will agree upon all further steps that need to be taken.
- 13.3 Any intellectual property of the Equipment belongs to Inco.

14 FORCE MAJEURE

- 14.1 Acts of God, such as civil unrest, official measures, pandemics and other unforeseeable, inevitable and serious events shall exempt the parties to this contract from their performance obligations for the duration of such event and to the extent of their impact. Cases of industrial action (strike) are explicitly excluded from this regulation. If any of these events should occur, the parties to the Agreement must, within reason, provide the necessary information to the other party and carry out their obligations in good faith and according to the changed situation
- 14.2 Any Force Majeure event shall be notified immediately to the other party.
- 14.3 If the period of Force Majeure lasts longer than two months, both parties have the right to terminate the agreement without judicial intervention, in which case neither of the parties is obliged to pay any damages at all.
- 14.4 If Inco, when the Force Majeure is in effect, has already partially fulfilled her obligations, Inco is then entitled to send an invoice for that part of the agreement. The Company is obliged to pay that invoice.

15 LIMITATION OF LIABILITY

- 15.1 INCO GROUP'S total liability to COMPANY GROUP for any and all claims for any costs, losses or damages whatsoever, regardless of cause or action, arising out of or related to the Contract, or its performance or breach, including without limitation warranty, (extra costs incurred by COMPANY in the event of) suspension and termination, shall not under any circumstances exceed: (i) in the case of claims resulting from the provision or failure to provide, or from the use or failure to use products or equipment (including Inco's Equipment), the Contract Price / Order value allocable to the product or equipment / Inco's Equipment giving rise to the claim; and (ii) in the case of claims resulting from the provision or failure to provide services, the Contract Price / Order Price allocable to the services giving rise to the claim.
- INCO GROUP shall have no liability for advice or assistance gratuitously provided by INCO GROUP but not required pursuant to Inco. All INCO GROUP'S liabilities shall terminate at the end of the provision of the Good/Equipment (Warranty period), except for claims that have been timely commenced by COMPANY in accordance with the Contract. COMPANY shall save, indemnify, defend and hold harmless Inco GROUP from any claims that exceed the limitation of liability set forth in this clause 16, regardless of cause or action.
- 15.2 This limitation of liability does not apply to clauses 9, 11, 12 and 13 hereinabove.
- 15.3 The exclusions and limitations of liability and the indemnities contained in this Contract are to be liberally construed and shall apply even if the claim, loss, damage, cost, personal injury, pollution or consequential loss is caused by or results from negligence or breach of duty of any member of Inco GROUP.
- 15.4 This limitation of liability does not apply in the event of willful misconduct or gross negligence of Inco's Senior Management.

- 15.5 In this clause “gross negligence” means any conduct (by act or failure to act, whether sole, contributory, joint or concurrent) by Senior Management with (a) a wanton disregard of good industry practices and/or any of the terms and conditions of the contract and (b) a wanton indifference to avoidable and harmful consequences that such person should have known such conduct would have on the safety or property of another person

16 INSURANCE

- 16.1 Each Party shall arrange the insurances set out in this Clause and ensure that they are in full force and effect throughout the life of the Contract.
- All such insurances shall be placed with reputable and substantial insurers and shall for all insurances other than Employers’ Liability Insurance/Workmen’s Compensation to the extent of the liabilities assumed by each Party under the Contract, include the other Party and its AFFILIATES as additional assureds.
- All insurances required for a Party under this Clause shall be endorsed to provide that underwriters waive any rights of recourse, including in particular subrogation rights against the other Party and its and their respective AFFILIATES.
- The provisions of this Clause shall in no way limit the liability of the Parties under the Contract.
- 16.2 The insurances required to be effected under this clause are:
- (a) Employers’ Liability and/or (where the jurisdiction of where the Work is to be performed or under which the employees employed requires the same) Workmen’s Compensation insurance covering personal injury to or death of the employees of each party engaged in the performance of the works to the minimum value required by any applicable legislation or, if such minimum value does not exist, an amount of EUR 3.000.000 per event. Capped to 2 events per year.
- (b) General Third Party Liability insurance for any incident or series of incidents covering the operations of Inco and the Company in the performance of the Contract, in an amount not less than EUR 3.000.000 per event. Capped to 2 events per year.
- 16.3 Furthermore, The Company shall arrange the following insurances and ensure that they are in full force and effect throughout the life of the Contract:
- 16.3.1 Construction All Risks (CAR) Insurance or equivalent insurance covering liability for third-party bodily injury and property damage arising out or related to the Work, with limits of not less than EUR 5.000.000 per occurrence;
- 16.3.2 Operator Extra Expense (O.E.E) Insurance or equivalent insurance, covering liability for and/or cost of well control, re-drilling, recompletion and pollution clean-up and contamination with limits of not less than EUR 5.000.000 per occurrence;
- 16.4 Each Party shall supply the other Party with evidence of such insurances on demand.

17 TERMINATION

- 17.1 If the Company:
- Files for bankruptcy or for suspension of payments;
 - Goes or is put into liquidation (solely for amalgamation or restructuring or otherwise);
 - Has a receiver appointed over any part of its business;
 - Suffers the seizure of any property for non-payment of debt;
 - Fails to meet its payment obligations towards Inco and/or repeats a payment delay at least two times successively
- Then Inco may regard any such circumstances as grounds for immediately terminating the contract without prior notice.
- 17.2 Termination for any reason shall not discharge the Company from performing any obligation or from payment of any sums already due or becoming due at the date of termination.
- 17.3 Termination of this CONTRACT, howsoever arising, shall not affect the accrued rights, remedies, obligations or liabilities of the PARTIES existing at termination.
- 17.4 In the event that Company terminates the CONTRACT for convenience (i.e. a termination without Inco being in default of performance of its obligations under the CONTRACT) Company shall be liable to pay Inco:
- (i) The Contract Price for all Goods and/or Equipment provided by Inco up to the effective date of the termination; and
- (ii) The direct costs incurred by Inco as a consequence of the termination. These costs shall include but not be limited to the costs that Inco incurs for collecting the Goods and/or Equipment from Customer’s location.
- In the event that Company does not allow Inco to perform its obligations under the Contract or prevents Inco from performing its obligations under the Contract, this shall be deemed a termination for convenience by the Company within the meaning of this clause 17.4. and Company shall be liable to pay Inco the costs set out above.

18 FINANCIAL ASSURANCES

- 18.1 Ability to Pay: Upon Inco’s request, Client agrees to provide to Inco, within 10 days of such request, evidence of Client's creditworthiness sufficient to satisfy Inco that Client is and shall continue to be able to pay to Inco amounts payable hereunder.

- 18.2 Financial Assurances: Within 14 days of receipt of Inco's request, Client shall provide, at Inco's option, a parent company guaranty, an irrevocable stand-by letter of credit, bank guarantee, security deposit or other security in terms and amount reasonably acceptable to Inco to guarantee Client's due compliance with the obligations arising from this Agreement (including but not limited to payment and indemnity obligations).
- 18.3 Drawing Security: Inco may draw on either form of security, in an amount equal to any amount owing to Inco pursuant to the Lease Agreement and unpaid by Client, and from time to time thereafter such further amounts as remain unpaid.
- 18.4 Failure to Provide Security: If Client fails to provide the financial assurances requested by Inco under Article 19.2, then in addition to other remedies which Inco may have, Inco may treat the failure as an event of default.

19 OBLIGATIONS AND RESPONSABILITIES OF THE CUSTOMER

- 19.1 Well Conditions: Customer, directly or indirectly having care, custody, and control of the well and borehole, acknowledges and agrees that it has superior knowledge of the well and borehole and the conditions surrounding both. Since Inco may refuse to provide its Services in situations it deems hazardous or unfavourable, Customer agrees to provide Inco with all necessary information to enable Inco to render the Services safely and efficiently including, but not limited to, condition of the hole, bottom hole temperature, total vertical depth, accurate surface location coordinates, offset well data and known or suspected hazards.
- 19.2 Notification of Hazardous Conditions: Inco uses special equipment to render and provide its Services. Since this equipment can be damaged if operated outside of specifications, Customer will consult with Inco in advance regarding downhole operating conditions to ensure that the equipment specifications will not be exceeded. Inco will advise Customer in writing of any foreseeable impact to schedule or projected costs.
- 19.3 General: Client is responsible for providing adequate drilling rigs and crews with all associated drilling equipment and services (e.g., drill pipe, drill collars, drilling subs, bits, pumps, fresh water, electricity and internet access) and any well bore preparation that may be required including, but not limited to, milling, cementing, and drilling fluids.
- 19.4 Equipment shall be used in accordance with good drilling practices, i.e.; as per recommendations by manufacturer, API and/or IADC where applicable, thus minimizing risk of injury to personnel and damage to equipment.
- 19.5 Well conditions or other factors which prevent satisfactory operation of the Equipment shall not relieve the Client of the responsibility for paying the rental charges.
- 19.6 The equipment shall remain the property of Inco and nothing contained in these Terms and Conditions shall be confer or be deemed to confer any interest in the equipment on the Customer.
- 19.7 Client shall permit the Company at all reasonable times to enter upon the premises in which the equipment is for the time being kept for the purpose of inspection and examining the condition of the equipment.
- 19.8 The Client shall not assign, let, pledge, mortgage, charge, encumber, or part with possession of or otherwise deal with the Equipment or any interest therein.
- 19.9 Client will provide reports to Inco confirming the utilization of the Equipment and the conditions it has been used into. Inco has the right to obtain more detailed information if necessary.

20 MISCELLANEOUS

- 20.1 Should a provision of these conditions and the further agreements concluded between the parties be or become invalid, then the validity of the remaining provisions shall be unaffected by such partial invalidity.
- 20.2 All headings are for ease of reference only and shall not affect the construction of this Agreement.
- 20.3 The law of the England and Wales shall apply to these Terms and Conditions and all disputes under or in connection with any Agreement between Inco and the Company. The court of London (location London) shall have sole and exclusive jurisdiction to decide all such disputes. Parties agree that the language of legal proceedings shall be English.