

PART A: STANDARD CONDITIONS

1 APPLICATION OF THIS PART

The conditions of this Part A apply to all Contracts for the supply of Goods, Services or Rental Items, in addition to any other terms and conditions of the Contract.

2 DEFINITIONS

"Affiliate" means, in relation to any party, a business entity:

- (a) in which a party owns directly or indirectly 50% or more of the equity;
- (b) which owns directly or indirectly 50% or more of the equity of the party;
- (c) of which 50% or more of the equity is owned by a common parent company; or
- (d) which a party has the responsibility to operate and control, or to provide management and operational services.

"Background Intellectual Property" means :

- (a) in respect of Company, Intellectual Property that is owned by or licensed to Company independently of the Contract; and
- (b) in respect of Contractor, Intellectual Property that is owned by or licensed to Contractor (whether licensed to Contractor by an Affiliate or otherwise) which exists prior to the date that the Contract came into existence or is otherwise developed or acquired by Contractor independently of the Contract, and which is used by Contractor in the performance of the Services or is otherwise made available to Company under or in connection with the Contract; and

which that party is free to disclose to the other party without being in breach on any obligations to a Third Party and, for the avoidance of doubt, excludes New Intellectual Property.

"Claim" means any cost, demand, legal proceedings, claims, actions, fines, penalties, obligation or liabilities of any nature, including legal costs on a full indemnity basis, arising under any statute or in equity or at common law or otherwise at law of whatsoever nature.

"Company" means the entity issuing the Purchase Order.

"Company Group" means Company, the JVPs, the Affiliates of each, the Other Contractor Group, and each of their respective agents, representatives, officers and employees.

"Company-issue Materials" means Materials (if any) which the Contract expressly provides are to be supplied to Contractor by or on behalf of the Company.

"Company's Personnel" means officers and employees of Company Group.

"Company's Website" means the webpage located at www.woodside.com.au/supplying+to+woodside/general+information+for+suppliers

"Construction Insurance Program" means a policy or policies of insurance arranged by the Company on behalf of Company and Contractor Group.

"Contract" means the contract comprising the Purchase Order and these conditions.

"Contractor" means the person named as the supplier of the Goods, Services or Rental Items in the Contract and includes as appropriate the Contractor's Affiliates, heirs, executors, administrators, successors, and permitted assigns.

"Contractor Group" means Contractor, its subcontractors (of any tier), the affiliates of each, and their respective agents, representatives, officers and employees.

"Contractor's Equipment" means all appliances, equipment, plant, vehicles, vessels, tools and things that Contractor supplies or is required for the performance of the Services,

whether owned, leased or hired.

"Contractor's Personnel" means officers and employees of Contractor Group.

"Contractor's Site Facilities" means all buildings, workshops, storage facilities, amenities, laydown areas and other improvements, fixtures or facilities constructed or installed by Contractor at or in the vicinity of the Site for the purpose of the Services.

"Country-specific Conditions" means those further terms and conditions, attached to or forming part of the Contract, as are applicable to the jurisdiction in which the Contract is to be performed.

"damage" includes damage, loss or destruction.

"Default" means a breach by a party of its obligations under the Contract.

"Defect" means any part or aspect of the Goods, Services or Rental Items which is not in compliance with the requirements of the Contract.

"Defects Liability Period" means the period determined in accordance with clause 45.

"Goods" means each and every article or thing described in the Contract as to be purchased by the Company, or any part thereof.

"Group" means Company Group or Contractor Group as the case requires.

"Intellectual Property" means any invention, patent or application for a patent, design (registered or unregistered), trademark (registered or unregistered), name, copyright, circuit layout, trade secret, know-how, proprietary information or other right in respect of any information, process, work, material or method.

"JVP" means joint venture participants from time to time of Company, for whose benefit the Goods, Services or Rental Items are being supplied.

"Legal Requirements" means present and future obligations arising under (a) applicable laws, statutes, regulations, by-laws, orders, ordinances, proclamations and decrees; (b) the terms and conditions of any applicable Government approvals; and (c) any binding requirement, direction or order of a Governmental agency.

"Materials" includes goods, parts, materials and equipment intended for incorporation in the Services.

"New Intellectual Property" is defined in clause 12(c).

"Other Contractors" means contractors of the Company (other than Contractor), and also subcontractors (of any tier) of such Other Contractors who are providing work or services in the vicinity of the Services or in relation to any project or activity related to the Services.

"Other Contractor Group" means each Other Contractor and its respective subcontractors (of any tier), the Affiliates of each, and their respective agents, representatives, officers and employees.

"Personal Injury" includes personal injury, death or disease.

"Pollution" means any liquid or non-liquid pollutant or waste substance of whatsoever nature, including well production and crude oil.

"Purchase Order" means the document headed as such and describing the Goods, Services or Rental Items to be supplied, to which these Conditions are attached.

"Rental Items" means each and every article or thing described in the Contract as to be rented by the Company, or any part thereof.

"Site" means each place in the possession or control of Company, at which the Services are to be carried out. The Site may comprise an onshore location, offshore location or both.

"Services" means work and / or services described in the Contract and includes the performance of all incidental or other services, and the provision of all materials and equipment,

necessary to allow or assist the performance of the Services.

“Third Party” means a person not being a member of Company Group or Contractor Group..

“Work Product” means any structure, installation, facility, modification, addition, improvement, Materials (including incorporated Company-issue Materials), development resulting from the performance of the Services, and includes any such item as a work-in-progress prior to completion thereof.

3 INDEPENDENT CONTRACTOR

The Contractor is an independent contractor and must exercise independent control, management and supervision in the performance of the Contract. The Contractor is not the Company's agent in any way. The Contractor's Personnel will not under any circumstances be considered employees of the Company for any purpose.

4 ASSIGNMENT

- (a) The Contractor may not assign the Contract or any part of it without the Company's prior written consent.
- (b) The Company may assign the Contract or any part of it and must, within a reasonable time thereafter, give notice of such assignment to the Contractor.

5 SUBCONTRACTING

The Contractor must not, without the Company's prior approval, subcontract any part of the Contract. The Company's approval will not be unreasonably withheld.

6 RATES AND PRICES

In consideration for the Contractor's performance of its obligations under the Contract, the Company will pay the Contractor the rates or prices specified in the Contract. The rates or prices specified in the Contract will be the sole consideration payable to the Contractor for the performance of the Contract.

7 INVOICING AND PAYMENT

- (a) The Contractor must forward an invoice in a form satisfactory to the Company to “Accounts Payable” at the Company's address for payment of invoices on the Contract.
- (b) The Company may require that the Contractor furnish satisfactory documentary evidence of the validity of an invoice and any amounts claimed in an invoice.
- (c) Unless otherwise stated, the Contractor shall be entitled to render an invoice upon completion of the work or, where performance of the Contract may exceed 30 days in duration, at the end of each calendar month in which the Contract is performed.
- (d) The Company shall pay the Contractor by no later than the 21st day of the month immediately following the month in which the Contractor's invoice is received.

8 ASSOCIATED COSTS

Except as otherwise provided in the Contract, the Contractor will be responsible for all costs, expenses and liabilities incurred by the Contractor in connection with the supply of the Goods, Services or Rental Items.

9 CHANGES

The Contractor must promptly comply with any notice from the Company at any time to add to or delete from anything to be provided under the Contract.

10 TAXES

- (a) Contractor will comply with all Legal Requirements relating to taxation.
- (b) If Company is required by Legal Requirements to make withholdings or deductions from

payments otherwise due to Contractor, then Company may do so, and the amount so withheld will be deemed to have been paid to Contractor.

11 EXCLUSION OF CONSEQUENTIAL LOSS

Except for liquidated damages or other amounts that become payable under the express terms of the Contract, no Party will be liable to any other Party for any indirect or consequential loss or damage, including loss of profit, loss of use, loss of revenue or loss of opportunity.

12 INTELLECTUAL PROPERTY

- (a) All rights, interest in and title to Background Intellectual Property vest in the owner of the Background Intellectual Property.
- (b) To the extent that it is applicable, each of the parties grants to the other a royalty-free, non-exclusive, non-transferable right to use Background Intellectual Property for the Goods, Services, or Rental Items.
- (c) All Intellectual Property and related proprietary information created under or arising out of the Contract (**New Intellectual Property**) will vest in the Company as soon as the preparation, production or creation thereof commences.
- (d) To the extent that clause 12 (c) does not vest ownership of any New Intellectual Property in the Company, the Contractor assigns all right, title and interest in such New Intellectual Property to the Company.
- (e) The Company grants to the Contractor a royalty free, non-exclusive, non-transferable licence to use the New Intellectual Property for the sole purpose of performing its obligations under this Contract. The licence will endure until the termination or expiration of this Contract.
- (f) The Contractor warrants to the Company that:
 - (i) Contractor is entitled to use the Background Intellectual Property and that Contractor has the ability to allow the Company to use it;
 - (ii) the design, engineering, construction and other activities associated with the Goods, Services or Rental Items will not infringe the Intellectual Property rights of any person and will not result in any royalties, fees or other amounts becoming payable for or relating to the use of Intellectual Property; and
 - (iii) Contractor will release and indemnify the Company in respect of any claim based on any breach or alleged breach of any Intellectual Property in connection with the Goods, Services or Rental Items.

13 RIGHT TO USE SOFTWARE

If applicable and subject to clause 12, Contractor must:

- (a) obtain the Company's written consent to procure Third Party software that may be required for the provision of the Services; and
- (b) ensure that any software required for the Services, entitles the Company to:
 - (i) use the software;
 - (ii) extract any data or other information that Company may have entered into any database using such software;
 - (iii) permit any person to assist the Company to do any of the things referred to in paragraph (ii) above; and
 - (iv) ownership of any data or other

proprietary information generated in the course of Company using the software to be vested in the Company.

14 CONFIDENTIALITY AND INFORMATION SECURITY

- (a) The Contractor must keep secure and must not without the Company's prior written consent divulge or communicate to any person any information in whatever form:
 - (i) as to the contents, operation or performance of the Contract, any information which may come to its knowledge in the course of performing the Contract as to the operations, business dealings or financial affairs of the Company; and
 - (ii) any technical information, know-how, data, inventions, trade secrets, formulae, graphs, drawings, designs, and other related information relating to the Company.
- (b) The obligations imposed by this clause survive the expiration or termination of the Contract.

15 LOCAL INDUSTRY PARTICIPATION POLICY

The Contractor must inform itself of the Company's Local Industry Participation Policy and accompanying guidelines as detailed on the Company's Website and must reflect the policy and such guidelines in its subcontracting and purchasing strategies.

16 LEGAL REQUIREMENTS

In performing any work under the Contract, the Contractor will observe and comply with all Legal Requirements.

17 CORPORATE CODE OF CONDUCT

The Contractor will at all times comply with the Company's Corporate Code of Conduct as detailed on the Company's Website.

18 BUSINESS ETHICS

- (a) The Contractor must not, and must ensure that its subcontractors and personnel do not, in connection with the Contract, either directly or indirectly offer or give or agree to give to any person in the service of the Company any gift or consideration of any kind as an inducement or reward for any act or omission of that person or another in relation to the obtaining or execution of this or any other contract with the Company.
- (b) The Contractor warrants that, with respect to or in connection with the matters provided for in the Contract, no member of the Contractor Group has made, offered or authorised, and no member of the Contractor Group will make, offer, or authorise any payments, loans, gifts, or promises or offers of payments, loans or gifts, or other advantages directly or indirectly to or for the use or benefit of any official or employee of any relevant government or to or for the use of any political party, official or candidate or to any other person if the Contractor knows or should have known or has reason to suspect that any part of such payment, loan, or gift or such promise or offer, would violate any applicable governmental laws, rules or regulations, including but not limited to the laws, rules or regulations of the Commonwealth of Australia or the United States of America or Republic of Korea.
- (c) The Contractor will ensure that the requirements of this clause 18 form part of or are otherwise imposed on any party from which products or services are procured, including the obligation to impose such terms on any subcontractor.

- (d) The Contractor shall provide, upon request by the Company, written certification that the Contractor has complied with the provisions of this clause 18.

19 EXPORT CONTROLS

- (a) The Contractor agrees to conduct its operations hereunder in compliance with all applicable governmental laws, rules and regulations, including, but not limited to, export and other foreign trade controls under the laws of the United States of America restricting sales and transfers to other countries and parties of commodities, software or technical data.
- (b) The Contractor shall upon request provide written certification that the Contractor has complied with all such laws.

20 TERMINATION

- (a) The Company, in its absolute discretion and for its own benefit, may terminate the Contract by giving 7 days' written notice to Contractor without incurring any liability to the Contractor for any compensation or payment of moneys except what is properly due for that part of the Contract properly performed to the date of service of the notice.
- (b) If the Contractor defaults in or breaches any of its obligations pursuant to the Contract, the Company may by notice and without prejudice to any of its other rights, do either or both of:
 - (i) reject any Goods;
 - (ii) terminate all or any part of the Contract,

and the Company will not be liable to pay the Contractor any damages, compensation or reimbursement for any Services performed or expense incurred by the Contractor after the date of termination or any cost, charge or expense or loss of profit or other economic loss of any kind arising from or consequent upon such termination.

21 GOVERNING LAW AND JURISDICTION

The Contract and all questions arising in connection with it are governed by and will be construed in accordance with the laws in force in England. The Parties agree that any conflict of laws rule that may otherwise refer the interpretation of this Contract to the laws of another jurisdiction, will not apply to this Contract.

22 REPRESENTATIVES

Company and Contractor will each appoint a representative for the purpose of liaising with the other party, and will notify the other party of its appointed representative. Contractor's representative will have the authority to legally bind Contractor in matters arising under the Contract.

23 ENTIRE AGREEMENT AND VARIATION

The Contract constitutes the entire agreement between the parties and supersedes all previous negotiations and communications. The Contract may only be varied by written agreement between Company and Contractor.

24 COMPANY ACTS ON BEHALF OF JVP

- (a) Company enters into the Contract as agent for the relevant JVP and as operator of the joint venture to which the JVP are parties.
- (b) Company will, for all purposes of the Contract, act for and on behalf of the JVP, and all consents, reports, communications, notices, approvals and other actions to be given, made received or taken by the JVP will be given, made, received or taken by Company. In dealing with the JVP, Contractor will only be required or entitled to deal with Company.
- (c) The liability under the Contract of Company and each of the JVP is several in proportion to their respective participating interests from time to time.

- (d) If so requested by Company, Contractor will render any Invoices for payments due under the Contract to the JVP separately in proportion to their respective participating interests, but will provide all such Invoices to Company.
- (e) The Parties agree that the Company may, on behalf of itself or the JVP, take action and enforce the provisions of the Contract and enforce contractual indemnities against, and recover losses and damages suffered by them from, the Contractor.

characteristics arises within:

- (i) 12 months from the date when the Goods are first put into service; or
- (ii) 24 months from the date of delivery,

(whichever is sooner) the Contractor must, at its own expense, do all things necessary to remedy the Defect and must reimburse the Company for any costs incurred in connection with the Defect, including the cost of the Company remedying the Defect if the Contractor does not do so within a reasonable period following notice of the Defect from the Company.

PART B: GOODS CONDITIONS

25 APPLICATION OF THIS PART

To the extent that the Contract is for the supply of Goods, whether in conjunction with the supply of Services or Rental Items or otherwise, the conditions of this Part B apply in addition to any other terms and conditions of the Contract.

26 BASIC ARRANGEMENT

The Contractor shall supply the Goods, and the Company shall pay the Contractor for the Goods supplied, in accordance with and to the standard required by the Contract.

27 THE GOODS

- (a) The Contractor is responsible for the delivery and all costs associated with the delivery of the Goods to the Company's premises or such other location that is specified in the Contract.
- (b) Any installation of the Goods by the Contractor will be subject to the provisions of Part C and, where applicable, Parts E and F.
- (c) The Goods must be new, of the best quality and workmanship, free from faulty design and defects, suitable for the purpose intended and conform to the Contract requirements and any applicable International or Australian standards.
- (d) The Contractor must furnish all engineering and other data in accordance with and within the time stated in the Contract.

28 TIME

- (a) The time for delivery of the Goods, as specified in the Contract, is of the essence.
- (b) If it ever appears that the time for delivery of the Goods will not be met, the Contractor must immediately notify the Company of any anticipated delay, with complete information regarding the cause and the earliest possible delivery date. In such event, the Company may (without prejudice to any other rights) terminate all or any part of the Contract.

29 RISK, TITLE AND PROPERTY

- (a) Title to and property in the Goods immediately passes to the Company upon payment or delivery, whichever occurs first, and the Goods must be appropriately marked and identified as the property of the Company.
- (b) Risk in the Goods remains with the Contractor until delivery to the Company in accordance with the Contract.

30 INSPECTION AND TESTING

A representative of the Company is entitled to expedite, inspect and witness tests on the Goods at the Contractor's and any subcontractor's premises. The Contractor must allow Company access at any time to the Contractor's and any subcontractor's premises for this purpose. The Contractor must make this a condition of any subcontract.

31 WARRANTIES

- (a) If any Defect in the Goods attributable to design, workmanship or operating

- (b) If the Company determines that a Defect cannot adequately be remedied, then the Company may, at its option, elect either to accept the non conforming Goods with an adjustment in the purchase price or to direct that the defective Goods be removed at the Contractor's expense.

- (c) In the event of any remedial work, a new warranty will apply to such work for a period of 12 months from its completion or until expiry of the normal warranty period, whichever is later.

32 CONSIGNMENT

- (a) Where Goods are to be supplied on a consignment basis, as indicated by the Purchase Order, they shall be delivered in accordance with the agreed delivery terms, on or before the due date stipulated in this Contract. Goods shall be available to the Company on a consignment basis for a period of 180 days (or as directed by the Company) from the date of delivery with option for extension by mutual agreement.
- (b) Consignment stock held by the Company shall be on a first right of refusal basis. In the event that Goods are required by the Contractor, after the consignment expiration dates as noted in clause (a) above, the Company shall either purchase or as soon as practicable, return the goods to the Contractor's nearest stocking point.

33 INCOTERMS

Where the Contract includes a term included in Incoterms 2000, the rules and definitions governing that term in Incoterms 2000 will apply, except to the extent that they conflict with any provision of the Contract.

PART C: SERVICES CONDITIONS

34 APPLICATION OF THIS PART

To the extent that the Contract is for the supply of Services, whether in conjunction with the supply of Goods or Rental Items or otherwise, the conditions of this Part C apply in addition to any other terms and conditions of the Contract.

35 BASIC ARRANGEMENT

The Contractor shall perform the Services, and the Company shall pay the Contractor for Services performed, in accordance with and to the standard required by the Contract.

36 THE SERVICES

The Contractor is responsible for the provision and maintenance of all materials and resources necessary to perform the Services.

The Services must be of first class quality and the Contractor must perform the Services:

- (a) with due care and skill and in accordance with any applicable standards and in accordance with good safety practices;
- (b) with the diligence and skill and to the standard

and in the manner reasonably expected of a professional person or company providing services of the kind described in the Contract; and

- (c) where applicable in accordance with good oilfield and engineering practices.

37 TERM

- (a) The Contractor will commence the Services on the date or within the period specified in the Contract.
- (b) The Contractor will continue to perform the Services for the period specified in or determined in accordance with the Contract, unless the Services are terminated earlier in accordance with the Contract.

38 CONTRACTOR'S PERSONNEL

- (a) Contractor will engage and provide the services of all personnel required to perform the Services.
- (b) Contractor will ensure that all of Contractor's personnel hold current, the necessary licenses, permits, endorsements and other certificates required by law to carry out the Services and are competent in every way to perform the Services.

39 CONTRACTOR'S EQUIPMENT

- (a) Contractor will supply all tools and equipment necessary to complete the Services.
- (b) Contractor will ensure that all of Contractor's Equipment is in good working order and suitable for use in connection with the Services.

40 EMPLOYEE AND INDUSTRIAL RELATIONS

The Contractor is responsible for its employees and industrial relations with its employees and any subcontractors' employees and must conduct its employee and industrial relations using the highest standard of skill, care and diligence. The Contractor must not hinder or adversely affect the employee and industrial relations of the Company or any other employer on the Company's premises.

41 ACCESS

- (a) The Company grants the Contractor access to the Company's premises subject to compliance by the Contractor, its subcontractors and their respective personnel with the Company's regulations, procedures and directions governing security, safety, the environment and cyclones. The Contractor must remove any of its personnel from the Company's premises immediately upon request by the Company.
- (b) The Contractor does not have exclusive possession of all or any part of the Company's premises but only such use and control as the Company considers is necessary to enable the Contractor to execute the Services.

42 INSPECTION AND TESTING

The Company and its agents have the right to carry out reasonable inspection and testing to ensure that the Services are in compliance with the Contract. The Contractor will render such reasonable assistance (including access to the Contractor's premises) as may be required to facilitate such inspections and testing.

43 RECORDS AND INFORMATION

- (a) Contractor will provide periodic progress reports on the performance and progress of Services under the Contract and matters arising in the course of such Services. The reports will be prepared and given with such frequency and in such format as Company may reasonably require from time to time.

- (b) Contractor will keep full and accurate records relating to the performance and progress of Services under the Contract and matters arising in the course of such Services. Company will be entitled to inspect and copy such records.

44

INDEMNITIES

- (a) As between Company and Contractor, liability for Claims in respect of Personal Injury arising from the performance of the Services is allocated as follows:

	Nature of Claim	Responsibility for Claim
(i)	Claim for Personal Injury to any of Company's Personnel	(i) Company will, to the maximum extent permitted by law, indemnify Contractor Group against the Claim. (ii) Subject to (i) above, the indemnity applies regardless of the cause of the Personal Injury and regardless of any negligence or breach of duty by any of the indemnified persons. However, the indemnity will not extend to any criminal prosecution, fine or penalty.
(ii)	Claim for Personal Injury to any of Contractor's Personnel	(i) Contractor will, to the maximum extent permitted by law, indemnify Company Group against the Claim. (ii) Subject to (i) above, the indemnity applies regardless of the cause of the Personal Injury and regardless of any negligence or breach of duty by any of the indemnified persons. However, the indemnity will not extend to any criminal prosecution, fine or penalty.
(iii)	Claim for Personal Injury to a Third Party arising out of the Services	As between Company Group and Contractor, Contractor will, to the maximum extent permitted by law, indemnify Company Group against the Claim, except to the extent that the negligence of Company Group has directly contributed to the Claim. To the extent that the negligence of Company Group has directly contributed to the Claim, Company will be responsible for the Claim.

- (b) As between Company and Contractor, liability for Claims in respect of damage to property arising from the performance of the Services is allocated as follows:

	Nature of Claim	Responsibility for Claim
(i)	Claim for damage to Contractor's Equipment, Contractor's Site Facilities or other property owned hired, leased or provided by Contractor Group	Contractor will indemnify the Company Group against the Claim. The indemnity applies regardless of whether any of the indemnified persons may have caused or contributed to the damage.
(ii)	Claim for damage to	To the extent that Contractor's act, Default or negligence has

	property owned by Company Group (other than the Work Product and Company-issue Materials)	caused or contributed to the damage, Contractor will indemnify Company Group against the Claim.
(iii)	Claim for damage to the property of a Third Party arising out of the Services	As between Company Group and Contractor, Contractor will indemnify Company Group against the Claim, except to the extent that the negligence of Company Group has directly contributed to the Claim. To the extent that the negligence of Company Group has directly contributed to the Claim, Company will be responsible for the Claim.

- (c) As between Company and Contractor, liability for Claims in respect of Pollution arising out of the performance of the Services is allocated as follows:

	Nature of Claim	Responsibility for Claim
(i)	Claim for Pollution that emanates from Contractor's Equipment or Site Facilities.	Contractor will indemnify Company Group against the Claim.
(ii)	Claim for Pollution that emanates otherwise from Contractor's Equipment or Site Facilities.	To the extent the Claim results from the act, Default or negligence of Contractor, Contractor will indemnify Company Group against the Claim.

45 DEFECTS LIABILITY PERIOD

- (a) The Defects Liability Period will be for a period of 12 months commencing upon the completion of the Services.
- (b) During the Defects Liability Period, the Contractor shall remedy Defects within 14 days of receiving notice of each Defect from the Company or such other period as the Company may require, having regard to the nature and effect of the Defect.
- (c) The Contractor will be responsible for all costs associated with remedying Defects.

All remedial work will be subject to the provisions of the Contract. All remedial work will have its own separate Defects Liability Period of 12 months commencing from completion of the remedial work.

46 INSURANCE

- (a) Contractor will take out and maintain all insurances required by Legal Requirements and required by the Company, which it may request from time to time, and in addition the following insurances;
- (i) comprehensive general liability insurance with a limit of not less than \$5,000,000 per claim;

- (ii) workers compensation insurance as required by law and employer's liability insurance; Where permitted by law and commercially available, the policy must be endorsed to include indemnity for the Company and such other parties as the Company may nominate as principals;
- (iii) motor vehicle third party liability insurance as required by law, and motor vehicle third party property damage with an indemnity of not less than \$1,000,000 for any one occurrence;
- (iv) insurance covering the Contractor's own property, equipment, materials owned, hired leased or used by the Contractor for the purpose of this Contract; and
- (v) any additional insurance required by any applicable law.
- (vi) Where the Services require the use of a vessel;

- (A) Hull and machinery insurance for all vessels owned, hired, chartered, leased or used by the Contractor, in the performance of the Services for an amount no less than the full replacement value of each such vessel, including cover for full collision liability and the cost of removal of debris.
- (B) Marine protection and indemnity insurance covering all vessels owned, hired, chartered, leased or used by the Contractor in the performance of the Services, including cover for pollution, full collision liability and cost of removal of debris, for an amount not less than USD500,000,000 for each accident or occurrence.

- (b) The insurances required under this Contract are primary to, and without right of contribution from, any insurance or self insurance the Company may have.
- (c) In addition to the insurances to be obtained by the Contractor pursuant to clause 46(a) the Contractor may obtain such additional insurances at its own cost as it deems necessary to cover its liabilities that it has assumed under this Contract.
- (d) Contractor will, prior to commencement of any services or provision of any goods, provide the Company with inspection copies of all insurance policies and certificates of currency in respect of the insurances required to be taken out by Contractor.
- (e) For a Purchase Order issued for activities covered by a Construction Insurance Program, Company may vary this clause 46 as set out in the Purchase Order.
- (f) Contractor will:
- (i) ensure that each of the above insurance policies is endorsed to include Company, each member of the Company Group and such other parties as Company may nominate as additional insured to the extent of liabilities assumed by the Contractor under the Contract; and
- (ii) obtain from its insurers complete waivers of all express or implied rights

of subrogation or any right of recourse against the Company, any member of the Company Group and their insurers, and such other parties as the Company may nominate.

47 WARRANTIES

- (a) The Contractor warrants that the Services will be:
 - (i) fit for their intended purpose;
 - (ii) carried out in accordance with good industry practices;
 - (iii) free of Defects; and
 - (iv) carried out in strict compliance with the requirements of the Contract.
- (b) The delivery of a warranty from any Third Party vendor shall be in addition to the warranties given by the Contractor under the Contract, and shall not relieve the Contractor from responsibility for its warranties under the Contract.
- (c) The Contractor will obtain and assign any warranties received from Third Party vendors to the Company and will assist the Company in securing performance of Third Party warranties.
- (d) Where the Contractor obtains a warranty not specified in the Contract or where a warranty obtained by the Contractor extends beyond the Defects Liability Period, the Contractor must ensure that the Company has the benefit of that warranty.
- (e) If, during the term of the Contract or during the Defects Liability Period, the Company is of the view that the Services do not comply with the requirements of the Contract then the Company may require the Contractor to re-perform the Services at the Contractor's cost within such time as the Company reasonably may request.

48 POLLUTION

The Contractor must perform the Contract in a manner that will prevent Pollution.

49 SITE CONDITIONS AND CONTRACTOR'S INVESTIGATIONS

- (a) The Contractor will be deemed to have examined and taken into account all local and other conditions affecting the performance of the Services and all information which is relevant to the risks, contingencies and other circumstances which could affect its performance of the Services, whether provided by the Company or otherwise obtainable by the making of reasonable enquiries.
- (b) The Company gives no warranty of accuracy, sufficiency or completeness in relation to information provided to the Contractor and disclaims all responsibility for such information. The Company will not be liable to the Contractor, in contract or tort or under any other law, for any inaccuracy in or inadequacy of information provided to the Contractor in relation to the Services.

50 HEALTH SAFETY AND ENVIRONMENT

The Contractor is responsible for the management of health, safety and environmental issues related to and during the performance of the Contract. The Contractor must fully comply with all of the Company's health, safety and environmental requirements, including, but not limited to the Company's Fitness for Work Policy.

51 HAZARDOUS MATERIALS

The Contractor must not bring hazardous material on to the Company's premises unless:

- (a) its use, presence or production is essential and there is no alternative product or process available which is less hazardous but otherwise equivalent;
- (b) all statutory and Company requirements are met for safe handling, health protection, packaging, labelling, transport, storage, emergency procedures, waste disposal and environmental protection; and
- (c) its introduction and use has been approved by the Company.

PART D: RENTAL CONDITIONS

52 APPLICATION OF THIS PART

To the extent that the Contract is for the supply of Rental Items, whether in conjunction with the supply of Goods or Services or otherwise, the conditions of this Part D apply in addition to any other terms and conditions of the Contract.

53 BASIC ARRANGEMENT

The Contractor shall lease the Rental Items to the Company, and the Company shall pay rent to the Contractor for the Rental Items, in accordance with the terms of the Contract.

54 THE RENTAL ITEMS

- (a) The Contractor is responsible for the delivery and all costs associated with the delivery of the Rental Items to the Company's premises.
- (b) The Contractor is responsible for the installation of the Rental Items.
- (c) The Rental Items must be of the best quality and workmanship, free from faulty design and defects, suitable for the purpose intended and conform to the Contract requirements and any applicable international or Australian standards.
- (d) The Contractor must furnish all operating manuals and instructions for the Rental Items in accordance with and within the time stated in the Contract.

55 RETENTION OF OWNERSHIP

The Contractor retains full title to the Rental Items, notwithstanding that the Rental Items may be:

- (a) leased to and in the possession of the Company; or
- (b) attached to any land or buildings.

56 DEFECTS

- (a) During the term of the rental, the Company will notify the Contractor of any Defect in the Rental Items as soon as practicable after becoming aware of such Defect.
- (b) The Contractor must, at its own expense, do all things necessary to remedy the Defect and must reimburse the Company for any costs incurred in connection with the Defect, including the cost of the Company remedying the Defect if the Contractor does not do so within a reasonable period following notice of the Defect from the Company.
- (c) If a Defect cannot be remedied, the Contractor must make replacement Rental Items available for lease to the Company in accordance with the terms of the Contract.

57 RENT

- (a) The Company will pay rent for the Rental Items to the Contractor monthly in arrears in

accordance with the Contract.

- (b) The rent is a fixed sum and is not subject to any rise and fall.

58 DURATION OF RENTAL

The rental will continue for the period specified in the Contract. If the Company continues to retain possession of the Rental Items, with the Contractor's consent, beyond the period specified in the Contract, the Company shall be deemed to lease the Rental Items on a week to week basis on the same terms as the Contract, including any changes necessary to make the terms appropriate for a monthly tenancy.

59 NO ENCUMBRANCES

The Company must procure that:

- (a) no Rental Items are sold or otherwise disposed of;
- (b) possession of any Rental Items is not shared with or provided to, and no sub-rental, licence or sub-licence affecting any Rental Items is granted to, any person other than an Affiliate of the Company; and
- (c) no encumbrance is created over any Rental Items,

without the consent of the Contractor.

60 QUIET ENJOYMENT

If the Company pays the rent for the Rental Items and duly and punctually complies with all provisions of the Contract, the Company may peaceably possess and enjoy the Rental Items during the term of the rental without any interruption or disturbance from the Contractor or any person lawfully claiming through the Contractor.

61 MAINTENANCE AND REPAIR

Unless otherwise specified in the Contract:

- (a) The Contractor will be responsible for carrying out all routine and non-routine maintenance of the Rental Items that may be required during the term of the rental.
- (b) The Contractor will maintain the Rental Items in good and operable condition.

62 DAMAGE

The Company will endeavour to protect the Rental Items against loss or damage. However, the Company will not be responsible for accidental loss of or damage to the Rental Items, and the Contractor will indemnify the Company and the Company Group against any Claims for such loss or damage.

63 INSURANCE

Unless otherwise specified in the Contract, the Contractor is responsible for insuring the Rental Items for their full replacement value against accidental loss or damage.

64 TERMINATION

At the end of the term of the rental or upon the termination of the Contract for any reason:

- (a) the Rental Items will be returned to the Contractor subject to fair wear and tear given the conditions under which the Rental Items were employed;
- (b) all costs associated with the return and delivery of the Rental Items from the Company to the Contractor will be borne by the Contractor; and
- (c) the Contractor may recover from the Company all rent due and owing under the Contract at the date of termination.

PART E: (Not Used)

PART F: DRILLING & COMPLETIONS ADDITIONAL CONDITIONS

65 APPLICATION OF THIS PART

To the extent that the Contract is for the supply of Goods or Services in relation to drilling operations, whether in conjunction with the supply of Services, Rental Items or other Goods, the conditions of this Part F apply in addition to any other terms and conditions of the Contract, except where expressly stated to the contrary.

66 WELL COMMENCEMENT DATE

The anticipated spud date for the well as specified in the Purchase Order is subject to change and the Contractor must liaise with the Company representative with respect thereto. Goods and Services must be provided as and when required by the Company.

67 DOWN HOLE EQUIPMENT

All down hole equipment provided by the Contractor shall be manufactured, tested and inspected to the relevant ISO standard or such other standards determined by the Company.

68 INDEMNITIES

- (a) This clause 68 is to be read in conjunction with clause 44.
- (b) As between the Company and the Contractor, liability for claims in respect of property arising out of the performance of the Services is allocated as follows:

	Nature of claim	Responsibility for claim
(i)	Notwithstanding clause 44(b)(i), in respect of a claim for loss of or damage to Contractor's down-hole equipment when the down-hole equipment is in-hole below the rotary table.	<p>Company will reimburse the Contractor for the cost of repairing or replacing such Contractor's down-hole equipment, except to the extent that:</p> <ul style="list-style-type: none"> • the loss or damage is caused or contributed to by normal wear and tear, (including outside diameter wear), fatigue failure, normal corrosion as a direct result of carrying out the Services, defects in or malfunction of the equipment, or any breach of the Contract on the part of the Contractor that contributes to loss of or damage to Contractor's Equipment; • the equipment does not comply with required specification; • Contractor's own procedures and standards have not been met; • loss or damage was caused by Contractor's in-hole equipment failing to operate within its operating specifications; or • defects in the equipment, or the default or negligence of the Contractor; or • Contractor is entitled to recoup the cost of such loss or damage from some other source including insurance. Contractor must use its best endeavours to recoup such cost from any other sources

		<p>before seeking reimbursement from Company.</p> <p>In the case of loss, the amount to be reimbursed will be limited to the replacement cost of the equipment, less depreciation of 2% per month to a maximum of 50% from the date the lost equipment was purchased by the Contractor. In the case of damage, the amount to be reimbursed will not exceed the cost of repairs or the depreciated value whichever is less. In each case however Company's liability shall only cover the excess over US\$10,000 of the amount of loss or damage.</p> <p>Contractor must have a stock of replacement items available on hand to replace any down-hole equipment lost or damaged.</p>
(ii)	Notwithstanding clause 44(b)(ii), in respect of a claim for loss of or damage to equipment or materials provided by Company to Contractor for the purposes of or in connection with the Services.	Contractor will reimburse Company for the cost of repairing or replacing such Company-supplied equipment or materials, except to the extent that the loss or damage is caused or contributed to by latent defects in the items, or normal wear and tear.
(iii)	Notwithstanding clause 44(b)(ii), in respect of a claim for loss of or damage to an underground reservoir or formation resulting from performance of the Services.	Company will be responsible for the Claim, and releases Contractor from any liability for the Claim.
(iv)	Notwithstanding clause 44(b)(ii), in respect of a claim for loss of or damage to a hole or casing in a hole.	<p>Where the loss or damage results from any default or negligence by Contractor, Contractor will be required to re-perform the Services at the same, or another nearby location determined by Company, down to the depth at which the loss or damage occurred, at the Contractor's own cost.</p> <p>In all other cases, Company will be responsible for the Claim and releases Contractor from any liability for the Claim.</p>

supply of Goods, Services or Rental Items, in addition to any other terms and conditions of the Contract. To the extent of any inconsistency between the conditions of this Part G and other terms and conditions of the Contract, the conditions in this Part G shall prevail.

70 LAWS OF THE REPUBLIC OF KOREA

- (a) The goods or services the Contractor is providing to the Company, or the work it is carrying out for the Company, are for the purpose of the Company's activities in the Republic of Korea. Where the laws of the Republic of Korea apply to the Contractor and/or the goods/services or work it is to carry out under the Contract, the Contractor undertakes to the Company that the Contractor will abide by those laws.
- (b) All questions of interpretation arising in connection with this Part G are governed by and will be construed in accordance with the laws of the Republic of Korea, and the principles of international law, as defined in Article 38(1) of the statute of the International Court of Justice and the customs and practices of the petroleum industry shall apply to the extent that they are not materially inconsistent with the laws of the Republic of Korea. In the event of any conflict between the laws of the Republic of Korea and such principles of international law and customs and practices of the petroleum industry, the laws of the Republic of Korea shall prevail. To the extent permitted by applicable Korean law, where there is any inconsistency between the obligations in this Part G and the acts and regulations of the Republic of Korea, the obligations in this Part G will prevail (if not permitted, the acts and regulations of the Republic of Korea shall prevail).

71 TAXES

General

- (a) The Contractor shall comply with the all applicable taxation laws and requirements of the Republic of Korea.
- (b) The Contractor shall comply with the requirements of the taxation authorities of the Republic of Korea and is responsible for and shall make payment of all taxes to the appropriate taxation authorities.
- (c) Failure by Contractor to comply with the taxation laws or requirements of the Republic of Korea shall constitute a material breach of the Contract (and in addition may subject Contractor to fines and penalties in Korea).
- (d) The Contractor shall provide such information and documents and complete and execute all documents as the Company reasonably requires for Republic of Korea taxation related purposes including to enable the Company to obtain any exemption from VAT and other taxes (including residential tax, business place tax, special consumption tax and traffic tax) on supplies made to the Company under the applicable laws of the Republic of Korea.

VAT

- (e) The parties agree that the rates and prices herein for any supply are stated exclusive of Value Added Tax ("VAT") which may become payable under the taxation laws of the Republic of Korea.
- (f) Where value added tax ("VAT") is payable under the laws of the Republic of Korea on any supply made under this Contract, the party making the supply will charge to the party receiving the supply, and the party receiving the supply will reimburse the supplier for, the VAT paid by the supplier to the relevant Korean authority, subject to the supplier issuing to the recipient a valid tax invoice or the equivalent, in accordance with the laws of the Republic of Korea, for that supply.
- (g) If this Contract requires the Company to pay for, reimburse or indemnify the Contractor against any expense or liability ("Reimbursable Expense") incurred by the Contractor, the amount to be paid, reimbursed or indemnified is the amount of the Reimbursable Expense less any input tax credit to which the Contractor is entitled in respect of the Reimbursable Expense.

PART G: COUNTRY-SPECIFIC CONDITIONS (KOREA)

69 APPLICATION OF THIS PART

The conditions of this Part G apply to all Contracts for the

Withholding taxes

- (h) The Company shall withhold from payments to the Contractor such amounts as are required to be withheld under the laws of the Republic of Korea (including without limitation, all withholding tax, minimum taxes, gross receipts, deemed profit or deemed net profit taxes, deemed salary and wage taxes and tax in respect of turnover) and remit such payment to the Korean tax authorities.
- (i) The Company shall furnish to the Contractor all receipts, or evidence substantiating remittance to the taxing jurisdiction for all taxes withheld within 180 days of the withholding.
- (j) The Company will not be liable, and the Contractor will have no claims against the Company:
 - (i) in respect to any sum of money which would otherwise be payable to the Contractor under the Contract; and
 - (ii) which the Company has withheld from payment to the Contractor and paid in accordance with the provisions of any relevant law, to the person, authority or establishment legally entitled to accept payment.

72 IMPORT AND EXPORT

- (a) The Contractor shall comply with all applicable import and export laws and requirements of the Republic of Korea.
- (b) Without limiting the effect of paragraph (a), the Contractor shall:
 - (i) be responsible for and make all necessary arrangements for the import and export of items by the Contractor, its employees, agents, representatives or subcontractors; and
 - (ii) prepare all manifests and other documentation necessary to obtain requisite customs clearances and approvals for all Contractor's goods, materials, machinery, equipment, spare parts, consumables and other supplies to be transported to and from the Republic of Korea in compliance with all applicable laws and regulations and requirements of applicable government authorities.
- (c) The Contractor shall, not later than 45 days prior to the arrival of the goods within the Republic of Korea, provide to the Company a written itemised and fully particularised inventory of the goods, materials, machinery, equipment, spare parts consumables or other supplies in accordance with all applicable requirements of the Republic of Korea. If the Company requisitions the Contractor to import any items in the name of the Company, the Contractor shall do so.
- (d) The Contractor shall provide such information and assistance as the Company reasonably requires to enable the Company to obtain any exemption from customs, VAT, special consumption tax and traffic tax on machinery, equipment and materials imported or exported by the Contractor or the Company.
- (e) The Contractor shall ensure all available exemptions from duties, taxes and fees (including customs duty, VAT, special consumption tax and traffic tax) are claimed on machinery, equipment and materials imported by the Contractor.
- (f) The Contractor agrees to import only to the extent the goods, materials, machinery, equipment, spare parts and consumables are not available in the Republic of Korea on equivalent conditions of price, quantity, quality, conditions of payment and delivery term.
- (g) If so directed by the Company, the Contractor shall engage the Company to effect insurance, if any, of all goods to be imported into the Republic of Korea for purchase or lease by the Company.

- (h) The Contractor shall give the Company and the Government of the Republic of Korea at least 21 business days' written notice of any intention of any member of the Contractor Group to sell to another member of the Contractor group or to any Third Party, any imported goods, materials, machinery, equipment, spare parts and consumables in the Republic of Korea. The Contractor shall when making any such sale do so in accordance with the then current legislation and shall pay all duties and taxes applicable in respect of the transaction.

73 TRADE RESTRICTIONS

- (a) The Contractor must comply with all applicable governmental laws, rules and regulations imposing foreign trade restrictions including but not limited to, where applicable, export and other foreign trade controls under the laws of the United States of America ("U.S.") and other countries' laws restricting sale and transfers to other countries and parties of commodities, software or technical data.
- (b) Notwithstanding any other provision of the Contract to the contrary the Contractor agrees that no commodities, software or technical data of U.S. origin or with U.S. origin content will be sold, exported, re-exported or transmitted except in compliance with all relevant U.S. government requirements.
- (c) The Contractor shall provide, upon request by the Company, written certification that Contractor has complied with the provisions of this clause.
- (d) The Contractor shall indemnify and hold harmless the Company and its Co-Venturers from and against any penalty, fine charge, or other or impost (including interest and costs) imposed on the Company or Co-Venturers as a result of a breach by the Contractor of this clause.
- (e) Contractor will ensure that the requirements of this clause form part of or are otherwise imposed on any subcontractor of the Contractor.

74 GOVERNMENT PREFERENCE REQUIREMENTS

- (a) The Contractor shall use all reasonable endeavours to employ in their operations hereunder and provide on the job training for the maximum, but reasonable, practical number of qualified Republic of Korea nationals.
- (b) Where the Contractor engages nationals from the Republic of Korea, it shall ensure that it complies with all applicable employment laws of the Republic of Korea and that all social security, insurance and taxation requirements are met.
- (c) The Contractor shall purchase and use locally produced equipment, machinery, material, supplies and other items to the extent that the same are available as needed and provided that they are suitable for the use intended (including any A.P.I. specification therefore) and are in all respects equivalent in prices, terms, quantity and quality with those available from other sources.

75 BUSINESS ETHICS

The Contractor shall ensure that the Contractor Group complies at all times with the laws of the republic of Korea relating to corruption and bribery including but not limited to the following: the Korean Criminal Code – the Act Concerning Aggravated Punishment of Specific Crimes and the Act Concerning Aggravated Punishment of Specific Economic Crimes; the Anti-Corruption Act, the Public Official's Code of Conduct for Maintenance of Integrity; and the Foreign Bribery Prevention Act.

76 INSURANCE

The Contractor must ensure that each of the insurances taken out by the Contractor comply with all applicable laws and regulations of the Republic of Korea.

77 INSPECTION AND AUDIT

- (a) The Contractor will, at the Company's request on reasonable prior notice, permit representatives from the Government of the Republic of Korea to inspect any of the premises of the Contractor, or its subcontractors or agents,

where services or work is being performed for the purposes of this Contract.

- (b) The Contractor will retain its books and records relating to this Contract for a period of 4 years after the end of the calendar year in which this Contract is terminated.

78 OPERATIONS CONDUCTED IN NAVIGABLE AND FISHABLE WATER

Any operations under the Contract which are conducted in navigable and fishable water shall be carried out without unjustifiable interference with navigation, national defence and security, the exploitation and conservation of living marine resources, fundamental oceanographic or related scientific research carried out with the intention of open publication, or the laying or maintenance of submarine cables and pipeline.

PART H: DISPUTES

79 DISPUTES

If any dispute arises under the Contract which cannot be resolved amicably, either Party may commence legal proceedings in the Courts of England in relation to that dispute.