



DISMANTLECON

DISMANTLING, REMOVAL AND MARINE SERVICES AGREEMENT PART I

1. Place and Date of Agreement	
2. Contractor/Place of Business (Cl. 1)	3. Company/Place of Business (Cl. 1)
4. Facility (Cl. 1 and Annex A (Details of Facility)) (i) Name of Facility (ii) Flag (if applicable) (iii) IMO Number (if applicable) (iv) Place of Registry (if applicable) (v) Position of Facility (Latitude/Longitude) (vi) Field name and details (if applicable)	
5. Condition of Facility (Cl. 1 and Annex B (Technical Information, Rely Upon Information and Assumptions))	
6. Nature of the Services (Cl. 1 and Annex C (Services))	
7. Date of commencement of Services	8. Date of completion of Services
9. Place of Delivery shall be at the following location or locations (Cl. 17) (state (i), (ii) or (iii) below – failing which, (i) shall apply) (i) on or at the quayside on a vessel or barge (state location of quayside) (ii) on a vessel or barge at the Worksite; or (iii) ashore (state name and location); or (iv) as otherwise designated	

<p>10. Contract Price (Cl. 1)</p> <p>Lump sum (state amount and currency in figures and words):</p>	
<p>11. Delay due to Force Majeure (Cl. 14) (state maximum period)</p>	<p>12. Suspension period in days (Cl. 15) (state maximum period)</p>
<p>13. Early termination fee (Cl. 16)</p>	<p>14. Delay rate (per day) (Cls. 14, 15, 17 and Annex F (Variation Order))</p>
<p>15. Contractor's payment details (Cl. 18)</p> <p>(i) Currency</p> <p>(ii) Bank</p> <p>(iii) Address</p> <p>(iv) Account Number</p> <p>(v) Account Name</p>	<p>16. Security (Cl. 21)</p> <p>(i) Security provided by Contractor:</p> <p>Amount:</p> <p>Parent company guarantee issued by:</p> <p>(ii) Security provided by Company:</p> <p>Amount:</p> <p>Parent company guarantee issued by:</p>
<p>17. Time of payment and interest (state period within which sums must be received by the Contractor and rate of late payment interest per month) (Cl. 18 (Payment))</p>	
<p>18. Contractor's maximum liability for loss of or damage to any Third Party fixed property within the Worksite Area/Pollution (state amount) (Cl. 22).</p> <p>If not appropriately filled in, US\$250,000 shall apply by default.</p>	
<p>19. Contractor's maximum contractual limitation of liability (state amount) (Cl. 33).</p> <p>If not appropriately filled in, the Contractor's limitation of liability shall be the Contract Price stated in Box 10 above.</p>	
<p>20. Applicable Law and Dispute Resolution (state (b), (c), (d) or (e) of Cl. 25 (Applicable Law and Dispute Resolution) as agreed; if (d) is agreed, also state if English or Singapore law to apply; if (e) is agreed, also state choice of law and place of arbitration). If not appropriately completed, Cl. 25(b) shall apply by default.</p>	
<p>21. Number of Additional Clauses covering special provisions:</p>	

It is agreed that this Agreement shall be performed subject to the Terms and Conditions which consist of PART I including any Additional Clauses (Box 21), and PART II, as well as Annex A (Details of Facility), Annex B (Technical Information, Rely Upon Information and Assumptions), Annex C (Services), Annex D (Milestone Payments), Annex E (Daily Progress Reports), Annex F (Variation Order), Annex G (Security), Annex H (Insurance), Annex I (Programme), Annex J (Completion Certificate), Annex K (Key Subcontracts) and Annex L (HSE) or any other Annexes attached to this Agreement.

In the event of a conflict of Terms and Conditions, the provisions of PART I including Additional Clauses and Annex B (Technical Information, Rely Upon Information and Assumptions) shall prevail over those of PART II to the extent of such conflict but no further.

The undersigned warrant that they have full power and authority to sign this Agreement for and on behalf of the parties that they represent.

Signature (for and on behalf of the Contractor)	Signature (for and on behalf of the Company)
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Sample copy

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1. Definitions

(a) In this Agreement the following expressions have the meaning set out below:

“Affiliate” in relation to any entity means any company, partnership or other legal entity which controls, is controlled by, or is under common control with, that entity. For the purposes of this definition, the term “control” means the direct or indirect ownership of fifty per cent (50%) or more of the issued share capital or any kind of voting rights in a company, partnership, or legal entity, and “controls”, “controlled” and “under common control” shall be construed accordingly.

“Applicable Law” means:

(i) any statutes (including regulations enacted under those statutes);

(ii) national, regional, provincial, state, municipal, or local laws;

(iii) judgments and orders of courts of competent jurisdiction;

(iv) rules, regulations, and orders issued by government agencies, authorities, and other regulatory bodies; and

(v) regulatory approvals, permits, licences, approvals, and authorisations,

all as amended from time to time.

“Assumptions” means the Assumptions as set out in Annex B (Technical Information, Rely Upon Information and Assumptions).

“Company” means the party stated in Box 3.

“Company Group” means any of the following:

(i) Any owners of all or part of the Facility or the Remaining Property; and

(ii) Company; and

(iii) co-venturers and license partners of any of the foregoing; and

(iv) Affiliates of any of the foregoing; and

(v) Company’s other contractors and their sub-contractors (of any tier) (excluding members of the Contractor Group); and

(vi) Personnel of any of the foregoing;

but always related to the Services, the Facility or the Remaining Property.

“Confidential Information” means any information exchanged between the Parties that meets the requirements described in Clause 30 (Confidentiality).

“Contract Price” means the lump sum price for the Services set out in Box 10 as may be amended by any agreed Variation Order in accordance with Clause 6 (Variations).

“Contractor” means the party stated in Box 2.

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“Contractor Group” means:

- (i) Contractor; and
- (ii) Contractor’s Affiliates; and
- (iii) Contractor’s sub-contractors (of any tier); and
- (iv) Personnel of any of the foregoing,

but always related to the Services, the Facility or the Remaining Property.

“Debris” means the whole or any part of the Facility or Remaining Property that has become unintentionally separated from the original structure or lost overboard.

“Defect” means (a) any defects in the Contractor's design, materials or workmanship; and (b) any other failure by the Contractor to comply with the terms of this Agreement.

“Facility” means all the assets, equipment and materials described in Box 4 and Annex A (Details of Facility) or any part thereof whether fixed or floating and includes any incorporated material not originally part of the Facility prior to commencement of the Services but which has been added to the Facility as part of the Services pursuant to this Agreement and which are subject to the Services set out in Annex C (Services).

“Inconsistency” means any deficiency, omission, contradiction, inconsistency or ambiguity between the Assumptions and/or the Technical Information set out in Annex B (Technical Information, Rely Upon Information and Assumptions) on the one hand and the actual state of the Facility and/or the Worksite Area on the other hand which is discovered after the date of this Agreement that affects the cost, programme or methodology of performance of the Services.

“Indirect Taxes” means any of the following: (i) value added tax; (ii) goods and services tax; or (iii) sales tax or a similar levy.

“Intellectual Property” means patents, utility models, rights to inventions, copyright and related rights, trade and service marks, rights in designs, rights in software, database rights, and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection in any part of the world.

“Personnel” means employees, agency personnel, directors, officers, servants, agents or invitees.

“Programme” means the programme set out in Annex I (Programme) as adjusted in accordance with this Agreement.

“Rely Upon Information” means the Rely Upon Information set out in Annex B (Technical Information, Rely Upon Information and Assumptions).

“Remaining Property” means any property which is not to be removed by the Contractor from the Worksite pursuant to this Agreement in accordance with Annex C (Services), or pursuant to any Variation Order or by operation of any Applicable Law and/or any incorporated material not originally part of the Remaining Property prior to commencement of the Services but which has been added to the Remaining Property as part of the Services pursuant to this Agreement.

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“Services” means the services set out in Box 6 and Annex C (Services). Annex C (Services) shall include the method of work, a schedule of key dates and all relevant operational details of the proposed craft, equipment and employees to be used.

“Suspension” means a suspension of performance of the Services under subclause (a) or (b) of Clause 15 (Suspension) of this Agreement.

“Taxes” means all taxes, duties, levies, import, export, customs, stamp or excise duties (including clearing and brokerage charges), charges, surcharges, withholdings, deductions, or contributions and any related interest, fines or penalties, that are imposed or assessed by any competent authority of the country where the Services are performed or of any other country in accordance with applicable law.

“Technical Information” means any information as set out in Annex B (Technical Information, Rely Upon Information and Assumptions) as may be amended or supplemented by or on behalf of the Company at any time.

“Variation” means:

(i) any modification of the Services (including Services which have already been completed) which may include additions, substitutions, deletions and alterations in quality, form, character, kind, position, dimension, level or line on which the Services, method, resources and price of the Services are based; and/or

(ii) any re-programming or rescheduling of the Services requiring the Contractor to adjust its resources in order to complete the Services or any part thereof in accordance with any instruction by the Company; and/or

(iii) any modification of the Services as a result of any Inconsistency

and to be documented in a Variation Order.

“Variation Order” means a variation order in the form referred to in Annex F (Variation Order).

“Worksite” means the position of the Facility stated in Box 4 and anywhere else where Services will be undertaken.

“Worksite Area” means a perimeter measured by a 500-metre radius from the centre point of the original position of the Facility or, in the case of a pipeline, 100 metres either side of the centre line of the pipeline.

(b) Unless otherwise expressly stated in this Agreement:

(i) Where this Agreement provides that a party "may" take an action, it is entitled but not obliged to take that action; and

(ii) All approvals, consents, agreements and permissions by a party (including by the Contractor Representative or the Company Representative) under this Agreement must be in writing and are not effective unless given in writing.

2. Contractor’s performance of the Services

(a) The Company and the Contractor acknowledge that the Services are based on the Assumptions, Rely Upon Information and Technical Information as set out in Annex B (Technical Information, Rely Upon Information and Assumptions).

(b) The Contractor shall perform the Services with due care and shall carry out all its obligations in accordance with this Agreement, the Annexes hereto, any Applicable Law and in accordance with good industry practice.

(c) The Contractor shall provide the Company or the Company Representative with daily reports in accordance with Annex E (Daily Progress Reports).

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- (d) The Contractor shall comply with all lawful instructions and notices issued in accordance with this Agreement, provided compliance is physically possible and does not create a danger to person, property or the environment. However, if the instruction or notice constitutes a Variation, the Contractor shall notify the Company, and the Contractor is not obliged to comply with the instruction or notice unless the parties first agree a Variation Order.

3. Access to the Facility

- (a) The Company shall always provide the Contractor with unimpeded access to the Facility.
- (b) The Company shall have the right to access or require access to the Facility for any Personnel nominated by the Company at its entire discretion. Approval of such access shall not be unreasonably refused by the Contractor and is subject to the provisions below:
- (i) The Company shall ensure that the attendance of such Personnel shall not interfere with the Services contemplated under this Agreement and the Contractor shall co-operate fully with any such Personnel provided always that it is safe to do so.
- (ii) The Company shall give the Contractor notice of any Personnel to be granted access to the Facility at least twelve (12) hours before the Personnel arrive at the Facility.
- (iii) Any Personnel attending at the request of the Company shall adhere to the Contractor's health and safety instructions in force at the Worksite.
- (c) Where applicable and if requested by the Contractor in writing, the Company shall make available to the Contractor details of its other contractors to be present at the Worksite.

4. Technical Information, Rely Upon Information and Assumptions

- (a) The Company shall provide Technical Information, which may include Rely Upon Information, at the outset or during the performance of this Agreement. Such Technical Information shall be relevant to the Services and be provided in a timely fashion such as not to disrupt the performance of the Services.
- (b) The Contractor shall take full consideration of the Technical Information in performing the Services but, for the avoidance of doubt, shall not modify the Services (or carry out any other Variation) as a result of the provision of any Technical Information unless the parties agree a Variation Order.
- (c) With regard to Technical Information not being Rely Upon Information, the Company makes no guarantee or warranty, express or implied, as to the correctness, adequacy, sufficiency and consistency of such Technical Information. The Contractor is not entitled to any Variation Order (or other remedy) in relation to any incorrectness, inadequacy, insufficiency or inconsistency in such Technical Information except where such information is provided after the date of signing this Agreement and the Contractor notifies the Company of such incorrectness, inadequacy, insufficiency or inconsistency prior to the "Information Review Date". For the purposes of this clause "Information Review Date" means the later of:
- (i) fourteen (14) days prior to commencement of offshore execution; and
- (ii) twenty-one (21) days following receipt of such Technical Information by the Contractor (or such other period as may be agreed between the parties in writing).
- (d) With regard to Rely Upon Information, where:
- (i) the Rely Upon Information is provided before the date of signing this Agreement, the Contractor shall confirm that it has reviewed such Rely Upon Information and has determined that it is adequate and sufficient for performance of the Services;

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(ii) the Rely Upon Information is provided after the date of signing this Agreement, the Contractor shall notify the Company in writing no later than fourteen (14) days after receipt (or such longer period as may be agreed between the parties in writing) in the event that any such Rely Upon Information is inadequate or insufficient for the performance of the Services, or inconsistent with other parts of Technical Information.

- (e) Notwithstanding the provisions of subclause 4(d), if the Rely Upon Information is incorrect or inconsistent and has an impact on the Services, the Contractor shall be entitled to submit a Variation Order in accordance with Clause 6 (Variations).
- (f) If any Assumption proves to be incorrect, inadequate or inconsistent and has an impact on the Services, the Contractor shall be entitled to submit a Variation Order in accordance with Clause 6 (Variations).
- (g) The Contractor shall not be obliged to review video footage provided by the Company or its Representatives.

5. Company and Contractor Representatives

- (a) Each party shall appoint a representative to represent it in all matters under this Agreement (respectively, the "Company Representative", "Contractor Representative" and "Representative"). Either party may change its Representative at any time by giving notice in writing to the other. Either party's Representative may delegate any of the Representative's responsibilities to a nominated deputy and shall notify the other party in writing of such delegation.
- (b) All information, instructions and decisions of a Representative or any deputy shall be given in writing to the other party's Representative or deputy and shall be binding on the parties as if given and received by the parties personally.
- (c) Except as expressly stated in this Agreement, no Representative has power to amend this Agreement or relieve the Company or the Contractor from any of their obligations.
- (d) The Company may also appoint or have its insurers appoint a marine warranty surveyor ("Marine Warranty Surveyor") to review and advise the Company on the technical marine procedures and operations, including safety and seaworthiness of the craft and marine activities involved. Any instructions and recommendations issued by the Marine Warranty Surveyor shall be communicated through the Company Representative to the Contractor.
- (e) The Contractor shall:
 - (i) provide all reasonable information to satisfy the Marine Warranty Surveyor's requests for information including design detail, calculations, procedures, transportation and lifting criteria, detailed tow routes and cargo barge surveys; and
 - (ii) provide the Marine Warranty Surveyor and the Company Representative with free and unrestricted access to the Contractor's craft and equipment (subject to health and safety requirements and within that craft's limitations relative to boarding and lodging) and to the Worksite where the Services are being performed.

6. Variations

- (a) Variations to the Services may be requested in writing by either party or their respective Representative.
- (b) Before such Variations are carried out, the parties and their Representative shall use reasonable endeavours to first agree by means of a Variation Order within fourteen (14) days of the issue first being notified.

The Variation Order shall set out:

- (i) any changes to the Services, Rely Upon Information or Assumptions;

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- (ii) the increase or decrease, if any, of the Contract Price;
- (iii) any changes to payment milestones; and
- (iv) any extension or reduction in the time for completion of the Services.

Any such Variation Order amends this Agreement and shall form part thereof.

Approval of the Variations shall not unduly delay the performance of the Services and the Contractor shall continue to perform the Services unmodified by the (proposed) Variation in so far as they are practically and safely able to do so and provided always that any Variations or an accumulation of such Variations shall not adversely affect the Contractor's other commitments and are within the Contractor's capabilities.

- (c) If the parties are unable to agree on a Variation as requested in accordance with and within the period allowed by subclause 6(b), the request and its proposed terms of the Variation may be referred (on request of either party) for Expert Adjudication by an Adjudicator under subclause (a)(iv) of Clause 25 (Applicable Law and Dispute Resolution).

7. Inspections and Testing

The Contractor shall carry out all inspections (and testing, if appropriate) expressly detailed in the Services and shall supply the Company with copies of all inspection reports (and test records, if appropriate) as soon as they become available. All tests and inspections shall comply as a minimum with Lloyd's Register Rules for the Manufacture, Testing and Certification of Materials, or their equivalent, or as otherwise specified in Annex C (Services) currently in force at the date of this Agreement.

The Company may witness any test or inspection carried out by the Contractor. Non-attendance of the Company at any test or inspection shall not relieve the Contractor from any liability or obligation under the Agreement.

The Contractor shall give the Company a minimum of twenty-four (24) hours' notice of the date of any test or inspection and the Company shall confirm in writing as soon as practically possible afterwards whether it intends to attend the test or inspection.

Where the Contractor is required to undertake any testing and inspection not included in the Services, the Contractor shall be entitled to raise a Variation in accordance with Clause 6 (Variations).

8. Defects and Corrections

- (a) If the Company notifies the Contractor of any Defect and requests a correction, the Contractor shall:
 - (i) make good, re-do, replace, or amend any item; and/or
 - (ii) deliver any item set out in the Services not already provided.
- (b) The Contractor shall minimise any downtime or delay to the Services or the Company's operations due to any Defect or its correction and any corrections shall be carried out promptly and diligently within a period agreed between the parties in accordance with the procedure set out below:
 - (i) If requested by the Company, the Contractor shall investigate the cause of any Defect and report the details of its findings to the Company.
 - (ii) Upon completion of the Contractor's investigation, if the Services do not comply with the terms of this Agreement, the Contractor shall perform additional inspections and/or testing in accordance with Clause 7

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(Inspections and Testing) as may reasonably be required by the Company to ensure that there are no similar Defects.

(iii) If the Contractor is unable to, or does not promptly correct any Defect, then the Company may, after giving notice to the Contractor, correct the Defect itself or arrange for a third party to remedy the Defect at the Contractor's risk and cost.

(iv) The Contractor shall be responsible for additional cost and time of all investigations and work required to rectify any Defect, save where the Contractor can demonstrate that the Defect is due to:

- (1) incorrect Rely Upon Information or Assumptions, which have not already been addressed in a Variation Order;
- (2) latent defects in the Facility that could not have reasonably been discovered by the Contractor prior to occurrence of the Defect.

9. Changes in Applicable Law

If, after the date of this Agreement, any Applicable Law connected with the obligations of either party under this Agreement is altered or changed (including by reason of a change in the interpretation or enforcement thereof, except by reason of change or alteration made or announced before the date of this Agreement), and such alteration or change or coming into effect affects performance of the Services, either party shall advise the other party in writing if such alterations or changes require entering into of a Variation Order to effect any Variation which is reasonably necessary as a result.

10. Right to substitute Craft, Equipment or Personnel

The Contractor shall have the right to rotate and replace any craft, equipment and Personnel with other suitable craft, equipment and Personnel at any time subject to the prior written approval of the Company, which shall not be unreasonably withheld or delayed, provided always that such substitution does not interrupt the provision of the Services.

The Company may instruct the Contractor to remove any of the Personnel of the Contractor Group who in the reasonable opinion of the Company have:

- (a) acted in an incompetent or negligent manner in the performance of their duties in relation to the Services; and/or
- (b) acted illegally or contrary to Applicable Law; and/or
- (c) engaged in activities that are likely to or have caused damage to the Company's reputation; and/or
- (d) not conformed to the relevant health and safety procedure in force at the time.

Where any Personnel are removed at the request of the Company, they shall not be entitled to perform any further part of the Services without the Company's prior written approval. The Contractor shall use its reasonable endeavours to find a suitable replacement within forty-eight (48) hours, or within such other time as may be agreed between the Contractor and the Company.

11. Use of and Title to the Facility

- (a) Title to the Facility shall not pass to the Contractor at any time. The Company has sole responsibility and discretion relative to the re-use, recycling or disposal of the Facility.
- (b) The Company shall arrange and pay for any maintenance and marking of the Facility and cautioning required and

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arrange and maintain safe access for the Contractor. The Contractor shall arrange and pay for any marking or cautioning required in respect of the Contractor Group equipment during the performance of the Services.

- (c) The Contractor, with the prior written approval of the Company, such approval not to be unreasonably withheld or delayed, may make reasonable use of machinery, gear, equipment, anchors, chains, stores and other fixtures and fittings in or on the Facility or Remaining Property or at the Worksite during and for the purposes of the Services free of expense. The Contractor shall clearly mark or identify all items of Company property used by the Contractor as Company property and shall return such property to the Company when no longer required for the Services.
- (d) Any material provided by the Contractor and incorporated into the Facility during the performance of the Services shall become the property of the Company upon delivery to the Worksite.

12. Permits

- (a) The Contractor shall arrange and maintain at its own cost all licences, approvals, authorisations or permits necessary to perform the Services that can only be obtained by the Contractor. The Company shall provide the Contractor with all reasonable assistance in connection with the obtaining of such licences, approvals, authorisations or permits.
- (b) The Company shall arrange and maintain at its own cost all necessary licences, approvals, authorisations or permits that are required in connection with the Facility or Services other than as set out in subclause (a) above. The Contractor shall provide the Company with all reasonable assistance in connection with the obtaining of such licences, approvals, authorisations or permits.

13. Health, Safety and Environment

- (a) The parties, their respective (sub)contractors engaged in the Services and their respective Personnel shall comply with the HSE requirements set out in Annex L (HSE).
- (b) The Contractor shall be responsible for the adequacy, stability, and safety of all its operations and methodology used in the performance of the Services and for managing those risks.
- (c) Where the performance of any part of the Services requires HSE accreditation, the Contractor shall satisfy all the requirements for the accreditation prior to commencing that part of the Services and shall maintain the accreditation for as long as may be necessary.

14. Force Majeure

- (a) Neither party shall be liable for any loss, damage or delay due to any of the following force majeure events and/or conditions to the extent the party invoking force majeure is prevented or hindered from performing any or all of their obligations under this Agreement, provided they have made all reasonable efforts to avoid, minimize or prevent the effect of such events and/or conditions:

(i) acts of God;

(ii) any government requisition, control, intervention, requirement or interference;

(iii) any circumstances arising out of war, threatened act of war or warlike operations, acts of terrorism, sabotage or piracy, or the consequences thereof;

(iv) riots, civil commotion, blockades or embargoes;

(v) earthquakes, landslides, floods or other extraordinary weather conditions;

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- (vi) strikes, lockouts or other industrial action, unless such strike, lockout or other industrial action is being undertaken by the Personnel of the party seeking to invoke force majeure;
- (vii) fire, accident, explosion, unless caused by negligence of the party seeking to invoke force majeure;
- (viii) any other similar cause beyond the reasonable control of either party.
- (b) In the event of a force majeure occurrence, the party that is or may be delayed in performing the Agreement shall notify the other party without delay once it becomes aware of the force majeure occurrence, giving the full particulars thereof and shall use all reasonable endeavours to mitigate or prevent the negative effects of the event or occurrence.
- (c) If either party is delayed in performing the Agreement by a force majeure occurrence, the Programme and the Contract Price, except as otherwise expressly provided in the Agreement, shall be adjusted in accordance with Clause 6 (Variations) and subclause (d) below.
- (d) Following notification of a force majeure occurrence in accordance with subclause (b) above, the Company and the Contractor shall meet without delay with a view to agreeing a mutually acceptable course of action to minimise any effects of such occurrence and shall thereafter meet and discuss at such intervals as the parties may agree. Subject to the provisions of this Clause 14 and always subject to the Contractor agreeing that it is safe and practical in the circumstances of the force majeure occurrence to do so, the Company may instruct the Contractor to remain on stand-by at the Worksite in which event the Contractor shall be entitled to payment at the relevant delay rates set out in Box 14 during such periods of stand-by. If the Company does not elect to retain the Contractor on stand-by at the Worksite or, having elected to retain the Contractor, the delay due to force majeure exceeds the period specified in Box 11, then, subject to subclause (e) below, the Contractor shall be allowed to leave the Worksite and demobilise its equipment from the Worksite in order to fulfil any obligations it may have under other contracts and, if it does so, the Contractor is not obliged to return to the Worksite or remobilise equipment other than in accordance with an agreed revised Programme as part of a Variation agreed under subclause (c) above. Any intermediate demobilisation and mobilisation fees shall be for the Company's account.
- (e) Upon cessation of any force majeure occurrence the Contractor shall prepare a revised Programme to include rescheduling of the Work to minimise the effects of the delay. Providing however that if, in accordance with subclause (d) above, the Contractor has left the Worksite as a result of such occurrence, the Contractor may allow in such revised Programme any necessary time for completion of any operations on which it was engaged at the date of cessation of the force majeure occurrence.

15. Suspension

- (a) The Company shall have the right, by notice to the Contractor, to suspend the performance of the Services or any part thereof to the extent detailed in the notice, for any of the following reasons:
- (i) if the Contractor is in breach of this Agreement and has not, on receipt of notice of the breach from the Company, commenced and thereafter continuously proceeded with action satisfactory to the Company to remedy the breach; or
- (ii) if suspension is necessary for the proper execution or safety of the Services or persons or the environment; or
- (iii) to suit the convenience of the Company.
- (b) The Contractor shall have the right to suspend performance of the Services or any part thereof in the event of non-payment by the Company in accordance with subclause 18(f)(ii).
- (c) Upon receipt of any notice under subclause (a) above or if it exercises its rights referred to in subclause (d) of Clause 14 (Force Majeure), the Contractor shall:

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- (i) suspend performance of the Services or the part of the Services detailed in the notice, on the date and to the extent specified; and
 - (ii) to the extent reasonably possible, properly protect and secure the Worksite as required by the Company.
- (d) If there is a Suspension by the Company under subclause (a) above:
- (i) the Company may, by further notice, instruct the Contractor to resume performance of the Services to the extent specified in the notice. If the Suspension was made under subclause (a)(ii) or (a)(iii) above, such resumption of the Services shall be subject to the Contractor's other commitments; and
 - (ii) the Company and the Contractor shall meet at not more than seven (7) day intervals with a view to agreeing a mutually acceptable course of action during the suspension.
- (e) If there is a Suspension other than under subclause (a)(i) above, in accordance with Clause 6 (Variations) and subclause (e)(iv) below:
- (i) the Contract Price shall be adjusted by application of the delay rates set out in Box 14, the Company shall also pay demobilization and remobilization fees as applicable. In addition, the Company shall reimburse the Contractor's reasonable documented costs directly attributable to the Suspension that have not been covered in any applicable delay rate.
 - (ii) The Programme shall be adjusted to the extent reasonable to allow for the delay caused by the Suspension, taking into account any time lost due to the Contractor's commitments as permitted under subclause (d) or (e)(iv); and
 - (iii) If the period of Suspension exceeds the period stated in Box 12 the Contractor may serve a notice on the Company requiring permission within fourteen (14) days from the receipt of such notice to proceed with the Services or that part subject to the Suspension. If within the said fourteen (14) days the Company does not grant such permission the Contractor, by a further notice, may (but is not bound to) elect to treat the Suspension as either:
 - (1) where it affects part only of the Services, the deletion of such part from the Services; or
 - (2) where it affects the whole of the Services, termination in accordance with Clause 16(a) (Termination).
 - (iv) Notwithstanding the above, if suspension under subclause (a)(ii) or (a)(iii) cumulatively exceeds or is anticipated to exceed the number of days specified in Box 12, the Contractor shall have the right to demobilise its equipment. The Company and the Contractor shall discuss a mutually acceptable remobilisation schedule, taking into consideration the Contractor's other commitments and the Company's schedule requirements. Any intermediate demobilisation and remobilisation fees shall be for the Company's account.
- (f) Upon cessation of any suspension period the Contractor shall prepare a revised Programme to include for rescheduling of the Services so as to minimise the effects of the suspension. Providing however that if, in accordance with subclause (e)(iv), the Contractor has left the Worksite as a result of suspension, the Contractor may allow in such revised Programme any necessary time for completion of any operations on which it is engaged at the date of cessation of the suspension occurrence. Except for suspension in accordance with subclause (a)(i), the Company shall agree a Variation.
- (g) If there is a Suspension by the Company under subclause (a)(i) the Contractor shall not be entitled to any change in the Contract Price, Programme or Services, or any other Variation or a Variation Order.

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16. Termination

(a) At the Company's convenience

The Company may terminate this Agreement at any time by giving the Contractor written notice of termination. Upon such termination, the Company shall pay the Contractor:

(i) all sums due and deemed earned in accordance with Annex D (Milestone Payments), any Variations or declared options, and any other work done in partial performance or completion of a milestone, including costs committed and expenditure incurred; and

(ii) any reasonably unavoidable termination costs including but not limited to demobilisation, subcontractor termination fees and Worksite preservation; and

(iii) the termination fee as set out in Box 13.

(b) For cause

If any of the events listed in subclauses (b)(i)-(iv) below (each a "Termination Event") occurs, the party designated in subclauses (b)(i)-(iv) may give written notice of its intention to terminate this Agreement unless the Termination Event is remedied within the number of days stated below for the applicable event on receipt of the notice by the other party. If the Termination Event has not been so remedied, then the notifying party may terminate this Agreement with immediate effect upon giving written notice of termination no earlier than within three (3) days of expiry of the fourteen (14) days' notice.

For the purposes of this subclause (b) a "Material Breach" is a breach of this Agreement the effect of which individually, or cumulatively with one or more other breaches, is material.

(i) For the purpose of this Clause, "Insolvency Event" means a situation in which either party:

- (1) stops or suspends, or threatens to stop or suspend, payment of all or a material part of its debts, or is unable to pay its debts as they fall due;
- (2) ceases or threatens to cease to carry on all or a substantial part of its business;
- (3) begins negotiations for, starts any proceedings concerning, proposes or makes any agreement for the reorganisation, compromise, deferral, or general assignment of, all or substantially all its debts;
- (4) makes or proposes an arrangement for the benefit of some or all its creditors of all or substantially all its debts;
- (5) takes any step with a view to the administration, winding up, or bankruptcy of that party;
- (6) is subject to an event in which all or substantially all its assets are subject to any steps taken to enforce security over those assets or to levy execution or similar process, including the appointment of a receiver, trustee in bankruptcy, or similar officer; or
- (7) is subject to any event under the law of any relevant jurisdiction that has an analogous or equivalent effect to an Insolvency Event listed above.

If the Company is subject to an Insolvency Event, the Contractor may give notice of its intention to suspend performance of some or all its obligations under this Agreement unless the Company within seventy-two (72) hours enters discussions with the Contractor on how the situation may be resolved. If the financial issue has not been

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resolved within seven (7) days after receipt of the Contractor's notice, the Contractor shall have the right to redeploy resources. If the issue remains unresolved after thirty (30) days from receipt of the Contractor's notice, or such longer period as may be agreed by the parties, the Contractor shall have the right to terminate this Agreement with immediate effect by giving notice in writing to the Company.

If the Contractor is subject to an Insolvency Event, the Company may give written notice requiring the Contractor to enter into discussions with the Company within seventy-two (72) hours on how the situation may be resolved. If the financial issue has not been resolved within thirty (30) days from receipt of the Company's notice, or such longer period as may be agreed by the parties, the Company shall have the right to terminate this Agreement with immediate effect by giving notice in writing to the Contractor.

(ii) Force Majeure - If a force majeure condition as set out in Clause 14 (Force Majeure) prevents or hinders the performance of the Agreement for a period exceeding one hundred and eighty (180) days, either party shall have the right to terminate this Agreement with immediate effect by giving notice in writing to the other party.

(iii) Material Breach by the Contractor

- (1) If the Contractor commits a Material Breach which is not capable of remedy, the Company may terminate this Agreement by written notice to the Contractor.
- (2) If the Contractor commits a Material Breach which is capable of remedy, the Company shall serve notice on the Contractor specifying the breach and requiring it to be remedied promptly. If the Contractor then fails to remedy the breach within the relevant period as set out in this Agreement, or otherwise - if no such period applies - fails promptly to commence and thereafter diligently to progress, remedy of the breach, the Company may terminate this Agreement by written notice.

(iv) Material Breach by the Company

- (1) If the Company commits a Material Breach which is not capable of remedy, the Contractor may terminate this Agreement by written notice to the Company.
- (2) If the Company commits a Material Breach which is capable of remedy, the Contractor shall serve notice on the Company specifying the breach and requiring it to be remedied promptly. If the Company then fails to remedy the breach within the relevant period as set out in this Agreement, or otherwise - if no such period applies - fails promptly to commence and thereafter diligently to progress, remedy of the breach, the Contractor may terminate this Agreement by written notice.

(c) If either party gives a notice of termination of this Agreement, such notice shall become effective on the date specified in the notice or, in the absence of any specified date, the date of receipt of the notice by the other party. Thereafter, the Contractor shall immediately:

- (i) cease performance of the Services in accordance with Company instructions and shall secure the Worksite;
- (ii) allow the Company or its nominee full rights of access to take over and perform the Services (except for Contractor's Personnel and equipment) or the relevant part;
- (iii) at the Company's request, transfer to the Company, or its nominee, the documentation, relevant rights, titles, liabilities under "key nominated" subcontracts (as listed in Annex K (Key Subcontracts)), provided, in the case only of termination by the Company under subclause (a) above or by the Contractor under subclause (b) above, or subclause (d) of Clause 31 (Anti-Corruption), the Company has first paid all amounts due to the Contractor under this Agreement.

Termination as a result of any of the above-mentioned causes shall not relieve the Company of any obligation to pay the Contractor any sums due under this Agreement up to the date of termination.

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17. Completion and delivery

- (a) Unless terminated earlier in accordance with this Agreement, the Contractor's obligations under this Agreement shall cease upon delivery of the Facility, or the final part thereof, at the Place of Delivery set out in Box 9.

The Company shall ensure that the Place of Delivery shall:

- (i) always be safe and accessible for the Contractor's own or hired-in craft and the Facility to enter and operate such that the Contractor can deliver the Facility; and
- (ii) be a place where the Contractor is permitted by governmental or other authorities to deliver the Facility and where the Company or its nominee can take physical possession.

- (b) When the Contractor considers that all requirements set out in this Agreement in respect of delivery of the Facility have been met, the Contractor shall request in writing that the Company issue the relevant completion certificate for the Facility (see Annex J (Completion Certificate)).

The Company shall, within twelve (12) hours of receipt of such request, either:

- (i) issue the Contractor with the relevant certificate, specifying the date on which the Contractor has met the relevant requirements; or
- (ii) reject the request and notify the Contractor of the reasons for the rejection. The parties shall consult each other as soon as practically possible after notification of rejection to discuss and agree the impact to the Services.

If the Company fails to respond within that period by issuing or rejecting the certificate, the matter shall be dealt with in accordance with Clause 25 (Applicable Law and Dispute Resolution).

- (c) If delivery of the Facility is prevented or delayed by action of governmental or other authorities outside the control of the Contractor, all costs necessarily incurred by the Contractor from the moment of the tender for delivery shall be for the account of the Company. These costs shall be in addition to any delay rate payment as set out in Box 14.

18. Payment

- (a) The Company shall pay the Contractor the Contract Price, which amount shall be due and payable as set out in Annex D (Milestone Payments), as adjusted by any Variation Orders.
- (b) Each instalment of the Contract Price shall be fully and irrevocably earned the moment it is due, as set out in Annex D (Milestone Payments). Any other monies due under this Agreement shall be fully and irrevocably earned on a daily basis or pro rata.
- (c) All monies due and payable to the Contractor under this Agreement shall be paid without any discount, deduction, set-off, lien, claim or counterclaim, except as expressly permitted by the terms of this Agreement.
- (d) All payments to the Contractor shall be made in the currency and to the bank account stipulated in Box 15. The bank account shall be in the name of the Contractor.
- (e) The Contractor shall invoice the Company for all sums due to the Contractor under this Agreement in accordance with Annex D (Milestone Payments). If the Company reasonably believes an incorrect invoice has been issued, it shall notify the Contractor promptly, but in no event no later than the due date, specifying the reason for disputing the invoice. The Company shall pay the undisputed portion of the invoice but may withhold payment of the disputed amount. The Contractor shall be entitled to charge interest at the rate stated in subclause (g) below on such disputed amounts where resolved in favour of the Contractor. The Company shall make the balance payment (together with any applicable interest under subclause (g) below) within five (5) days after the dispute is resolved.

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Should the Company's claim be valid, the Contractor shall issue a corrected invoice.

- (f) (i) Where there is a failure to make punctual payment of sums due and payable by the Company to the Contractor, the Contractor shall promptly notify the Company in writing of such failure.
- (ii) If the Company does not remedy the failure within five (5) days after the notice under subclause (f)(i) above, the Contractor may suspend the performance of any or all its obligations under this Agreement until the failure is remedied.
- (iii) If the Company does not remedy the failure within fourteen (14) days after the notice under subclause (f)(i) above, the Contractor may terminate this Agreement. The right to terminate is to be exercised promptly and in writing and is not dependent upon the Contractor first exercising the right to suspend performance of its obligations under this Agreement. However, if the Company remedies the failure before the Contractor exercises the right of termination, the Contractor's right to terminate this Agreement under this Clause 18 is lost. The Contractor's right to terminate under this Clause 18 shall be without prejudice to any other rights it may have under this Agreement.
- (iv) If the Contractor does not exercise any right under this Clause 18 in respect of any one or more failures to pay an amount on its due date, this shall not constitute a waiver of those rights in respect of any subsequent failure to pay on time.
- (g) The Company shall pay interest on any sum not actually received on its due date by the Contractor in accordance with this Clause 18, from the due date until the date of actual payment, including on any amount disputed under subclause (e) above where the dispute is resolved in the Contractor's favour. The interest rate shall be the rate stated in Box 17, or if Box 17 is not filled, eight per cent (8%) above the twelve (12) month Inter-Bank Offered Rates (IBOR) for the Agreement currency at the date at which the debt is due.
- (h) The Contract Price includes all costs, expenses and Taxes in connection with the Services except for Indirect Taxes.
- (i) If the Company at any time incurs costs which, under the provisions of this Agreement, the Company is entitled to recover from the Contractor, the Company may invoice the Contractor for such costs, provided always that the Company may deduct the amount of such costs from any amount due, or that may become due, to the Contractor under this Agreement.

The Contractor shall pay the Company any sum outstanding after such deduction within thirty (30) days of receipt of invoice.

19. Taxes

- (a) Taxes payable by the Contractor

Each party shall pay, and ensure that its subcontractors shall pay, all Taxes payable by it (and such subcontractors), in respect of or in connection with the Agreement, including but not limited to taxes relative to:

- (i) income, profits, assumed profits, capital gains, turnover, or supply arising directly or indirectly from the performance of the Services;
- (ii) wages, salaries, and all other remuneration or compensation paid directly or indirectly to its Personnel for the Contractor (or such Subcontractors), for the Services in the country where work is performed or any other country; and
- (iii) import or export of its equipment or other property, or the movement of its Contractor Personnel across national or territorial boundaries (including but not limited to visa or passport fees, vessel import- or export fees, waste export fees) related to performance of the Services.

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(b) Indirect Taxes

(i) The Contractor shall add to the invoice as a separate item, and the Company shall pay in addition to the Contract Price, any Indirect Taxes that may be applicable.

(ii) The Company shall not pay Taxes or any interest, fines, or penalties for which the Contractor Group is liable that relate to purchases by the Contractor or its subcontractors.

(iii) Where available, the Contractor shall apply a tax exemption, zero per cent rate, or any other tax facility legally possible to any Indirect Taxes. The Company shall provide documentation that the Contractor reasonably requests to assist the Contractor in applying exemptions upon request. The Contractor shall provide documentation and other evidence necessary for the Company to claim any credits for Indirect Taxes.

(iv) The Contractor shall provide all necessary documents to the Company to be able to reclaim any Indirect Taxes at the Company's request and within a reasonable time.

(c) Withholding Taxes

(i) Where required under Applicable Law, the Company shall withhold, or deduct and pay over to relevant authorities, Taxes from amounts payable to the Contractor. The Contractor acknowledges that any sum withheld or deducted shall, for the purpose of this Agreement, be deemed to have been paid to the Contractor and that the sum is a corresponding discharge of the Company's liability to the Contractor under this Agreement.

(ii) Where the Company makes a withholding or deduction, the Company shall provide the Contractor with official written receipts or other evidence. If the Company does not provide receipts or evidence and the Contractor is required to pay any Taxes or any interest, fines, or penalties, the Company shall reimburse the Contractor for those amounts on demand.

(iii) Where the Contractor demonstrates that it is exempt from any withholding or deductions under Applicable Law, it shall inform the Company and provide the Company with a valid certificate of exemption or immunity from the relevant authority.

20. Programme

(a) The Services shall be conducted in accordance with the Programme set out in Annex I (Programme). The Contractor shall update the Programme to show the original scheduled timeline for the completion for the Services and any deviation from the critical path as a result of such adjustments to the Programme.

(b) The Contractor shall provide a copy of the updated Programme to the Company on a monthly basis which shall include the previous month's activities.

21. Security

(a) Within ten (10) days after the date of this Agreement:

(i) if stated in Box 16 the Contractor shall provide the Company with security in the form set out in Annex G (Security) or other such wording as may be agreed between the parties provided by a first class bank or financial institution for an amount set out in Box 16 together with a parent company guarantee issued by the party identified in Box 16 (being the ultimate shareholder or a significant affiliate of the Contractor) in the form set out in Annex G (Security).

The Contractor's security shall not expire earlier than thirty (30) days after the date of completion as stated in Annex I (Programme) and the Contractor shall extend or renew its security's expiry date proportionately to any agreed extension of the Programme.

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If the Contract Price is adjusted by one or more Variation Orders cumulatively in accordance with Clause 6 (Variations) by more or less than 10% (ten per cent) the Contractor shall procure that the security's value shall be adjusted proportionately.

(ii) if stated in Box 16 the Company shall provide the Contractor with security in the form set out in Annex G (Security) or other such wording as may be agreed between the parties provided by a first class bank or financial institution for an amount set out in Box 16 together with a parent company guarantee issued by the party identified in Box 16 (being the ultimate shareholder or significant affiliate of the Company) in the form set out in Annex G (Security).

The Company's security shall not expire earlier than thirty (30) days after the date that the final Milestone Payment stated in Annex D (Milestone Payments) becomes due and payable and the Company shall extend or renew its security expiry date proportionately to any agreed extension of such due date.

- (b) If either party fails to extend or renew its respective security to be provided under this Clause 21, then the other party may make a written demand to the party in breach of this Clause 21 to issue a new or amended letter of security or make other satisfactory arrangements in accordance with subclause (a). If the party in breach fails to comply with the notice, then the party not in breach may terminate this Agreement in accordance with subclause (b) of Clause 16 (Termination).

22. Liabilities and Indemnities

- (a) The Contractor 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:

(i) loss of or damage to property of the Contractor Group whether owned, hired, leased or otherwise provided by the Contractor Group arising from, relating to or in connection with the performance or non-performance of the Agreement; and

(ii) personal injury, death or disease suffered by any Personnel of the Contractor Group arising from, relating to or in connection with the performance or non-performance of the Agreement; and

(iii) subject to any other express provisions of the Agreement, personal injury, death or disease or loss of or damage to the property of any Third Party to the extent that any such injury, death or disease or loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of the Contractor Group.

(iv) Except as provided by subclauses (b)(i) and (b)(ii) below, the Contractor shall save, indemnify, defend and hold harmless the Company Group from and against any claim of whatsoever nature arising from pollution or hazardous waste occurring on the premises of the Contractor Group or emanating from the property and equipment of the Contractor Group (including but not limited to marine vessels) arising from, relating to or in connection with the performance or non-performance of the Agreement.

- (b) The Company shall be responsible for and shall save, indemnify, defend and hold harmless the Contractor Group from and against all claims, losses, damages, costs (including legal costs) expenses and liabilities in respect of:

(i) loss of or damage to the Facility and/or the Remaining Property or any other property of the Company Group which is or was located at a Worksite or the Worksite Area; and

(ii) personal injury, death or disease suffered by any Personnel of the Company Group arising from, relating to or in connection with the performance or non-performance of the Agreement; and

(iii) subject to any other express provisions of the Agreement, personal injury, 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 a member of the Company Group;

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(iv) loss of or damage to any Third Party fixed property within the Worksite Area or any pollution emanating therefrom and including any consequential losses arising therefrom. The provisions of this subclause 22(b)(iv) shall apply notwithstanding the provisions of subclause (a)(iii) above. Notwithstanding the foregoing, the Contractor shall pay up to the amount stated in Box 18 (or if Box 18 is left blank, then up to USD 250,000) per occurrence if the loss or damage is caused by the negligence of any member of the Contractor Group;

(v) Except as provided by subclauses (a)(i), (a)(ii) above and (d) below, pollution or hazardous waste emanating or originating from the reservoir or from the property of the Company Group.

(c) All exclusions and indemnities given under this Clause 22 and Clause 23 (Debris and Wreck Removal) (save for those under subclauses (a)(iii) and (b)(iii) above and subclause (a)(ii) of Clause 23 (Debris and Wreck Removal)) 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.

(d) Excluded losses

Subject to subclause (b)(iv) above only and notwithstanding anything else contained in this Agreement, neither party shall be liable to the other for:

(i) any loss of use (including, without limitation, loss of use or the cost of use of property, equipment, materials and services); loss of profits or anticipated profits; loss of product; loss of business; business interruption; loss of reputation; loss of goodwill; loss of or deferral of drilling rights; loss, restriction or forfeiture of licences, concession or field interest; loss of revenue, shut in, loss of production, deferral of production, increased cost of working; cost of insurance; or any other similar losses whether direct or indirect; and

(ii) any consequential or indirect loss whatsoever

arising out of or in connection with the performance or non-performance of this Agreement and the Contractor shall indemnify, protect, defend and hold harmless the Company Group from such losses suffered by the Contractor Group and the Company shall indemnify, protect, defend and hold harmless the Contractor Group from such losses suffered by the Company Group.

(e) Nothing contained in this Agreement shall be construed or held to deprive the Contractor or the Company, as against any person or party, including as against each other, of any right to claim limitation of liability provided by any Applicable Law, statute or convention. Where the Contractor or the Company may seek an indemnity under the provisions of this Agreement or against each other in respect of a claim brought by a Third Party, the Contractor or the Company shall seek to limit their liability against such Third Party.

(f) For the purposes of this Clause "Third Party" shall mean any party which is not a member of the Contractor Group or the Company Group.

23. Debris and Wreck Removal

(a) The Contractor 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 for Debris removal, to the extent caused by the negligence of any member of the Contractor Group in so far as:

(i) the Debris is required to be removed in accordance with any lawful authority having jurisdiction over the location of the Debris; and/or

(ii) the Company may reasonably require if the Debris is interfering with the Company's operations.

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Notwithstanding the foregoing, the Contractor's liability under this subclause (a) shall be limited to the amount stated in Box 18 (or if Box 18 is left blank, then USD 250,000) per occurrence and the Company shall save, indemnify, defend and hold harmless the Contractor for sums in excess of this limitation per occurrence.

- (b) If any property belonging to the Contractor Group becomes a wreck or debris, the Contractor shall be liable for any and all expenses in connection with the lighting, marking, raising, removal, and disposal of the property when:
- (i) required to be removed in accordance with any lawful authority having jurisdiction over the location of the property; and/or
 - (ii) as the Company may reasonably require if the property is interfering with the Company's operations.

24. Time for Suit

Any claim which may arise out of or in connection with this Agreement or any of the Services performed hereunder shall be notified to the party against whom such claim is made within twelve (12) months of completion of the Services or termination of the Agreement hereunder, or within twelve (12) months of any claim by a third party, whichever is later. Any suit shall be brought within twelve (12) months of the notification to the party against whom the claim is made. If either of these conditions is not complied with, the claim and all rights whatsoever and howsoever shall be absolutely barred and extinguished.

25. Applicable Law and Dispute Resolution

- (a) (i) Any dispute between the parties in connection with or arising out of this Agreement or the Services shall be resolved in accordance with the procedure set out in this Clause 25, save that any disputed or denied Variation requests shall be referred to an expert (the "Adjudicator") for Expert Adjudication in accordance with subclause (a)(vi) below.
- (ii) For the avoidance of doubt, the provisions of this subclause (a) shall apply before a dispute is referred to subclauses (b), (c), (d) or (e) below, as the case may be.
- (iii) Performance of the Services under the Agreement shall continue during any dispute resolution process referred to in this Clause 25.
- (iv) The dispute shall initially be referred to the Company and Contractor Representatives who shall discuss the matter in dispute and make all reasonable efforts to reach an agreement. The party seeking resolution of the dispute shall set out in writing and give notice of the dispute (the "Dispute Notice") to the other providing the following information:
- (1) a factual summary of the claim or counter claim; and
 - (2) the basis upon which the claim or counter claim is made setting out the contractual terms or Applicable Law relied upon; and
 - (3) the amount of the claim or counter claim or other remedy being sought.
- (v) If no agreement is reached under subclause (a)(iv) above within fourteen (14) days of receipt of the Dispute Notice, the matter shall be referred to the Executive Directors of the parties. The Executive Directors shall meet within fourteen (14) days of the date of the referral and shall discuss the matter in dispute and make all reasonable efforts to reach an agreement.
- (vi) If the parties have not settled the dispute within twenty-eight (28) days of the Dispute Notice, either Party may give notice in writing of its intention to refer the dispute to adjudication ("Notice of Adjudication").

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(vii) The adjudication provisions in the Schedule to The Scheme for Construction Contracts (England and Wales) Regulations 1998 (as amended) shall apply to this Agreement. For the purposes of subclause (a) above only, the reference in The Scheme for Construction Contracts (England and Wales) Regulations 1998 to “the construction contract” shall be a reference to and read “this Agreement”.

(viii) The party seeking the evaluation shall propose to the other party three (3) candidate Adjudicators - in writing, having checked that the proposed Adjudicators are available and willing to be appointed - each of which shall have relevant expertise and experience in the adjudication of offshore dismantling, wreck-removal, marine construction or marine heavy-lift, transport and/or installation disputes. The other party may select one of the proposed Adjudicators by responding in writing within fourteen (14) days of the Notice of Adjudication being issued, failing which the Adjudicator shall be selected from the three proposed Adjudicators and appointed by the Chairman of the Technology and Construction Solicitors Association (TeCSA).

(ix) Unless the parties otherwise agree, the Adjudicator shall give reasons for his/her decision in writing.

(x) The decision of the Adjudicator shall become binding on the parties, and they shall comply with it until the dispute (other than a failure to give effect to a decision of an Adjudicator) is finally determined by the arbitration in accordance with subclause (b), (c), (d) or (e) below as selected in Box 20.

* The following subclauses (b), (c), (d) and (e) are alternatives; indicate alternative agreed in Box 20.

(b)* This Agreement shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Agreement shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause.

The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced.

The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator within fourteen (14) calendar days of that notice and stating that it shall appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the fourteen (14) days specified. If the other party does not appoint its own arbitrator and give notice that it has done so within the fourteen (14) days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of the sole arbitrator shall be binding on both parties as if he had been appointed by agreement.

Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.

In cases where neither the claim nor any counterclaim exceeds the sum of USD 100,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.

In cases where the claim or any counterclaim exceeds the sum agreed for the LMAA Small Claims Procedure and neither the claim nor any counterclaim exceeds the sum of USD 400,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Intermediate Claims Procedure current at the time when the arbitration proceedings are commenced.

(c)* This Agreement shall be governed by U.S. maritime law or, if this Agreement is not a maritime contract under U.S. law, by the laws of the State of New York. Any dispute arising out of or in connection with this Agreement shall be referred to three (3) persons at New York, one to be appointed by each of the parties hereto, and the third by the

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two so chosen. The decision of the arbitrators or any two of them shall be final, and for the purposes of enforcing any award, judgment may be entered on an award by any court of competent jurisdiction. The proceedings shall be conducted in accordance with the SMA Rules current as of the date of this Agreement.

In cases where neither the claim nor any counterclaim exceeds the sum of USD 100,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the SMA Rules for Shortened Arbitration Procedure current as of the date of this Agreement.

(d)* This Agreement shall be governed by and construed in accordance with Singapore**/English** law.

Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination shall be referred to and finally resolved by arbitration in Singapore in accordance with the Singapore International Arbitration Act (Chapter 143A) and any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause.

The arbitration shall be conducted in accordance with the Arbitration Rules of the Singapore Chamber of Maritime Arbitration (SCMA) current at the time when the arbitration proceedings are commenced.

The reference to arbitration of disputes under this Clause shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator and give notice that it has done so within fourteen (14) calendar days of that notice and stating that it will appoint its own arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the fourteen (14) days specified. If the other party does not give notice that it has done so within the fourteen (14) days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party accordingly. The award of a sole arbitrator shall be binding on both parties as if he had been appointed by agreement.

Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.

In cases where neither the claim nor any counterclaim exceeds the sum of USD 150,000 (or such other sum as the parties may agree) the arbitration shall be conducted before a single arbitrator in accordance with the SCMA Small Claims Procedure current at the time when the arbitration proceedings are commenced.

**Delete whichever does not apply. If neither or both are deleted, then English law shall apply by default.

(e)* This Agreement shall be governed by and construed in accordance with the laws of the place mutually agreed by the parties and any dispute arising out of or in connection with this Agreement shall be referred to arbitration at a mutually agreed place, subject to the procedures applicable there.

(f) The parties may agree at any time to refer to mediation any difference and/or dispute arising out of or in connection with this Agreement. In the case of any dispute in respect of which arbitration has been commenced under subclause 25(b), 25(d) or 25(e), the following shall apply:

(i) Either party may at any time and from time to time elect to refer the dispute or part of the dispute to mediation by service on the other party of a written notice (the "Mediation Notice") calling on the other party to agree to mediation.

(ii) The other party shall thereupon within fourteen (14) calendar days of receipt of the Mediation Notice confirm that they agree to mediation, in which case the parties shall thereafter agree a mediator within a further fourteen (14) calendar days, failing which on the application of either party a mediator will be appointed promptly by the Arbitration Tribunal ("the Tribunal") or such person as the Tribunal may designate for that purpose. The mediation

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shall be conducted in such place and in accordance with such procedure and on such terms as the parties may agree or, in the event of disagreement, as may be set by the mediator.

(iii) If the other party does not agree to mediate, that fact may be brought to the attention of the Tribunal and may be taken into account by the Tribunal when allocating the costs of the arbitration as between the parties.

(iv) The mediation shall not affect the right of either party to seek such relief or take such steps as it considers necessary to protect its interest.

(v) Either party may advise the Tribunal that they have agreed to mediation. The arbitration procedure shall continue during the conduct of the mediation, but the Tribunal may take the mediation timetable into account when setting the timetable for steps in the arbitration.

(vi) Unless otherwise agreed or specified in the mediation terms, each party shall bear its own costs incurred in the mediation and the parties shall share equally the mediator's costs and expenses.

(vii) The mediation process shall be without prejudice and confidential and no information or documents disclosed during it shall be revealed to the Tribunal except to the extent that they are disclosable under the law and procedure governing the arbitration.

(Note: The parties should be aware that the mediation process may not necessarily interrupt time limits.)

- (g) If Box 20 is not appropriately filled in, subclause (b) of this Clause shall apply. Subclause (f) shall apply in all cases except for alternative (c) above.

26. Notices and Instructions

(a) All notices, instructions, authorisations, approvals or acknowledgements given by either party or their agents to the other party or their agents in accordance with the provisions of this Agreement shall be in writing and shall be in the English language.

(b) Unless specifically provided in this Agreement to the contrary, all notices shall be sent to the address for the other party as set out in Boxes 2 and 3 or as appropriate or to such other address as the other party may designate in writing. A notice may be sent by registered or recorded mail, facsimile, electronically or delivered by hand in accordance with subclause (c) below.

(c) Any notice given under this Agreement shall take effect on receipt by the other party and shall be deemed to have been received:

(i) if posted, on the seventh (7th) day after posting;

(ii) if sent by facsimile or electronically, on the day of transmission; or

(iii) if delivered by hand, on the day of delivery.

And in each case proof of posting, handing in or transmission shall be proof that notice has been given, unless proven to the contrary.

(d) If it is necessary for the Company or the Company Representative to issue any instruction, authorisation, approval or acknowledgement to the Contractor orally, the Contractor shall comply with any such reasonable request by the Company or the Company Representative but shall be entitled to receive written confirmation as soon as is practicably possible. Provided that the Company confirms the instruction, authorisation, approval or acknowledgement in writing, and it does not contradict the earlier oral instruction, it shall be deemed to be an

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instruction in writing by the Company. If such instruction results in a Variation of the Services, the Contractor shall be entitled to a Variation Order (see Clause 6 (Variations)).

- (e) If it is necessary for the Contractor to take immediate action to avoid or prevent risk or damage to any Personnel, craft or equipment at the Worksite or to prevent or minimise damage to the environment in order to mitigate the Company's liability, save where it is caused by the Contractor's own negligence, the Contractor shall be entitled to receive written confirmation as soon as is practicably possible. If such instruction results in a Variation of the Services, the Contractor shall be entitled to a Variation Order (see Clause 6 (Variations)).

27. Insurance

- (a) The parties shall obtain and maintain in effect for the duration of this Agreement, with reputable insurers, suitable insurances as set out in Annex H (Insurance). Such insurances shall provide that the other party shall be given not less than thirty (30) days' notice of cancellation of or material change to cover. Policy limits shall not be less than those indicated.
- (b) The Company shall be named as co-insured on the insurance policies to be obtained and maintained by the Contractor. The Contractor shall cause insurers to waive subrogation rights against the Company Group. Co-insurance and/or waivers of subrogation shall be given only insofar as these relate to liabilities which are properly the responsibility of the Contractor under the terms of this Agreement.
- (c) The Contractor shall furnish the Company with certificates of insurance which provide sufficient information to verify that the Contractor has complied with the insurance requirements of this Agreement.
- (d) The Contractor Group shall be named as additional assured on the insurance policies obtained and maintained by the Company. The Company shall cause insurers to waive subrogation rights against the Contractor Group.
- (e) The Company shall furnish the Contractor with certificates of insurance which provide sufficient information to verify that the Company has complied with the insurance requirement of this Agreement.

28. Intellectual Property Rights

- (a) Any developments by either party giving rise to any Intellectual Property based wholly on data, equipment, processes or methodologies and otherwise generated by one party for the purposes of performing the Services shall vest in the party responsible for developing or inventing the Intellectual Property unless it is agreed in writing that the Intellectual Property has been developed jointly by the parties.
- (b) Where any registerable Intellectual Property vests solely in one party, such party may grant the other party, at its sole discretion, a non-exclusive, non-transferable, world-wide licence to use the Intellectual Property. The party responsible for developing the Intellectual Property shall bear the costs of protecting and/or registering the Intellectual Property rights.
- (c) Where any registerable Intellectual Property vests jointly with both parties, the parties shall bear the costs of protecting and/or registering the Intellectual Property rights equally.
- (d) The parties warrant that they shall not infringe or cause to be infringed any Intellectual Property arising out of or in connection with the performance of the Services.

29. Document and Data Management

The Contractor shall maintain a complete set of all relevant documents and drawings in either electronic or hard copy format provided by the Company and/or prepared by the Contractor during the performance of the Services. Such database shall be maintained in more than one relevant location and shall be accessible - for two (2) years after completion of the Services or termination of this Agreement - by the Company, the Company Representative

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or any other person with written authorisation from the Company. The costs of maintaining the database shall be paid for equally by the parties.

30. Confidentiality

All information or data provided or obtained in connection with the performance of this Agreement is and shall remain confidential and not be disclosed without the prior written consent of the other party, provided however that each party may disclose confidential information to its Affiliates, subcontractors, and its/their respective auditors and Personnel to the extent required for the performance of this Agreement or for legal or compliance purposes. The parties shall use their best efforts to ensure that such information shall not be disclosed to any third party by any of their Affiliates, sub-contractors, Personnel and agents. This Clause shall not apply to any information or data that has already been published or is in the public domain. All information and data provided by a party is and shall remain the property of that party.

The parties shall undertake to keep the Confidential Information confidential for a period of 3 (three) years after the date of the issue of the completion certificate set out in Annex J (Completion Certificate or the date of termination).

31. Anti-Corruption

- (a) The parties agree that in connection with the performance of this Agreement they shall each:
- (i) comply at all times with all applicable anti-corruption legislation and have procedures in place that are, to the best of its knowledge and belief, designed to prevent the commission of any offence under such legislation by any member of its organisation or by any person providing services for it or on its behalf; and
 - (ii) make and keep books, records, and accounts which in reasonable detail accurately and fairly reflect the transactions in connection with this Agreement.
- (b) If a demand for payment, goods or any other thing of value ("Demand") is made to the Contractor or the Contractor Group by any official, any contractor or sub-contractor engaged by or acting on behalf of the Company or the Company Group or any other person not employed by the Company and it appears that meeting such Demand would breach any applicable anti-corruption legislation, then the Contractor shall notify the Company as soon as practicable and the parties shall cooperate in taking reasonable steps to resist the Demand.
- (c) If either party fails to comply with any applicable anti-corruption legislation it shall defend and indemnify the other party against any fine, penalty, liability, loss or damage and for any related costs (including, without limitation, court costs and legal fees) arising from such breach.
- (d) Without prejudice to any of its other rights under this Agreement, either party may terminate this Agreement without incurring any liability to the other party if:
- (i) at any time, the other party or any member of its organisation has committed a breach of any applicable anti-corruption legislation in connection with this Agreement; and
 - (ii) such breach causes the non-breaching party to be in breach of any applicable anti-corruption legislation.
- Any such right to terminate must be exercised without undue delay.
- (e) Each party represents and warrants that in connection with the negotiation of this Agreement neither it nor any member of its organisation (including the Contractor Group (in the case of the Contractor) and the Company Group (in the case of the Company)) has committed any breach of applicable anti-corruption legislation. Breach of this subclause (e) shall entitle the other party to terminate the Agreement without incurring any liability to the other.

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32. Status of the Company

The Company enters into this Agreement for itself and as agent for and on behalf of the Company Group. Without prejudice to the provisions of Clause 22 (Liabilities and Indemnities) and notwithstanding the above:

- (a) the Contractor agrees to look only to the Company for due performance of this Agreement and nothing contained in this Agreement shall impose any liability upon or entitle the Contractor to commence any proceedings against any member of the Company Group other than the Company; and
- (b) the Company is entitled to enforce this Agreement on behalf of the Company Group as well as for itself. For that purpose, the Company may commence proceedings in its own name to enforce all obligations and liabilities of the Contractor and to make any claim which any member of the Company Group may have against the Contractor; and
- (c) all losses, damages, costs (including legal costs) and expenses recoverable by the Company pursuant to this Agreement or otherwise shall include the losses, damages, costs (including legal costs) and expenses of the Company Group except that such losses, damages, costs (including legal costs) and expenses shall be subject to the same limitations or exclusions of liability as are applicable to the Company or the Contractor under the Agreement. For the avoidance of doubt any and all limitations of the Contractor's liability set out in the Agreement shall represent the aggregate cumulative limitation of the liability of the Contractor to the Company Group.

33. Limitation of liability

- (a) Subject to the provisions in subclause (b) below, the liability of the Contractor for damages and other claims by the Company for breach of contract or for negligence shall not exceed an amount equal to the amount set out in Box 19 of this Agreement.

Any exclusion or limitation of liability under this Agreement shall exclude or limit such liability not only in contract but also in tort or otherwise at law.

- (b) For the avoidance of doubt, any liability by the Contractor for payment of the following shall not count in assessing whether the Contractor has reached its limitation of liability:
 - (i) taxes (see Clause 19 (Taxes));
 - (ii) any sums due to the Company for Defects (see Clause 8 (Defects and Corrections));
 - (iii) amounts payable by the Contractor to the Company as a result of termination (see Clause 16 (Termination));
 - (iv) sums allocated by the indemnity provisions for the Contractor's own people, property, pollution, consequential losses, fines, penalties or any indemnities for third parties (see Clause 22 (Liabilities and Indemnities));
 - (v) insurances (see Clause 27 (Insurance));
 - (vi) any sum due by way of compliance with Clause 13 (Health, Safety and Environment), Clause 28 (Intellectual Property Rights), Clause 30 (Confidentiality) and Clause 31 (Anti-Corruption);
 - (vii) liability arising from the Contractor's failure to follow or deviation from any instructions issued by the Company's appointed Marine Warranty Surveyor via the Company Representative (see Clause 5 (Company and Contractor Representatives));
 - (viii) Reimbursement of any overpayments made by the Company.

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34. General Provisions

(a) Severability

If, in any legal proceedings, it is determined that any provision of this Agreement is unenforceable under Applicable Law, then the unenforceable provision shall automatically be amended to conform to that which is enforceable under the law, or if this is not possible, shall be treated as not included in this Agreement. In any event, the validity or enforceability of any provision shall not affect any other provision of this Agreement.

(b) Assignment

The Company may assign this Agreement or any part of it or any benefit or interest to any subsidiary or parent or holding company or co-venturer of the Company as defined under this Agreement.

Neither the Company nor the Contractor shall assign the benefit of this Agreement to any third party without prior written agreement of the other, such agreement shall not be unreasonably delayed or withheld.

(c) Subcontracting

Unless otherwise stated in Annex C (Services) or agreed as a Variation Order, the Contractor shall not subcontract the Services or any material part thereof without the prior written approval of the Company, such approval not to be unreasonably delayed or withheld. The Contractor shall ensure that key subcontracts listed in Annex K (Key Subcontracts) contain a right of assignment to the Company.

Where the Company approves the use of a subcontractor, the Company shall be entitled to review the terms and conditions of the subcontract and comment on the same.

The Contractor shall ensure that the subcontract terms and conditions shall be no less favourable than the terms contained in this Agreement in so far as they apply to the subcontract.

The Contractor shall remain responsible for the subcontracted work as if such work was conducted by the Contractor and nothing contained in this subclause (c) shall be deemed as relieving the Contractor of its obligations under this Agreement.

(d) Entire Agreement

This Agreement, including all Annexes referenced herein and attached hereto, is the entire agreement of the parties, which supersedes all prior negotiations, representations or agreements related to this Agreement either written or oral. No amendments to this Agreement shall be effective unless evidenced in writing and signed by the parties.

(e) Third Party Beneficiaries

Except as specifically provided for elsewhere in this Agreement, this Agreement shall not be construed to confer any benefit on any Third Party not a party to this Agreement nor shall this Agreement provide any rights to such Third Party to enforce any provision of this Agreement.

This Agreement may be rescinded, amended or varied by the parties to this Agreement as provided herein without notice to or the consent of any Third Party even if, as a result thereof, that Third Party's right to enforce a term of this Agreement may be varied or extinguished. For the purposes of this subclause (e), "Third Party" shall mean any third party including any member of the Company Group (other than the Company) or the Contractor Group (other than the Contractor).

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(f) Waiver

No benefit or right accruing to either party under this Agreement shall be waived unless the waiver is in writing and signed by both the Contractor and the Company. The failure of either party to exercise any of its rights under this Agreement, including but not limited to either party's failure to comply with any time limit set out in this Agreement, shall in no way constitute a waiver of those rights, nor shall such failure excuse the other party from any of its obligations under this Agreement.

(g) Warranty of Authority

The Contractor and the Company each warrant and represent that the person whose signature appears in Part I above is its appointed representative and is duly authorized to execute this Agreement as a binding commitment of such party.

(h) Singular/Plural

The singular includes the plural and vice versa as the context admits or requires.

(i) Headings

The headings to the clauses and appendices to this Agreement are for convenience only and shall not affect its construction or interpretation.

Sample copy

ANNEX A (DETAILS OF FACILITY)

Dated:

Facility:

Details of the Facility (Box 4, Cl. 1)

General Description

Design	Moon pool dimensions
Year entered service	Variable deck load
Classification	Transit speed
Latitude / Longitude	Water depth
Length / width / depth	Drilling depth
Draft	Accommodation
Displacement	Helideck

Storage Capacities

Liquid mud	Potable water
Base oil	Bulk storage
Brine	Sack storage

Drill water

Power Generation

Main power	Emergency generators
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Drilling Equipment

Derrick	Tubular handling
Draw works	Mud pumps

Rotary table

Top drive

Cranes

In board	Over board
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Subsea equipment

Diverter	Flow lines
BOP stack	Choke & kill manifold
Marine riser	Tensioners

Heave compensation

ANNEX B (TECHNICAL INFORMATION, RELY UPON INFORMATION AND ASSUMPTIONS)

Dated:

Facility:

Technical Information, Rely Upon Information and Assumptions (Box 5 and Cl. 1, 2, 4 and 6)

1. Technical Information

2. Rely Upon Information

3. Assumptions

Sample copy

ANNEX C (SERVICES)

Dated:

Facility:

Services (Box 6, Cl. 1, 2, 4, 6 and 9)

NOTE: The Contractor shall ensure that all subcontracts include a right of assignment to the Company.

Agreed testing standards (see Clause 7):

Sample copy

ANNEX D (MILESTONE PAYMENTS)

Dated:

Facility:

Milestones Payment Schedule (Box 10, Cl. 1, 2, 6 and 15, 16, 18 and 21)

Lump Sum amount:

[The schedule below is provided for indicative purposes only]

Event	Percentage of Lump Sum	Amount
Signing the Agreement	15%	
Mobilisation (Vessel ready to commence operations at the Facility's operations)	15%	
First lift	10%	
Second lift	10%	
Third lift	10%	
Completion	25%	
Handover to the Company	10%	
Demobilisation	5%	

Sample copy

ANNEX E (DAILY PROGRESS REPORTS)

Dated:

Facility:

Daily Progress Report (Cl. 2)

Date	Report no
Status of Facility:	
Status of site:	

Weather on location:			
	1200	2400	Forecast next 24 hours
Wind direction & speed (Bft)			
Swell direction & height (m)			
Wave Height & max wave height (m)			
Long range forecast (5 days):			

Services:
- performed in last 24 hours:
- planned for next 24 hours:

Areas of concern:
Health & safety
Environmental
Other

Comments:
Contractor's Representative
Company's Representative

Signed:			
Company's Representative			
Contractor's Representative			
	Name	Position	Signature

Sample copy

ANNEX F (VARIATION ORDER)

Dated:

Facility:

Variation Order (Cl. 1, 2, 4, 6, 8, 9, 14, 21 and 24)

PROJECT NAME :	V/O NO. :
PROJECT NO. :	DATE :
CONTRACT FORM : DISMANTLECON	

CONTACT INFORMATION
[INSERT NAME AND ADDRESS OF PARTY RAISING THE VARIATION ORDER]

DETAILS OF THE V/O
[DETAILS / PURPOSE OF THE VARIATION ORDER] E.g. Variation to the removal and cutting operations for: a) loose debris lying on well guide at El -36 m b) Diagonal braces between jacket legs A1 and B1 (El -36 to -15 m) c) J-tubes (El -15 m to seabed) d) Riser (El -15 m to seabed)
RELEVANT CORRESPONDENCE AND AGREEMENT REFERENCES
The attached documentation is relevant to this order: [LIST DOCUMENTATION] The attached correspondence about this subject is also relevant to this variation order: [LIST OTHER CONTEMPORANEOUS CORRESPONDENCE] E.g. surveys

The following exchanges:

Email between and re

The minutes of the meeting dated

DESCRIPTION OF THE REVISED SERVICES

[SET OUT DETAILS OF THE ADDITIONAL COSTS]

The cost included in this Variation Order due to the change in methodology is calculated on the following basis using the delay rate of [AMOUNT] per day as set out in Part I, Box 14 of the Agreement.

[SET OUT DETAILS OF THE TIME]

The additional remuneration is based upon the days of delay to the operation as result of the change in methodology for the Services as a direct result from the change in condition of the Worksite and the change in diving operations.

This Variation Order covers the change in methodology as set out below:

[LIST DETAILS OF THE CHANGE IN METHODOLOGY OR REFERENCE DOCUMENT]

E.g. The cutting and recovery of these structures is expected to be approximately seven days.

The Contractor shall submit further cutting and recovery plans for the remaining structure after survey.

For and on behalf of the Company:	For and on behalf of the Contractor:
Date	Date

ANNEX G (SECURITY)

Security (Box 16, Cl. 21)

SECURITY PROVIDED ON BEHALF OF CONTRACTOR (on letterhead of the issuing bank/financial institution)

Dated:

Facility:

To: [NAME AND ADDRESS OF THE CONTRACTOR] (referred to as the "Contractor")

" [PROJECT REF]" – BIMCO DISMANTLECON dated [DATE*]

IN CONSIDERATION of your entering into a BIMCO DISMANTLECON Agreement dated [DATE*] (the "Agreement") with [COMPANY NAME*] (the "Company"), and of you refraining from arresting or otherwise detaining any other property owned by the Company or the Company Group in connection with your claim for remuneration for Services rendered under the terms of the Agreement (save as may be necessary to obtain additional security as referred to below), we hereby undertake to pay to you within twenty-eight (28) days of your first written demand such sums (inclusive of interest and costs) which may be due to you from the Company, as may be agreed in writing between you and us or otherwise adjudged as being due to you pursuant to an award from the Arbitrator or Appeal Arbitrator or final and unappealable judgment of the English High Court pursuant to Clause 25 (Applicable Law and Dispute Resolution) of the Agreement.

PROVIDED ALWAYS that our total liability hereunder inclusive of interest and costs shall not in any circumstances exceed the sum of [currency and amount agreed*] ([currency and amount in words*]) less any payments made in accordance with Annex D (Milestone Payments) and EXCLUDING any unpaid Variation Orders (the "Guarantee Amount").

The Guarantee Amount shall be automatically reduced by an amount equal to each of the Milestone Payments once same is received by the Contractor into the account detailed at Box 15 of the Agreement.

This letter of undertaking shall be returned to us for cancellation within twenty-one (21) days of either:

- (i) Termination of the Services under Clause 16 (Termination) and payment of all sums due under the Agreement; or
- (ii) Completion of the Services, and receipt of all Milestone Payments, any sums due for any Variation Orders issued (if any) and any other sums due to the Contractor in accordance with the Agreement.

This payment guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 revision, ICC Publication No. 758.

WE AGREE that service of proceedings issued by you in connection with or otherwise for the purpose of enforcing this undertaking shall be made upon [guarantor's NAME and ADDRESS*] who are irrevocably instructed to accept service of such proceedings.

Signed this day of

By.....

Authorised signatory of

* complete text as appropriate

SECURITY PROVIDED on behalf of COMPANY (on letterhead of the issuing bank/financial institution)

Guarantee No: [...*]

Issuing date: [...*]

To: [*Contractor**]

Address: [*Contractor's address**]

We have been informed that [*name Company**] (hereinafter called "the Company") has entered into an Agreement with you dated [*date**] for the execution of certain dismantling and transport services relative to the Facility named [***] (hereinafter called "Agreement").

Furthermore, we understand that according to the conditions of the Agreement, a payment guarantee is required.

At the request of the Company, we, [*name and corresponding address of Company's bank**] hereby issue this demand payment guarantee in your favour and irrevocably undertake to pay you any sum or sums not exceeding in total an amount of [*insert agreed amount**] (in words [***]only) within seven (7) working days upon receipt of your first original demand in writing stating that the Company has failed to pay you pursuant to the Agreement and that the sum demanded by you is the amount due and payable by the Company to you under the Agreement, without your needing to prove or to show grounds for your demand or the sum specified therein. A certificate from your bank confirming to us the authenticity of signature(s) on your written demand is also required to be presented to us by authenticated SWIFT message when claiming payment.

The guaranteed amount is reduced by the percentage of any amount that has been paid by the Company to you under the Agreement, proportionate to the Contract Price.

This payment guarantee shall become effective from the issuing date. Unless sooner terminated and/or released by a releasing letter from you or by returning to us the original of this payment guarantee, our liability under this payment guarantee shall expire on [*insert agreed date**] (the "Expiry Date"). Consequently, any demand for payment under this payment guarantee and the authenticated SWIFT message sent by your bank must be received by us for the attention of [*Company's bank representative or department **] by 5 pm [*state applicable time zone**] on or before the Expiry Date no matter whether such date is a working day or not. Claims received by us thereafter shall not be entertained. Our liability under this payment guarantee shall cease immediately after the Expiry Date even though the original of this payment guarantee is not returned to us.

Our obligations and liabilities shall not be discharged by any allowance of time or other indulgence whatsoever by the Contractor to the Company, or by any variation or suspension of the works to be executed under the Agreement, or by any amendments to the Agreement or to the constitution of the Company or the Contractor, or by any other matters, whether with or without our knowledge or consent.

The benefit of this payment guarantee may be assigned subject to the provisions for assignment of the Agreement, and subject to the receipt by the Guarantor of evidence of full compliance with such provisions.

This payment guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 revision, ICC Publication No.758.

For and on behalf of

[*name issuing entity**]

* *complete text as appropriate*

FORM OF PARENT COMPANY GUARANTEE

“ [FACILITY Name*]” – BIMCO DISMANTLECON Agreement dated [“DATE*]

Name and address of [Company or Contractor*].

We have been informed that [name of the Contractor*] (hereinafter the “Contractor”) and [name of the Company*] (hereinafter the “Company”) have entered into a BIMCO DISMANTLECON Agreement dated [date*] relative to the dismantling and transport of [name Facility] (hereinafter the “Agreement”) and that the conditions of the Agreement provide for the [Contractor/Company*] to have the performance of its obligations under the Agreement to be supported by a parent company guarantee,

Such we [name guaranteeing entity] irrevocably and unconditionally guarantee to you, as primary obligor, due performance of all the [Contractor's/Company's*] obligations and liabilities under the Agreement, including its compliance with all its terms and conditions according to their true intent and meaning.

If the [Contractor/Company*] fails to so perform its obligations and liabilities and comply with the Agreement, we shall indemnify you against and from all damages, losses and expenses (including legal fees and expenses) which arise from any such failure for which the [Contractor/Company*] is liable to you under the Agreement.

This guarantee shall come into full force and effect when the Agreement comes into full force and effect. If the Agreement does not come into full force and effect within a year of the date of this guarantee, this guarantee shall be void and ineffective. This guarantee shall continue in full force and effect until all the [Contractor's/Company's*] obligations and liabilities under the Agreement have been discharged, when this guarantee shall expire and shall be returned to us, and our liability hereunder shall be discharged absolutely.

This guarantee shall apply and be supplemental to the Agreement as amended or varied by the parties thereto from time to time. We hereby authorise them to agree any such amendment or variation, the due performance of which and compliance with which by the [Contractor/Company*] are likewise guaranteed hereunder. Our obligations and liabilities under this guarantee shall not be discharged by any allowance of time or other indulgence whatsoever by you, or by any variation or suspension of the works to be executed under the Agreement, or by any amendments to the Agreement or to the constitution of the Contractor or the Company, or by any other matters, whether with or without our knowledge or consent.

This guarantee shall be governed by the law of the same country (or other jurisdiction) as that which governs the Agreement and any dispute under this guarantee shall be finally settled in the way provided for in the Agreement. We confirm that the benefit of this guarantee may be assigned subject only to the provisions for assignment of the Agreement.

Date:

Signature(s)

* complete text as appropriate

ANNEX H (INSURANCE)

Insurance policies (as applicable) to be obtained and maintained by the Contractor under Clause 27:

- (1) Marine Hull Insurance - Hull and Machinery Insurance shall be provided with limits equal to those normally carried by the owners for the Vessel, but not less than the Vessel's replacement value.
- (2) Protection and Indemnity (Marine Liability) Insurance - Protection and Indemnity (P&I) or Marine Liability Insurance with coverage equivalent to the cover provided by members of the International Group of Protection and Indemnity Associations with a limit of cover no less than USD 10,000,000 [ten million US dollars] for any one event. The cover shall include liability for collision and damage to fixed and floating objects to the extent not covered by the insurance in (1) above.
- (3) General Third Party Liability Insurance - To the extent not covered by the insurance in (2) above, Coverage shall be for:

Bodily Injury: USD 10,000,000 (ten million US dollars) per person

Property Damage USD 10,000,000 (ten million US dollars) per occurrence.

Where General Third Party Liability Insurance excludes professional negligence, there shall be no exclusion for resultant damage or injury arising from professional negligence.
- (4) Workmen's Compensation and Employer's Liability Insurance for Personnel - To the extent not covered in the insurance in (2) or (3) above, covering Contractor's employees and other persons for whom the Contractor is liable as employer pursuant to Applicable Law for statutory benefits as set out and required by local law in area of operation or area in which the Contractor may become legally obliged to pay benefits.
- (5) Air Transportation Insurance - Covering all owned, hired and non-owned aircraft, coverage shall be for:

Bodily Injury as defined by local law.

Property Damage in an amount equivalent to USD 10,000,000 (ten million US dollars) single limit per occurrence.
- (6) Such other insurances as may be agreed

[To be inserted by the parties]

Insurance policies (as applicable) to be obtained and maintained by the Company under Clause 27:

- (7) General Third Party Liability Insurance - Coverage shall be for:

Bodily Injury: USD 10,000,000 (ten million US dollars) per person

Property Damage USD 10,000,000 (ten million US dollars) per occurrence.

Pollution damage, including but not limited to clean-up costs, loss of business, revenue, profit or product in the amount of at least USD 100,000,000 (one hundred million US dollars)
- (8) Workmen's Compensation and Employer's Liability Insurance for Personnel - To the extent not covered in the insurance in (7) above, covering Company's employees and other persons for whom the Company is liable as

employer pursuant to Applicable Law for statutory benefits as set out and required by local law in area of operation or area in which the Company may become legally obliged to pay benefits.

- (9) Such other insurances as may be agreed

[To be inserted by the parties]

Sample copy

ANNEX I (PROGRAMME)

Programme (Cl. 1)

Sample copy

ANNEX J (COMPLETION CERTIFICATE)

Completion Certificate (Cl. 17)

To:

Re: “ [FACILITY]” – Final/Partial* Completion Certificate

This certificate is issued by [NAME] (the "Company") to [CONTRACTOR] (the "Contractor") to certify that the Contractor has achieved Completion of the Services effective as of [DATE] pursuant to Clause 17 (Completion and Delivery) of the Agreement dated [DATE]. Capitalised terms used and not otherwise defined herein shall have the respective meanings as assigned to them in the Agreement or the Addendum.

The Company duly certifies as follows:

The close out report and all other documentation and data required to be submitted by the Contractor pursuant to the Agreement has been delivered to the Company and received Company Representatives' approval.

All matters required to be fulfilled in order to close out the Agreement have been discharged.

The Contractor certifies that it has fully performed the Services as required by the Agreement to be performed prior to or as a condition of the completion certificate.

Company:

Contractor:

By:

By:

Name:

Name:

Title:

Title:

Date:

Date:

- - delete as appropriate

ANNEX K (KEY SUBCONTRACTS)

Key subcontracts (Cl. 16 and 34)

Sample copy

ANNEX L (HSE)

HSE (Cl. 13)

Sample copy