

## GENERAL TERMS AND CONDITIONS

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## SCHEDULE A

### GENERAL TERMS AND CONDITIONS

#### 1. DEFINITIONS

In this Contract, the following terms shall have the meanings as given in this Paragraph 1.1:

##### 1.1 Definitions

- 1.1.1 “Affiliate” means, in relation to any person, another person who, either directly or indirectly, controls, is controlled by or is under common control with such first mentioned person, and in respect of COMPANY, includes its parent company, SAUDI ARAMCO, and in respect of CONTRACTOR, includes the Affiliated Contractor. For the purposes of this definition “controls” (including the terms “controlled by” and “under common control with”) shall mean the possession, directly or indirectly, of a twenty-five percent (25%) or more beneficial ownership interest in another entity.
- 1.1.2 “Affiliated Contract” or “Construction Contract” means the contract for procurement of Materials, construction and other required services, including engineering services, for the FACILITIES between the Affiliated Contractor and SAUDI ARAMCO.
- 1.1.3 “Affiliated Contractor” means the contractor responsible for performing services related to the FACILITIES inside of Saudi Arabia under the Affiliated Contract.
- 1.1.4 “Amendment” means a written alteration of this contract expressly designed as an amendment and duly signed by the Parties.
- 1.1.5 “Approval” means COMPANY’s, or, when applicable, SAUDI ARAMCO’s prior written approval.
- 1.1.6 “Claim” means any claim, demand, cause of action, suit, judgment, loss, cost, expense, damage, proceeding, fine, penalty, award of damages, or liability (including reasonable legal costs and expenses, and sums paid by way of settlement and/or compromise where any such settlement or compromise was reasonable).
- 1.1.7 “Commissioning” means the commissioning of the FACILITIES, to be carried out at the Job Site, commencing after Mechanical Completion has been achieved in accordance with Paragraph 8.4 and continuing until the FACILITIES have been successfully operated for a period to be determined by SAUDI ARAMCO, which

shall in any event be no longer than six (6) months, unless specified otherwise in Schedule "B" of this Contract.

- 1.1.8 "COMPANY" shall have the meaning ascribed on the first page of this Contract.
- 1.1.9 "Company Group" means COMPANY and all of its Affiliates, and their directors, officers, employees, agents, consultants and representatives, but shall not include any contractor or vendor engaged by COMPANY or SAUDI ARAMCO nor any member of the CONTRACTOR Group.
- 1.1.10 "Company Representative" means a party or parties duly authorized by COMPANY to act on behalf of COMPANY.
- 1.1.11 "Computer System(s)" means hardware and associated Software that may be provided by CONTRACTOR under this Contract.
- 1.1.12 "Construction Start" means the date, after the Affiliated Contractor has received Notice to Proceed, when the Affiliated Contractor begins work at the Job Site directly related to the physical installation of the FACILITIES, to include receipt of Materials and any pre-fabrication activities.
- 1.1.13 "CONTRACTOR" means the entity entering into this Contract with COMPANY, as set forth on the signature sheet of this Contract.
- 1.1.14 "Contractor Camp," or "Contractor Park" means a designated area and facilities located on SAUDI ARAMCO or other entity controlled land, and used for residential accommodation of the Affiliated Contractor, its Subcontractors, CONTRACTOR, Subcontractor, and SAUDI ARAMCO personnel associated with the performance of the WORK under this Contract, along with associated kitchen/dining/mess halls, shower and toileting facilities, recreational facilities, and medical clinics/first aid buildings.
- 1.1.15 "CONTRACTOR Group" means CONTRACTOR, all CONTRACTOR's Subcontractors, all CONTRACTOR Personnel, the Affiliated Contractor, all Affiliated Contractor's Subcontractors (as defined in the Affiliated Contract) and all Affiliated Contractor's Personnel (as defined in the Affiliated Contract) and all of their respective Affiliates, directors, officers, employees, agents, consultants and representatives, but shall not include any of the Company Group.
- 1.1.16 "CONTRACTOR Personnel" means all of the personnel, labor and supervision required to perform the WORK (including personnel, labor and supervision of any Subcontractor).

- 1.1.17 “Contractor Representative” means a party or parties duly authorized by CONTRACTOR to act on behalf of CONTRACTOR.
- 1.1.18 “CONTRACTOR Tools and Equipment” means CONTRACTOR’s and any other member of CONTRACTOR Group’s machinery, equipment, tools and support facilities which will not become part of the FACILITIES. CONTRACTOR Tools and Equipment includes the Project Support Building(s), Contractor Camp(s) and Marine Craft supplied by or on behalf of any member of the CONTRACTOR Group.
- 1.1.19 “Critical Milestone Dates” means the agreed dates set forth in Attachment II to Schedule “B” by which the CONTRACTOR shall complete specified portions of the WORK.
- 1.1.20 “Defect” means any defect, deficiency, inadequacy, incompleteness, loss, failure, fault, error or omission in the WORK (or any part thereof) and/or the FACILITIES (or any part thereof), or otherwise any aspect of the WORK and/or the FACILITIES which is not in accordance with this Contract including breach of any representation or warranty relating to the WORK (or any part thereof) and/or the FACILITIES (or any part thereof) and where the WORK (or any part thereof) and/or the FACILITIES (or any part thereof) is unfit for its intended purpose.
- 1.1.21 “Design Office” is the location at which the CONTRACTOR shall perform all the engineering, detailed design and procurement for the WORK.
- 1.1.22 “Direct Manpower” means all CONTRACTOR or Subcontractor employees performing tasks at a WORK Site which, through either (a) direct manipulation of the Materials, or (b) direct manipulation, removal or movement of soil or rock, progress the WORK as measured by materials quantity or FACILITIES installation progress measurement metrics as established in this Contract. For purposes of illustration, Direct Manpower job titles may include, but are not limited to, foremen and below in all trades such as form workers, masons, plumbers, steel fixers and riggers, carpenters, welders, pipe fitters, machinists, millwrights, iron workers, painters, plant and machine operators, and general laborers.
- 1.1.23 “Effective Date” shall mean the date specified in the first Paragraph of the Signature Sheet.
- 1.1.24 “Emergency Change Order” means a Change Order (as defined in Paragraph 9.1) issued in a situation where action is urgently required to prevent a major loss of production, to eliminate an existing hazard to persons or property, or when substantial costs

would be incurred due to the delay in obtaining the necessary signatures prior to commencement of the subject work.

- 1.1.25 “Encumbrance” means any mortgage, lien, pledge, claim, charge, restriction, retention of title, security interest or encumbrance of any kind.
- 1.1.26 “Enterprise Project Management” or “EPM” means electronic systems that COMPANY has specifically identified in the Job Specification that are used to record, track, measure and/ or control the WORK performed pursuant to this Contract.
- 1.1.27 “Exception Items” means items that are Defective or incomplete but which do not affect the safe and/or orderly Commissioning, Start-Up and/or operation of the FACILITIES or applicable part thereof, and which do not significantly affect the use of the FACILITIES or applicable part thereof for their intended purpose in the sole judgment of SAUDI ARAMCO or COMPANY.
- 1.1.28 “Fabrication Yard” means the location or locations in Saudi Arabia, in proximity to the FACILITIES, and which may be located within a Lay Down Yard, where certain components and materials for the FACILITIES shall be fabricated or assembled or pre-constructed by CONTRACTOR.
- 1.1.29 “FACILITIES” means the structures or items being designed and engineered, constructed, installed, or repaired by CONTRACTOR and the Affiliated Contractor pursuant to this Contract and the Affiliated Contract.
- 1.1.30 “FACILITIES Specifications” means any statement or expression contained in any document, drawing, specification, or standard that is part of or referenced in this Contract that describes the FACILITIES or their required performance.
- 1.1.31 “Good Engineering Practice” means those practices, methods and standards that a skilled, prudent and expert international contractor would be expected to use in relation to the design, engineering, procurement and construction of works similar to the FACILITIES.
- 1.1.32 “Indirect Manpower” means all CONTRACTOR or Subcontractor employees performing tasks at a WORK Site in support of the WORK, where such tasks are not within the definition of Direct Manpower.



- 1.1.33 “Insolvency Event” means, in respect of a person or entity, any one or more of the following:
- a) committing an act of bankruptcy or insolvency;
  - b) seeking legal or equitable relief for reasons of insolvency;
  - c) becoming unable to properly meet its financial obligations; or
  - d) any analogous event, occurring in any jurisdiction.
- 1.1.34 “Job Site” means the physical site where the FACILITIES are to be constructed in the Kingdom of Saudi Arabia, including any SAUDI ARAMCO-furnished Lay Down or Fabrication Yards, whether co-located with the FACILITIES or elsewhere, but excluding other WORK Sites utilized by CONTRACTOR, Affiliated Contractor, or Subcontractors of either of them, that are not provided by COMPANY or SAUDI ARAMCO.
- 1.1.35 “Job Specification” means the entire Schedule “B” of this Contract, including all documents and data attached to or referenced therein, as well as any other portions of this Contract or materials referenced herein that establish the scope of WORK under this Contract.
- 1.1.36 “Key Personnel” are defined as the CONTRACTOR’s Project Manager, Site Engineering Manager, Project Controls Manager/Supervisor, Lead Planner/Scheduler, Procurement Manager, Construction Manager, QA Manager, Safety Manager, QC Engineer, Interface Manager, Construction Superintendents, and any other positions designated by COMPANY in Attachment I to Schedule “B”.
- 1.1.37 “Lay Down Yard” means the location or locations where certain components and Materials for the FACILITIES shall be temporarily stored, fabricated or assembled or pre-constructed by the Affiliated Contractor or CONTRACTOR.
- 1.1.38 “Licensor” and “Licensor’s Data” shall mean, respectively, the owner of a proprietary process who has licensed to SAUDI ARAMCO the right to use that process in the FACILITIES, and the designs, specifications, and drawings related to the licensed process.
- 1.1.39 “Marine Craft” shall mean vessels, barges, boats, tugs, offshore drilling rigs, and all other marine equipment owned, leased or chartered by or on behalf of any member of CONTRACTOR Group.

- 1.1.40 “Master Interface Plan” means a plan for interface definition and management for the project as specified in Attachment I to Schedule “B”.
- 1.1.41 “Materials” means all materials, goods, equipment, and articles of every kind which will become a permanent part of the FACILITIES, but does not include CONTRACTOR Tools and Equipment.
- 1.1.42 “Mechanical Completion” means, in respect of the FACILITIES, when all of the conditions precedent in Paragraph 8.4.1 have been met.
- 1.1.43 “Mechanical Completion Acceptance Notice” or “MCAN” means notification by SAUDI ARAMCO to the CONTRACTOR that Mechanical Completion, or partial Mechanical Completion, has taken place in accordance with Paragraph 8.4, and that a SAUDI ARAMCO internal Mechanical Completion Certificate (MCC) has been issued.
- 1.1.44 “Non-Material Requirements” or “NMRs” are Vendors’ reproducible drawings and specification sheets for the purchased equipment, welding procedures and test reports, performance curves, priced spare parts lists, installation manuals, operation and maintenance manuals and all other documents necessary to operate and maintain the purchased equipment.
- 1.1.45 “Offshore” means in waters below their tidal high water marks.
- 1.1.46 “Onshore” means on land above the tidal high water mark.
- 1.1.47 “Other Contractor” means an organization contracted by SAUDI ARAMCO to execute other work outside the scope of the WORK of CONTRACTOR and supervised by SAUDI ARAMCO. The term “Other Contractor” does not include the Affiliated Contractor or any member of the CONTRACTOR Group.
- 1.1.48 “Party” means each of COMPANY and CONTRACTOR, together the “Parties”.
- 1.1.49 “PCS” means a Process Control System that is a Computer System consisting of an integrated set of computing hardware, processors, peripherals, communication devices, network and associated software, database management and applications all of which automate routine functions and provide computing tools for non-routine functions respecting the FACILITIES. Example functions and/or components of a PCS include, but are not limited to: Distributed Control System (DCS), Emergency Shutdown System (ESD), Compressor Control System (CCS), Vibration Monitoring

System (VMS), Data Acquisition and Historization System (DAHS), Alarms Management System (AMS), Programmable Logic Controller (PLC), Remote Terminal Unit (RTU), and Flare Gas Recovery System (FGRS).

- 1.1.50 “PCS Vendor” means an organization selected by SAUDI ARAMCO to supply the PCS, or portions thereof, as defined in the Job Specification of this Contract.
- 1.1.51 “Performance Acceptance” means that the FACILITIES have been commissioned and successfully operated by SAUDI ARAMCO and the SAUDI ARAMCO operating organization has issued a Performance Acceptance Certificate to Company Representative in accordance with GI 2.710 and the Job Specification.
- 1.1.52 “Pollutants” means any hazardous materials or substances, including any form of organic or chemical matter whether solid, liquid, gas, odor, heat, vibration or radiation which makes or has the capacity to make the environment:
- a) unsafe or unfit for habitation or occupation by persons or animals;
  - b) degraded in its capacity to support plant life;
  - c) contaminated; or
  - d) otherwise degraded.
- 1.1.53 “Pre-Commissioning” means all activities following fabrication, installation, or construction that are required to prepare the FACILITIES for Mechanical Completion including, but not limited to, any testing flushing, cleaning, or inspection tasks required prior to validating the FACILITIES for actual designed functionality during Commissioning.
- 1.1.54 “Preliminary Design” means any and all drawings, specifications, or documents referenced in this Contract that were prepared specifically for the FACILITIES and all other engineering data provided by COMPANY or SAUDI ARAMCO to CONTRACTOR on or prior to the Effective Date.
- 1.1.55 “Project Completion” shall be achieved when all Exception Items have been completed or corrected by CONTRACTOR all NMR’s have been fully provided in substance and form acceptable to COMPANY, As-Built Drawings in compliant form have been provided, and all other requirements for Project Completion specified in the Affiliated Contract have been met. Achievement of

Project Completion does not affect the terms of any warranty requirements in this Contract.

- 1.1.56 “Project Completion Date” means the scheduled date on which CONTRACTOR is required to achieve Project Completion.
- 1.1.57 “Project Standards” means any and all standards referenced in this Contract, and includes SAUDI ARAMCO standards and Good Engineering Practice.
- 1.1.58 “Project Support Buildings” means CONTRACTOR supplied habitable portable and/or fixed buildings that are provided for CONTRACTOR, Subcontractor and/or SAUDI ARAMCO personnel to support execution of WORK, such as assembly buildings, fabrication shops, workshops, site and project offices, storage shelters and buildings, mechanical, security, shower/ Western and Eastern toilets, recreation buildings, and first aid facilities.
- 1.1.59 “Purchase Order” or “PO” is a subcontract agreement between a Vendor and either of CONTRACTOR or the Affiliated Contractor for the purchase of Materials and equipment and related documentation and services. A PO is based on the requirements set forth in a Purchase Requisition. A PO may cover a full Purchase Requisition or a portion of a Purchase Requisition or a number of full and partial Purchase Requisitions. In each case, all requirements specified in the Purchase Requisition(s) is (are) included in the PO.
- 1.1.60 “Purchase Requisition” is documentation originated by Affiliated Contractor or CONTRACTOR which provides descriptions, quantities and any technical requirements necessary for Affiliated Contractor or CONTRACTOR to solicit bids for equipment and material and any related documentation and services. The Purchase Requisition also specifies all other requirements such as inspection, testing, manuals, spare parts lists, Vendor installation/Commissioning instructions and assistance, and other NMRs that are necessary to fulfill the requirements of the Job Specification. The Purchase Requisition is made part of a Request for Quotations (“RFQ”) that is distributed to prospective bidders.
- 1.1.61 “Resource Usage Plan” means a series of graphic displays depicting manpower requirements (original and remaining) by discipline and type and in the aggregate, in man hours of effort by month, and equipment requirements (original and remaining) by month.
- 1.1.62 “SAUDI ARAMCO” means the Saudi Arabian Oil Company.
- 1.1.63 “SAUDI ARAMCO Other Property” means any SAUDI ARAMCO property, including real property and improvements, which is distinct

from the FACILITIES, and any part of the FACILITIES as to of which WORK has been terminated or as to which SAUDI ARAMCO has assumed custody and control pursuant to Paragraph 8.6.

- 1.1.64 "Scheduled Mechanical Completion Date" means the agreed scheduled date upon which CONTRACTOR is to achieve Mechanical Completion, as set forth in Schedule "B", and as may be adjusted under the Contract.
- 1.1.65 "Site Mobilization Completion" means that the Contractor Camp, Project Support Buildings, and Fabrication Yards, and Lay Down Yard(s) that are part of the Job Site, as applicable, are 100% complete, in accordance with the requirements of the Affiliated Contract, approved by SAUDI ARAMCO and ready for use for the required function at the Job Site.
- 1.1.66 "Site Mobilization Start" means the date when the Affiliated Contractor begins WORK to establish Contractor Camp, Project Support Buildings, Fabrication Yard(s), Lay Down Yard(s), and other similar facilities.
- 1.1.67 "Software" means all computer programs, procedures, rules and design matter (e.g., flow charts, logic diagrams, and all other design documentation) to be provided by CONTRACTOR under this Contract, including but not limited to source code, file and design layout, configuration data elements, assembler or compiler output, binary machine usable code, and user manuals.
- 1.1.68 "Subcontractor" means any person, or entity to whom execution of any part of the WORK is contracted directly or indirectly by CONTRACTOR (that is, of any tier), including any Vendor.
- 1.1.69 "Start-Up" means the commencement of operation of the FACILITIES in accordance with the requirements set forth in Schedule "B".
- 1.1.70 "Vendor" means a supplier of Materials and/or equipment for the FACILITIES other than the CONTRACTOR or the Affiliated Contractor, including the provision of related documentation, NMRs and services, and when necessary or applicable, installation, testing, Pre-Commissioning, Commissioning and Start-Up support services for any such Materials and/or equipment.
- 1.1.71 "Verification Period" means the period of time following the Effective Date as specified in Paragraph 1.0 of Attachment I to Schedule "B".
- 1.1.72 "WORK" means all the work and services to be performed by CONTRACTOR pursuant to this Contract.

1.1.73 "WORK Schedule" means the schedule for the WORK to be prepared in accordance with Paragraph 7.3.

1.1.74 "WORK Site" means all locations at which CONTRACTOR and or the Affiliated Contractor performs any engineering, design, procurement, construction, fabrication, Materials handling, or similar portion of the WORK, including Lay Down Yards, Fabrication Yards and fabrication and storage facilities not provided by COMPANY or SAUDI ARAMCO, wherever located.

1.2 Interpretation

In this Contract:

1.2.1 all dates and periods shall refer to the Gregorian calendar, and any references to "days" shall refer to calendar days, unless expressly stated otherwise;

1.2.2 a reference to any law shall include references to any law which amends, extends, consolidates or replaces the same and shall include any delegated or subordinate legislation, order, ordinance, directive, statutory instrument, rules, circulars, regulations or by-laws and any codes, conventions, standards or guidelines made under the applicable law;

1.2.3 words in the singular shall include the plural and vice versa, and references to one gender include the other genders;

1.2.4 a reference to a person may denote an individual, sole proprietorship, firm, trust, body corporate, unincorporated association, partnership, an individual's executors or administrators, or public sector entity, as may reasonably be construed;

1.2.5 unless otherwise expressly stated, a reference to a clause, sub clause, Paragraph, Attachment or Schedule (other than to a schedule to a statutory provision) shall be a reference to a clause, sub clause, Paragraph, Attachment or Schedule of or to this Contract;

1.2.6 a reference in this Contract to any Schedule includes a reference to the Attachments and exhibits to such Schedule and to all documents referred to in such Schedule (including any attachments and exhibits), unless otherwise expressly stated;

1.2.7 a reference to a Paragraph without reference to a particular Schedule or Attachment shall be considered a reference to a Paragraph or Attachment within the same Schedule as the

reference. Reference to “includes” or “including” shall be interpreted as if followed by the words “without limitation”;

- 1.2.8 if a word is defined (e.g., “Defect” or “Approval”), other forms of the same word (e.g., “Defects” and “Defective” or “Approved”) have a corresponding meaning;
- 1.2.9 reference to any standard, document, agreement (including this Contract) or guideline shall be considered as a reference to the same as may be amended, modified, assigned or novated from time to time, unless COMPANY requires otherwise;
- 1.2.10 if there is any ambiguity, conflict or inconsistency between or within any of the elements comprising the definition of Good Engineering Practice, the highest standard shall apply for the purpose of determining what is Good Engineering Practice; and
- 1.2.11 no rule of construction applies to the interpretation of this Contract to the advantage or disadvantage of any one Party on the basis that a Party prepared this Contract or any relevant part of it.

## 2. CONTRACTOR OBLIGATIONS

### 2.1 CONTRACTOR Obligations

CONTRACTOR shall, at all times in accordance with Good Engineering Practice and the requirements of this Contract, and, in particular, in conformity with Schedule “B”:

- 2.1.1 Conduct, or assist as necessary the Affiliated Contractor in conducting, a review of the drawings, specifications, and standards referenced in this Contract to ensure there is no conflict between them. CONTRACTOR shall promptly notify SAUDI ARAMCO of all conflicts discovered. CONTRACTOR shall promptly notify SAUDI ARAMCO of all conflicts discovered.
- 2.1.2 Perform all detailed design and engineering for the FACILITIES in accordance with this Contract, so that the FACILITIES can be constructed, operated and maintained in accordance with the FACILITIES Specifications.
- 2.1.3 Provide Materials as required and spare parts for the FACILITIES, including but not limited to, procurement, fabrication, inspection, expediting, customs clearance and transportation.
- 2.1.4 Provide Commissioning and Start-Up Assistance as defined in Schedule “B”.

- 2.1.5 Perform quality management and inspection activities in all design, engineering, procurement, fabrication, installation, construction, testing and Pre-Commissioning WORK required under this Contract.
- 2.1.6 Provide CONTRACTOR Tools and Equipment required to perform the WORK.
- 2.1.7 Provide all of the labor and supervision required to perform the WORK.
- 2.1.8 Obtain all permits, licenses and other governmental authorizations needed for the performance of the WORK, except for those which must be obtained in COMPANY or SAUDI ARAMCO's name.
- 2.1.9 Provide proper security at any WORK Site where Materials may be stored. Such security arrangements are subject to the prior Approval of COMPANY.
- 2.1.10 Provide As Built Drawings and all NMRs and project record books, all in the English language, to facilitate operation and maintenance of the FACILITIES.
- 2.1.11 Participate in regular WORK progress meetings to be scheduled by the Company Representative.
- 2.1.12 Appoint one or more Contractor Representatives for the duration of the WORK, whose instructions, requests, and decisions shall be binding on CONTRACTOR as to all matters pertaining to this Contract. At least one Contractor Representative able to speak, read, and write English and able to read and interpret drawings and specifications shall be present at the principal location(s) where the WORK is being performed. CONTRACTOR shall ensure that COMPANY may consult with the Contractor Representative at all reasonable times.
- 2.1.13 Perform all other obligations, work and services and furnish all other things which are required by the terms of this Contract or which can reasonably be inferred from the terms of this Contract as being necessary for the successful and timely completion of the WORK.
- 2.1.14 Provide, or arrange for, facilities for a COMPANY Project Management Team to be located at the principal location(s) of the WORK. CONTRACTOR shall provide complete clerical and secretarial staff assistance, as well as such additional incidental support as may be reasonable and appropriate, as requested by COMPANY.



2.1.15 Provide and maintain through Project Completion the engineering, procurement and construction support required for the resolution of engineering, procurement, installation, construction and commissioning problems that may arise during the performance of the associated Affiliated Contract.

3. CONTRACTOR PERSONNEL

3.1 CONTRACTOR to Provide Personnel

CONTRACTOR warrants that it has sufficient competent and fully qualified personnel to execute the WORK in the manner and within the time required by this Contract.

3.2 Requirements for CONTRACTOR Personnel

3.2.1 When required to perform services in Saudi Arabia, CONTRACTOR's personnel shall obtain the required passports, visas, and permits necessary to gain entrance into and to exit from Saudi Arabia, which shall be CONTRACTOR's responsibility.

3.2.2 CONTRACTOR shall not, during the course of the WORK, offer employment to any employee of COMPANY or SAUDI ARAMCO without COMPANY's prior written consent.

3.2.3 All CONTRACTOR Personnel shall have in their possession all required and properly validated licenses or certificates prescribed by COMPANY or by the applicable Government as being necessary for the performance of those aspects of the WORK to which they are assigned.

3.2.4 When present in Saudi Arabia, all CONTRACTOR Personnel shall comply with all applicable rules and instructions issued by COMPANY and with generally acceptable standards of conduct for expatriate personnel living and working in Saudi Arabia.

3.3 Personnel Organization Chart

If not accomplished before the Effective Date, within thirty (30) days thereafter, CONTRACTOR shall submit to Company Representative for Approval an organization chart for the WORK. Key Personnel as designated in the Approved version of the chart shall be assigned to the WORK and shall not be removed or reassigned without COMPANY's prior written permission.

3.4 COMPANY May Remove Personnel

Upon COMPANY's written request, CONTRACTOR shall remove from involvement with or performance of the WORK and replace at its own cost and expense any CONTRACTOR Personnel determined to be unsuitable by COMPANY.

3.5 Indemnity

CONTRACTOR agrees to indemnify and hold COMPANY harmless from any Claims arising as a result of CONTRACTOR's or any Subcontractor's failure to fulfill the obligations set forth in this Paragraph 3.

4. CONTRACTOR CONSTRUCTION EQUIPMENT

4.1 All construction equipment of CONTRACTOR and its Subcontractors shall be inspected prior to use to ensure that it is suitable for the safe and efficient performance of the WORK, and in compliance with the SAUDI ARAMCO Construction Manual and any other applicable Project Standards. This inspection shall be carried out by equipment inspectors certified for inspection of such equipment by a recognized professional certification organization and approved by COMPANY. All such equipment shall additionally be subject to inspection from time to time by COMPANY. Any equipment found to be in an unsafe condition shall be promptly removed from the WORK by CONTRACTOR and replaced or repaired without additional cost to COMPANY and without delay in completion of the WORK.

4.2 COMPANY reserves the right to remove any and all equipment operators and riggers from the Job Site if they are found to operate equipment or perform WORK in an unsafe manner. Prior to working at the Job Site, all operators of elevating/lifting and heavy equipment shall be licensed and certified to operate such equipment in accordance with Paragraph 4.5 of Schedule "B".

5. LOCAL CONDITIONS

5.1 CONTRACTOR Has Investigated Sites

CONTRACTOR warrants that it has thoroughly investigated, or has had the opportunity to do so, and satisfied itself as to all general and local conditions affecting the WORK, including, but not limited to: transportation and access to the WORK Sites, including the availability and conditions of roads; topography and ground surface and subsurface conditions at the Job Site, including the nature and quantity of surface and subsurface conditions, materials or obstacles to be encountered; disposal, handling and storage of materials; availability and quality of labor, water and electric power, existing hazards, climatic conditions, tides and ground water; other work , ongoing operations being conducted at the WORK Sites, access requirements and

traffic at the Job Site by multiple parties, and equipment, machinery and materials required by CONTRACTOR prior to and during performance of the WORK. The failure of CONTRACTOR to acquaint itself with these conditions will not entitle CONTRACTOR to any additional compensation and will not relieve it from the responsibility for meeting the Scheduled Mechanical Completion Date or the Critical Milestone Dates.

5.2 Reliance on Subsurface Information Supplied by COMPANY

CONTRACTOR may rely upon the surveys, reports and documentation respecting subsurface conditions that are listed in Attachment I to Schedule "B" (the "**Subsurface Documentation**") with respect to statements and specific information provided therein. COMPANY does not warrant interpretations or extrapolations of the Subsurface Documentation as may be made by CONTRACTOR.

5.3 Unforeseeable Site Conditions

5.3.1 If CONTRACTOR discovers that (i) the actual subsurface conditions of the Job Site differ materially from the conditions indicated in the Subsurface Documentation and (ii) such conditions could not have been foreseen by an experienced contractor exercising Good Engineering Practice and having performed a diligent investigation of the Job Site, including subsurface conditions, CONTRACTOR shall:

- a) promptly notify COMPANY in writing of the existence of such conditions; and
- b) within seven (7) days after such written notice, provide written confirmation and transmittal of all relevant and itemized information of such conditions.

5.3.2 If such conditions:

- a) increase CONTRACTOR's cost of performing the WORK; or
- b) prevent CONTRACTOR from achieving any Critical Milestone Dates and/or the Scheduled Mechanical Completion Date,

COMPANY shall issue an appropriate Change Order and the provisions of Paragraph 9 shall apply accordingly.

6. COMPANY OBLIGATIONS

6.1 COMPANY Obligations

COMPANY shall, in accordance with and subject to the terms and conditions of this Contract, and, in particular, in conformity with Schedule “B”:

6.1.1 Obtain, or arrange to be obtained, all permits, licenses, and other governmental authorizations which must be obtained in COMPANY or SAUDI ARAMCO’s name and which are necessary for the performance of the WORK.

6.1.2 Arrange to allow CONTRACTOR access, subject to SAUDI ARAMCO security control and safety procedures, to the Job Site as required for the orderly performance of the WORK.

6.1.3 Arrange to obtain any rights-of-way that are determined by COMPANY to be required for the performance of the WORK.

6.1.4 Appoint one or more Company Representatives, with whom CONTRACTOR may consult at all reasonable times, and whose instructions, requests and decisions shall be binding on COMPANY as to all matters pertaining to this Contract. CONTRACTOR, however, agrees and acknowledges that a written Change Order or Amendment shall be used to accomplish changes or modifications to either the scope of WORK or the terms and conditions of the Contract.

7. WORK SCHEDULE AND PROGRESS REPORTS

7.1 CONTRACTOR to Prepare WORK Schedule

CONTRACTOR shall plan, schedule and report WORK progress using the Critical Path Method (CPM) and an automated scheduling system reviewed and agreed to by the Company Representative.

7.2 Mobilization Schedule

Within thirty (30) days after the Effective Date CONTRACTOR shall submit a detailed schedule in a format to be agreed by the Company Representative defining the CONTRACTOR’s planned activities to be accomplished during the first one hundred and twenty (120) days after the Effective Date. This schedule shall be updated weekly until acceptance of the WORK Schedule by the Company Representative.

7.3 WORK Schedule

7.3.1 Within sixty (60) days after the Effective Date, CONTRACTOR shall submit for COMPANY's review CONTRACTOR's WORK Schedule comprised of a resource loaded, (including but not limited to personnel, equipment, and material quantities) CPM logic network of detailed activities for the engineering and procurement phases of the WORK and construction activities at a level of detail necessary to show the CONTRACTOR's approach for planning and executing the construction phase of the WORK. CONTRACTOR, in conjunction with the Affiliated Contractor, shall incorporate detailed construction activities into the WORK Schedule at least one hundred twenty (120) days prior to start of construction activities, providing a single integrated network of all phases of the WORK. The WORK Schedule shall be updated at least monthly and as may be required by Paragraph 21. CONTRACTOR shall submit both hard copy and electronic files of the following interrelated documents:

- a) A Detailed Level CPM network logic diagram in precedence diagram (PDM) format and bar graphs describing all the significant activities to be accomplished to perform the WORK and their restraints and dependencies, and with the critical path (lowest float) highlighted. Number of activities and activity durations should be sufficient to ensure that the scope of work is covered in the WORK Schedule to the satisfaction of the Company Representative. CONTRACTOR shall separately list and submit to Company Representative for review all activities with a duration of more than twenty-five (25) work days. Company Representative may, at his sole discretion, require CONTRACTOR to break down activities with durations longer than twenty-five (25) work days into their component elements of work;
- b) Tabulated lists of WORK Schedule activities containing for each activity its number, description, discipline, FACILITY area, duration (original and remaining) in work days, early and late start and finish dates, total float, percent complete, required man-hours and other resources, predecessors, and successors; with such lists sorted as required by COMPANY;
- c) A Summary Level CPM time scaled network logic diagram and bar graphs summarizing the Detailed Level CPM diagram including restraints and dependencies and showing the Critical Milestone Dates;
- d) A Milestone Schedule in the form of a bar graph which indicates the Original, Revised, and Forecasted Critical

Milestone Dates and Scheduled Mechanical Completion Date, and their current ahead or behind schedule conditions noted as plus (+) or minus (-) work days;

- (i) "Original" means the Critical Milestone Dates as of the Effective Date.
  - (ii) "Revised" means the Critical Milestone Dates as modified by Change Order(s).
  - (iii) "Forecasted" means Critical Milestone Dates as currently projected by CONTRACTOR in status reports.
- e) A Resource Usage Plan; and
  - f) A Narrative Report in a format acceptable to COMPANY, summarizing each month's progress, areas of concern, delays and solutions to the delays, and WORK scheduled to be accomplished in the next month.

7.3.2 The WORK Schedule shall be based upon and incorporate the Critical Milestone Dates and the Scheduled Mechanical Completion Date, and shall be updated or revised monthly and resubmitted to COMPANY for review so that it accurately reflects actual and forecasted WORK progress, including the incorporation and impact of executed Change Orders. CONTRACTOR shall respond to, and when applicable incorporate, COMPANY comments on initial and revised WORK Schedule submittals and resubmit for review the modified WORK Schedule including specific narrative responses to all COMPANY comments within fifteen (15) days of receipt of COMPANY comments. COMPANY review and comments do not waive any rights or remedies with respect to delays in achieving any Critical Milestone Dates or the Scheduled Mechanical Completion Date.

7.3.3 CONTRACTOR's failure to submit and update the WORK Schedule as required by this Paragraph 7 shall entitle COMPANY to withhold progress payments otherwise due CONTRACTOR until CONTRACTOR complies with this Paragraph 7.

7.3.4 CONTRACTOR shall perform the WORK in accordance with the latest Approved version of the WORK Schedule, which shall serve as the basis for WORK progress reporting and schedule controlling and forecasting, including the determination of CONTRACTOR's entitlement, if any, to a time extension under Paragraph 8.3, subject to the requirements of Paragraph 8.3.3.

- 7.3.5 Upon COMPANY's request, CONTRACTOR shall provide to COMPANY all of CONTRACTOR's calculations and documents supporting the WORK Schedule and any other related schedules, reports, and forecasts.

8. WORK COMMENCEMENT, EXECUTION AND COMPLETION

8.1 CONTRACTOR to Perform WORK on Time

8.1.1 CONTRACTOR shall commence the WORK promptly upon the Effective Date. CONTRACTOR shall prosecute WORK to completion with diligence and dispatch so that the Critical Milestone Dates, the Scheduled Mechanical Completion Date and the Project Completion Date are met and Exception Items are promptly completed or corrected.

8.1.2 CONTRACTOR's failure to comply with Paragraph 8.1.1 above shall, unless otherwise excused pursuant to this Contract, constitute a material breach of this Contract. Without prejudice to COMPANY's rights under this Contract in respect of such material breach, CONTRACTOR shall, in accordance with Paragraph 21.2, prepare a corrective action plan and deliver it to COMPANY within three (3) days from the applicable Critical Milestone Date. If COMPANY Approves of the corrective action plan and CONTRACTOR commences implementation of such corrective action plan within seven (7) calendar days of COMPANY's Approval, COMPANY shall refrain from exercising its remedies in respect of the material breach for so long as CONTRACTOR diligently pursues performance of such corrective action plan.

8.2 Notification of Delays

8.2.1 CONTRACTOR shall, within five (5) days of the earlier of:

- a) the date that CONTRACTOR became aware of such event or circumstance first arising; or
- b) the date that CONTRACTOR ought reasonably to have become aware of such event or circumstance first arising,

give written notice to COMPANY of the commencement of any event or circumstance which will or may have an effect on compliance with the WORK Schedule or achievement of the Critical Milestone Dates or the Scheduled Mechanical Completion Date.

8.2.2 Within fourteen (14) days of notification under Paragraph 8.2.1 above, CONTRACTOR shall provide detailed particulars of the delay or potential delay, including:

- a) the estimate of the extent (if any) of the delay or potential delay to the Critical Milestone Dates and/or Scheduled Mechanical Completion Date; and
- b) the proposed actions that CONTRACTOR anticipates implementing so as to comply with the WORK Schedule and to meet the Critical Milestone Dates and/or Scheduled Mechanical Completion Date.

8.2.3 Failure by CONTRACTOR to comply with the requirements of this Paragraph 8.2 (including the time periods set out herein) shall be deemed conclusively to waive CONTRACTOR's right to any extension of the time for completion of the WORK or any separable portion thereof, or for additional compensation of any kind under this Contract.

8.3 Extensions of Time

8.3.1 Subject to CONTRACTOR's compliance with Paragraph 8.2, the Critical Milestone Dates and Scheduled Mechanical Completion Date shall be adjusted only when necessary to reflect any actual delay in the performance of a WORK activity on the actual critical path either occasioned by force majeure, or for which COMPANY is responsible under this Contract.

8.3.2 The Critical Milestone Dates and/or Scheduled Mechanical Completion Date shall be adjusted to the extent that such event specified in Paragraph 8.3.1 demonstrably delays (or will delay) the achievement of such milestones beyond the Critical Milestone Dates and/or Scheduled Mechanical Completion Date. The CONTRACTOR must promptly commence action to minimize the impact of any delay event on the Critical Milestone Dates and Scheduled Mechanical Completion Date in accordance with Paragraph 21.2.1.

8.3.3 Adjustments to the Critical Milestone Dates shall be effected and documented by Change Order or Amendment, and adjustments to the Scheduled Mechanical Completion Date shall be effected and documented by Amendment or by a Change Order issued in accordance with Paragraph 9 below.



8.4 Mechanical Completion

8.4.1 Mechanical Completion shall be achieved for the FACILITIES or any separable portion thereof when all of the following have occurred:

- a) The FACILITIES, or portion thereof, are constructed in strict compliance with all requirements of this Contract, including the successful completion of all required inspection, testing, and Pre-Commissioning;
- b) All Exception Items required to be rectified by CONTRACTOR and Approved as a precondition to Mechanical Completion have been rectified and Approved, and any issues raised in non-conformance reports have been resolved to SAUDI ARAMCO's satisfaction;
- c) The FACILITIES are ready to commence Commissioning or use and are capable of safe operation as necessary for SAUDI ARAMCO to efficiently progress Commissioning and Start-Up;
- d) All Materials and NMRs, including spare parts, spare parts data, operating manuals and other operating documentation needed for the proper operation of the FACILITIES have been provided;
- e) All utility and electric power systems are fully operational; and
- f) The Job Site is in a clean and safe condition, with all surface and subsea construction debris, equipment, and excess materials removed, and adequate physical segregation has been provided in SAUDI ARAMCO's sole determination to ensure that SAUDI ARAMCO's Work Permit and access control standards for operational plants may be applied. In the case of a partial Mechanical Completion, the areas encompassed in the partial Mechanical Completion have been appropriately isolated from ongoing construction activities, in accordance with an Approved FACILITIES handover plan.

8.4.2 Not less than sixty (60) days prior to the date CONTRACTOR anticipates Mechanical Completion will be achieved, CONTRACTOR shall notify the Company Representative of the anticipated date. When CONTRACTOR considers that Mechanical Completion has been achieved, SAUDI ARAMCO will inspect the FACILITIES as soon as practicable. If COMPANY and SAUDI ARAMCO considers that the conditions precedent for Mechanical Completion in Paragraph 8.4.1 have been achieved, SAUDI ARAMCO will issue a Mechanical Completion Acceptance Notice

(MCAN) to CONTRACTOR and the Affiliated Contractor. Mechanical Completion shall only be deemed to have occurred on the date of issue of the MCAN.

- 8.4.3 If the WORK is not in accord with this Contract, COMPANY shall so notify CONTRACTOR, specifying the respects in which the WORK is deficient, in which case CONTRACTOR shall promptly remedy the deficiencies at CONTRACTOR's risk, cost and expense, and the procedure in Paragraph 8.4.22 shall be repeated (as many times as is necessary) until SAUDI ARAMCO has issued an MCAN to CONTRACTOR and the Affiliated Contractor unless COMPANY requires otherwise by notice in writing to CONTRACTOR.
- 8.4.4 SAUDI ARAMCO may, at its sole discretion, issue any MCAN with a list of Exception Items. Where SAUDI ARAMCO issues a list of Exception Items, CONTRACTOR shall promptly remedy the Exception Items at its risk, cost and expense. Where SAUDI ARAMCO has identified Exception Items as having to be remedied prior to the commencement or completion of other WORK, those Exception Items must be completed accordingly before such other WORK.
- 8.4.5 As of the date of issue of MCANs together encompassing the entirety of the FACILITIES, SAUDI ARAMCO shall assume responsibility for operation of the FACILITIES. The issuance of an MCAN shall not relieve CONTRACTOR from any of its obligations and/or liabilities under this Contract, including its obligation to remobilize, if necessary, and complete or correct any Exception Items and/or any other Defects at no cost or expense to COMPANY, nor shall it preclude SAUDI ARAMCO from adding additional Exception Items prior to Project Completion.

8.5 Start-Up and Commissioning Assistance

Following the issuance of an MCAN, CONTRACTOR shall perform Start-Up and Commissioning assistance by providing all necessary labor and equipment until Start-Up and Commissioning have been successfully completed to the satisfaction of SAUDI ARAMCO. Compensation for labor and equipment quantities not included in the Contract Price as indicated in Schedule "B" shall be paid in accordance with the Unit Rates in Schedule "C", and shall not be included in the Lump Sum Contract Price.

8.6 Early Possession by SAUDI ARAMCO

SAUDI ARAMCO shall have the right to take possession of, and use for any purpose, any part of the FACILITIES at any time prior to Mechanical Completion after so notifying the Affiliated Contractor. Such taking possession or use shall not be deemed to be SAUDI ARAMCO's

acknowledgement of Mechanical Completion and shall in no way limit or waive CONTRACTOR's obligations. If such taking possession or use affects CONTRACTOR's costs or the time required for completing the WORK, COMPANY will initiate a Change Order or Amendment making any required adjustment to the Critical Milestone Dates, the Scheduled Mechanical Completion Date, or the compensation due CONTRACTOR. However, should such taking possession or use result from CONTRACTOR's failure to prosecute the WORK according to the WORK Schedule, CONTRACTOR shall not be entitled to any such adjustment.

8.7 Removal of Personnel, Equipment, and Materials

CONTRACTOR shall obtain Approval from the Company Representative at least forty-eight (48) hours in advance of final removal of personnel, construction equipment, or material from the Job Site. The consent of COMPANY shall not be unreasonably withheld.

8.8 COMPANY Reviews

Neither COMPANY review of, or non-objection to drawings, equipment, design, and similar items nor COMPANY acceptance of factory or Job Site test data, procedures, and the like, on an individual basis, shall constitute acceptance by COMPANY of information contained therein or result thereof or relieve CONTRACTOR of any of its responsibilities under this Contract.

9. CHANGES

9.1 COMPANY May Direct a Change

9.1.1 At any time prior to Project Completion, the Company Representative may direct CONTRACTOR to make a change within the general scope of this Contract ("**Change**") such as, but not limited to, alterations of the FACILITIES, additions to or deletions from the scope, and changes in the sequence of performance of the WORK, and CONTRACTOR shall perform the WORK as changed. Such Changes shall be set forth only in writing in a document entitled 'Change Order' ("**Change Order**"), or other official written communication signed by Company Representative (which does not include email), as provided in Paragraph 9.4. Except for Emergency Change Orders as provided in Paragraph 9.3 and unilateral Change Orders issued in accordance with Paragraph 9.4, each Change Order shall be signed by both Parties. All WORK involved in a Change shall be performed in accordance with the terms and conditions of this Contract, and shall not otherwise affect the existing rights or obligations of the Parties except as expressly provided in this Contract or in a signed Change Order.

9.1.2 Notwithstanding any limitation in Paragraph 9.1.1 above, if, prior to the end of any warranty period in Paragraph 10.3 (including the extended warranty provided per Paragraph 10.3.6), all or any part of the FACILITIES or SAUDI ARAMCO Other Property are lost, damaged or destroyed, COMPANY may direct CONTRACTOR by Change Order to carry out any reconstruction, repair or replacement WORK (including the removal of debris) and CONTRACTOR shall promptly undertake the WORK so directed.

9.2 Adjustment to Critical Milestone Dates and CONTRACTOR'S Compensation

9.2.1 In addition to describing the Change, a Change Order shall include:

- a) Any adjustment in the Critical Milestone Dates resulting from the Change; and
- b) The lump sum price of or other basis (as determined by COMPANY per Schedule "C" Paragraph 2.2) for determining any increase in the compensation due CONTRACTOR or credit due COMPANY as a result of the Change, if any.

9.2.2 If a proposed Change may result in a request for an adjustment in the compensation due CONTRACTOR or a request for an adjustment to the Scheduled Mechanical Completion Date or Critical Milestone Dates, CONTRACTOR shall promptly notify the Company Representative orally, followed by prompt written notification within five (5) working days. In no event shall CONTRACTOR proceed with the WORK involved in the Change without a Change Order signed by both Parties or an official written communication signed by the Company Representative as provided in Paragraph 9.4. If CONTRACTOR proceeds with the additional WORK involved in a Change without notifying the Company Representative and without first obtaining a Change Order signed by both Parties, or such official written communication, CONTRACTOR shall not be entitled to any additional compensation for the WORK performed or to any adjustment of the Scheduled Mechanical Completion Date and/or Critical Milestone Dates as a result of the Change.

9.3 No Oral Changes

9.3.1 CONTRACTOR shall not comply with oral changes in the scope of WORK, except in the case of an Emergency Change Order which may be issued by the Company Representative verbally, followed by a written confirmation issued after the commencement of work. CONTRACTOR shall document any Emergency Change Order request in writing and submit to COMPANY for Approval within two (2) business days following issuance of an Emergency Change Order request. If COMPANY does not confirm the Emergency

Change Order request in writing within two (2) business days after submission, CONTRACTOR shall immediately cease work on the Emergency Change Order. Compensation for unconfirmed Emergency Change Orders shall be limited to actual costs incurred prior to the expiration of such two business day period following submission, unless earlier rejected.

- 9.3.2 If CONTRACTOR believes that any oral notice or instruction other than an Emergency Change Order received from COMPANY will involve an adjustment in the compensation due CONTRACTOR, or a request for an adjustment to the Scheduled Mechanical Completion Date or Critical Milestone Dates, or adversely affects the integrity of the WORK, it shall require that the notice or instruction be given in writing per Paragraph 9.4, and CONTRACTOR shall comply with the provisions of Paragraph 9.1 and 9.2. If CONTRACTOR believes any official written communication directing any action by CONTRACTOR to be a Change, although not identified as such in the official communication, CONTRACTOR shall provide prompt written notice within five (5) working days that it considers such action to be a Change involving an adjustment in the compensation due CONTRACTOR or an adjustment in the Scheduled Mechanical Completion Date or Critical Milestone Dates. Any costs incurred by CONTRACTOR to perform oral changes other than in the case of an Emergency Change Order, or actions directed by the Company Representative as to which the notice described in this Paragraph has not been provided, shall be for CONTRACTOR's account, and CONTRACTOR waives any and all rights to claim from COMPANY for such costs or additional time to perform the WORK as a result of compliance by CONTRACTOR with such changes.

9.4 Failure to Agree

Should COMPANY and CONTRACTOR fail to agree as to the amount or method of determining adjustments in compensation due CONTRACTOR, adjustments in the Critical Milestone Dates and/or Scheduled Mechanical Completion Date, or whether a direction from COMPANY constitutes a Change, COMPANY may direct CONTRACTOR, in writing, to proceed with the WORK as changed and CONTRACTOR shall proceed with the WORK as changed. COMPANY shall compensate CONTRACTOR or calculate the credit due COMPANY in accordance with its good faith estimate of the cost or savings resulting from the Change. CONTRACTOR's performance of the WORK as changed shall not prejudice its position that such direction constitutes a Change, that the Critical Milestone Dates should be adjusted, or that CONTRACTOR should receive additional compensation for such WORK; or COMPANY's position that it is entitled to a credit or that such work does or does not constitute a Change. Such disputes shall be resolved in accordance with Paragraph 19.

9.5 CONTRACTOR to Review for Possible Cost Reductions

CONTRACTOR shall review and evaluate the Preliminary Design, the FACILITIES Specifications, the Job Specification, and the other drawings, specifications and standards referenced in this Contract to identify possible cost reductions. In the event CONTRACTOR identifies and documents a proposal ("Cost Reduction Proposal") which will result in a net reduction in COMPANY's total cost for the design, procurement and construction of the FACILITIES ("Net Cost Reduction") and which requires a Change Order to implement, COMPANY may, at its sole discretion, issue a Change Order implementing the Cost Reduction Proposal. CONTRACTOR's Cost Reduction Proposal shall contain at least a description of the existing and proposed Contract requirements and an assessment of the consequences of implementing the Cost Reduction Proposal, including an estimate of the Net Cost Reduction. Should COMPANY determine, in its sole discretion, to implement the Proposal, the Change Order price shall include credit due COMPANY as a result of the Change, plus compensation to CONTRACTOR equal to fifty percent (50%) of the Approved Net Cost Reduction. COMPANY's decision to adopt or reject any Cost Reduction Proposal shall be final and binding on both Parties. This Paragraph 9.5 shall not apply to proposals that involve the substitution of COMPANY-Supplied Materials for CONTRACTOR-supplied Materials.

9.6 CONTRACTOR Change Proposals

9.6.1 Where COMPANY has directed a Change pursuant to Paragraph 9.1, approved or acknowledged a Change under Paragraphs 9.3, 9.4 or 9.5, or otherwise requested submission of a priced proposal (collectively, a "**Change Proposal**"), CONTRACTOR shall meet with COMPANY personnel upon request to clarify the scope of the potential change and COMPANY's additional requirements, if any, regarding the Change Proposal. If COMPANY selects the Lump Sum compensation method per Paragraph 2.2 of Schedule "C" as the basis for compensation, CONTRACTOR shall provide COMPANY a priced Change Proposal including sufficient detail to permit COMPANY to analyze the price ("**Change Order Price**") and schedule impact, if any, of the proposed Change. Supporting detail shall, at a minimum, provide:

- a) a list of affected deliverables;
- b) a breakdown of man-hours by deliverable and job title/equipment item consistent with Attachment I to Schedule "C";
- c) a list of Materials and quantities with associated cost for each individual item or cost per unit quantity as applicable;

- d) copies of all related Subcontractor quotations for the Materials/equipment added or any amount of discount or rebate CONTRACTOR would receive from Subcontractor(s), directly or indirectly, for those Materials/equipment and the cost to be ultimately incurred by CONTRACTOR, directly or indirectly, after all direct and indirect discounts and/or rebates to CONTRACTOR; and
- e) a network schedule fragment showing how the proposed Change Order work would be incorporated into the WORK Schedule and any resulting impact on Critical Milestone Dates.

9.6.2 Following submittal of its Change Proposal, CONTRACTOR shall meet with COMPANY to mutually agree a price that may be used as the basis for issuing a Change Order. CONTRACTOR shall provide additional supporting detail whenever, in the sole judgment of COMPANY, the detail that has been submitted is not sufficient for COMPANY to analyze the proposed Change Order Price and/or schedule impact. CONTRACTOR shall make available all related records and documents for COMPANY review. All Change Order development work performed under this Paragraph 9.6 shall be at no additional cost to COMPANY regardless of whether or not a Change Order is issued.

9.7 Payment for Changes

- 9.7.1 Compensation for WORK performed by CONTRACTOR under a Change Order or credit to COMPANY for WORK deleted by a Change Order shall be calculated and paid or offset in accordance with Schedule "C".
- 9.7.2 As provided in Schedule "C" Paragraph 2.4, COMPANY shall have the right to elect that the Change Order Price be paid on a progress or milestone basis provided the Change Order Price exceeds five hundred thousand U.S. Dollars (US\$500,000) and the Change will take more than six (6) months to complete.
- 9.7.3 At such time as CONTRACTOR considers that WORK under a Change Order entered into on a Time Unit Basis or Work Unit Basis is complete, CONTRACTOR shall so inform the Company Representative in writing and request a Change Order settlement. COMPANY shall review the work under the Change Order and, in a timely manner, either initiate a Change Order settlement, or notify CONTRACTOR why COMPANY considers that the WORK under the Change Order is not yet complete.

9.8 Scheduling of Change Order WORK

CONTRACTOR shall include and identify all WORK added via Change Orders in the WORK Schedule.

10. WARRANTIES AND REMEDY OF DEFECTS

10.1 CONTRACTOR Warranty

10.1.1 CONTRACTOR warrants that:

- a) the FACILITIES shall be detail designed and engineered, fabricated and constructed in accordance with Good Engineering Practice, all applicable laws, all applicable designs, drawings, standards and specifications and good and efficient engineering, fabrication, construction and craft practices;
- b) the FACILITIES as detail designed, engineered, fabricated, and constructed shall be free from Defects and fit for the purposes intended;
- c) any Computer System(s) shall operate in accordance with the performance and other criteria contained in Schedule "B";
- d) the CONTRACTOR-supplied Materials for the FACILITIES shall be new, merchantable, fit for the purposes intended, free of Defects in design, plan, specification, material, and workmanship, and conform to the performance and other criteria contained in the Job Specification and any other applicable standards and specifications agreed to by COMPANY and CONTRACTOR;
- e) all workmanship, designs, plans and specifications provided for or in connection with the WORK (other than those supplied by COMPANY) shall be free from Defects; and
- f) the FACILITIES and the performance of the WORK shall comply with all applicable laws.

10.1.2 CONTRACTOR does not warrant the FACILITIES against:

- a) failure due to faulty operation by SAUDI ARAMCO;
- b) conditions of service more severe than specified in Schedule "B";
- c) unsuitability or defect of COMPANY and/or SAUDI ARAMCO-supplied Materials which have not been modified, altered or



refurbished by CONTRACTOR, provided, however, that such unsuitability or defect was not reasonably detectable by CONTRACTOR; or

- d) unsuitability or defect in COMPANY and/or SAUDI ARAMCO-supplied Licensor's Data or Preliminary Design; provided, however, that such unsuitability or defect was not reasonably detectable by CONTRACTOR.

10.2 Systemic Defects

Any reproducible or documentable recurring error which causes any Computer System(s) not to operate in accordance with the requirements of Schedule "B" shall constitute a breach of warranty hereunder. A "**reproducible error**" is defined as a chain of events that can be caused to occur upon request. A "**documentable recurring error**" is an error that appears repetitively but cannot be reproduced upon request. For purposes of this warranty, COMPANY will maintain a log in which failures; descriptions of failures, time and the observing person are recorded. When a given failure has occurred three (3) times, it shall be deemed a documentable recurring error.

10.3 Remedy of Defects

10.3.1 Notwithstanding any other terms of this Contract, including but not limited to Paragraph 15, herein, if at any time during a one (1) year period after:

- a) COMPANY and/or SAUDI ARAMCO issues an MCAN or partial MCAN; or
- b) with respect to any Change Order not complete as of MCAN issuance or Exception Items, the date that CONTRACTOR completes such Change Order or corrects such Exception Items,

it is discovered that:

- c) the FACILITIES covered by that MCAN, partial MCAN, Exception Items, or Change Order, or any of their constituent parts or units, or the incorporated CONTRACTOR-supplied Materials, do not meet the foregoing warranties; then

CONTRACTOR shall, at no cost to COMPANY, promptly perform or arrange for the performance of any remedial work required to make the FACILITIES conform to such warranties, including remobilization to the Job Site, the removal of non-conforming WORK, the purchase of replacement Materials originally supplied

by CONTRACTOR, and reinstallation as may be necessary. With respect to any Computer System, CONTRACTOR's remedial work shall not be considered prompt unless CONTRACTOR provides a qualified service representative at the installation site within twenty-four (24) hours, after receipt of the necessary travel authorizations and Saudi Arab Visa, plus reasonable travel time not exceeding two (2) days if the service representative is not in Saudi Arabia, of CONTRACTOR's receipt of COMPANY's written notice of warranty claim.

10.3.2 To the extent determined by COMPANY in its sole discretion, COMPANY may alternatively elect to accept any Defective WORK either as is or only partially corrected, in which event COMPANY shall be entitled to a credit Change Order in an appropriate amount reflecting the remedial costs avoided.

10.3.3 CONTRACTOR's obligations under Paragraph 10.3.1 shall apply regardless of whether any Defective workmanship, component parts, plans or specifications, or any part thereof, have been supplied by CONTRACTOR or by its Subcontractors.

10.3.4 If CONTRACTOR fails to start or arrange for the start of any remedial work within three (3) working days after receipt of notice from COMPANY to do so, or fails to perform or cause the performance of such work continuously and with due diligence to completion, COMPANY may, at its option and without prejudice to any other rights or remedies which may be available to it, perform such work either itself or through others at CONTRACTOR's sole risk and expense.

10.3.5 If CONTRACTOR performs remedial work, the provisions of this Paragraph 10 shall apply to such work for a period of one (1) year from the date it is completed. However, the total warranty period shall in no case be extended beyond two (2) years from the date of Project Completion.

10.4 Vendor Pass-Through Warranty

CONTRACTOR, for COMPANY and SAUDI ARAMCO's benefit, shall obtain a warranty pass-through statement from all its Vendors stating substantially that:

"Seller and Buyer understand that Buyer is contracting with Seller for the purchase of goods hereunder for ultimate transfer to, and use by, the Saudi Arabian Oil Company (SAUDI ARAMCO) or its designee in Saudi Arabia. Therefore, Seller agrees that, in any event, all rights of Buyer for any failure to meet specifications, or for any other breach of warranty shall run to the benefit of and be fully enforceable by SAUDI ARAMCO."

11. STANDARDS, DRAWINGS AND SPECIFICATIONS

11.1 Conflicts

11.1.1 CONTRACTOR shall keep at the WORK Site a copy of all drawings, specifications and standards for the FACILITIES. Anything mentioned in specifications and not shown on drawings, or shown on drawings and not mentioned in specifications, shall be of like effect as if shown or mentioned in both.

11.1.2 In case of conflicts within and between standards, drawings, and specifications are discovered and notified to COMPANY during the Verification Period:

(a) Subject to Paragraph 11.1.3 (d), in case of conflict among the FACILITIES Specifications, Project Standards and the Preliminary Design, CONTRACTOR shall submit such conflicts to the Company Representative for resolution, giving consideration to the order of precedence set forth in Attachment I to Schedule "B".

(b) If the resolution is consistent with the order of precedence (meaning CONTRACTOR is directed to comply with a document having higher precedence than the conflicting document), CONTRACTOR shall comply with such resolution without any additional compensation. If the CONTRACTOR is instead directed to comply with a document having lower precedence than the conflicting document, and such compliance involves a higher cost than complying with the document in the higher position, COMPANY shall issue a Change Order that compensates CONTRACTOR for such increased cost. If the CONTRACTOR is however directed to comply with a document having lower precedence than the conflicting document, and such compliance involves a lower cost than complying with the document in the higher position, then there shall be no change to the compensation.

(c) In case of a conflict between Licensor Data included in the Preliminary Design that, due to its proprietary nature, could not be verified by CONTRACTOR until such time as the Licensor's equipment is put into service, and another drawing, specification, or standard referenced in this Contract, if COMPANY requires that CONTRACTOR comply with the more costly alternative, COMPANY shall issue a Change Order that compensates CONTRACTOR for the associated increased cost.

- (d) In respect of any conflict that CONTRACTOR discovers after the Verification Period, then such conflict shall not be subject to this Paragraph 11.1.2 but shall instead be subject to Paragraph 11.1.3.
- (e) Regardless of how a conflict between or within the applicable documents is resolved, CONTRACTOR shall not be entitled to any extension of time in respect with complying with its obligations.
- (f) In case of a conflict within the Project Standards, COMPANY shall have the right to require that CONTRACTOR comply with either:
  - (i) The higher cost requirement, in which case COMPANY shall issue a Change Order which compensates CONTRACTOR for the increased cost; or
  - (ii) The lower cost requirement without additional compensation.
- (g) In case of a conflict within the FACILITIES Specifications or within the Preliminary Design, CONTRACTOR shall comply with the more costly requirement without additional compensation.

11.1.3 In case of conflicts not discovered and notified to COMPANY within the Verification Period:

- (a) CONTRACTOR shall promptly notify the Company Representative of the same.
- (b) If so requested by the Company Representative, CONTRACTOR shall promptly propose a resolution to the conflict.
- (c) The Company Representative shall issue to CONTRACTOR an instruction that shall (at the Company Representative's sole discretion) either implement CONTRACTOR's proposed resolution to the conflict or otherwise resolve the conflict.
- (d) CONTRACTOR shall comply with any and all instructions of the Company Representative issued under Paragraph 11.1.3 (c) without, by reason of such compliance, becoming entitled to any extension of time, any Change Order, or any additional payment or any other relief.

11.1.4 Compensation due to CONTRACTOR under Paragraph 11.1.2 shall be limited by the following:

- (a) The maximum amount to be paid shall be the actual, incremental cost that was or will be incurred by CONTRACTOR as a result of following COMPANY's direction.
- (b) Neither the Critical Milestone Dates nor the Scheduled Mechanical Completion Date shall be revised based on the discovery of a conflict. CONTRACTOR shall not be entitled to any compensation under this Paragraph 11.1 for re-planning, rescheduling or accelerating the WORK as may be necessary for CONTRACTOR to meet the Critical Milestone Dates or Mechanical Completion Date.
- (c) No payments shall be made to CONTRACTOR for any conflicts discovered after the Verification Period, except in the case identified in Paragraph 11.1.2 (c).
- (d) If the CONTRACTOR or its Affiliate prepared the Preliminary Design, CONTRACTOR shall not be entitled to any compensation for any conflicts discovered at any time, except in the case identified in Paragraph 12.1.2(c) where such information could not have been ascertained by the CONTRACTOR during or following the preparation of the Preliminary Design.

11.2 CONTRACTOR to Verify

Dimensions and locations of existing and proposed installations and appurtenances shown on the COMPANY-provided drawings are approximate only. All dimensions and locations relating to existing and proposed installations shall be checked by CONTRACTOR at the Job Site before starting related WORK.

11.3 As-Built Drawings

During the performance of the WORK, CONTRACTOR shall maintain a set of construction drawings to reflect the current as-built status of the FACILITIES. By the earlier of Project Completion or forty-five (45) days following MCAN issuance, CONTRACTOR shall furnish to COMPANY one set of final as-built Computer Aided Drafting Design (CADD) drawings ("**As-Built Drawings**") in full compliance with SAUDI ARAMCO Engineering Procedure SAEP-334 and other Project Standards. CONTRACTOR shall provide such additional types and quantities of drawings as may be specified in Schedule "B".

12. SUBCONTRACTS

12.1 Subcontracting Requirements

12.1.1 Subcontracts for the performance of any portion of the WORK shall be procured only after CONTRACTOR has received written authorization from COMPANY that CONTRACTOR may subcontract that portion of the WORK. If not accomplished prior to the Effective Date, then promptly thereafter, CONTRACTOR shall prepare and submit to the Company Representative for SAUDI ARAMCO's approval CONTRACTOR's subcontracting plan specifically identifying those portions of the WORK which CONTRACTOR proposes to subcontract. In procuring subcontracts, CONTRACTOR shall select Subcontractors solely on the basis of financial and technical considerations.

12.1.2 After receiving Approval that a portion of the WORK may be subcontracted, CONTRACTOR shall, before procuring any subcontract for part or all of that portion of the WORK, submit a subcontracting request via Saudi Aramco portal to SAUDI ARAMCO containing the following information:

- a) If the proposed Subcontractor is a sole proprietorship or partnership, the name(s) and address(es) of the proprietor or all members of the partnership, as the case may be.
- b) If the proposed Subcontractor is a corporation, the place of its incorporation or formation and its corporate headquarters.
- c) The name and address of the proposed Subcontractor's principal bank and a copy of the Subcontractor's latest audited financial statement.
- d) Evidence acceptable to COMPANY of the proposed Subcontractor's technical and safety qualifications to perform the WORK to be subcontracted.

COMPANY shall, in a timely manner, review the information and, provided that the proposed Subcontractor is, in COMPANY's opinion, technically competent, safety qualified (per applicable COMPANY evaluation data and standards), and financially able to perform the WORK to be Subcontracted, COMPANY shall advise CONTRACTOR in writing of its non-objection to the proposed Subcontractor. If COMPANY objects to the proposed Subcontractor, CONTRACTOR shall either itself accomplish the WORK which would have been performed by the proposed Subcontractor or shall select another Subcontractor to which COMPANY has no objection. COMPANY's non-objection to a proposed Subcontractor shall in no

way relieve CONTRACTOR of any of its obligations pursuant to this Contract.

12.1.3 With respect to subcontracts for the procurement of Materials, in addition to the requirements above, CONTRACTOR shall comply with the requirements of Schedule "G".

12.2 CONTRACTOR to Ensure Compliance

CONTRACTOR shall ensure that all Subcontractors selected by CONTRACTOR abide by and observe, to the same extent required of CONTRACTOR, all applicable COMPANY requirements, and CONTRACTOR agrees to insert or cause to be inserted into all subcontracts provisions to that effect.

12.3 Assignment of Subcontracts

In the event of:

- (a) a request by COMPANY following any material breach of this Contract by CONTRACTOR and without regard to whether COMPANY terminates this Contract or a portion of the WORK pursuant to Paragraph 24; or
- (b) a request by COMPANY pursuant to Paragraph 26,

CONTRACTOR shall, if COMPANY requests, assign to COMPANY all of its rights under all subcontracts and Purchase Orders entered into by CONTRACTOR in respect of the impacted WORK, and COMPANY may, to the extent permitted by applicable law and after prior written notice to CONTRACTOR, enforce directly against any such Subcontractor all rights of CONTRACTOR under such subcontract or Purchase Order. All subcontracts and Purchase Orders entered into by CONTRACTOR shall contain a provision whereby the Subcontractor agrees and consents to such assignment by CONTRACTOR to COMPANY.

12.4 Further Subcontracting

CONTRACTOR shall include in every subcontract under this Contract a provision prohibiting any further subcontracting of any portion of the WORK by the Subcontractor unless the Subcontractor first obtains the approval of CONTRACTOR. CONTRACTOR shall not give such approval without first obtaining the Approval. If COMPANY gives such Approval, CONTRACTOR shall ensure that all further subcontracts entered into by its Subcontractor:

12.4.1 are entered into only after receipt by CONTRACTOR of the information described in Paragraph 12.1.2 and CONTRACTOR's notification to the Subcontractor of its non-objection to the

Subcontractor selected on the basis described in Paragraph 12.1.2;  
and

12.4.2 contain a provision prohibiting any further subcontracting of any portion of the WORK without first obtaining the approval of CONTRACTOR, which approval may be given only in accordance with the provisions of this Paragraph.

12.5 CONTRACTOR Responsible

CONTRACTOR shall be fully responsible to COMPANY for the acts and omissions of all its Subcontractors of whatever tier, and their personnel. CONTRACTOR shall manage, schedule and coordinate the work of all its Subcontractors in a manner which ensures that the Scheduled Mechanical Completion Date and Critical Milestone Dates are met. Nothing in this Contract shall create any contractual relationship between COMPANY and any Subcontractor unless and after COMPANY elects to exercise its rights under Paragraph 12.3 or Paragraph 26. COMPANY's approval to subcontract any portion of the WORK and COMPANY's non-objection to CONTRACTOR's Subcontractor selection shall not relieve CONTRACTOR of any of its obligations under this Contract.

12.6 CONTRACTOR's Obligations to Compensate its Employees and Subcontractors

12.6.1 CONTRACTOR shall submit a certification with each invoice, signed by an authorized CONTRACTOR's officer and using the form provided in Schedule "C", certifying either that:

- (a) all of the currently owed salaries and benefits for CONTRACTOR's employees have been paid and that all CONTRACTOR's due and payable invoices from its Subcontractors related to this Contract have been paid; or
- (b) any unpaid or delayed payments by CONTRACTOR of amounts due and owing to employees, or Subcontractors for more than forty-five (45) consecutive calendar days have been listed in the certification with clear indication of the reasons for the delay and actions taken to resolve the delayed payment.

Prompt payment by CONTRACTOR of amounts properly due and payable to its Subcontractors and employees is an express obligation of this Contract.

12.6.2 Should COMPANY request in writing that CONTRACTOR take corrective action to resolve any payment exception identified in the CONTRACTOR's certification or otherwise, CONTRACTOR shall promptly take corrective action as needed to resolve the payment



issue involved, and report within ten (10) days from the receipt of the notice as to the corrective actions taken.

12.6.3 Failure of CONTRACTOR to comply with the requirements of Paragraph 12.6.2 above will be considered a material breach of this Contract. COMPANY shall, in addition to any other remedies available under this Contract or of law, retain all amounts that are due and owing to CONTRACTOR under this Contract until the breach of this Contract has been remedied to the satisfaction of COMPANY. Also, such failure to comply may result in CONTRACTOR being excluded from consideration for future contracts for a period to be determined solely by COMPANY.

13. TITLE TO MATERIALS

13.1 Transfer of Title

Ownership of Materials supplied by CONTRACTOR under this Contract shall be transferred to COMPANY at whichever is the earlier of the following times:

13.1.1 when the Materials are delivered to the Job Site; and

13.1.2 when CONTRACTOR becomes entitled to payment for the Materials (in whole or in part) under this Contract.

Notwithstanding any transfer of title, CONTRACTOR shall at all times be solely responsible for all costs arising in respect of payment for CONTRACTOR-supplied Materials and for transport and importation of such Materials, including without limitation, shipment costs, customs duties and insurance costs.

13.2 Title Free of Encumbrances

CONTRACTOR warrants that at the time ownership of the Materials is transferred to COMPANY under Paragraph 13.1, it has or will have full title to such Materials free of all Encumbrances to ensure that full title in such Materials free of all Encumbrances passes to COMPANY under Paragraph 13.1.

13.3 Materials Not Used in the WORK

CONTRACTOR shall, at its own cost, dispose of any Materials in excess of the requirements for the WORK as directed by and in a manner acceptable to COMPANY.

13.4 Title to CONTRACTOR Tools and Equipment

Ownership of CONTRACTOR Tools and Equipment shall remain with CONTRACTOR or the respective Subcontractor.

13.5 Encumbrances

CONTRACTOR shall not file, claim or register any Encumbrance, and shall use its best endeavors to prevent any Encumbrance from being filed, claimed or registered by any Subcontractor or by any employee, servant or agent of CONTRACTOR, or any Subcontractor, against any Materials, CONTRACTOR Tools and Equipment, the WORK, the FACILITIES or any property of any member of Company Group.

If any such Encumbrance is filed, claimed or registered by any such person, CONTRACTOR shall immediately notify COMPANY and shall promptly discharge, by bond or otherwise, such Encumbrance, and shall indemnify and hereby indemnifies Company Group against any and all Claims in connection with any such Encumbrance.

14. STANDBY TIME

14.1 Liability for Standby Time

14.1.1 COMPANY shall not be liable for, or charged by CONTRACTOR for, lost time ("Standby Time") due to CONTRACTOR's inability to supply Materials or CONTRACTOR Personnel, malfunction or lack of certification of CONTRACTOR's Tools and Equipment, or inclement weather conditions (with the exception of offshore weather conditions at an offshore Job Site, when Approved), subject to the specific exceptions in Paragraph 27.4 for events of force majeure. Compensation for Standby Time shall be payable only for periods in which, and to the extent, CONTRACTOR's Tools and Equipment or CONTRACTOR Personnel are committed exclusively to the WORK, are ready for immediate use in the WORK, but cannot be used in performing the WORK due to circumstances within the sole control of COMPANY; provided, however, that in all such cases, CONTRACTOR shall, whenever possible, reschedule CONTRACTOR Personnel or CONTRACTOR Tools and Equipment for use elsewhere so as to minimize Standby Time.

14.1.2 A written notification to COMPANY of each separate incident of anticipated Standby Time shall be delivered to Company Representative reasonably in advance of the actual commencement of Standby Time. The written notification shall, at a minimum, address the following:

- a) The reasons why CONTRACTOR believes Standby Time will be necessary.
- b) The number and type of manpower and CONTRACTOR Tools and Equipment which will be put on Standby Time.
- c) The reason why CONTRACTOR is not able to reschedule the affected manpower and CONTRACTOR Tools and Equipment for use elsewhere.

14.2 Notification

CONTRACTOR shall immediately notify Company Representative orally when CONTRACTOR first anticipates Standby Time may occur, and shall confirm such notification in writing as soon as practicable. Compensation for Standby Time shall be payable under the terms of this Contract only for Standby Time of which COMPANY has been notified as provided herein. COMPANY reserves the right to reject any request for compensation for Standby Time in the absence of such timely notice.

14.3 Standby Time Payment Requests

All requests for compensation for Standby Time must be substantiated by daily time sheets prepared by CONTRACTOR stating the reasons therefor and submitted to Company Representative for confirmation no later than the following scheduled work day. Verified Standby Time will be paid for by COMPANY only if falling on a scheduled work day.

15. DISTRIBUTION OF RISKS

Nothing in this Paragraph 15 shall limit CONTRACTOR's obligations and liabilities under Paragraphs 10, 16, and 17. Nothing in this Paragraph 15 shall be construed to revise the Critical Milestone Dates or the Scheduled Mechanical Completion Date.

For the purposes of this Paragraph 15 and Paragraphs 16 and 17 below, "occurrence" shall mean an accident, happening, loss, disaster or event. However, for storms, floods and earthquakes, an "occurrence" shall be construed to include all losses arising during a continuous period of seventy-two (72) hours.

15.1 Loss of or Damage to Materials

15.1.1 Notwithstanding any other term of this Contract, including ownership or any limitation of liability, CONTRACTOR shall be solely responsible for all CONTRACTOR-supplied Materials until they are delivered to the designated Lay Down Yard at the Job Site, and for all COMPANY-supplied Materials from the point of delivery to CONTRACTOR until delivered to the designated Lay Down Yard at the Job Site. With respect to loss or damage occurring while

CONTRACTOR is so responsible (without regard to when such loss or damage may become visible or is discovered):

- a) CONTRACTOR shall compensate COMPANY for loss or damage to COMPANY-supplied Materials; and
- b) CONTRACTOR agrees to indemnify and hold COMPANY harmless from any Claims related to any loss of or damage to CONTRACTOR-supplied Materials.

15.1.2 After Materials are delivered to the designated Lay Down Yard at the Job Site, CONTRACTOR shall indemnify and hold COMPANY harmless against loss of, or damage to, the Materials:

- a) Without limitation for loss and damage:
  - (i) Caused by the willful misconduct or fraud of any CONTRACTOR Group member;
  - (ii) Caused by any failure by a member of CONTRACTOR Group to properly store, protect and maintain the Materials in accordance with Vendor and supplier warranty requirements and in such a manner as to preserve their fitness for purpose;
  - (iii) Due to, or resulting from, theft, disappearance or shortage while stored at the Lay Down Yard or Job Site or otherwise while Materials are in the care, custody or control of CONTRACTOR, including but not limited to where such loss is only revealed by the making of an inventory; and
- b) Subject to the limitations specified below for loss and damage caused by the negligence or fault of a member of CONTRACTOR Group other than those provided in Subparagraph (a) above:
  - (i) to maximum of one million U.S. Dollars (US\$1,000,000) per occurrence for loss or damage occurring Onshore; and
  - (ii) to maximum of five million U.S. Dollars (US\$5,000,000) per occurrence for loss or damage occurring Offshore.

15.1.3 COMPANY shall indemnify and hold harmless CONTRACTOR against loss of or damage to Materials due to a cause other than set forth in Paragraph 15.1.2 or in excess of the limits specified in Paragraph 15.1.2(b), if applicable. Upon CONTRACTOR providing

sufficient documentary evidence of a loss that is subject to the foregoing indemnity, COMPANY shall issue a Change Order as the administrative mechanism to effect the indemnity provided hereunder. CONTRACTOR shall not be entitled to any adjustment to the Critical Milestone Dates or the Scheduled Mechanical Completion Date in any such Change Order to the extent the relevant loss or damage was caused by the negligence or fault of any member of the CONTRACTOR Group.

15.2 The FACILITIES and SAUDI ARAMCO Other Property

15.2.1 Separate and apart from the obligations set forth in Paragraph 10.1 and/or Paragraph 10.3, CONTRACTOR shall defend, indemnify and hold harmless COMPANY against any Claims, damages, losses and expenses incurred in connection with any loss or damage to or destruction of the FACILITIES or SAUDI ARAMCO Other Property:

- a) Without limitation for loss or damage caused by the willful misconduct or fraud of any CONTRACTOR Group member;
- b) Subject to the limitations below for loss or damage caused by the negligence or fault of any CONTRACTOR Group member, excluding those losses and damages covered by Subparagraph (a) above:
  - (i) subject to Subparagraph (iii) below, to maximum of one million U.S. Dollars (US\$1,000,000) per occurrence for loss or damage occurring Onshore;
  - (ii) subject to Subparagraph (iii) below, to maximum of five million U.S. Dollars (US\$5,000,000) per occurrence for loss or damage occurring Offshore; and
  - (iii) to a maximum of one hundred million U.S. Dollars (US\$100,000,000) per occurrence for loss or damage resulting from the use or operation of Marine Craft.

15.2.2 COMPANY shall indemnify and hold harmless CONTRACTOR against loss of or damage to the FACILITIES or SAUDI ARAMCO Other Property due to a cause other than set out in Paragraph 15.2.1 above and in excess of the limits specified in Paragraph 15.2.1(b), if applicable. Upon CONTRACTOR providing sufficient documentary evidence of a loss or damage that is subject to the foregoing indemnity, COMPANY shall issue a Change Order as the administrative mechanism to effect the indemnity provided hereunder. CONTRACTOR shall not be entitled to any adjustment to the Critical Milestone Dates or the Scheduled Mechanical

Completion Date in any such Change Order to the extent the relevant loss or damage was caused by the negligence or fault of any member of the CONTRACTOR Group.

15.3 CONTRACTOR Group Property

CONTRACTOR hereby releases and agrees to defend, indemnify and hold harmless Company Group and Other Contractors, their subcontractors, and the employees or agents of any of them, from Claims resulting from loss of, damage or destruction to, any property of CONTRACTOR Group, including CONTRACTOR Tools and Equipment, whether owned, leased or rented, and wherever located, which are used or intended for use in performing the WORK, even if such loss, damage or destruction results from the negligence of a member of Company Group or the negligence of any Other Contractor, their subcontractors, or the employees or agents of any of them.

15.4 CONTRACTOR Group Personnel

CONTRACTOR hereby releases and agrees to defend, indemnify and hold harmless Company Group and Other Contractors, their subcontractors, and the employees or agents of any of them, from Claims resulting from personal injury or death to any employee or representative of a member of CONTRACTOR Group, without regard to whether any acts or omissions of other parties contributed to the personal injury or death.

15.5 COMPANY Personnel

COMPANY hereby releases and agrees to indemnify and hold harmless CONTRACTOR Group from Claims resulting from personal injury or death to COMPANY employees, without regard to whether any acts or omissions of other parties caused or contributed to the personal injury or death.

COMPANY Rig Move Masters providing piloting services to vessels of which a member of CONTRACTOR Group is the owner, charterer, operator or agent, during performance of the WORK shall be deemed to be servants of the vessels which they are piloting. All acts of the Rig Move Master while providing piloting services to the CONTRACTOR shall be attributable and allocable solely to the CONTRACTOR and not to any member of Company Group.

15.6 Third Party Liability

CONTRACTOR hereby releases and agrees to indemnify and hold harmless Company Group and Other Contractors, their subcontractors, and the employees and agents of any of them from Claims resulting from any personal injury or death of, and for loss of or damage to property of any third party due to the negligence or willful misconduct hereunder of any member of CONTRACTOR Group. COMPANY hereby releases and agrees to

indemnify and hold harmless CONTRACTOR Group from Claims resulting from any personal injury to or death of, and for loss of or damage to property of any third party due to the negligence or willful misconduct hereunder of COMPANY.

15.7 Consequential Damages

15.7.1 CONTRACTOR Group, shall not be liable to Company Group nor shall Company Group be liable to CONTRACTOR Group, for any consequential damages, including but not limited to loss of profit or products, whether such liability is based, or claimed to be based upon any breach of either Party's obligations under this Contract, or whether such liability is based, or claimed to be based, upon any negligent act or omission of a Party, its personnel, agents, appointed representatives or subcontractors.

15.7.2 Paragraph 15.7.1 shall not:

- a) apply in relation to:
  - (i) CONTRACTOR's liability arising from the fraud or willful misconduct of any member of the CONTRACTOR Group;
  - (ii) CONTRACTOR's liability arising from it repudiating this Contract;
  - (iii) CONTRACTOR's liability in connection with any breach of Paragraph 20; or
- b) limit or affect:
  - (i) CONTRACTOR's liability under Paragraphs 3.5, 10, 13.5, 15.1.2, 15.2.1, 15.3, 15.4, 15.6, 15.8, 15.9, 16, 17, 18.7 and 28; and/or
  - (ii) CONTRACTOR's liability which is connected with (or, but for a failure by the CONTRACTOR to comply with its obligations under this Contract, would have been connected with) an insured risk under any insurance policy effected in accordance with this Contract.

15.8 Criminal Misappropriation or Misapplication

Notwithstanding any other provision of this Contract, CONTRACTOR hereby releases and agrees to indemnify and hold harmless COMPANY from any and all Claims arising from or related to any criminal misappropriation or misapplication by any CONTRACTOR Personnel of any property, whether tangible or intangible, occurring during the course of or in connection with

the performance of the WORK. CONTRACTOR shall obtain similar indemnities running to COMPANY from each Subcontractor.

15.9 Subrogation

Upon the payment of any claim for which COMPANY is liable hereunder, COMPANY shall be subrogated to all the rights and remedies of CONTRACTOR arising out of such claim.

15.10 Breach of Law

CONTRACTOR shall defend, indemnify and hold harmless Company Group from and against any Claims (including libels, maritime liens and other liens, claims, charges, encumbrances, suits or penalties which may be filed on or levied upon COMPANY, CONTRACTOR Group member or any Marine Craft) in connection with any breach of any international maritime laws, regulations or requirements; or any laws restricting the use or possession or firearms, explosives, alcohol, pornography or other controlled or prohibited substances, by any member of the CONTRACTOR Group.

16. INSURANCE

16.1 CONTRACTOR Insurances

CONTRACTOR shall carry and maintain in force at all times during the term of this Contract the following insurances:

16.1.1 Workers' Compensation and Employer's Liability

Employer's Liability and such Worker's Compensation Insurance or similar social insurance as shall be necessary and adequate to cover all CONTRACTOR Personnel while engaged in the performance of the WORK under this Contract.

16.1.2 Comprehensive General Liability

Normal and customary general liability insurance coverage in regards to all the WORK, with minimum policy limits for any loss occurring:

(i) Onshore:

of not less than ten million U.S. Dollars (US\$10,000,000) per occurrence for personal injury, death, or property damage, and including sudden and accidental pollution coverage

(ii) Offshore:



of not less than one hundred million U.S. Dollars (US\$100,000,000) per occurrence for personal injury, death or property damage, and including sudden and accidental pollution coverage.

16.1.3 Automobile Liability

Automobile liability insurance covering owned, non-owned and hired motor vehicles, with limits of not less than two million U.S. Dollars (US\$2,000,000) or the then-current applicable minimum legal requirement (whichever is greater) for personal injury, death, or property damage resulting from each occurrence.

16.1.4 Marine Operations

In addition to the insurance required by Paragraph 16.1.2, if the performance of this Contract requires CONTRACTOR to use Marine Craft, CONTRACTOR shall carry or require the owners of such Marine Craft to carry marine insurance with policy limits adequate to cover and protect:

- (i) the full value of such Marine Craft and all other marine equipment, if any, engaged in the WORK;
- (ii) injury to or death of all personnel engaged in WORK on Marine Craft;
- (iii) any other liability, including contractual liability and pollution liability related to this Contract that may result from the operation of such Marine Craft, with a policy limit of not less than one hundred million U.S. Dollars (US\$100,000,000) per occurrence and a separate limit of no less than one hundred million U.S. Dollars (US\$100,000,000) per occurrence for pollution.

16.1.5 Marine Cargo in Transit

All risk marine cargo and inland transit insurance to cover all CONTRACTOR supplied Materials from the point of origin at manufacturer's site, and for all COMPANY supplied Materials from the point of delivery to the CONTRACTOR, until such time as the Materials reach their final designated Lay Down Yard at the Job Site, or the installation location at the Job Site (whichever is earlier), including but not limited to during transportation by sea, air and land, while in temporary storage, and during all loading and unloading.

16.1.6 Aviation Liability

If the performance of this Contract requires the use of aircraft owned or leased by any member of CONTRACTOR Group (including helicopters), CONTRACTOR shall carry, or require the applicable CONTRACTOR Group member or owners of such aircraft to carry Aviation Liability Insurance, including Passenger Legal Liability, with a limit not less than fifty million U.S. Dollars (US\$50,000,000) applicable to bodily injury, sickness or death and loss of or damage to property of third parties.

16.1.7 Professional Indemnity

CONTRACTOR shall have the benefit of Professional Liability / Errors & Omissions Insurance with a limit of not less than ten million U.S. Dollars (US\$10,000,000) for each claim and in the annual aggregate.

16.2 CONTRACTOR Liable for Full Amount of Losses

COMPANY and CONTRACTOR agree that the insurance coverages listed under Paragraph 16.1 are minimum coverages required to be purchased by CONTRACTOR under this Contract. Should any loss occur for which CONTRACTOR is responsible under this Contract, CONTRACTOR's liability is not limited by the amount of required or available insurance. CONTRACTOR remains liable for the full amount of the loss (subject to any limitations set forth in Paragraph 15 or otherwise in this Contract), including the amount in excess of CONTRACTOR Group's insurance limits and deductible amounts applicable to such insurance coverages.

16.3 Insurance Policies and Certificates

If requested by COMPANY, CONTRACTOR shall have its insurance carrier(s) furnish to COMPANY insurance certificates specifying the types and amounts of coverage in effect and the expiration dates of each policy, and a statement that no insurance will be cancelled or materially changed without thirty (30) days prior written notice to COMPANY. If requested by COMPANY, CONTRACTOR shall permit COMPANY to examine the original insurance policies or at COMPANY's option, CONTRACTOR shall furnish COMPANY with copies of insurance policies certified by the carrier(s) as being true and complete copies of the original policies. COMPANY's approval of or non-objection to CONTRACTOR's insurance certificates or policies shall not relieve CONTRACTOR of any obligation or liability under this Contract.

16.4 Rights of Subrogation

All insurance coverages obtained by CONTRACTOR or another member of CONTRACTOR Group pursuant to Paragraph 16.1, shall include waivers by the carrier of all rights of subrogation against COMPANY and its Affiliates, Other Contractors and the subcontractors, personnel or agents of any of them. In addition to the foregoing, and if the provisions of Paragraph 16.1.4 apply, CONTRACTOR shall have its marine insurance carriers waive all rights of subrogation against Company Group and Other Contractors, their subcontractors, and the personnel or agents of any of them. CONTRACTOR must also ensure that the marine insurance required in Paragraph 16.1.4 is procured with no less than the minimum limit indicated in this Contract. Comprehensive General and Automobile Liability and Marine Liability Insurance policies shall designate COMPANY as an additional insured as regards COMPANY's liabilities for WORK performed by CONTRACTOR pursuant to this Contract. Such policies shall contain a cross liability and/or a co-insured clause such that COMPANY and CONTRACTOR are regarded as third parties to each other.

16.5 Subcontracting

If CONTRACTOR subcontracts any part of the WORK, CONTRACTOR shall not require Subcontractors to insure against liability waived by COMPANY pursuant to Paragraph 15.2. CONTRACTOR shall require its Subcontractors to maintain insurances specified in the subcontracts, and shall further require that provisions giving COMPANY the rights specified in Paragraphs 16.3 and 16.4 be included in such subcontracts.

17. ENVIRONMENTAL IMPACT

17.1 CONTRACTOR shall use its best efforts to prevent and take all reasonable precautions to avoid pollution or contamination of the land, air or water arising out of CONTRACTOR's or its Subcontractors' performance of the WORK. Should there be a discharge or escape of any appreciable quantity of Pollutants or contaminants during the performance of the WORK, CONTRACTOR shall immediately notify COMPANY in writing, take all appropriate actions to stop and contain the discharge or escape, and comply with all applicable laws and regulations.

17.2 Subject to Paragraph 17.3, CONTRACTOR assumes all liability and indemnifies COMPANY for any and all expenses and costs incurred in the control, removal, and restoration as per the applicable laws and regulations of any and all Pollutants contaminating the land, air or water and arising out of CONTRACTOR's or CONTRACTOR Group's negligence or misconduct.

17.3 CONTRACTOR's liability under Paragraph 17.2 above in relation to pollution emanating from the FACILITIES or SAUDI ARAMCO Other Property shall be:

- 17.3.1 limited to ten million U.S. Dollars (US\$10,000,000) per occurrence for incidents occurring Onshore which are caused by the negligence of any CONTRACTOR Group member;
  - 17.3.2 limited to one hundred million U.S. Dollars (US\$100,000,000) per occurrence for incidents occurring Offshore which are caused by the negligence of any CONTRACTOR Group member; and
  - 17.3.3 unlimited in relation to pollution resulting from the fraud or willful misconduct of any CONTRACTOR Group member.
- 17.4 At the same time the initial WORK Schedule is prepared as provided in Paragraph 7.3, CONTRACTOR shall prepare and submit to COMPANY a contingency plan designed for use if any appreciable quantity of pollutants or contaminants should be discharged or escape during the performance of the WORK. The contingency plan shall include: actions to be taken should such an incident occur; provisions for the notification of COMPANY and others; the delegation of responsibility for the direction of efforts to contain, control, recover or disperse the pollutants or contaminants; and safety procedures to be followed.
- 17.5 CONTRACTOR shall, at COMPANY's direction remove from the Job Site, or locations along routes of travel to the Job Site and including the sea or sea bed located in Saudi Arabian territorial waters, at CONTRACTOR's expense, all CONTRACTOR Tools and Equipment (including incapacitated or sunken vessels), spilled material, unused Materials, rubbish, unusual materials or other such items. In the event of CONTRACTOR's failure to discharge this obligation, COMPANY may accomplish the same or have it accomplished by others, all at CONTRACTOR's expense.
- 17.6 CONTRACTOR shall comply with all applicable laws and regulations, including all regulations issued under or by international environmental conventions and regulatory bodies.

18. TITLE TO DESIGNS, CONFIDENTIAL INFORMATION AND PATENTS

18.1 COMPANY-Provided Documents

All technical data, standards, specifications, designs, drawings and the like furnished to CONTRACTOR by COMPANY are and shall continue to be the property of COMPANY at all times. Neither CONTRACTOR nor any Subcontractor shall reproduce or copy any such materials in whole or in part except as required to perform the WORK. All such material together with all reproductions or copies of it shall be returned to COMPANY (or with Approval, destroyed and certification of such destruction provided to the Company Representative in writing) within twenty (20) days following Mechanical Completion or termination of this Contract.

18.2 CONTRACTOR Developed Documents

Except for proprietary standard details, and such other designs, drawings and calculations as are considered proprietary by CONTRACTOR and of which COMPANY is given notice as provided below, all designs, drawings and calculations developed by CONTRACTOR or its Subcontractors, and all Software initially and specifically developed by CONTRACTOR or its Subcontractors under this Contract shall at all times be the property of COMPANY. COMPANY shall have the unlimited and unrestricted right to use, possess or disseminate such material for any purpose. Other than standard design details clearly marked as such wherever utilized, CONTRACTOR shall not incorporate or procure any material considered proprietary by CONTRACTOR or its Subcontractors into designs or drawings developed under this Contract without first informing COMPANY of the nature of the proprietary material and obtaining Approval of its incorporation. CONTRACTOR hereby grants COMPANY a royalty free, non-exclusive, perpetual, nontransferable license to use all proprietary standard design details, and other proprietary material incorporated, and to make copies thereof for use only with the FACILITIES. CONTRACTOR shall keep all designs, drawings and calculations in a neat and legible manner as required by COMPANY and, following completion of the WORK, shall deliver all hard copy originals of all such materials to COMPANY, along with any electronic versions not previously provided. CONTRACTOR may retain an electronic or hard copy original of its work product for its records, but shall not without Approval reproduce any material that is the property of COMPANY.

18.3 Title to Software

Except as described in Paragraph 18.2, Software and enhancements developed by CONTRACTOR or its Subcontractors for the Computer System remain the property of CONTRACTOR. An “**enhancement**” is Software which improves the Computer System, but which is not described in Schedule “B” and not specifically developed for the Computer System. CONTRACTOR hereby grants COMPANY a royalty free, non-exclusive, perpetual, nontransferable license to use all such Software and enhancements on the Computer System and to make copies of the Software and enhancements for use only with the Computer System.

18.4 Intellectual Property Rights

If any design, drawing, calculation or Software developed under this Contract results in any device, idea, process, or technology, whether patentable or not, all rights to that device, idea, process, or technology shall be the property of COMPANY. Accordingly, CONTRACTOR shall execute any patent applications, assignments, releases, plans, drawings, papers, and/or instruments which COMPANY may require in order to fully enjoy the

provisions of this Paragraph; provided, however, that COMPANY shall reimburse CONTRACTOR for any costs incurred by CONTRACTOR in assisting COMPANY in the perfection of the latter's rights hereunder. CONTRACTOR represents that all CONTRACTOR Personnel, including agency personnel, and the personnel of its Subcontractors have agreed to assign to CONTRACTOR all discoveries, inventions and improvements made.

18.5 No Disclosure

Except as specifically permitted by the terms of this Contract or otherwise authorized in writing by COMPANY, CONTRACTOR shall not, and shall ensure that Subcontractors and CONTRACTOR Personnel shall not, duplicate, use, or disclose any information supplied by or on behalf of COMPANY during the course of the WORK or thereafter so long as, and to the extent that, the information has not become part of the public domain, or does not correspond to information furnished or made known to CONTRACTOR by a third party without restriction as to its use. To the extent COMPANY Approves any disclosure pursuant to this Paragraph, CONTRACTOR shall ensure that any third party it discloses information to, including any Subcontractor or CONTRACTOR Personnel, executes a confidentiality agreement containing provisions protecting such disclosed information from further disclosure that are no less stringent than those contained herein and which grant both COMPANY and CONTRACTOR the right to directly enforce such provisions. CONTRACTOR shall provide copies of such confidentiality agreements to COMPANY upon its request.

18.6 Limitation of Disclosure

CONTRACTOR shall limit its disclosure of any information supplied by COMPANY in connection with this Contract to those of its personnel and Subcontractors who require it for the performance of the WORK. If COMPANY designates any other person who may receive such information, CONTRACTOR shall obtain from each such person a written agreement obligating them with respect to such information to the same extent that CONTRACTOR is obligated under this Contract.

18.7 CONTRACTOR Infringement Warranty

CONTRACTOR warrants that any designs, drawings and calculations developed, any Software developed or procured, and any Materials procured by CONTRACTOR and its Subcontractors under this Contract shall not infringe any valid patent, copyright or trade secret owned or controlled by any other party. As regards such designs, drawings, calculations, Software, and Materials, CONTRACTOR agrees to indemnify and hold COMPANY harmless from any Claims, losses, expenses or damages arising out of or incurred by reason of any actual or alleged

infringement of any patent, copyright or trade secret. If COMPANY's right to use such designs, drawings, calculations, Software, or Materials is enjoined or otherwise restrained or precluded as a result of a claim of infringement, CONTRACTOR shall either procure for COMPANY the right to use the infringing item, replace the infringing item with a substantially compatible and functionally equivalent non-infringing item, or remove the infringing item and compensate COMPANY for the costs associated with procuring and installing a suitable substitute.

18.8 COMPANY Infringement Warranty

COMPANY warrants that the use by CONTRACTOR in its performance of the WORK of the technical data, standards, specifications and similar information furnished by COMPANY to CONTRACTOR for use in accomplishing the WORK shall not infringe any valid patent, copyright or trade secret owned or controlled by any other party. As regards such information COMPANY agrees to indemnify and hold CONTRACTOR harmless from any losses, expenses or damages arising out of or incurred by reason of any actual or alleged infringement of any patent, copyright or trade secret.

18.9 Export Control and Economic Sanctions Requirements

18.9.1 CONTRACTOR agrees that it will not transfer or transmit (orally, visually by electronic media or otherwise), disclose, ship, export, or re-export either directly or indirectly any technical data (including but not limited to models, prototypes, blueprints, operating manuals, or technical services) furnished to it by or on behalf of COMPANY or its Affiliates pursuant to this Contract, or any direct product based on or resulting therefrom (including but not limited to equipment, plant, process or service):

- a) To any persons, parties, organizations, or entities identified in United States and European Union Government restricted, sanctioned, embargoed, or denied parties lists; and
- b) To any country, end user, or destination to which, or for any end use for which, the transmission, disclosure, shipment, transfer, retransfer, export or re-export of export controlled technical data or direct product based on or resulting therefrom is proscribed under the laws or regulations of the United States or the European Union.

18.9.2 CONTRACTOR agrees to obtain an undertaking identical in terms to the foregoing from any Subcontractor performing work under this Contract which is given access to any technical data furnished by or on behalf of COMPANY or its Affiliates.

18.10 Confidentiality

Any agreements between CONTRACTOR and COMPANY entered into prior to the Effective Date relating to the secrecy or confidentiality of information exchanged between CONTRACTOR and COMPANY shall continue in full force and effect following the execution of this Contract, in accordance with the terms of such agreements.

19. CLAIMS SETTLEMENT; DISPUTES

19.1 Early Notification

CONTRACTOR shall comply with the notification periods required by Paragraphs 8.2, 9.2 or elsewhere in this Contract in accordance with their terms. With respect to any items or events not falling within those Paragraphs, CONTRACTOR shall inform Company Representative in writing as promptly as practicable, and in any case within thirty (30) days following the occurrence or discovery, of any item or event which CONTRACTOR knows, or reasonably should know, may result in a request for additional or reduced compensation under this Contract. COMPANY and CONTRACTOR shall endeavor to satisfactorily resolve the matter. Failure by CONTRACTOR to provide the written notice within the applicable period required by this Contract shall be a waiver of all of CONTRACTOR's rights to any extension of time or additional compensation with respect to the issue(s).

19.2 Exhaustion of Administrative Remedies between CONTRACTOR and Company Representative

Should resolution of the issue(s) notified by CONTRACTOR pursuant to Paragraph 19.1 not be disposed of by Company Representative to CONTRACTOR's satisfaction within a reasonable time, CONTRACTOR may send a written request to the Company Representative, with copy to SAUDI ARAMCO Project Management Office Department ("SA PMOD") at the address below, requesting that the Company Representative seek a recommendation for resolution of the issue(s) from the SA PMOD.

The Manager  
Project Management Office Department  
Attention: Supervisor, Contract Coordination Unit  
Saudi Arabian Oil Company  
P.O. Box 1500  
Dhahran 31311  
Saudi Arabia

The Company Representative will confirm its recommendation request to SA PMOD at which time SA PMOD will provide a recommendation for the



Company Representative's sole use in responding to the CONTRACTOR with a written disposition.

19.3 Notification Procedure

Should the mechanisms for the resolution of issue(s) set forth in Paragraphs 19.1 and 19.2 (which are preconditions to initiating a request pursuant this Paragraph 19.3) do not dispose the issue(s) to CONTRACTOR's satisfaction within a reasonable period of time, CONTRACTOR shall promptly provide written supplemental notice of all elements of the issue(s) involved, including any request for an extension of time or for additional or reduced compensation under this Contract (a "**Request**") in quadruplicate to COMPANY at the address below including a digital copy in color PDF format. Failure to provide COMPANY such supplementary notice, or failure to supply COMPANY with information sufficient to evaluate CONTRACTOR's Request, may foreclose further consideration of any CONTRACTOR claim based on such issue(s), at COMPANY's discretion.

Aramco Overseas Company, B.V.  
c/o The Manager  
Contracting Department  
Attention: Supervisor, Claims Unit  
Saudi Arabian Oil Company  
P.O. Box 1500  
Dhahran 31311  
Saudi Arabia

19.4 Limitation of Claims

Within sixty (60) days after COMPANY's receipt of the Request as provided pursuant to Paragraph 19.3, and as a precondition to initiating resolution of a dispute by way of Notice of Appeal filed as provided in Paragraph 1 of Schedule "E", CONTRACTOR shall file with COMPANY a written description of all elements of the Request, accompanied by itemized supporting data identifying, to the extent practicable, the effect of the issue(s) on time for completion of the WORK or any separable portion thereof and the amount of additional or revised compensation claimed by CONTRACTOR. Such supporting data shall include, but is not limited to, applicable planned and actual progress curves, invoice logs with supporting progress calculations, change order logs and change order documents, monthly, weekly, and/or daily reports, minutes of meetings, requests for Standby time and resulting manpower reports, Purchase Order logs and files, material receiving reports, drawing logs, equipment lists, and printed and electronic copies of initial, COMPANY reviewed, and all subsequent marked up, updated, or revised versions of the WORK Schedule. Failure by CONTRACTOR to provide such written description with supporting data within said sixty (60) day period shall be deemed conclusively to be a waiver

of all of CONTRACTOR's rights to any extension of time for completion or to additional compensation with respect to the issue(s).

19.5 Settlement of Disputes

Should CONTRACTOR and COMPANY be unable to agree upon a settlement of any Request, COMPANY shall provide its written determination as to the Request and the outstanding issue(s) shall be treated as an unresolved dispute in accordance with Schedule "E".

19.6 CONTRACTOR to Continue to Perform Work

Should any dispute arise between COMPANY and CONTRACTOR during CONTRACTOR's performance of the WORK, CONTRACTOR shall, unless COMPANY directs otherwise, continue diligently to perform the WORK and any additional WORK that COMPANY may direct CONTRACTOR to perform pursuant to Paragraph 9 or any other provision of this Contract.

20. CONFLICT OF INTEREST

20.1 CONTRACTOR shall comply with the terms and conditions of the COMPANY Supplier Code of Conduct, which is hereby incorporated by reference.

20.2 Except for customary promotional material and occasional business entertainment, limited in value in any instance to the reasonable cost of a business meal, and other than as specifically authorized under the terms of this Contract, CONTRACTOR shall not give, offer, or accept, and warrants that it has not given, offered or accepted, directly or indirectly any money, personal services, credit or other thing of value, to or from:

20.2.1 COMPANY or its Affiliates, or

20.2.2 Any of their agents, independent contractors or subcontractors, or

20.2.3 The employees of any of the foregoing, or

20.2.4 The family members (parents, spouse, children) of any of the foregoing.

in order to influence the award of this or any other contract that has been or may be awarded by COMPANY, or the terms, performance, administration, extension or termination of any such contract.

20.3 COMPANY prohibits any former COMPANY employee who held a position within COMPANY at the level of Department Head or higher from being employed by, performing services for, entering into a consultancy services agreement with, or acquiring any ownership interest in any company that

does or seeks to do business with COMPANY for a period of two (2) years following their employment with COMPANY. CONTRACTOR agrees that it shall not hire, employ, engage as a consultant, procure the services of, or allow acquisition of any ownership interest of CONTRACTOR or its Affiliates by any current employee of COMPANY, or by any former employee who has held a position within COMPANY at the level of "Department Head" or higher. This restriction pertaining to former employees shall be valid for a period of two (2) years following the time that such individual is no longer an employee of COMPANY. Exceptions to this restriction may be granted in writing by the SAUDI ARAMCO Conflict of Interest & Business Ethics Committee, in its absolute discretion.

20.4 CONTRACTOR shall ensure that all members of CONTRACTOR Group comply with the requirements of this Paragraph 20.

20.5 Any violation of the provisions of this Paragraph 20 shall constitute a material breach of this Contract which, without prejudice to COMPANY's right to enforce any other remedy provided by law or this Contract, shall allow COMPANY to terminate this Contract for default and recover damages including, but not limited to, any increased costs incurred by COMPANY as a result of such breach.

21. SCHEDULE RECOVERY

21.1 CONTRACTOR Directed Schedule Recovery

Without limiting or prejudicing any of the obligations and/or liabilities of CONTRACTOR under this Contract, if there is a delay in the progress of WORK such that any Critical Milestone Date shall not be or has not been achieved or such that Mechanical Completion shall not be or has not been achieved by the Scheduled Mechanical Completion Date, CONTRACTOR shall, at its cost and expense, immediately take all necessary steps to expedite the rate of progress of the WORK, including (as may be appropriate):

21.1.1 the use of additional personnel and/or labor;

21.1.2 the use of overtime work shifts or more work shifts;

21.1.3 the use of additional CONTRACTOR Tools and Equipment;

21.1.4 the use of air freighting; and/or

21.1.5 substitution of higher grade Materials or specifications, subject to Approval.

21.2 Corrective Action Plan

If, at any time COMPANY reasonably believes that due to the progress of the WORK any Critical Milestone shall not be achieved or that Mechanical

Completion shall not be achieved by the Scheduled Mechanical Completion Date, COMPANY may in its discretion require CONTRACTOR to prepare and provide it with a corrective action plan whereby CONTRACTOR details, to the satisfaction of COMPANY, how it intends to complete the WORK by the Critical Milestone Dates and/or Scheduled Mechanical Completion Date (as applicable), including any proposed revisions to the WORK Schedule. Where COMPANY so requires CONTRACTOR to prepare and provide it with a corrective action plan, the following shall apply:

- 21.2.1 CONTRACTOR shall promptly (and in any event within ten (10) days from receipt of COMPANY's notice requiring a corrective action plan) prepare and submit a corrective action plan to COMPANY (addressing, as appropriate, why the delay occurred; the proposed corrective actions, which shall be documented and recorded in detail; and a progress forecast based on implementing the proposed corrective actions), for COMPANY's review and Approval;
- 21.2.2 If COMPANY requires changes to CONTRACTOR's proposed corrective action plan, CONTRACTOR shall consult with COMPANY and shall thereafter promptly (and in any event within five (5) days of receipt of COMPANY's comments) amend and resubmit the corrective action plan;
- 21.2.3 The process in Paragraph 21.2.2 above shall be repeated as many times as is necessary until COMPANY has approved a corrective action plan that has been so amended and resubmitted by CONTRACTOR (the plan once approved by COMPANY shall be the "**Corrective Action Plan**");
- 21.2.4 CONTRACTOR shall implement, at its risk, cost and expense and without any additional compensation, the measures set out in the Corrective Action Plan in accordance with that Corrective Action Plan and otherwise in accordance with Good Engineering Practice; and
- 21.2.5 If, in COMPANY's reasonable opinion, it becomes apparent that the Corrective Action Plan is insufficient to assure that the Critical Milestones will be achieved or that Mechanical Completion will not be achieved by the Scheduled Mechanical Completion Date, COMPANY may require CONTRACTOR to submit a revised corrective action plan, in which case Paragraphs 21.2.1 to 21.2.4 (inclusive) shall apply and the revised corrective action plan shall become the new Corrective Action Plan.

21.3 COMPANY Supplementation

- 21.3.1 Without limiting or prejudicing any of the obligations and/or liabilities of CONTRACTOR under this Contract, if there is a delay in the

progress of WORK such that any Critical Milestone shall not be achieved or that Mechanical Completion shall not be achieved by the Scheduled Mechanical Completion Date (in either case, as determined in the reasonable opinion of COMPANY), COMPANY may, upon fourteen (14) days prior written notice, at its option (and without regard to whether or not Paragraph 21.1 or 21.2 has been applied), hire additional personnel, labor and/or equipment to augment CONTRACTOR's forces, for which the costs and expenses will be charged to and compensated by CONTRACTOR. CONTRACTOR shall accept, at its risk, and use any such personnel, labor and/or equipment in the most expedient manner, maximizing its use thereof in an effort to:

- a) prevent the relevant portions of the WORK being delayed beyond the Critical Milestone Dates and/or Mechanical Completion being delayed beyond the Scheduled Mechanical Completion Date; and/or
- b) where any Critical Milestone Date or the Scheduled Mechanical Completion Date (as applicable) has not been achieved, complete the WORK as quickly as practicable.

22. SUSPENSION OF WORK

22.1 COMPANY May Suspend

COMPANY may, at any time, with or without cause, suspend performance of the WORK or any part thereof by giving CONTRACTOR prior written notice specifying the WORK to be suspended and the effective date of such suspension. CONTRACTOR shall cease all activity on suspended WORK on the effective date of suspension but shall continue to prosecute any unsuspended WORK. CONTRACTOR shall take all actions necessary to maintain and safeguard the suspended WORK. Except as specifically provided in this Paragraph 22.1, COMPANY shall not be liable for loss of anticipated profits or for any damages or any other costs incurred with respect to suspended WORK during the period of suspension. If the suspension is not due to CONTRACTOR fault, negligence or failure to comply with the requirements of this Contract, COMPANY shall pay via Change Order reasonable, auditable and verifiable costs that:

- 22.1.1 Are incurred for the purpose of safeguarding the WORK and materials and equipment in transit to or at the WORK Site;
- 22.1.2 Are incurred for such CONTRACTOR or Subcontractor personnel, or for such CONTRACTOR or Subcontractor equipment, which CONTRACTOR continues to maintain, at COMPANY's request, at the WORK Site; or

22.1.3 Are otherwise reasonable and unavoidable costs of suspending the WORK and of reassembling and remobilizing personnel and equipment.

22.2 Resumption of Work

COMPANY may, at any time, authorize resumption of all or any part of the suspended WORK by giving written notice to CONTRACTOR specifying the part of WORK to be resumed and the effective date of the resumption. CONTRACTOR shall promptly resume the suspended WORK upon receipt of such written notice. Upon resumption of the suspended WORK, COMPANY shall initiate a Change Order pursuant to Paragraph 9 setting forth any required adjustments to the Scheduled Mechanical Completion Date, Critical Milestone Dates or compensation to CONTRACTOR that result from the suspension of the WORK under this Paragraph.

23. TERMINATION FOR COMPANY CONVENIENCE

23.1 Termination for Convenience

COMPANY may at any time and at its sole convenience terminate this Contract or any part of the WORK by giving written notice to CONTRACTOR specifying the extent and the effective date of the termination (“**Termination Date**”). Should COMPANY terminate this Contract or any part of the WORK in accordance with this Paragraph 23, CONTRACTOR shall immediately stop performance of the terminated WORK, and demobilize within ninety (90) days unless otherwise directed by COMPANY.

23.2 Termination Compensation

Subject to the provisions of Paragraph 23.3, CONTRACTOR shall accept in full and final settlement of all CONTRACTOR entitlements of any kind for performance of terminated WORK up to the Termination Date or arising from any termination under this Paragraph 23 compensation (“**Termination Compensation**”) for:

23.2.1 Amounts payable under the terms of this Contract for all completed Milestones or other elements of the WORK that have been completed and for which a specific portion of the Contract Price is allocated;

23.2.2 All reasonable, auditable and verifiable costs necessarily incurred by CONTRACTOR on or before the Termination Date attributable to terminated WORK in progress not covered by the amounts payable per Paragraph 23.2.1; and

23.2.3 All reasonable, auditable and verifiable costs necessarily incurred by CONTRACTOR after the Termination Date as a direct result of

the termination including costs arising from compliance with CONTRACTOR's obligations in this Paragraph and Paragraph 26; and

23.2.4 An amount equal to ten percent (10%) of the sum of the amounts due under Paragraphs 23.2.2 and 23.2.3.

23.3 Retention from Termination Compensation

Termination Compensation shall be subject to the retention requirements of Paragraph 6 of Schedule "C", shall be reduced by all amounts previously paid to CONTRACTOR under Schedule "C" for performance of terminated WORK before the Termination Date (even if resulting in a credit to COMPANY), and shall exclude compensation for depreciation, liquidation, the unexpired portion of leases for capital equipment and facilities, or other capital costs attributable to WORK not to be performed as a result of the termination. The amount due under Paragraph 23.2 shall exclude compensation paid by CONTRACTOR to any Affiliate acting as a Subcontractor to settle its entitlements of any kind arising from terminated WORK to the extent such compensation is not a reasonable, auditable and verifiable cost incurred by the Affiliate Subcontractor attributable to terminated WORK. Specifically, compensation in the nature of Paragraph 23.2.4 shall not be paid by COMPANY in respect of such Affiliate Subcontractors. The Termination Compensation due under Paragraph 23.2, less reductions and exclusions under this Paragraph 23.3, shall in no event exceed the Contract Price less the portion of the Contract Price previously paid to CONTRACTOR.

23.4 Invoicing Payments

CONTRACTOR shall promptly invoice COMPANY for compensation due under this Paragraph 23 identifying the specific amounts asserted to be due under each of Paragraphs 23.2.1, 23.2.2, 23.2.3, and 23.2.4, less reductions and exclusions under Paragraph 23.3. COMPANY shall promptly pay such amounts upon receipt and verification by COMPANY of CONTRACTOR's invoice.

23.5 Auditing Requirements

Notwithstanding any other provision of this Contract, COMPANY shall have the right to audit all of CONTRACTOR's records for the purpose of verifying compensation paid for terminated WORK, including Lump Sum and Work Unit Basis compensation paid pursuant to Schedule "C".

24. TERMINATION BY COMPANY FOR CAUSE

24.1 Termination For Cause

Should CONTRACTOR commit a substantial breach of any of the provisions of this Contract, COMPANY may demand in writing that CONTRACTOR comply with the provisions thereof. If within fourteen (14) days thereafter CONTRACTOR fails to remedy the breach, or in the case of breaches not reasonably cured within fourteen (14) days, fails to commence and continue diligently to completion with such remedy, then COMPANY may, without prejudice to any other rights or remedies that may be available to it, terminate this Contract, either in whole or in part. Such termination shall be effective upon the later of: A) the termination date stated in such notice, or B) the receipt by CONTRACTOR of COMPANY's written notice of termination.

Should CONTRACTOR be the subject of an Insolvency Event, then the initial notice of breach and demand for performance as provided above need not be provided, and COMPANY may terminate this Contract, in whole or in part, at any time following such Insolvency Event by written notice of termination.

24.2 Effect of Termination

When termination under Paragraph 24.1 becomes effective, CONTRACTOR shall immediately stop performance of the terminated WORK. COMPANY shall retain all amounts which are then or thereafter would otherwise become due and payable to CONTRACTOR. If the cost to COMPANY of completing the terminated WORK is greater than the remaining compensation COMPANY would have paid CONTRACTOR for completing such WORK pursuant to this Contract, then COMPANY shall deduct the difference from the retained amounts. If the difference exceeds the retained amounts, CONTRACTOR shall pay COMPANY that difference within thirty (30) days of being invoiced therefore by COMPANY. Should for any reason a termination of this Contract for cause be later deemed without sufficient basis or otherwise improper, whether as a result of arbitration or otherwise, COMPANY shall pay, and CONTRACTOR agrees to accept in full and final settlement of all obligations, losses, costs, lost profits and damages connected with such termination, the amounts calculated in accordance with Paragraph 23.

25. TERMINATION BY CONTRACTOR

25.1 Termination

Should COMPANY commit a material breach of this Contract, CONTRACTOR may demand, in writing, that COMPANY comply with the terms of this Contract. If within ten (10) days after receipt of such a demand, COMPANY has failed to take satisfactory steps to comply, or within thirty



(30) days COMPANY has not remedied the breach, CONTRACTOR may, without prejudice to the exercise of any other rights or remedies which may be available to it, terminate this Contract by giving COMPANY notice to that effect. Should COMPANY commit an act of bankruptcy, or seek legal or equitable relief for reasons of insolvency, or become unable to meet its financial obligations, CONTRACTOR may, without prejudice to the exercise of any other rights or remedies which may be available to it, terminate this Contract by giving COMPANY notice to that effect. Such termination shall be effective on the date COMPANY receives CONTRACTOR's notice.

#### 25.2 Effect of Termination

Should CONTRACTOR terminate this Contract pursuant to Paragraph 25.1, COMPANY shall pay and CONTRACTOR agrees to accept in full and final settlement of all obligations, losses, costs, lost profits and damages connected with such termination the amounts calculated in accordance with Paragraph 23.

### 26. CONTRACTOR OBLIGATIONS UPON SUSPENSION OR TERMINATION

CONTRACTOR shall minimize all costs to COMPANY resulting from a suspension under Paragraph 22, termination for convenience under Paragraph 23, or termination by CONTRACTOR under Paragraph 25. Unless otherwise directed in writing by COMPANY, CONTRACTOR shall enter into no further contracts or other obligations, and immediately make every reasonable effort to terminate or suspend subcontracts, Purchase Orders and other obligations, other than as may be required to complete those portions of the WORK not suspended or terminated. If COMPANY so directs, CONTRACTOR shall execute and deliver all documents required to fully vest in COMPANY CONTRACTOR's rights in subcontracts, Purchase Orders and other obligations. CONTRACTOR shall take any action that may be necessary, or that COMPANY may direct, for the protection and preservation of WORK in progress.

### 27. FORCE MAJEURE

#### 27.1 Effect of Force Majeure

If either Party is rendered unable, wholly or in part, by force majeure to perform its obligations under this Contract, it is agreed that performance of such obligations by such Party, so far as they are affected by force majeure, shall be excused from the inception of any such inability until it is corrected or relieved, but for no longer period. The Party claiming an inability to perform shall, immediately upon the occurrence of the force majeure event, notify the other Party in writing of the nature, date of inception and expected duration of the force majeure event and the extent to which it will prevent the Party giving such notice from performing its obligations under this Contract. The Party claiming inability to perform must make all reasonable efforts to minimize the delay to the WORK as a result of the occurrence of an event of force majeure.

27.2 Events of Force Majeure

27.2.1 The term “**force majeure**” shall mean any of the following acts, events, or circumstances which renders a Party unable to perform its obligations, which in each instance is not reasonably foreseeable, cannot be sufficiently mitigated by reasonable efforts, and the cause of which and the inability to perform is not caused by any act or omission of the Party asserting force majeure (or in the case of the CONTRACTOR, on the part of the affected Subcontractor or an Other Contractor): war, hostilities (whether or not war has been declared), civil commotion, riot, insurrection, public demonstration, sabotage, acts of vandalism, fire, flood, earthquake, deadly epidemic, explosion, aircraft crashes or things falling from aircraft, release of ionizing radiation or contamination by radioactivity, blockades, any strike, lock-out or other industrial trade dispute (not involving solely the employees of the Party or other entity claimed to have experienced force majeure).

27.2.2 The following are specifically excluded as force majeure events and shall not constitute a basis for any extension of the WORK Schedule, any Critical Milestone, or the Scheduled Mechanical Completion Date, under this Contract:

- a) Late performance by a Subcontractor caused by a shortage of labor supervision, materials, inefficiencies, or similar occurrences;
- b) Late delivery of CONTRACTOR-supplied Materials by any Subcontractor due to congestion at a manufacturer’s plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences;
- c) Any inability to obtain Iqamas or visas or renewal of Iqamas or visas for expatriate workers;
- d) Events or circumstances involving a previous or existing condition existing on or before the Effective Date; and
- e) Changes in market conditions.

27.3 Prolonged Force Majeure

Should the WORK be delayed for more than forty-five (45) consecutive days as a result of a single force majeure, COMPANY at its option may either suspend the WORK affected pursuant to Paragraph 22 or terminate this Contract or the portion of the WORK involved pursuant to Paragraph 23. Neither Party shall be liable to the other for costs incurred by the other as a result of any delay or failure to perform arising out of force majeure, other

than amounts payable in accordance with the terms of Paragraphs 22 or 23, where invoked by COMPANY.

27.4 Standby Time

CONTRACTOR shall be entitled to reimbursement for Standby Time caused by war, hostilities (whether or not war has been declared), riots, and civil commotion, hostilities, insurrection or blockades, which occur in countries belonging to the Cooperation Council for the Arab States of the Gulf as of the Effective Date of this Contract, provided that CONTRACTOR takes all reasonable steps to minimize the effect of such events in accordance with Paragraph 27.1. The requirements of Paragraph 14.3 shall be applicable in respect of any Standby Time claimed under this Paragraph 27.4.

28. PUBLICITY RELEASES

Should CONTRACTOR or any Subcontractor desire to publish or release any materials of any kind concerning or relating to this Contract or to CONTRACTOR's or Subcontractor's activities in connection with this Contract, including any publicity, photos, website postings, or public relations materials, CONTRACTOR shall first submit such material to COMPANY for review. CONTRACTOR shall not publish or release, and shall ensure that its Subcontractors do not publish or release, any such material without COMPANY's Approval. CONTRACTOR agrees to indemnify and hold COMPANY harmless from any Claims losses, expenses and damages resulting from CONTRACTOR's failure to perform its obligations under this Paragraph 28.

29. GOVERNMENT RELATIONS ACTIVITIES

CONTRACTOR shall be fully responsible for conducting all government relations activities within Saudi Arabia on its own behalf and on behalf of CONTRACTOR Personnel. Government relations activities shall include all contacts with the Saudi Arab Government, its agencies and officials, concerning matters arising out of or connected with CONTRACTOR's performance of this Contract. If requested by CONTRACTOR, COMPANY may provide general guidance to assist CONTRACTOR in the conduct of such government relations activities; provided that COMPANY shall not be liable for any loss, claim or award as a result of providing such guidance to CONTRACTOR. CONTRACTOR shall indemnify, COMPANY from any loss, claim, or award resulting from CONTRACTOR's failure to perform its obligations under this Paragraph.

30. CYBERSECURITY REQUIREMENTS

30.1 CONTRACTOR shall comply with the most current version of the SAUDI ARAMCO Third Party Cybersecurity Standard, which is available on the SAUDI ARAMCO Electronic Contracting Network (ECN) or its replacement, as applicable. Capitalized terms used in this Paragraph and not otherwise defined in this Contract shall have the respective meanings given in the Third Party Cybersecurity Standard. Without limiting the foregoing,

CONTRACTOR shall meet the requirements in this Paragraph below in accordance with the specifications of the Third Party Cybersecurity Standard.

30.2 CONTRACTOR shall:

30.2.1 Access and use SAUDI ARAMCO Assets and Critical Facilities only as authorized by COMPANY and as required to conduct the WORK.

30.2.2 Use SAUDI ARAMCO issued credentials (login ID, password) to access systems only as required to conduct the WORK. CONTRACTOR shall not use such credentials to access Assets or Critical Facilities other than those to which COMPANY has specifically authorized access.

30.2.3 Take precautions to ensure that user IDs, passwords and authentication codes are stored securely.

30.2.4 Be responsible for the security, integrity and appropriate authorized use of CONTRACTOR's information systems, including those that interact at any time with a SAUDI ARAMCO system or are used to conduct business for COMPANY.

30.2.5 Implement any additional cybersecurity controls and secure communication technologies recommended by COMPANY to ensure the security of its systems.

30.3 If CONTRACTOR discovers a Cybersecurity Incident or encounters Suspicious Activities that relate to SAUDI ARAMCO Assets or CONTRACTOR systems that interact at any time with SAUDI ARAMCO Assets, CONTRACTOR shall follow the Incident Response Instructions in the Appendix A to the Third Party Cybersecurity Standard.

30.4 COMPANY reserves the right to conduct a Cybersecurity Assessment not more than once per calendar year or more frequently upon the occurrence of any of the following:

30.4.1 Suspicious Activities;

30.4.2 A Cybersecurity Incident in respect of a CONTRACTOR Assets; and

30.4.3 A Cybersecurity Incident in respect of a SAUDI ARAMCO Assets.

30.5 COMPANY reserves the right, exercisable at its sole discretion, to revoke the access of CONTRACTOR or any of its individual personnel or agents to any SAUDI ARAMCO Assets and disable the connections of CONTRACTOR's systems to SAUDI ARAMCO's systems. Such action shall be in addition to and not in substitution of any right available to COMPANY

under this Contract or at law and shall not relieve CONTRACTOR of any obligation to perform under this Contract

31. GENERAL PROVISIONS

31.1 Assignment and Benefit

This Contract shall be binding upon and inure to the benefit of the successors and assigns of the Parties to this Contract; however, this Contract may neither be assigned nor transferred, either in whole or in part, by CONTRACTOR without first obtaining the written consent of COMPANY.

31.2 No Waiver

31.2.1 No benefit or right accruing to either Party under this Contract shall be waived unless the waiver is reduced to writing and signed by both Parties. The waiver, in one instance, of any act, condition or requirement stipulated in this Contract shall not constitute a continuing waiver or a waiver of any other act, condition or requirement, nor a waiver of the same act, condition or requirement in other instances, unless specifically so stated.

31.2.2 Failure of any Party to exercise any of its rights under this Contract 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 Contract. Neither COMPANY's exercise of any of its rights of review, inspection or testing, nor CONTRACTOR's submission or updating, nor COMPANY's review, revision, certification, acceptance or approval of any documents prepared by CONTRACTOR, shall have the effect of amending, modifying, or limiting in any way the CONTRACTOR's obligations under this Contract, nor the effect of acknowledging or warranting that the designs, plans, or WORK Schedules contained in such documents are feasible or achievable.

31.3 Independent CONTRACTOR

CONTRACTOR agrees that it is and shall at all times be an independent contractor with respect to the WORK under this Contract. Neither CONTRACTOR, nor any Subcontractor nor the personnel of either of them shall be deemed to be the servants, agents or employees of COMPANY.

31.4 Third Parties

This Contract is not for the benefit of any third party nor shall it give any person or entity not a Party to this Contract any right to enforce its provisions.

31.5 Survival

The warranty, liability, indemnity, dispute resolution (including choice of law and arbitration), termination, and confidentiality (including publicity releases) provisions of this Contract shall survive its termination or Project Completion.

31.6 Prior Agreements

This Contract supersedes all previous contracts, correspondence and understandings between the Parties concerning the WORK, except for those understandings or agreements described in Paragraph 18.10 and constitutes their entire agreement concerning the WORK to be performed hereunder. This Contract shall not be amended except by a written document that is expressly designated as an Amendment duly signed by both Parties. No promise, agreement, representation or modification to this Contract shall be of any force or effect between the Parties, unless set forth or provided for in this Contract, or a Change Order, or written Amendment issued after the Effective Date of this Contract.

31.7 COMPANY May Perform

In the event CONTRACTOR fails to perform any of its obligations under this Contract, COMPANY may, upon fourteen (14) days prior written notice, and without prejudice to any other remedies permitted by law or this Contract, perform the CONTRACTOR's obligations, or cause them to be performed, at CONTRACTOR's expense.

31.8 No Release

31.8.1 The obligations and liabilities of CONTRACTOR under this Contract shall not be released, diminished or in any other way affected by any enquiry, direction, inspection, comment, consent, sanction, acknowledgement, confirmation, approval or advice made or given by or on behalf of COMPANY, the Company Representative or any of COMPANY's employees, servants or agents or failure by any such person to enquire, direct, inspect, comment, consent, sanction, acknowledge, confirm, approve or advise, whether or not such act or omission might give rise to an independent liability of any such person.

31.8.2 The observance by CONTRACTOR of any schedule (including the WORK Schedule), policy, procedure, plan, protocol, manual or the like shall not relieve CONTRACTOR from any of its obligations and/or liabilities under this Contract (except from any obligation to so observe).

31.9 Certificates and Payments

The issue of any certificate or making of any payment by COMPANY to CONTRACTOR under this Contract shall not be taken to mean that the relevant WORK has been completed in accordance with the provisions of this Contract nor shall it be deemed to be evidence that any other certificate has been or should be issued or any other payment has been or should be made. Payments made by COMPANY shall not be construed as a waiver of COMPANY's right to object to any paid invoices, in part or in all.

31.10 Provisions of Financial Statements.

CONTRACTOR shall, at the written request of COMPANY, and within a reasonable period of time, provides COMPANY with its most recent independently audited financial statement and if so required by COMPANY, any and all prior annual or interim financial statements for the previous three (3) year period.

31.11 Interpretation

The headings and titles used in this Contract are to facilitate reference only and do not form a part of this Contract and shall not in any way affect the interpretation hereof. Reliance shall not be placed upon the titles, headings or captions as the primary or only place in the Contract where related obligations might logically or reasonably be found.

31.12 COMPANY's Rights Cumulative

COMPANY's rights, powers and remedies under this Contract are cumulative and are in addition to and not in substitution for or exclusive of any rights, powers or remedies provided by applicable law or that COMPANY may otherwise have or hold in relation to this Contract.

31.13 Invalidity

If any one or more of the provisions contained in this Contract shall be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained in this Contract shall not in any way be affected or impaired.

31.14 CONTRACTOR's Cost for All Obligations

CONTRACTOR shall, unless otherwise expressly stated, carry out all of its obligations under this Contract at its own cost and expense, in exchange for the Contract Price.

END OF SCHEDULE A