

1 Application

Unless otherwise agreed in writing, these terms and conditions shall apply to all rental supplies, including both Equipment and personnel, where IKM Subsea AS has assumed delivery responsibility for the rental services to the Customer.

2 Definitions

Contractor – IKM Subsea AS will be the owner and supplier of the rental Equipment.

Customer – is the company, firm, person, corporation or public authority taking Contractor's Equipment on rental.

Equipment – is Contractor's rental equipment which Contractor agrees to rent to Customer.

Contract means the rental agreement consisting of the Order, these terms and conditions and any special conditions detailed in the Order and explicitly accepted by Contractor.

Order means an individual purchase order or other written order issued by Customer for the hire of the Equipment.

Personnel means employees of Contractor and other persons supplied by Contractor under this contract to perform the agreed services.

3 Basis of Contract

Customer accepts that only the Contract as defined in clause 2 shall be the basis for the rental agreement, and that any use of or reference to other general or special terms and conditions by Customer shall be deemed not to apply. Unless otherwise agreed, Customer will hire rental Equipment only, without any operators from Contractor, hence Customer will assume the full responsibility for operating the Equipment.

Customer shall obtain and pay for all and any visas, permits including work permits, licenses, temporary permits, authorizations, and other consents and permissions required by the Applicable Laws, rules, and regulations to enable the Contractor and its Personnel to perform Services required by Customer and the Customer shall indemnify, save, defend and hold harmless Contractor Group and the Personnel from and against any Claims (including, without limitation, all mobilisation and other Contractor costs) suffered by them arising from Customer's failure to obtain the same.

Contractor acts at all times as an independent contractor. Nothing in this Contract shall give Customer direction or control over Contractor's Personnel, who remain under Contractor's sole supervision. Contractor may, on reasonable notice, substitute any member of Personnel with a person of equivalent competence and certification.

The Contractor may, with reasonable prior notice, substitute the proposed equipment with units of equivalent or superior performance at no additional cost to the Customer.

4 Prices

Unless otherwise specified in the Contractor's quotation, the prices exclude VAT and any other applicable taxes (including import/export duties, freight, forwarding charges, or any other additional charges). Unless explicitly agreed otherwise, the daily rental rates apply for each day or part thereof, 7 days a week—including holidays. Personnel day rates apply from the day of departure from the designated departure point until the day of arrival at the designated return point.

5 Rental period and Delivery terms

The rental period shall commence when the Equipment is delivered by Contractor FCA Nordlysvegen 7 N4340, and shall continue until the Equipment is returned and received by Contractor, unless otherwise agreed.

Delivery terms are FCA Nordlysvegen 7 N4340, Contractors base. Return is DAP Nordlysvegen 7 N4340, Contractors base, unless otherwise agreed.

Return of the Equipment shall take place during normal opening hours. All transport between Contractors base and Customers site shall be for Customers risk and account.

Personnel day rates are charged according to rates section. Charge rates for service personnel commence the day of departure from Contractor's base and cease upon return to the same, unless otherwise agreed in writing. Travel or accommodation costs will be charged in

addition to the day rate. Travel and accommodation will be charged with the mobilization cost or may be paid directly by Customer, or will be re-charged at cost + 15 % (or lump sum if agreed) unless otherwise agreed. In the event of cancellation of equipment and personnel after call-off but before transportation/travel commences equipment and personnel mobilization fee will be charged according to rates section and cost + 15 % for any additional cost not covered in the rate section herein.

- **Day:** A 24-hour period or any part thereof.
- **Crew Changes:** Every 14th day (every 28th day outside Norway)
- **Shift:** 12 hours per day.
- **Overtime:**
 - Applies after 12 hours of work per day.
 - Applies from the 15th day onward.
 - Charged at a 65% premium per hour, with the hourly rate = (day rate ÷ 12).
- **Public Holidays (Norway):** Extra USD 450 per crew per day.

For work in IFT High Risk areas an extra charge per person per day of 450 USD will apply. Defined by <https://www.iftseafarers.org/en> at all times updated overview of high risk areas.

Should any amendment to, or new interpretation of, applicable laws or collective bargaining agreements result in demonstrable cost increases for the Contractor, the Contractor shall be entitled to adjust the prices to reflect such increased costs.

6 Payment

Equipment rental charges will start to accrue at the commencement of the rental period. All prices are quoted and payable in NOK. Unless otherwise agreed, Contractor will submit monthly invoices after the expiry of each month. Payment shall take place net within 30 days from receipt of invoice.

At the conclusion of the project, the Parties shall reconcile and settle any outstanding amounts for actual services provided. The final settlement shall be based on the actual services provided and expenses incurred during the Services, as detailed in the relevant invoices and documentation.

In the event of overdue payment, interest will be charged from the due date until payment takes place in accordance with the Norwegian Act on Overdue Payment („Forsinkelsesrenteloven“).

7 Contractors responsibilities

Contractor will provide suitable Equipment based on the information and specifications received from Customer. Contractor shall provide operation manuals, maintenance instructions and certificates in order for Customer to operate and conduct regular maintenance for the Equipment.

Contractor is not liable for any faults or discrepancies due to normal wear and tear, use of non-approved parts, incorrect handling/usage, inadequate maintenance or overload. Any changes or modifications to the Equipment, which have been made without Contractor's written permission, shall be considered damage for which Customer is liable.

8 Customer responsibilities

- a) Customer undertakes to check the Equipment as soon as it is received, including calibration made by Contractor. Any complaints concerning the Equipment shall be made as soon as possible. Final determination of the suitability of the Equipment for the specific use is Customer's responsibility.
- b) Customer shall take reasonable care of the Equipment and keep it properly maintained and only use the Equipment for its proper purpose in a safe and correct manner in accordance with the instructions.
- c) Customer must not attempt to repair the Equipment without prior written authorization from Contractor and shall also not interfere with the Equipment, their working mechanisms or any other parts of them. Routine maintenance, (i.e. daily maintenance along with any other specific instructions intimated to Customer) is the responsibility of Customer.
- d) If/when the Equipment requires oil and/or electricity, Customer shall ensure that the proper type and/or voltage is

used and that, where appropriate, the Equipment is properly installed by a qualified and competent person.

e) Customer shall take all reasonable steps to keep himself acquainted with the state and condition of the Equipment. If such Equipment be continued at work or in use in an unsafe unsatisfactory state or environment, Customer shall be solely responsible for any damage, loss or accidents whether directly or indirectly arising therefrom.

f) Customer shall take adequate and proper measures to protect the Equipment from theft, damage and/or other risks. Customer shall keep the Equipment at all times in own possession and control and shall not move the Equipment across borders without Contractor's prior written consent.

g) Contractor shall be permitted at all times to inspect the Equipment including access to any site where the Equipment is situated.

h) Customer must return the Equipment, together with all parts belonging to the Contractor, in good working order and condition (fair wear and tear excepted) and in a clean condition, along with all licences, registrations, and other documents relating to the Equipment.

i) Spare parts purchased by Customer cannot be returned unless agreed by Contractor.

j) Customer is responsible for the safety and wellbeing of the Contractor's personnel from the date of arrival in the project country until their departure from same. This includes all costs and arrangements for logistics and accommodation from the time of arrival at the airport until departure at the end of the project.

(k) Ensure suitable HSE-compliant working & living conditions; provide potable water, meals and sanitation offshore.

(l) Provide medical evacuation and emergency response cover equivalent to International SOS Level B or higher.

9 Delay - Mobilisation

Unless otherwise agreed, the following will apply:

If Contractor finds that it cannot deliver Equipment within agreed mobilisation time, or if a delay on Contractor's part seems inevitable, Contractor shall inform Customer of this without undue delay, giving the reasons for the delay, and if possible, advise when new revised mobilisation time is scheduled to take place.

10 Taxes, permits & Export/Import

If Customer plans to ship the Equipment and/or Personnel outside Norway Contractor shall be notified for prior approval. Customer will be responsible for all cost and handling related to export/import of the Equipment and/or personnel across borders. This shall be charged to Customer in addition to the rates quoted. Contractor will however provide necessary documentation as required for the import/export process.

The rates and prices are assumed net. All taxes and charges, including but not limited to corporate taxes, withholding taxes, personal taxes, training taxes, work permits, personnel visas, customs charges, import / export taxes, environmental taxes, personnel income taxes, environmental taxes, emissions taxes, service taxes, administration or registration/compliance charges, penalties and charges/interest for late filing, etc. that may apply in the area of operations shall be charged to Customer in addition to the rates set out herein.

11 Title and passing of Risk

The Equipment shall remain the property of Contractor at all times. Risk in the Equipment will pass to Customer upon delivery when the Equipment is loaded onto the truck or other means of transport at Contractor's base and will remain with Customer until the Equipment is unloaded and received by Contractor, and Customer shall be liable for any loss of or damage to the Equipment while under Customer's risk, however caused, including theft, accidents, fire, etc. Customer has no right, title or interest in the Equipment except the right of use during the rental period in accordance with the Contract.

12 Guarantee

Contractor guarantees that the Equipment will be delivered ready for operation and will to the best of its ability ensure that the Equipment is calibrated in accordance with Customer's specific instructions. However, Contractor does not guarantee

the results of any operation or service conducted by Customer.

If the Equipment is found to be defective on receipt by Customer, or if any fault occurs during the rental period, Customer shall immediately notify Contractor of such condition. Contractor will investigate and determine whether the fault represents a defect covered by Contractor's guarantee. Contractor shall decide how to remedy the fault, including whether to repair or replace Equipment.

In case of help outside Contractor's workshop, all extra charges associated with freight, travel and subsistence will be charged to Customer.

Full deduction of the rental charges will be made to Customer for the stoppage period due to inherent defects in Equipment for which Contractor is responsible.

13 Breakdown, repairs and adjustment

If the Equipment sustains any breakdown, damage or loss in the rental period and this is not covered by Contractor's guarantee, Customer shall reimburse Contractor for the repair cost or the actual replacement cost, including damage suffered by Contractor arising from any breakdown of the Equipment due to Customer's negligence, misdirection and/or misuse of the Equipment, whether by Customer or his servants, and for the payment of rental at the idle time rate during such breakdown, loss or damage. Customer is also responsible for the cost of spares and/or repairs due to loss or vandalism of the Equipment.

Customer shall always notify Contractor immediately of any accidents related to the Equipment resulting in death, personal injury to any personnel, or severe damage to the Equipment.

14 Other stoppages

No Equipment off-hire will be admitted (other than those allowed for under "Guarantee"), for stoppages through causes outside Contractor's control, including bad weather, craneage delays or ground conditions etc.

15 Loss of other equipment due to breakdown

Each item of the Equipment specified in the Contract is rented as a separate unit and the breakdown or stoppage of one or more units (whether the property of Contractor or otherwise) through any cause, shall not entitle Customer to compensation or allowance for the loss of working time by other units of Equipment working in conjunction therewith, unless two or more items of Equipment are expressly hired together as a unit. Such items shall be deemed a unit for the purpose of breakdown.

16 Re-hiring

Customer shall not re-hire, sub-let, or lend the Equipment to any third party without the written permission from Contractor.

17 Contractors name plates

Customer shall not remove, mark, deface or cover up Contractor's name plates etc, indicating that the Equipment is any other parties' property.

18 Manuals and documentation

All manuals and documentation enclosed with the Equipment will remain the property of Contractor.

19 Indemnity

Customer shall be responsible for and shall release, save, indemnify, and hold, defend, and hold harmless the Contractor and Contractor Group from and against all Claims in respect of:

a) Customer shall indemnify Contractor for all costs, expenses, and claims arising from any loss or damage to the Equipment for which Contractor is liable under the Contract, including repair or replacement costs.

b) The operation of the Equipment must be in accordance with Contractors' specifications, recommendations and instructions and any liability arising from Customer's failure to comply with such specifications, instructions and recommendations or from negligence in any form in the operation of the Equipment, shall be the sole responsibility of Customer and Customer shall fully indemnify and hold Contractor harmless from any claim made by any person or party arising directly or indirectly from such failure and/or negligence.

c) Customer shall fully indemnify Contractor in respect of all claims by any person whatsoever for injury to person or property caused by or in connection with the storage, transit, transport, unloading, loading or use of the Equipment during the rental period, and in respect of all costs and charges in connection therewith.

d) Customer shall be responsible for and shall indemnify Contractor and Contractor Group against all Claims for personal injury (including death or disease) to any member of Contractor Group or any third party, but only to the extent such injury is caused by the negligence, breach of contract, or willful misconduct of Customer or Customer Group.

Contractor shall be responsible for and shall release, save, indemnify, and hold, defend, and hold harmless the Customer and Customer Group from and against all Claims in respect of:

a) Contractor shall indemnify Customer for all costs, expenses, and claims arising from any loss or damage to the Equipment for which Customer is liable under the Contract, including repair or replacement costs.

b) The operation of the Equipment must be in accordance with Customer's specifications, recommendations, and instructions, and any liability arising from Contractor's failure to comply with such specifications, instructions, and recommendations or from negligence in any form in the operation of the Equipment shall be the sole responsibility of Contractor. Contractor shall fully indemnify and hold Customer harmless from any claim made by any person or party arising directly or indirectly from such failure and/or negligence.

c) Contractor shall fully indemnify Customer in respect of all claims by any person whatsoever for injury to person or property caused by or in connection with the storage, transit, transport, unloading, loading, or use of the Equipment during the rental period, and in respect of all costs and charges in connection therewith.

d) Contractor shall be responsible for and shall indemnify Customer and Customer Group against all Claims for personal injury (including death or disease) to any member of Customer Group or any third party, but only to the extent such injury is caused by the negligence, breach of contract, or willful misconduct of Contractor or Contractor Group.

For the avoidance of doubt, neither Party shall be required to indemnify, defend, or hold harmless the other Party for the other Party's own gross negligence or willful misconduct, and any indemnity otherwise given in this Clause shall be limited accordingly.

20 Insurance

Customer is liable for and must determine at his own risk and expense whether to take out any insurance against loss or damage to the Equipment during the rental period. The Equipment replacement value can be obtained from Contractor.

21 Pollution

Customer shall defend, indemnify and hold harmless Contractor from and against all claims, losses, damages, costs, expenses and liabilities, arising from pollution whether or not originating from the Equipment or related to the Equipment.

22 Consequential loss

Subject to clause 8, neither party shall be liable to the other for any consequential losses or indirect losses, including without limitation, loss of profit, loss of goodwill, loss of revenue or turnover, loss of opportunity arising out of or in connection with the Contract.

23 Force Majeure

Contractor shall not be considered in breach of any obligation under the Contract to the extent that fulfillment of the obligation has been prevented by Force Majeure. Force Majeure means any occurrence beyond Contractor's control, provided that he could not reasonably have foreseen such occurrence at the time of entering into the Contract and could not reasonably have avoided or overcome it or its consequences.

24 Limitation of liability

Notwithstanding any other provision in this Contract, the Contractor's total liability for breach of Contract shall be limited to the total rental charges paid by the Customer; however, in no event shall it exceed NOK 2 million.

25 Governing Law and Jurisdiction

The Contract shall be governed by and construed in accordance with Norwegian law.

Any dispute between the parties that cannot be solved amicably shall be settled by court proceedings according to Norwegian law at the Stavanger District Court, which the parties accept as their legal venue.

26 Health, Safety, Security & Environment (HSSE)

Contractor and Customer shall comply with all Applicable HSSE laws and the IKM Subsea HSE-MS. Contractor may suspend work and/or demobilise, at Customer's cost, where safe working conditions, medivac cover or In-Country Logistics are not provided. Re-mobilisation will be charged in accordance with section 5.