SUBMARINE MANUFACTURING & PRODUCTS LTD
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Standard Terms & Conditions of Sale

These Terms and Conditions apply to all Quotations and Contracts for Sale, Hire of Equipment or Supply of Services by Submarine Manufacturing & Products Ltd ("SMP") or related companies.

1. Definitions

In these Terms and Conditions, unless the context otherwise requires:

"**Company**" means Submarine Manufacturing & Products Ltd (or "SMP") or any of its subsidiaries or related companies.
"**Company's Address**" means SMP's registered office at Unit 1 Skyways, Blackpool Business Park, Amy Johnson Way, Blackpool FY4 3RS , usual place of business of any subsidiary or related company within the SMP Group.
"**Company Group**" means the Company, its subcontractors and suppliers of any tier and its and their employees, directors, representatives, agents, servants, invitees and any person employed, hired or engaged by any of them.
"**Customer**" means any person, firm, company, partnership, competent authority or other business entity who agrees to obtain Services, purchase Products or hire Equipment from the Company under the Contract.
"**Customer Group"** means the Customer, its subcontractors and suppliers of any tier, and its and their employees, directors, representatives, agents, servants and invitees and any person employed, hired or engaged by any of them.
"**Contract**" means the agreement between the Company and the Customer for any form of business conducted by or with the Company.
"**Delivery Address**" means the address for delivery of Products or Equipment which shall be the Company's Address or such other address as may be agreed by the Parties in Writing.
"**Equipment**" means the equipment, plant, machinery, tools, parts and accessories, including any instalment, part or combination of same, which the Company is to hire to the Customer, or provide Services in respect of, in accordance with the Contract.
"**Estimated Delivery Date**" means the date on which the Company estimates that Products or Equipment will be delivered.
"**Hire Period**" means the period from the time the Equipment is dispatched by the Company to the Customer or collected by the Customer or its agents from the Company's Address until the time the Equipment is received back at the Company's Address or other such address as may be agreed in Writing.
"**including**" means without limitation.
"**Losses" or "Claims**" includes all actions, causes of action, claims, demands, proceedings, damages, awards, payments, debts, losses, costs, expenses (including legal or professional expenses), penalties, fines, compensation or other liabilities, whether direct, indirect, consequential or otherwise including loss of profit, business, turnover or market share, and interest thereon.
"Order" means any written instruction issued by the Customer to the Company for the provision of Products, Equipment or Services.
"**Party**" means each of the Company and the Customer and "**Parties**" shall be construed accordingly.
"**Price**" means the total charge made or to be made by the Company for the provision of Services, sale of Products or hire of Equipment as further defined in the Contract.
"**Product(s)**" means any goods, materials, equipment, machinery, products or articles of whatsoever nature, which the Company is to sell to the Customer, or provide Services in respect of, in accordance with the Contract.
"**Quotation**" means the Company's quotation for the provision of Services, sale of Products or hire of Equipment.
"**Services**" means any services or work provided by the Company to the Customer under the Contract including the provision of any consultancy or advisory services, or the service, maintenance, refurbishment or provision of qualified operators for the use or operation of the Products or Equipment or other work or services related to the Products sold or Equipment hired hereunder.
"**Terms and Conditions**" means the Terms and Conditions set out in this document and any other terms and conditions agreed pursuant to clause 2.
"**Writing**" means any form of written communication including electronic mail ("Email") where the Parties have agreed either expressly or by a course of dealing to communicate by Email and have provided each other with correct Email addresses accordingly, save that any Email shall take effect only when received by the recipient.

2. Application

2.1 All business conducted by the Company with the Customer, including all Contracts, Quotations, pre-contractual negotiations and all Orders, shall be subject to these Terms and Conditions to the exclusion of any and all other terms and conditions, including any standard or general terms and conditions of purchase, sale, hire or for services confirmed, referred to in, enclosed or otherwise annexed to any Order, acknowledgement or other communication from the Customer, except where the Company has notified the Customer of an additional term to be incorporated or where the Parties have expressly identified or incorporated mutually agreed special conditions into an Order to modify, supplement or amend these Terms and Conditions ("Special Conditions"). Such Special Conditions shall apply equally with these Terms and Conditions but in the event of a conflict or any ambiguity between these Terms and Conditions and the Special Conditions, the Special Conditions shall prevail.

2.2 Any and all statements, warranties, representations, advice or recommendations made or given by the Company during negotiations prior to the conclusion of a Contract are not binding unless expressly incorporated into the Contract.

2.3 The headings in these Terms and Conditions are for convenience only and shall not affect their interpretation.

2.4 If any provision of these Terms and Conditions is held by any competent court, tribunal or authority to be invalid or unenforceable in whole or in part, the validity of the remainder of the provision and all other remaining provisions of these Terms and Conditions shall not be affected thereby.

3. Formation of Contract

3.1 No Contract shall be formed until the Company confirms in Writing its acceptance of the Order from the Customer. The Company does not offer or give any guarantee of acceptance of any Order. Acceptance of each Order is at the Company's discretion and is subject to availability of the relevant Products, Equipment and/or Services.

3.2 The Company will sell Products, hire Equipment and/or provide Services to the Customer and the Customer will pay the specified Price, in accordance with the Contract.

3.3 The Contract shall constitute the entire agreement between the Company and the Customer and shall supersede and extinguish all previous drafts, warranties, agreements, arrangements, statements, representations, references and understandings between the Company and the Customer, whether written or oral, relating to its subject matter.

4. Performance of Contract

4.1 Unless otherwise agreed in Writing, the place of performance of the Contract, including any delivery of Products or Equipment, shall be the Company's Address. Unless otherwise agreed in Writing, it is the Customer's obligation and risk to take delivery from or to deliver to the Company's Address, as the case may be, any Product or Equipment which is the subject of the Contract.

4.2 Where the Company agrees to sell Products, hire Equipment or provide Services to the Customer, the Company will use all reasonable effort to deliver any Product or Equipment or provide Services by the Estimated Delivery Date. However, any dates specified by the Company for delivery of the Products or Equipment or provision of the Services are intended to be an estimate only and if no dates are so specified, delivery will be within a reasonable time.

4.3 Unless otherwise agreed, the Customer will take delivery of the Products, Equipment or the Services within seven (7) days from receipt of notice in Writing from the Company to do so. If the Customer fails to take delivery of the Products, Equipment or Services within seven (7) days (or any other period agreed pursuant to this clause) from receipt of notice in Writing from the Company then, without prejudice to any other right or remedy available to the Company, the Company may:

(i) issue its invoice in respect of the Products, Equipment or Services as if they had been delivered;
(ii) store the Products or Equipment until actual delivery is made and charge the Customer for the costs of storage;
(iii) sell, the Products or hire the Equipment to a third party in any country at the best price obtainable;
(iv) suspend other deliveries of Products or Equipment or the provision of Services.

4.4 The Products or Equipment are at the risk of the Customer from the time of delivery and the Customer shall insure the Products and Equipment against all loss or damage from the time of delivery of the Products or Equipment at the Delivery Address until the date of redelivery to the Company's Address.

4.5 Notwithstanding clause 4.4, where the Company agrees to sell Products to the Customer, title in the Products shall not pass to the Customer until the Company has received payment of the Price in full (in cash or

cleared funds), including any additional sums which become due from the Customer under the Contract. The Customer hereby agrees to and grants the Company a continuing security interest in any and all such Products together with all accessions, attachments, substitutions and amalgamations thereto, and any proceeds or products derived from the sale thereof. Without prejudice to any other rights and remedies available to the Company under the Contract or in law, in the event of any breach of Contract by the Customer, the Company shall have the full right and entitlement without further notice to the Customer to take possession of all or any part of the Products and to sell the same in a commercial manner in accordance with applicable law and to apply the proceeds of such sale against any Losses suffered by the Company. The Customer hereby agrees to do all that is necessary by law to give effect to such security.

4.6 Where the Company agrees to hire Equipment to the Customer, the Company's Terms and Conditions for Hire of Equipment shall apply in addition to these Terms and Conditions. Where inconsistent, the Terms and Conditions for Hire of Equipment shall prevail.

5. Price & Payment

5.1 The Price for the provision of Services, purchase of Products or hire of Equipment shall be that agreed between the Parties and confirmed in Writing by the Company.

5.2 All prices quoted by the Company in its Quotations are valid for thirty (30) days only. The Company reserves the right to amend any typographical, clerical or other error or omission on any documentation containing pricing information issued by or on behalf of the Company, and the Company shall have no liability to the Customer for any such errors or omissions.

5.3 Unless otherwise specified, the Price for any Services, Products or Equipment provided by the Company to the Customer shall be exclusive of any travel, accommodation, subsistence or other out-of-pocket expenses of the Company's employees, servants or agents (which where applicable the Customer shall pay to the Company at cost) and shall exclude any costs, charges or taxes relating to storage, loading, carriage, unloading, delivery, importation, exportation and insurance of any Products or Equipment or any sales tax, value added tax, licence fees, duties, local taxes or additional costs of such nature, which shall remain the liability of the Customer.

5.4 Where applicable the Company is obliged to charge in addition to the Price any value added tax in the United Kingdom.

5.5 The Company will issue to the Customer from time to time an invoice or invoices for the Price of any Services, Products or Equipment, together with any additional costs and/or charges payable by the Customer under clause 5.

5.6 Unless otherwise agreed in Writing, payment of any invoice submitted by the company to the Customer is due within thirty (30) days of the date of the invoice and payment within this time shall be of the essence of the Contract

5.7 Receipts for payment of any invoice will only be issued upon request in Writing by the Customer.

5.8 If the Customer fails to make any payment of any invoice within due time then, without prejudice to any other right or remedy available to the Company, and without liability to the Customer, the Company shall be entitled to:

(i) cancel the Contract, and require immediate return at the Customer's expense of any Products or Equipment;

(ii) suspend further performance by the Company under the Contract;

(iii) charge the Customer interest on any unpaid amount from the date payment is due to the date payment in full is made. Interest shall be calculated on a daily basis at the per annum rate of either 2% above the Bank of England base bank from time to time or 8%, whichever is the higher. The Customer shall pay interest together with the overdue amount;

(iv) be reimbursed by the Customer for all Losses incurred by the Company in the collection of any overdue amount.

5.9 Nothing in this clause shall prevent the Company from seeking interest pursuant to the Late Payment of Commercial Debts (Interest) Act 1998.

5.10 The Customer hereby waives any right to set-off under the Contract or otherwise and agrees to pay all sums due to Company regardless of any equity, set-off or cross claim on the part of the Customer against the Company.

6. Warranties & Risk

6.1 The Company warrants that the Products sold hereunder shall be free from defects in materials and/or workmanship for a period of twelve (12) months from the date of delivery of the Products to the Customer.

The Equipment shall be warranted in accordance with the Company's Terms and Conditions for Hire of Equipment.

6.2 The Company shall perform all Services with reasonable skill and care in accordance with these Terms and Conditions and all applicable laws.

6.3 Subject to clauses 6.1, and 6.2 unless otherwise expressly agreed by the Company and set out in Writing in the Contract, no warranties or representations are given or made by or on behalf of the Company as to the performance, availability, durability, use, storage, effectiveness, quality, suitability or fitness for any purpose of any Product or Equipment sold or supplied hereunder, or for any Service provided hereunder, and any conditions or warranties implied or imposed by operation of law are hereby excluded.

6.4 Each Party agrees that it shall have no remedies in respect of any misrepresentation or warranty (whether made innocently or negligently) that is not expressly set out in the Contract. No Party shall have any claim for innocent or negligent misrepresentation or negligent misstatement based upon any statement in the Contract.

6.5 It is the Customer's responsibility and risk that any Order, specification, drawing or information provided to the Company by the Customer or any person for or on behalf of the Customer in connection with the Contract is true, complete and accurate in all respects.

6.6 Where the Company is not the manufacturer of the Products or Equipment, the Company will endeavour, where applicable and upon the Customer's written request, to transfer to the Customer the benefit of any warranty or guarantee given to the Company.

6.7 The Company shall not be liable for a breach of any warranty or warranties, whether provided by the Contract, statute, the general law or otherwise, in respect of any Products sold or Equipment hired or any Service provided, unless the Customer gives written notice of the breach complained of within a reasonable time not to exceed thirty (30) days from the time the Customer discovers or ought to have discovered such breach and the Company is given a reasonable opportunity of remedying the breach.

6.8 The Company shall not be liable for any defect in the Product, Equipment or Services arising from fair wear and tear, defects in design, defects in materials furnished or specified by the Customer or defects in manufacture where the method of manufacture was specified by the Customer, damage or negligence by any member of the Customer Group or by other persons not within the Company's reasonable control, abnormal working conditions, damage occurring to the Equipment during the Hire Period, damage arising out of or in connection with a failure to follow the Company's instructions (if any, whether oral or in Writing), or misuse, alteration or repair of the Product or Equipment or change in terms of Service without the prior approval in Writing of the Company.

6.9 Subject to the Customer complying with clause 6.7, if any Product or Equipment does not conform with any warranty or warranties provided by the Contract, statute, the general law or otherwise, the Company shall at its option repair or replace such Products or Equipment (or any defective part or parts) or refund the Price of the Products or the Equipment hire at the Contract rate provided that (if the Company so requests) the Customer at its cost returns the defective Products, Equipment or part(s) to the Company.

6.10 Notwithstanding clause 7.1, the Company's liability arising out of or in connection with the Services shall be limited to re- performing at its expense any Services that are deficient because of the Company's failure to perform the Services in accordance with the standard of performance specified in clause 6.2 and provided the Customer gives written notice of the breach complained of to the Company within a reasonable time not to exceed thirty (30) days from the time the Customer discovers or ought to have discovered such breach, but in any event within twelve (12) months from the date of performance of the Service concerned.

6.11 Provided that the Company complies with this clause, it shall have no further liability for breach of any warranty or warranties, whether in contract or in tort, whatsoever and howsoever arising in respect of the Product sold or Equipment hired or any Services provided.

7. Limitation of Liability

7.1 The Company's total liability arising under or in connection with the Contract including liability for all Claims of any kind and description, howsoever and whatsoever arising, whether arising from tort (including negligence), breach of contract, breach of (statutory) duty or otherwise shall not in the aggregate exceed the amount specified in the Contract or if no amount is specified shall not in the aggregate exceed the Price.

7.2 The Company shall not in any event be liable to the Customer whether as a result of breach of contract, warranty, guarantee, indemnity, tort (including negligence), strict liability or otherwise for any:

(i) third party claims for financial loss or expense;
(ii) loss of profit or anticipated profit;
(iii) account of profit;

(iv) loss of bargain;
(v) loss of revenue;
(vi) reduction in turnover;
(vii) loss of use of the Product or Equipment;
(viii) business interruption or downtime costs;
(ix) loss of contract or business opportunity;
(x) claims of customers or other contractors of Customer; or
(xi) whether or not included in (i) to (ix) above, any indirect, special, incidental or consequential loss or damage.

7.3 The Customer shall fully indemnify and hold the Company Group harmless against any Losses or injury howsoever caused (including by negligence) to any member of the Customer Group arising out of or related to the Contract.

7.4 Nothing in these Terms and Conditions excludes or limits the Company's liability for:
(i) death or personal injury caused by the Company's negligence;
(ii) fraud or fraudulent misrepresentation; or
(iii) anything which may not be lawfully limited or excluded.

7.5 Where the Company agrees to sell Products or hire Equipment to the Customer, (i) the Company will not be liable for any Losses caused directly or indirectly by any delay in the delivery of the Products or Equipment (even if caused by the negligence of any member of the Company Group); and (ii) delay will not entitle the Customer to terminate or rescind the Contract except and to the extent such delay is attributable solely to the breach by the Company and exceeds ninety (90) days and provided that prior to any such termination or rescission the Customer has given the Company not less than 30 days' notice in Writing requiring the Company to complete its delivery obligations.

7.6 Where the Company agrees to provide a Service to the Customer, the Company will not be liable for any Losses caused directly or indirectly by any delay in the provision of the Service (even if caused by the negligence of any member of the Company Group). Unless otherwise expressly agreed, the Customer shall not be entitled to cancel the Contract solely because of such delay.

8. Termination

8.1 The Company shall be entitled to terminate the Contract forthwith by notice in Writing to the Customer if:
(i) the Customer commits an irremediable breach of the Contract, persistently repeats a remediable breach or commits any remediable breach and fails to remedy it within seven (7) days of receipt of notice in Writing of the breach requiring remedy of the same; or
(ii) the Customer makes any voluntary arrangement with its creditors or (being an individual or firm) becomes bankrupt or (being a company) becomes subject to an administration order or goes into liquidation (otherwise than for the purposes of solvent amalgamation or reconstruction); or
(iii) an encumbrancer takes possession, or a receiver is appointed, of any of the property or assets of the Customer; or
(iv) the Customer ceases or threatens to cease to carry on business; or
(v) where the Customer is resident in a jurisdiction other than England & Wales, an event similar to any of those specified in clauses (ii) and (iii) above occurs to or in relation to the Customer.

8.2 In the event of termination by the Company pursuant to clause 8.1 above then, without prejudice to any other right or remedy available to the Company, the Company shall be entitled to cancel the Contract or suspend any further deliveries of Product or Equipment or the provision of Services due under it without any liability to the Customer and, if the Services have already been provided, Products delivered or Equipment hired but not paid for, the price of the Services, Products or Equipment shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary and the Company shall be entitled to charge interest in accordance with clause 5.

8.3 The Customer shall be entitled to terminate the Contract by giving thirty (30) days written notice of termination to the Company. In the event of termination by the Customer pursuant to this clause, the Company shall invoice the Customer and the Customer shall immediately pay to the Company the full Price together with any additional costs and/or charges payable by the Customer.

9. Laws and Regulations

9.1 The Customer shall comply with all applicable laws, statutes, regulations and codes in force from time to time in relation to the Contract, including those relating to data and privacy and the ownership and use of the Products or Equipment including health and safety requirements.

9.2 The Customer shall ensure that all appropriate safety information (whether or not supplied by the Company) is distributed and drawn to the attention of all members of the Customer Group and all others who require it for the safe handling or use of the Products or Equipment.

9.3 The Customer shall indemnify and hold the Company Group harmless for any and all Losses suffered by the Company attributable to a breach of this clause.

10. Non Solicitation

10.1 The Customer hereby agrees that, during the term of the Contract and for a period of twelve (12) months after expiry or termination howsoever caused, it will not solicit the Company's staff who are known by the Customer to have been employed or engaged in the performance of the Contract. For the purposes of this clause, 'solicit' means a direct or indirect attempt to induce such person to take an engagement with such party as an employee, director, subcontractor or independent contractor provided that this clause shall not apply to any engagement as a result of a general advertisement or recruitment campaign.

11. Confidentiality & Intellectual Property

11.1 All techniques, processes, inventions, trade secrets, equipment, drawings, designs, specifications, documents, proposals and information concerning the Services, Products or Equipment or relating to the Company's business of which the Customer shall obtain knowledge or information (except to the extent that they are within or fall into the public domain other than by breach of the Contract) shall remain both during and after the completion of the business conducted under the Contract the absolute and exclusive property of the Company and the Customer shall keep confidential and retain the same with the utmost secrecy and shall procure that all members of the Customer Group shall abide by the terms of this provision as though it were binding upon each of them and the Customer shall not, and shall procure that all members of the Customer Group shall not, use the same other than for the purpose of the Products, Equipment and/or Services received, nor shall it cause or permit anything which may damage or endanger the intellectual property of the Company or allow or assist others to do so.

12. Force Majeure

12.1 The Company shall not be liable to the Customer or be deemed to be in breach of the Contract by reason of any delay in performing or any failure to perform any of the Company's obligations if the delay or failure was due to any cause beyond the Company's reasonable control including:

(i) act of God, storm, flood, tempest or other weather conditions, explosion, fire or accident;
(ii) war or threat of war, civil war, hostilities, sabotage, insurrection, riot or civil disturbance, or requisition;
(iii) Governmental or local authority acts, restrictions, regulations, bye-laws, prohibitions or measures of any kind;
(iv) import or export regulations or embargoes;
(v) strikes, lock-outs or other industrial actions or trade disputes whether involving employees of the Company Group or of a third party;
(vi) difficulties in obtaining raw materials, labour, fuel, parts, equipment, machinery or other essential supplies; or
(vii) failure or breakdown in equipment or machinery from power failure or other external causes.

13. Anti-Bribery & Modern Slavery Compliance

13.1 The Customer shall:

(i) comply, and shall procure that each member of the Customer Group shall comply, with all applicable laws, statutes, regulations, and codes relating to anti-bribery and anti-corruption including the Bribery Act 2010, and relating to slavery, servitude, forced or compulsory labour and human trafficking including the Modern Slavery Act 2015;
(ii) not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if such activity, practice or conduct had been carried out in the UK;
(iii) undertake not to purchase any resource, materials or products from producers, suppliers or manufacturers using forced or compulsory labour in its operations or practices;
(iv) have and shall maintain in place throughout the term of the Contract its own policies and procedures to ensure its compliance with this clause;
(v) promptly report to the Company any request or demand for any undue financial or other advantage of any kind received by any member of the Customer Group in connection with the performance of the Contract; and
(vi) immediately notify the Company in Writing if a foreign public official becomes an officer or employee of any member of the Customer Group or acquires a direct or indirect interest in the Customer or in any member of the Customer Group (and the Customer warrants that it has no foreign public officials as officers, employees or direct or indirect owners at the date of the Contract).
(i) immediately notify the Company in Writing if it becomes aware of any breach or alleged breach of

this clause within its supply chain (and the Customer warrants that has not been convicted of any offence involving slavery and human trafficking and, having made reasonable enquiries, to the best of its knowledge none of the members of the Customer Group or their direct or indirect owners at the date of the Contract have been or are the subject or any investigation, enquiry or enforcement proceedings by any governmental, administrative or regulatory body regarding an offence or alleged offence of or in connection with slavery and human trafficking).

13.2 The Customer shall ensure that all members of the Customer Group performing services or work in connection with the Contract does so only on the basis of a written contract which imposes on and secures from such person terms equivalent to those imposed on the Customer in this clause.

14. Miscellaneous

14.1 **Notices:** Any notice required to be given by either Party under the Contract shall be delivered or sent by pre-paid first class recorded delivery addressed to the registered office of the party to be served or to such other place as may be designated by a Party for the purpose of service and shall be deemed to have been served in the case of a notice delivered by hand, when delivered, or in the case of a letter forty-eight (48) hours after the time of posting.

14.2 **Non-Assignment:** The Customer shall not assign, transfer or sub-contract all or any part of the Contract or any benefit, interest, right or obligation under the Contract, without the prior agreement of the Company in Writing.

14.3 **Non-Waiver:** No payment accepted by the Company and no neglect, delay or indulgence on the part of the Company in enforcing the Contract or any of the Terms and Conditions thereof shall operate as a waiver of the Company's rights thereunder, unless in each case the Company expressly so agrees in Writing.

15. Dispute Resolution & Governing Law

15.1 Any dispute between the parties shall first be referred to senior management representatives who shall use all reasonable endeavours to settle the dispute.

15.2 If following a period of 45 days from referral of the dispute to senior representatives of the parties no agreement can be reached, the party raising the dispute can refer the matter to adjudication. It shall be a condition precedent to the referral of a dispute to arbitration or to court following arbitration that the party seeking to commence proceedings has used all reasonable endeavours to the follow and complete the procedure set out in this clause.

15.3 Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the LCIA Rules, which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one and the place of arbitration shall be London. The language to be used in the arbitral proceedings shall be English.

15.4 The Contract and all obligations relating to or arising out of the Contract shall be governed by and construed in accordance with the laws of England & Wales.