

## PURCHASE ORDER TERMS AND CONDITIONS

### 1. Definitions.

In this Purchase Order the following terms are defined as follows;

**Company** means Monadelphous Inc. (incorporated in Delaware) and its subsidiaries;

**Contract** means the Purchase Order and these Purchase Order Terms and Conditions;

**Delivery Point** means the specified address of the place/site for the delivery of the Goods and/or the provision of the Services specified in the Delivery Instructions on the Purchase Order;

**Day** means any day other than a Saturday or Sunday or a day on which registered banks are not open for business in the state where the business the subject of the Purchase Order is being transacted;

**Delivery Date** means the date specified in the Purchase Order for the delivery of the Goods and/or the completion of the Services under the Purchase Order;

**Documents** means correspondence and any other documents including but not limited to specifications, data sheets and drawings referred to or annexed to the Purchase Order;

**Goods** means all materials, equipment, items, and property of every type, kind and description provided by Supplier, as described in the Purchase Order;

**Intellectual Property** means all copyright and analogous rights, all rights in relation to inventions (including patent rights), registered and unregistered trademarks, registered designs, confidential information (including trade secrets), know-how, and all other rights throughout the world resulting from intellectual activity in industrial, scientific or artistic fields;

**Party** means either the Company or the Supplier individually;

**Parties** means the Company and the Supplier collectively;

**Price** means the price for the Goods and/or Services or the aggregate of the quantities multiplied by the Purchase Order rates for the supply of the Goods and/or Services provided by the Supplier to the Company pursuant to the terms of the Purchase Order;

**Purchase Order** means the document containing the unique purchase order number provided by the Company to the Supplier called the "order", "original order", "purchase order" or other document of similar style or type and all Documents attached thereto or expressly incorporated therein and any other provisions, things or matters agreed between the Parties and expressly incorporated therein;

**Services** means all services provided and performed by the Supplier under the terms of the Purchase Order including (but not necessarily limited to) design, delivery, installation, inspection and/or testing as specified and the results of the specified Services

**Supplier** means the person, business or entity described in the Purchase Order from whom the Goods and/or Services have been ordered from and which are to be supplied by.

### 2. Interpretation

- a) Headings are inserted for convenience only and do not affect the interpretation of the Contract.
- b) Unless otherwise specified in this Contract a reference to dollars or \$ means US dollars and all amounts payable under this Contract are payable in US dollars.
- c) Words denoting individuals or persons includes corporations, partnerships, joint ventures, unincorporated organisations or Government Authorities and vice versa.
- d) A reference to the word "include" or "including is to be construed without limitation.
- e) A word which denotes the singular also denotes the plural and vice versa.

### 3. General.

This Purchase Order between Company and Supplier shall become a binding contract upon the Supplier signing and returning an acceptance copy (without conditions or modifications) of the Purchase Order or provisions of any Services required under the Purchase Order or upon shipment of any Goods ordered or commencement of performance hereunder, whichever occurs first. These Purchase Order Terms and Conditions are incorporated in and form part of the Purchase Order for all purposes.

**4. Delivery of Goods and Services.**

Time is of the essence of this Contract and deliveries shall be made in quantities and at times specified in Company's schedule as specified in the Purchase Order. The Purchase Order number must appear on all shipping papers and Supplier's correspondence and invoices.

Goods must;

- a) unless otherwise specified in the Purchase Order be delivered to the Company's nominated Delivery Point,
- b) be delivered to the Company by the specified Delivery Date;
- c) not be partial shipments unless otherwise specified in the Purchase Order,
- d) be suitably packed and prepared for shipment,
- e) comply with Company's requirements and packaging regulations,
- f) be in accordance with all applicable statutes, rules and regulations. Unless expressly agreed by Company, no charges shall be allowed for packing, crating, or express freight. Supplier shall use the most economical means for timely shipment, unless otherwise directed by Company. Supplier shall be liable for excess transportation costs resulting from any deviation from Company's instructions. Shipping and/or receiving of any Goods under this Purchase Order shall not constitute a waiver of any right or remedy of Company hereunder or at law or of any obligation of Supplier to comply with any of the provisions hereof.

**5. Variation.**

The Purchase Order shall not be varied by any oral agreements or representations, or otherwise, except by written variation duly executed by authorized representatives of the Parties. Any accrued but unperformed obligations and any representations and warranties shall survive expiration or other termination of this Purchase Order.

**6. Title Transfer.**

The Goods shall be at Supplier's sole risk until delivered to Company at the Delivery Point specified in the Purchase Order and accepted by Company. Supplier shall specifically identify all such Goods at the earliest possible time and shall clearly mark and segregate those Goods in Supplier's facility. Title, but not risk, shall pass to Company at such time as the Goods are identified and/or incorporated into the Goods covered by the Purchase Order. Supplier authorizes Company to file of record financing statement(s) or other documents at any time, in Company's sole discretion, to secure its rights in such Goods. Supplier shall provide Company reasonable access to its facilities for verifying compliance with this provision.

**7. Warranties.**

Without prejudice to representations or warranties under law or otherwise given by Supplier, Supplier expressly warrants and guarantees that:

- (a) Goods shall be;
  - (i) fit for their intended purpose as stated,
  - (ii) of merchantable quality,
  - (iii) new,
  - (iv) free from liens, claims and/or any other encumbrances,
  - (v) of good material and workmanship, and
  - (vi) free from defects; and
- (b) Services shall be performed in a proper and workmanlike manner and in strict accordance with the highest industry standards. Supplier agrees to replace or correct, at Company's sole discretion and without cost to Company, any Goods not conforming to the foregoing requirements. Supplier shall bear all cost of retrieval and redelivery to Company's facility. At Company's sole discretion, Supplier shall re-perform any services not performed to Company's satisfaction at no cost to Company. The warranty period shall commence upon delivery or acceptance of the Goods or performance of the Services, whichever is later, and remain valid for twelve months or the length of Supplier's standard warranty period, whichever is longer. Supplier shall ensure Company receives the benefit all warranties of third parties, including good title, in and to the Goods. Payment shall not constitute acceptance of or satisfaction with the Goods or Services of Supplier or constitute any waiver by Company of its rights and remedies hereunder or at law. Supplier shall not disseminate or modify Company's drawings, prints and other specifications (collectively, "Company's documents") without Company's prior written consent. If Company furnishes Supplier drawings, prints or other specifications, the same shall not relieve Supplier of any obligations hereunder. Further, Supplier shall, prior to the commencement of any work hereunder, have the obligation to review Company's documents for completeness, accuracy and compliance with all industry regulations and standards. Supplier

shall immediately notify Company of any inconsistency in Company's documents with the Purchase Order, applicable regulations, and standards.

#### 8. Acceptance, Rejection and Cancelation.

After receipt of the Goods, Company shall have a reasonable time, but not less than 10 days, in which to inspect and accept or reject the Goods. Company reserves the right to reject Goods not conforming to the requirements of the Purchase Order. Unless specifically agreed otherwise, rejected Goods shall be returned to Supplier for full credit or replacement, at Supplier's sole risk and expense, including transportation costs both ways. Company may, at its option, purchase substitute Goods in lieu of the rejected Goods with Supplier being responsible for all resulting excess costs, including, without limitation, any increase in the price paid for the Goods and any expedited shipping expenses. Acceptance by Company of part of the Goods shall not bind Company to accept the remainder. Acceptance of all or part of the Goods shall not limit the Company's right to cancel acceptance and return any part of the Goods or the right to make a claim for damages because of any latent defects or failure of the Goods to conform to the requirements of the Purchase Order.

#### 9. Intellectual Property.

Supplier warrants and guarantees that the Goods and Services and Company's use thereof will not infringe any third party's intellectual property or its rights therein, and Supplier shall DEFEND, INDEMNIFY AND HOLD HARMLESS Company and its customer(s) from and against any and all suits, claims, losses, costs, damages, expenses (including, but not limited to, all expenses of litigation, court costs, expert witness fees, and attorney's fees) or liability arising out of, as a result of or in connection with infringement or misuse of third party intellectual property rights. The ownership of any invention, design or copyright arising from such out of this Purchase Order shall vest with the Company, and Supplier shall do all things necessary and required by the Company to register Company's rights in such intellectual rights. This Purchase Order transfers no intellectual property rights of Company, including, without limitation, any information contained in or depicted on Company's documents. Company retains title to all information and materials in whatever form or format, furnished to Supplier to facilitate performance under the Purchase Order, and the same shall be;

- a) treated as Company's confidential and proprietary information and held in strict confidence during and after the term of this Purchase Order,
- b) used exclusively by Supplier to complete the Purchase Order, and
- c) returned to Company at its direction or within 5 days after completion, termination, or cancellation of the Purchase Order, along with all copies or reproductions thereof. The provisions of this Section shall survive the termination of this Purchase Order.

#### 10. Indemnities.

Supplier shall DEFEND, INDEMNIFY AND HOLD HARMLESS Company, its parent, affiliates, subsidiaries and their respective officers, directors, employees and agents from any and all suits, claims, losses, costs, damages, expenses (including, but not limited to, all expenses of litigation, court costs, expert witness fees, and attorney's fees) or liability (including, but not limited to, liability for pollution, property damage or personal injury, including death, or any loss or damage asserted against or suffered or incurred by Company due to Supplier's breach of the terms and conditions of this Purchase Order), of whatsoever nature or kind, whether in contract or in tort or otherwise, whether arising under common law or state or federal statute, or arising out of, as a result of or in connection with this Purchase Order or any Goods supplied or Services rendered hereunder, and whether or not caused, IN WHOLE OR IN PART, by the negligence (BE IT SOLE, CONCURRENT, ACTIVE OR PASSIVE), BREACH OF WARRANTY, STRICT LIABILITY or other legal fault of Company, EXCEPT TO THE EXTENT THE COMPANY'S GROSS NEGLIGENCE OR WILFUL MISCONDUCT CONTRIBUTED TO THE LOSSES, COSTS, DAMAGES AND EXPENSES. The provisions of this Section shall survive the termination of this Purchase Order.

The Parties further agree that:

- a) each Party shall notify the other Party immediately of any claim, demand, or action that may be served upon it by any person arising out of or as a result of the Goods supplied or Services provided pursuant to this Purchase Order, and shall allow the other party an opportunity to assume the defence, with legal representation of its choice, of such claim, demand, or action; and
- b) Company may, at its sole discretion, withhold any monies payable hereunder and apply same to the payment of any charge, expenses or loss against which Company is indemnified by the Supplier under this Purchase Order.

#### 11. Company's Property.

Supplier shall maintain and keep in good condition and return when requested by Company any property of Company in Supplier's possession or otherwise under Supplier's control. Company's property shall be properly stored and properly marked and be free of any lien, claim, or encumbrance. Supplier shall permit inspection of Company's property upon request and fully cooperate with the Company to facilitate its return at Company's cost. . Supplier shall assume all risks and liability arising from use of Company's property and Supplier shall promptly reimburse Company for the full replacement value of the Company property that is lost or

destroyed whilst in Suppliers care and custody. In the event that Company determines at its sole discretion that its property is repairable, Supplier shall be responsible for all repair expenses.

**12. Payment Terms.**

The price of the Goods and/or Services shall be as specified in the Purchase Order. Following the acceptance of the Goods and/or Services by the Company, and unless otherwise specified in the Purchase Order payment shall be made within forty five (45) days of the receipt of Supplier's invoice. In the event of non-conforming Goods and/or Services, default or termination, Company may, at its discretion, withhold any monies payable hereunder. Undisputed portions of invoices shall remain due and payable by the Company to the Supplier.

**13. Inspection.**

Company and Company's customer(s) shall be entitled to, at Company's discretion, and on giving reasonable notice, check progress of the Purchase Order, inspect the Goods, or witness or perform testing as prescribed in the Purchase Order, during manufacture and prior to delivery. Supplier shall allow Company (or Company's nominated representative) access to Supplier's (and its subcontractors and vendors) premises at reasonable times to undertake such inspections and/or testing. Any inspections or tests witnessed or performed by Company shall not in any way relieve Supplier from any of its obligations under the Purchase Order or applicable law.

**14. Independent Contractor.**

Supplier shall act as an independent contractor and not as an agent or employee of Company or its customer.

**15. Subcontracting.**

Supplier may not subcontract any portion of the Services to be performed or provision of the Goods to be delivered under this Purchase Order without the express written permission of Company.

**16. Default and Termination.**

In the event Supplier becomes unable to meet the Delivery Date contained in the Purchase Order, or is unable to perform to the terms of the Purchase Order for any reason, Supplier must immediately notify Company in writing. In the event of Supplier's default in the performance of any of its obligations under the Purchase Order the Company may, at its sole discretion cancel the Purchase Order without penalty or liability and the Supplier shall be liable for and shall indemnify the Company in respect of all damages arising out of such default. Default shall be deemed to occur if, in the reasonable opinion of Company, Supplier is unable to comply with its obligations under the Purchase Order. Company may, at its option, for reasons other than Supplier's default, terminate or suspend the Purchase Order, in whole or in part, and Supplier shall stop all performance hereunder, except as otherwise directed by Company. Supplier shall promptly advise Company of the quantities of Goods and raw materials on hand or purchased prior to termination and of the disposal options that mitigate the Supplier's costs and the Supplier shall comply with any instructions of Company regarding treatment and/or disposal of Goods and raw materials. Supplier shall submit to Company written notice of its intention to submit claims based upon such termination within 15 days from the date of notice of termination, and all such claims shall be fully particularised and substantiated by Supplier's purchase orders, accounts, receipts, and similar documentation within 30 days thereafter, or such claims shall be deemed as being waived by the Supplier. Company shall pay Supplier the agreed price for Goods supplied and/or Services properly rendered, the order price of finished Goods accepted by Company, and the cost to Supplier, excluding profits and losses, of work in progress and raw materials relating to the Purchase Order. Company reserves the right to verify such claims at any reasonable time by inspecting and auditing the records, facilities, work or materials of Supplier relating to the Purchase Order. Company will make no payments for finished work, work in progress, or raw materials fabricated or procured by Supplier unnecessarily in advance or in excess of Company's delivery requirements under the Purchase Order. Notwithstanding the above, payments made under this section shall not exceed the aggregate price specified in the Purchase Order, less any payments made or to be made. Payment provided under this paragraph shall constitute Company's only liability in the event the Purchase Order is terminated.

**17. Taxes.**

Supplier and its subcontractors will be responsible for any and all taxes that are lawfully due by Supplier with respect to Goods and Services performed or provided to Company, including, but not limited to, U.S. (federal and state) and non-U.S. income taxes, social security taxes, unemployment taxes, franchise taxes, stamp duties, training fees, real and personal property taxes, and sales, value-added and similar taxes pertaining to any provision of Supplier's Goods or Services hereunder. In addition, Supplier will be solely responsible for all costs and expenses of import and export, customs duties, imposts, taxes, tariffs, and all other fees which may be assessed on the performance of the work. With respect to Goods and Services, Company, if required by law, will withhold from payment to Supplier taxes or any other amounts the Company is required to withhold under the laws of any taxing jurisdiction having authority over Company where the Goods or Services are being performed or provided by Supplier. Any such taxes or other amounts withheld shall be paid by Company to the appropriate taxing or other authority in a timely manner. At the written request

of Supplier the Company shall provide Supplier with receipts and documentation evidencing such payments withheld from amounts payable to Supplier.

#### 18. Insurance.

Supplier shall, at its own cost, arrange with insurers acceptable to Company the following insurances:

- a) workers' compensation insurance, or similar coverage, sufficient to satisfy all applicable laws and regulations of each jurisdiction in which Supplier and its employees are performing work on behalf of Company. The policy of insurance shall be endorsed to include employer's liability with a limit of not less than US\$1,000,000 for each occurrence and including coverage for occupational disease;
- b) comprehensive general liability insurance with a combined single limit for bodily injury and property damage of US\$1,000,000 for each occurrence and not less than US\$2,000,000 in the aggregate, and the policy shall be endorsed to include broad form property damage coverage, products/completed operations coverage and contractual liability coverage;
- c) automobile liability insurance with a combined single limit for bodily injury and property damage of US\$1,000,000 each occurrence;
- d) umbrella liability insurance with limits of not less than US \$5,000,000 that shall be excess over and be no less broad than the coverage required under b) and c) above, and shall include a drop-down provision for exhaustion of underlying limits; and
- e) Where the Supplier is providing professional services including design, inspection and testing the Supplier shall effect and maintain a professional indemnity insurance policy with total aggregate cover of not less than US\$5,000,000.

Insurance deductibles applicable to the above nominated policies shall be the Supplier's sole responsibility.

All policies shall contain a waiver of subrogation rights from Supplier and its insurers against Company, and shall contain a provision that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days' prior written notice having been given to Company. Any coverage required to be provided by the Supplier will be considered primary and not in excess of or contributory with any similar coverage carried by Company. In the event that liability for any loss or damage is denied in whole or part for any reason by the underwriter(s) of the Supplier, or if the Supplier fails to effect or maintain any of the required insurances, the Supplier shall become an insurer to the extent of such failure and shall in addition indemnify and hold harmless the Company, its Related Entities and employees against all claims which would have otherwise been covered by such insurance(s).

Supplier shall where requested provide documentary evidence acceptable to the Company that the above specified insurances have been effected by the Supplier.

#### 19. Health, Safety and Environment.

Supplier shall comply with any and all applicable regulations pertaining to safety, health and the environmental protection. Supplier further agrees to abide by all safety, health, environmental, and drug and/or alcohol abuse regulations, policies and procedures in effect at all work sites. Further, Supplier represents and warrants that all Goods are and will be when delivered free of all hazardous substances and that no claim, demand, or notice has been filed nor any proceeding commenced alleging liability of Supplier in connection with the use of any hazardous substances relating in any way to the manufacture or sale of the Goods or the provision of Services. Supplier shall provide a material safety data sheet for each item or substance containing toxic substances purchased by Company from Supplier, and Supplier shall affix on each container containing toxic substances the chemical name and the appropriate hazard warning for the use and safe handling of the substance, along with any other required markings and legends. Supplier shall provide other material safety data sheets relating to the Goods upon request.

#### 20. Remedies.

The rights and remedies of Company set forth herein are not exclusive and are in addition to all rights and remedies available at law or in equity.

#### 21. Non-waiver.

Company's failure to insist upon strict performance of any term or condition set forth herein shall not be deemed a waiver of any rights or remedies that Company may have and shall not be deemed a waiver of any subsequent breach of the same or any other term or condition hereof.

#### 22. Compliance with Laws.

Supplier shall comply with all laws, rules, regulations, decrees and/or official governmental orders referenced in this Purchase Order or applicable to the performance of Supplier's obligations under this Purchase Order, including without limitation US anti-boycott laws and regulations and US and applicable international export control and customs regulations. Without limiting the above, Supplier represents that it has obtained all licenses and authorizations necessary to export or re-export the Goods, technology or Services necessary under the Purchase Order to Company or to the ultimate end user as identified by Company to Supplier. Insofar as applicable, Supplier hereby agrees that the Goods will be produced and Services will be performed in compliance with the Fair Labor Standards Act, and the Service Contract Act, as applicable and amended, and agrees to so certify the same on its invoices.

### **23. Anti-bribery and Corruption.**

Supplier represents, warrants and covenants that it and its Associated Persons have conducted, and will at all times conduct, its and their respective businesses in accordance with applicable laws, rules, regulations, decrees and/or official governmental orders of the United States, United Kingdom and any country in which Goods and/or Services are provided hereunder relating to anti-bribery, anti-corruption and anti-money laundering. Supplier and its Associated Persons shall maintain adequate procedures in furtherance of these requirements. Supplier and its Associated Persons have not made, offered, promised to make or authorized the making of, and shall not make, offer or promise to make, or authorize the making of:

- a) any payment or other transfer of anything of value if and to the extent that to do so is or would be in violation of or inconsistent with the principles or requirements of any anti-bribery, anti-corruption or anti-money laundering laws applicable to Company or to Supplier, or to their respective parent companies, including without limitation, the US Foreign Corrupt Practices Act and, where applicable, the UK Bribery Act (2010); or
- b) any so-called "facilitation" payments irrespective of local custom and even though in some countries such payments may be lawful. Any failure to comply with this clause shall be a material breach of the Purchase Order not capable of remedy.

For the purposes of the Purchase Order "Associated Persons" means any person associated with Supplier including, but not limited to, Supplier's parent company, subsidiaries and its and their respective owners, directors, officers, employees, agents, representatives, sub-contractors and suppliers.

### **24. Audit Rights.**

The Company shall have the right (but not the obligation) to audit the relevant books and records of Supplier, its subsidiaries, representatives, sub-contractors and suppliers to verify and enforce Supplier's compliance with these terms and conditions. Supplier shall maintain its books and records relating to its provision of Goods and Services hereunder for a period of 3 years following the completion of the Purchase Order and make such books and records available to Company and its auditors, provide reasonable cooperation and take such further action as Company may reasonably request at any time(s) within said 3 year period. Supplier agrees that Company may audit Supplier's performance and internal control system on a basis to be agreed to the extent necessary for Company to comply with its assessment obligations under applicable laws, regulations, legal process, stock exchange requirements and contractual requirements.

### **25. Code of Conduct.**

In connection with Supplier's provision of Goods and/or Services under this Purchase Order, Supplier represents, warrants and covenants that it and its Associated Persons have conducted, and will at all times conduct, its and their respective businesses in a manner that is consistent with and adheres to the principles in Company's Code of Business Conduct and Ethics available at [www.oceaneering.com](http://www.oceaneering.com). Without limiting the generality of the foregoing, no payment or other transfer of anything of value, including without limitation the provision of any funds, services, gifts or entertainment has been made or will be made directly or indirectly to any person or entity for the purpose of obtaining or influencing the award of this Purchase Order or for any improper advantage or improper purpose in connection with any business transactions involving Company.

### **26. Equal Employment Opportunity.**

Supplier certifies that it is in full compliance with Executive Order 11246, as amended, and all administrative regulations issued pursuant thereto, as well as all other applicable equal employment obligations as required by governmental orders, rules or regulations, or law as of the date of executing the Purchase Order.

### **27. Occupational Safety and Health.**

Supplier warrants that any Goods sold pursuant to the Purchase Order will comply in all respects with the Occupational Safety and Health Act of 1970, as amended, and all applicable regulations, rulings, orders and standards promulgated thereunder. If Goods sold hereunder do not so conform, Company may return the Goods for correction or replacement at Supplier's expense.

### **28. Federal Contracting Standards.**

To the extent applicable under federal law and except as Supplier is otherwise exempt, then Supplier stipulates and agrees:

- a) that Supplier is not among the persons or entities debarred, as set forth in the Excluded Parties List System, and none of Supplier's facilities is listed on the Environmental Protection Agency ("EPA") List of Violating Facilities (pursuant to 40 CFR Part 32);
- b) to comply with all requirements of the Clean Air Act, as amended, and the Clean Water Act, as amended, including all regulations, guidelines and standards issued thereunder;
- c) that the Purchase Order is expressly conditioned upon Supplier promptly notifying Company in writing if Supplier receives any communication from the EPA or other applicable governmental authority, indicating that Supplier or a facility to be used in performing the Purchase Order is listed in, or being considered for listing in, the List of Violating Facilities or Excluded Parties List System; and
- d) to include the requirements of the above in every subcontract if not otherwise exempt or as Company may agree specifically in writing. Any clause required by applicable law, order, rule or regulation to be set forth in these Purchase Order Terms and Conditions shall be deemed set forth herein.

**29. Governing Law and Venue.**

The construction, interpretation, and performance of this Purchase Order shall be determined in accordance with the laws of the State of Texas and the United States of America (but not including any of their conflicts-of-law principles or rules which would direct or refer to the laws of another jurisdiction). The state and federal courts situated in Houston, Harris County, Texas shall have exclusive jurisdiction of any disputes arising under or in relation to this Purchase Order, and the Parties consent to jurisdiction and venue in a court of competent jurisdiction in Harris County, Texas.

**30. Entire Agreement.**

The Purchase Order, including any attachments or addenda, constitutes the entire understanding and agreement between the Parties and supersedes all prior representations and agreements and THE PARTIES AGREE THAT UNLESS A TERM OR CONDITION IS EXPRESSLY INCORPORATED HEREIN IT WILL HAVE NO FORCE OR EFFECT WITH RESPECT TO THIS PURCHASE ORDER.

---