



Delta SubSea LLC

PURCHASE ORDER TERMS & CONDITIONS

NOTE: THIS PURCHASE ORDER CONTAINS PROVISIONS RELATIVE TO INDEMNITY, RELEASE, LIMITATION OF LIABILITY AND ALLOCATION OF RISK.

Each PURCHASE ORDER (the "Order") issued by Delta SubSea LLC and its parent, subsidiary, affiliated and related companies (hereinafter collectively referred to as "Delta SubSea" or "Company") to the supplier identified on the Order (the "Supplier") is subject to the following terms and conditions:

1. OFFER & ACCEPTANCE - The term "Goods" includes all materials, equipment, items, and property of every type, kind and description provided by Supplier, as described on the face of the Order. The term "Services" shall include design, delivery, installation, inspection and/or testing specified, performed, or required to be performed with any Goods or services ordered by this Order. If the transaction is subject to a negotiated agreement executed by an officer of Company in a document indicating that it represents the entire and exclusive agreement between the parties, then this Order is issued for administrative convenience only. Otherwise, this Order may be construed as an offer or an acceptance of an offer. If construed as an OFFER, the offer is expressly limited to its terms and any additional or different terms in the Supplier's acceptance are expressly rejected. If construed as an ACCEPTANCE of Supplier's offer, Company rejects any terms of Supplier's offer at variance with or supplemental to this Order and Company expressly conditions its acceptance on Supplier agreeing to the terms of this Order. Supplier shall be deemed to accept the terms and conditions of the Order if Supplier signs the Order, does not reject such terms within three (3) business days by giving written notice identifying the rejected provisions and the reasons therefore, or otherwise delivers the Goods ordered by Company. Supplier's rejection of the terms and conditions in this Order contained in a standard invoice or similar transaction document is not effective.

2. CHANGES - Company may, at any time by written notice, suspend performance in whole or in part, make changes in designs, specifications, method of shipment or packing, or time or place of delivery of the Order. If any such change causes an increase or decrease in the cost of, or the time required for performance of the applicable Order, an equitable adjustment may be made in the contract price or delivery dates or both, and the Order should be modified in writing to reflect such changes. Any claim on account of such change shall conclusively be deemed to be waived unless Company is notified in writing within thirty (30) days from the date of receipt by Supplier of the change order. No change order will be binding on Company unless signed by an authorized representative of Company. Unless the parties agree otherwise, as set forth in this section and section 16 below, DELTA SUBSEA SPECIFICALLY DOES NOT AGREE TO AND DOES NOT ACCEPT ANY TERMS, CONDITIONS OR OTHER CONTRACTUAL LANGUAGE NOT SPECIFICALLY AGREED TO IN WRITING AS SET FORTH ABOVE, INCLUDING WITHOUT LIMITATION ANYPURPORTED TERMS AND CONDITIONS SET FORTH ON OR IN DOCUMENTS OR MATERIALS ACCOMPANYING THE GOODS OR SERVICES, SUPPLIER PROVIDED FORMS, WEBSITES, EMAILS, OR OTHERWISE.

3. DELIVERIES; TIME OF THE ESSENCE - Unless otherwise specified in the Order, all Goods shall be delivered on or before the date for delivery specified in the Order. Time is of the essence for the supply of the Goods and Services. Supplier and Company acknowledge that it is a material requirement of the Order, and the consideration for this agreement includes, delivery of Goods and Services in accordance with the agreed terms, including Delivery Date and the Technical Specification. In the event of Supplier's failure to timely deliver Goods or Services on or by the Agreed Delivery Date, and at Company's option, Company may either cancel the Order or assess a credit in the amount of three and one half (3.5%) percent of the total order value, per day, up to a maximum amount of the total order value, for each day delayed in the final delivery of Goods and Services that meet the Technical Specifications and that are acceptable to the Company. Except as otherwise agreed, in writing, Supplier will be responsible for all ordering, scheduling and planning required to complete its obligations under this Order in a timely manner. Without prejudice to Supplier's obligation to perform on time, Supplier will give Company immediate notice in writing if any delay in performance is foreseen for any reason. Where no specific time for performance of an obligation is provided, such obligation will be completed in a prompt and timely manner having regard to Company's requirements. Supplier shall promptly notify Company of any delay in shipment and Company shall have the opportunity to cancel the Order and obtain a full refund. If instructed by Company, Supplier shall deliver any software or data products by electronic transmission or "load & leave" method.

4. PACKING & SHIPPING - No charge shall be made by Supplier for packaging, transportation or unpacking, except as stated on the face of the Order. All Goods shall be packaged, marked and otherwise prepared in accordance with good commercial practices to obtain the lowest transportation rates consistent with Company's shipping instructions. Supplier shall mark containers with appropriate handling and loading instructions, shipping information, order, item and account number, shipment date and names and addresses of Supplier and Company. An itemized packing list must accompany each shipment.

5. RISK OF LOSS - Supplier shall bear all risk of loss on Goods covered by each Order until final acceptance at the destination specified on the face of the Order. Any "F.O.B." designation refers only to responsibility for transportation charges and does not vary the foregoing risk of loss provisions. Supplier shall replace any lost or damaged media containing licensed software or data upon request at a price not exceeding the reasonable cost of media duplication, packaging and shipping.

6. PRICES - Supplier shall complete each Order at the prices stated therein. If no prices are stated, they shall be commercially reasonable prices and subject to Company's written approval. Any items delivered at unstated prices which are determined by Company to be unacceptable shall be returned at Supplier's expense. Company shall be entitled to any reduction in prices announced within thirty (30) days after Supplier delivers the item. Unless expressly billed on the face of the Order, the price for software includes all applicable permits, third party royalties and license fees. Unless Company provides a tax exemption certificate, Supplier shall separately state, collect and remit in a timely manner to governmental authorities all levies, duties, fees and taxes on this Order ("Taxes and Levies"). Supplier shall thereafter defend, indemnify and hold harmless Company Group (defined below) from any failure to collect, remit or pay Taxes and Levies, including any interest or penalties imposed thereon. As a condition of final payment, Supplier shall upon request furnish standard lien waivers.

7. INVOICING & PAYMENT - Supplier shall within sixty (60) days of shipment send an invoice, which shall include the number of the Order and any item numbers, accompanied by any bill of lading or express receipt. Unless otherwise specified in the Order, invoices are payable forty-five (45) days after the date Company receives the invoice, provided the original invoice and all required backup documentation are duly received by Company's designated representative. Payment shall not be construed as Company's acceptance, which shall remain subject to Company's right to inspect and other rights hereunder. Company (and its affiliates) may set off any

amount owed to Supplier against any amount owed by Supplier (or its affiliates) to Company. Any additional or different contract terms appearing on Supplier's invoice form are expressly rejected.

8. INSPECTION - All Goods covered by an Order may be inspected and tested by Company at reasonable times and places and with Supplier's reasonable assistance. Copies of all test reports, test data, etc., in number of copies as specified shall be mailed by Supplier to Company at its home office address shown on the Order. Supplier shall advise Company at least ten (10) days in advance of when such Goods are ready for inspection. Neither such inspection nor failure to inspect shall relieve Supplier of any responsibility with respect to any Goods. Company's count will be accepted as final and conclusive on all shipments of Goods not accompanied by a packing slip. Substitutions will not be permitted except on written authorization of Company. Goods delivered in error or any excess of quantity ordered will be returned at Supplier's expense. If any Goods, Services and/or items covered by the Order are defective or nonconforming, Company may upon written notice to Supplier: (i) rescind the Order as to such Goods, Services and/or items, (ii) accept such Goods, Services and/or items with an equitable reduction in price, or (iii) reject such Goods, Services and/or items and require the delivery of conforming replacements at its sole option. If replacements are requested and Supplier fails to deliver such replacements promptly, Company may: (i) replace or correct such Goods, Services and/or items and charge Supplier all reasonable costs incurred by Company, or (ii) terminate the applicable Order for default as provided in Section 11 ("Termination"). No inspection, tests, approval (including design approval), or acceptance of Goods or Services shall relieve Supplier from responsibility for latent defects, material misstatements or omissions, or Supplier's warranty obligations. Manufacture or production of Goods or Services subject to the Company's written approval of a prototype, sample or design shall not proceed until such approval is given. Rejected Goods or Services and scrap materials shall be promptly removed by Supplier without cost to Company.

9. COMPLIANCE WITH LAWS & POLICIES - Supplier shall at all times comply with and provide all stipulations, representations, certifications and building codes required by all applicable laws and regulations with respect to any in-transit and destination jurisdictions for Goods or Services supplied under an Order. Supplier shall comply with all laws governing the importation, exportation or transfer of technology across national boundaries, shall obtain all necessary permits and governmental authorizations and approvals necessary to the performance of the applicable. Hazardous materials shall be conspicuously labeled and properly handled and disposed of at all times.

10. RELEASE AND INDEMNIFICATION - SUPPLIER AGREES TO AND HEREBY DOES RELEASE, HOLD HARMLESS, DEFEND AND INDEMNIFY COMPANY AND ITS PARENT, SUBSIDIARIES, AFFILIATES, AND RELATED COMPANIES AND ITS AND THEIR RESPECTIVE CUSTOMERS, SHAREHOLDERS, MEMBERS, DIRECTORS, OFFICERS, EMPLOYEES, CONTRACTORS OF ANY TIER (OTHER THAN SUPPLIER), REPRESENTATIVES, AGENTS, SUCCESSORS, INVITEES, VESSELS, UNDERWRITERS OR ASSIGNS ("COMPANY GROUP") FROM AND AGAINST ANY AND ALL CLAIMS, SUITS, LIABILITIES, DAMAGES, JUDGMENTS, COSTS, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEY'S FEES) ("CLAIMS") ARISING OUT OF OR IN CONNECTION WITH SUPPLIER'S WARRANTY OBLIGATIONS, OR THE GOODS, WORK AND/OR SERVICES PROVIDED BY SUPPLIER PURSUANT TO THIS ORDER. THIS INDEMNITY SHALL SURVIVE TERMINATION OR EXPIRATION OF THIS ORDER. EXCEPT AS OTHERWISE EXPRESSLY LIMITED HEREIN, IT IS THE INTENT OF THE PARTIES HERETO THAT ALL INDEMNITY OBLIGATIONS AND/OR LIABILITIES ASSUMED UNDER THE TERMS OF THIS ORDER BE WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES THEREOF (INCLUDING PRE-EXISTING CONDITIONS), STRICT LIABILITY, OR THE NEGLIGENCE OF ANY PARTY OR PARTIES (INCLUDING THE NEGLIGENCE OF THE INDEMNIFIED PARTY OR PARTIES), WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, GROSS, ACTIVE OR PASSIVE.

11. WARRANTIES - Without prejudice to representations or warranties under law or otherwise given by Supplier, Supplier warrants that the Goods, Services and/or items furnished hereunder will: (i) be free from material defects in design, material and workmanship; (ii) be suitable for any particular purposes made known to Supplier in advance; (iii) function together as a system if the Company notified Supplier that it was relying on Supplier's skill or judgment to select Goods, Services and/or items that will function as such; (iv) perform in accordance with their specifications; (v) conform with any related sample, model, documentation, description, labeling or literature supplied by Supplier, (vi) conform to any specific requirements of the Order, and (vii) not violate the intellectual property rights of any person or entity. Unless otherwise agreed in writing, all hardware, software, the Goods, Services and items are transferred to Company free and clear of all liens and encumbrances. Unless agreed in writing by Company, all hardware and replacement parts are warranted to be in new condition. Supplier warrants the Goods and Services for a period equal to the earlier of (i) twenty-four (24) months from the date of delivery to Company, or (ii) of twelve (12) months from date the Goods and Services are placed in service. If Goods, Services and/or items are found not to be as warranted, Company may, at its sole discretion, require the Goods, Services and/or items to be removed and corrected or may return all defective Goods, Services and/or items (and other Goods, Services and/or items supplied by Supplier that are materially diminished thereby) to Supplier, at Supplier's sole expense, for replacement or credit as Company may direct.

11. TERMINATION - Company may at any time by written notice suspend or cancel any Order or any part thereof without cause. Company shall pay Supplier a reasonable cancellation charge, determined by Company in good faith, for work-in-process (not exceeding the price for the cancelled items) to the extent Supplier's costs for such items cannot be mitigated. Off-the-shelf Goods and items that are readily marketable and any rented facilities that can be readily rebooked shall not be subject to a cancellation charge. If Supplier materially fails to comply with an Order and does not remedy such failure within seven (7) days after written notice, Company may (in addition to any other remedy) terminate all or any part of the Order by notice to Supplier without any liability and may affect "cover" by purchasing substitute items elsewhere. In such event, Supplier shall be liable to Company for any excess cost and expense of cover. If the Order is terminated, Company may require Supplier to transfer title and deliver to Company any fully or partially completed Goods or Services and materials, parts, plans, drawings, information, and contract rights that Supplier produced or acquired for the performance of the terminated work, subject to reasonable compensation as set forth above.

12. FORCE MAJEURE - Company shall not be liable for events beyond its reasonable control. Supplier shall not be liable for events beyond its control and the control of its authorized subcontractors or suppliers if unable after due diligence to obtain substitute supply at reasonable cost. Whenever an actual or potential force majeure event threatens to delay performance, Supplier shall immediately notify the Company in writing of all relevant circumstances and await instructions.

13. RELATIONSHIP - Supplier is an independent contractor of the Company and is not an employee, partner, joint venturer or franchisee. Supplier is not entitled to participate in any employee benefit plan of Company. Supplier represents that it has other substantial sources of revenue, will file its tax returns and pay tax as an independent contractor for this relationship and will defend, indemnify and hold harmless Company Group from any claim to the contrary.

14. GOVERNING LAW AND VENUE - THE U.N. CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS AND THE UNFAIR CONTRACTS ACT IN THE UNITED KINGDOM DO NOT APPLY TO THIS ORDER. ANY CLAIM AGAINST COMPANY MUST BE INITIATED BY SUPPLIER WITHIN ONE YEAR OR SUCH CLAIM WILL BE BARRED. THIS ORDER AND THE VALIDITY HEREOF, THE AGREEMENTS EVIDENCED HEREBY, AND ALL MATTERS AND ISSUES ARISING HEREUNDER, SHALL BE CONSTRUED PURSUANT TO AND GOVERNED BY THE GENERAL MARITIME LAW OF THE

UNITED STATES. IF MARITIME LAW IS HELD INAPPLICABLE BY A COURT OF COMPETENT JURISDICTION, THEN TEXAS STATE LAW WILL BE APPLICABLE EXCLUSIVE OF ANY PRINCIPLES OF CONFLICTS OF LAWS WHICH WOULD DIRECT APPLICATION OF THE SUBSTANTIVE LAWS OF ANOTHER JURISDICTION.

IN THE EVENT OF A DISPUTE OVER THE MEANING, INTERPRETATION OR APPLICATION OF THIS ORDER, IT SHALL BE CONSTRUED FAIRLY AND REASONABLY AND NEITHER MORE STRONGLY FOR NOR AGAINST EITHER PARTY. THE PARTIES AGREE AND STIPULATE THAT THE EXCLUSIVE VENUE FOR ANY DISPUTE ARISING OUT OF OR IN CONNECTION WITH THIS ORDER INCLUDING, WITHOUT LIMITATION, THE VALIDITY, INTERPRETATION, AND PERFORMANCE OF THIS ORDER, SHALL BE THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF TEXAS, HOUSTON DIVISION, LOCATED IN HOUSTON, TEXAS AND IF NECESSARY, THE CORRESPONDING APPELLATE COURTS AND HEREBY IRREVOCABLY DESIGNATE THE SECRETARY OF STATE OF THE STATE OF TEXAS AS THEIR AGENT FOR SERVICE OF PROCESS UNLESS ANOTHER AGENT HAS BEEN REGISTERED IN TEXAS AND AGREE THAT PROCESS MAY BE SERVED THEREON IN ANY MANNER PERMITTED BY TEXAS LAW. IN THE EVENT THE FEDERAL COURT IN HOUSTON, TEXAS LACKS JURISDICTION, ANY DISPUTES ARISING UNDER THIS AGREEMENT SHALL BE LITIGATED EXCLUSIVELY IN THE MONTGOMERY COUNTY COURT IN THE STATE OF TEXAS AND IF NECESSARY, THE CORRESPONDING APPELLATE COURTS.

15. SECURITY AND TITLE - Supplier hereby grants Company a security interest in the Goods and Services covered by the Order to the extent that Company has made installment payments with respect to such Goods and Services, and Supplier agrees to cooperate with Company to prepare and file such documents as Company may reasonably request from time to time to evidence such security interest. Title to the Goods and Services covered by the Order and any work in progress under an Order, including all materials, machinery, and equipment intended for incorporation in the Goods and Services, regardless of location, shall be in Company free and clear of any claim or lien of the Supplier in respect to the Goods and Services for which Company has paid. However, the vesting of title does not relieve Supplier of any obligations under this Order. Risk of loss shall be with the Supplier even if title to parts of Goods and Services has passed to Company.

16. GENERAL PROVISIONS - This document contains the entire and exclusive agreement between the parties, supersedes any previous written or oral communications and may be amended only in a writing signed by Company's authorized representative. THE PARTIES AGREE THAT ANY OTHER TERMS AND CONDITIONS, INCLUDING ANY THAT MAY ACCOMPANY THE GOODS AND/OR SERVICES, WILL BE OF NO FORCE OR EFFECT. Company's waiver of any provision hereof shall be effective only if contained in a signed writing specifically and clearly in compliance with the provisions of sections 2 and 16 of these TERMS and CONDITIONS. Waiver of a provision in one instance shall not preclude enforcement thereof on future occasions. Except as stated on the front hereof, Supplier shall not assign, delegate or subcontract any Order or any rights hereunder without the prior written consent of Company and any attempt to the contrary shall be void and of no legal effect. Headings are for reference purposes only and have no substantive effect. Any accrued but unperformed obligations and any representations and warranties shall survive expiration or other termination of this Order.