

1. General Terms and Conditions:-

- **Instruction To Tenderers (specific terms)**

Daleel Petroleum LLC (CLIENT) is an Upstream Oil Production Company, PO: Box 543, Code 112, operating its Daleel Oilfield – Wadi Aswad Concession, Onshore Sultanate of Oman, 450 km from the Capital Muscat Governorate. Having its office at Al-Khuwair OGC-Building.

This written communication and contact is intended to be and serve as PURCHASE INQUIRY in the form of REQUEST FOR QUOTATION (RFQ). Upon receipt of this RFQ, the clarifications required by the INVITEE for the purpose of preparing His Quotation should be clearly drafted as Queries and forwarded to CLIENT. Upon receipt of the Queries, CLIENT will, as soon as possible, clarify them. The following shall be observed:

- The tender shall consist of **Two sealed (Technical) without pricing and One sealed Commercial** and shall be submitted strictly in accordance with these instructions to tenderers for one type of pipes make and should be *approved mill*.
- Preparation and submission of the Quotation shall be at no charge to CLIENT; neither if the Order has been awarded to the Bidder, nor if not. The same shall apply in case the Purchase/Tender has been postponed/cancelled by CLIENT before issuing of the Order. Any & all documents, originals &/or copies, submitted by the Bidder to CLIENT for the purposes of and against the RFQ shall be the sole right of CLIENT and will not be returned back to the Bidder.
- CLIENT reserves the right to accept or not accept your Quotation and to accept other than the lowest price Quotation, without being bound to assign any reason in any case whatsoever.
- This RFQ shall constitute an integral part of the CLIENT Order's terms/conditions. The terms/conditions contained here in the RFQ shall finally be concluded either same as existing or amended/added to/deleted partially or wholly or otherwise etc. These changes shall only be via & vide written documents post-dated to the RFQ's date hereof and duly approved, authenticated, attested by both CLIENT and the Bidder; which will be the eventual Vendor.
- **Secrecy and confidentiality:** The Bidder shall not disclose any of the information contained herein to any other party or any 3rd party without prior written consent of CLIENT. Subcontractors shall be exposed to the extent related to their preparation of their Quotations to the Bidder.
- **Language:** English.
- **Force Majeure:** Neither CLIENT nor the Vendor shall be responsible for any failure in performing the obligations provided for herein when such failure is due to force majeure. Neither party shall be liable to the other for any loss or damage arising as a result of circumstances beyond the control of the failing party. Such circumstances shall include, but not be limited to, acts of God, wars (declared/undeclared), civil disturbances, insurrections, governmental restrictions, prohibitions or enactments of any kind, import/export regulations, strikes, violences, lockouts, fires, accidents, etc.
- **Law and Arbitration:** Omani.

I Prices & Payment:

- i **Prices:** CIF (Cost, Insurance & Freight) – to Muscat Office, Sultanate of Oman; inclusive of and covering all costs and charges (Ex-work, Packing/Crating; Legalization; Handling (abroad); Transport (abroad); Cranage/haulage; Seafreight; etc).
- ii *Order prices shall be fixed and remain unchanged for the entire period of the Order. Unless otherwise specifically stated and/or provided for, no price increment shall be allowed even if there is global prices/costs escalation.
****Prices should be in MTRs/ PCS**
- iii **Currency:** R.O.
- iv **Payment:** TT remittance, 100%, Within 45 days after receipt of Vendor's Invoice which shall be submitted to CLIENT after Delivery.

II Delivery:

- i **Date of Delivery:** Ex-Stock will be much preferred.
- ii **Delivery Time:** Bidder shall clearly specify and mention:
 - **Ex-work Time:** required by the mill to complete manufacture.
 - **Freight/Transport Time:** to Destination (DALEEL)
- iii **Place of Delivery:** Muscat Warehouse or Daleel Field , IBRI, Sultanate of Oman (TBA).
- iv **Partial Delivery:** is allowed and acceptable, unless otherwise agreed upon by both parties.
- v **Liquidated Damages Penalty (Penalty against Late/Delayed Delivery):** charge 0.1% per day upto a maximum of 5%. Thereafter, CLIENT shall reserve the right of cancellation/termination of the Order. Notwithstanding the above, if the delay caused by the Vendor resulted in, in CLIENT opinion, severe damage or business interruption, etc., then CLIENT may at anytime after the agreed due delivey date cancel the Order, bearing no costs or charges.

III Technical:

- i **Specifications** are and shall be as per the attached technical document and. CLIENT Specifications set out and laid down shall be strictly adhered to. Deviation from/ alternation to CLIENT Specifications are not acceptable.
- ii **Delivery Allowance:** +2%, -0%.
- iii Material shall be brand-new and Bidder shall provide the following information for the material:
 - Name of Manufacturer.
 - Country of Origin.
 - Date of manufacturing.
 - Port of Loading.

- iv** Mill's CHECK will be considered by CLIENT as **final**, Mill's CERTIFICATION for INSPECTION, TEST, ETC., shall be submitted to CLIENT upon Delivery.
- v** **3rd Independent Party Inspection & Certification**, if asked by CLIENT, will be at CLIENT cost. The Quotation should not include it and/or for it, but its cost may be quoted optional.
- IV** The Vendor shall be fully responsible for the Consignment until Destination (In this case: Daleel Oilfield, Ibri, Sultanate of Oman).
- V** **Warranty:** 12 months from Delivery.

2. General Terms for Purchasing

These general terms of purchase shall apply to the Purchase Offer issued by the CUSTOMER and to the Purchase Order (P.O.) and shall prevail over the SUPPLIER's terms of sale. They can be modified by the special terms stipulated in the Purchase Order (P.O.); such special terms will only apply to the Order concerned, the SUPPLIER not being entitled to avail itself thereof for other orders. In the event of conflict between the general and special terms of purchase, the special terms will prevail.

Article 1 - PREAMBLE

"DALEEL" means DALEEL PETROLEUM COMPANY L.L.C.

The present General Conditions govern the relationship between DALEEL and its suppliers. They are intended to inform suppliers of DALEEL of the essential principles the observance of which is of prime importance.

The present General Conditions apply in the absence of any regulatory or contractual provisions, or of any specific conditions regarding certain works.

For the purpose of these General Purchasing Conditions, "P.O." means "PURCHASE ORDER".

Article 2 - DEFINITION OF THE SUPPLY

The studies, equipment, materials or products constituting the SUPPLY are defined in the P.O..

The SUPPLIER will receive from DALEEL all documents and specifications relative to the proper performance of the requested SUPPLY. In the absence of a written request on his part, the SUPPLIER is considered as having all information required for proper performance of the SUPPLY.

Article 3 – SUPPLIER'S SPECIAL OBLIGATIONS

3.1 Delivery .

3.1.1 The P.O. is established carriage and packing paid, merchandise unloaded at the delivery address, pursuant to the conditions laid down in the P.O..

When a factory inspection is provided for, the shipments must not take place until after inspection and approval by the DALEEL representatives.

The packing, loading and wedging in connection with shipment shall be carried out by the SUPPLIER on his own responsibility.

The transportation of the SUPPLY shall be at the SUPPLIER' s risk, irrespective of the transportation means used.

Equipment which is not in conformance at the time of delivery, necessitating replacement or repair by the SUPPLIER, shall be returned by DALEEL, with cost of carriage to be borne by the SUPPLIER, who shall also bear the carriage cost of the return trip.

3.1.2 The delivery date is stated in the P.O..

The delivery date is binding, and the SUPPLIER acknowledges having been duly warned solely because of the expiration of the term, without any need for further formalities.

For any delivery made after the date stated in the P.O., the SUPPLIER shall be liable by right for payment of penalties for delay. The amount of the said penalties, deducted from the payment due, shall be equal either to the costs incurred by DALEEL due to the SUPPLIER' s default, or to a fixed lump sum per day of late delivery. The said lump sum is laid down in the P.O..

In case of non-observance of the delivery date, DALEEL reserves the right to terminate the P.O. under the conditions laid down in article 6 below.

DALEEL shall also be entitled, at its option, to request replacement of the defective SUPPLY which it shall specify.

3.2 Guarantee.

The SUPPLIER warrants that the SUPPLY shall comply in all respects with the provisions of the P.O., with the applicable rules and regulations (particularly standards), with any DALEEL specifications referred to in the P.O., and in particular with the European or American rules and regulations, and that it shall be free of any defect or flaw.

The SUPPLIER undertakes to supply DALEEL with full information relative to the safety of the product and to its use.

The duration of the guarantee is specified in the P.O..

During the duration of the guarantee, the SUPPLIER undertakes to modify or to replace, at its own expense and without delay, any or all parts of the SUPPLY that are recognised as defective or unsuitable for the services for which the SUPPLY is intended, all of the expenses resulting from the said modification or the said replacement being for the SUPPLIER' s account.

At the end of the guarantee period, the SUPPLIER shall remain liable for the consequences of any hidden defect, whenever it may be discovered, as well as for the consequences resulting from non-observance of its contractual obligations within the legal periods.

Article 4 – PRICE – PAYMENT TERMS

4.1 The prices stated in the P.O. are deemed to include all taxes and duties (if any), and are firm and non-revisable.

4.2. Payment shall be made sixty (60) days (unless otherwise specified in the P.O.) from the end of the calendar month following the date of receipt of the invoice, by cheque or bank transfer.

4.3. The payment schedule and the rules regarding invoicing are stated in the P.O..

4.4. If DALEEL disputes all or part of an invoice, DALEEL shall return the said invoice to the SUPPLIER, giving him the reasons for its disagreement in writing. The SUPPLIER may then:

- either return the invoice corrected to the satisfaction of DALEEL,
- or send an invoice corresponding to the undisputed part, the invoice for the disputed part being sent, if the case arises, after settlement of the dispute.

4.5. Payment of the invoice shall not prejudice the right of DALEEL to dispute in writing, within six (6) months following the date of payment, any charge paid incorrectly. Any such dispute shall be the subject of immediate reimbursement by the SUPPLIER of the excess

payment. Any payment not questioned by DALEEL within the said period of six (6) months is considered as final.

4.6. DALEEL shall be entitled to reject any invoice issued by the SUPPLIER more than six (6) months after the delivery.

4.7. Any dispute by the SUPPLIER concerning payment of the invoices shall be filed as the events underlying them occur, and at the latest within thirty (30) days following the occurrence of the said events, under penalty of forfeiture.

Article 5 – QUALITY CONTROL AND ASSURANCE

It is understood that the SUPPLIER shall be fully responsible for the complete Supply Chain Management up to the delivery site designated by DALEEL.

Notwithstanding with the above provisions, the Parties agree that DALEEL shall be entitled to evaluate, at any time, the conformity of the SUPPLIER' s Quality System and of the Quality Systems of his subcontractors, if any, to the International Quality Assurance standards ISO 9001 or 9002 and/or certifications recognised at an international level, and shall be entitled to request, as the case may be, a specific Quality Assurance plan.

The DALEEL representatives shall be given free access both to the SUPPLIER' s workshops and to those of its subcontractors, if any, with respect to performance of their assignment.

It is understood that intervention by the DALEEL representatives shall not constitute interference on its part in realisation of the SUPPLY, and hence shall not in any way reduce the SUPPLIER' s responsibility in the performance of the SUPPLY.

Article 6 – TERMINATION

DALEEL shall have the right to terminate the P.O. by right without notice and without indemnity to the SUPPLIER in the following cases:

6.1. In case of total or partial non-completion of the order, and of the obligations incumbent on the SUPPLIER under the present General Conditions, or of the conditions of the P.O.,

6.2. In case of incapacity or prohibition, or of cessation of operations, of the SUPPLIER for any reason whatsoever,

6.3. In case of judicial reorganisation or liquidation, if the receiver or the liquidator waives continuation of completion of the SUPPLY.

6.4. In case of non-observance of the provisions of Omani legislation.

6.5. In case of SUPPLIER did not commit on delivery in full and or partial after placing the ORDER to the SUPPLIER.

In all cases of termination by right provided for above, DALEEL reserves the option of completion of the order by another supplier, without prejudice to damages and interest and, as the case may be, penalties provided for in the order for non-realisation or late realisation.

6.6. In case of transfer or of planned transfer of operation of the SUPPLIER' s activity to a successor, particularly by way of conveyance to a company already constituted or to be constituted, merger, transfer of business, etc., the SUPPLIER shall inform DALEEL immediately by registered mail with receipt, and the latter shall then be entitled, upon its sole discretion, to approve the successor or to terminate the P.O..

6.7In case of a substantial modification or planned substantial modification in the structure of the SUPPLIER' share capital, the latter shall immediately inform DALEEL of this fact by

registered mail with receipt, and the latter shall then be entitled, in its sole discretion, to continue with, or terminate, the P.O..

Article 7 – Penalty (Penalty against Late/Delayed Delivery):

Liquidated Damages Penalty (Penalty against Late/Delayed Delivery/Performance): charge 0.1% per day upto a maximum of 5%. Thereafter, Daleel shall reserve the right of cancellation/termination of the Order. Notwithstanding the above, if the delay caused by the Vendor resulted in, in Daleel opinion, severe damage or business interruption, etc., then Daleel may at anytime after the agreed due delivey date cancel the Order, bearing no costs or charges.

Article 8 – TRANSFER OF OWNERSHIP

The transfer of ownership to DALEEL shall take place at the time of delivery to, and approval by, DALEEL as stated in the P.O.

Article 9 - FORCE MAJEURE

Only facts which are unforeseeable, insurmountable and outside of the control of the Party which invokes it, as defined in the precedents recognised in this domain, shall be considered as cases of force majeure.

In case of force majeure, the SUPPLIER shall inform DALEEL immediately, by registered mail with receipt, as soon as the event giving rise to the force majeure occurs, producing all documentary evidence establishing the precise event giving rise to the force majeure.

The force majeure shall not release the SUPPLIER from his obligations except to the extent to, and for the period during, which it is prevented from complying with such obligations.

The SUPPLIER shall endeavour to remedy the impact of force majeure rapidly, and shall at the end of the period of force majeure continue to perform all of his obligations. DALEEL reserves the option of having the order continued by another supplier.

Article 10 – LIABILITY – INSURANCE

10.1 Liability

The cost consequences of the Parties' civil liability are governed by the applicable Omani legislation.

The SUPPLIER is liable for the damage of any description that he himself, the persons for which he is responsible, and his subcontractors or his suppliers if any, and more generally any persons involved due to his acts, and the goods under his custody could cause to third parties, it being understood that DALEEL is considered as a third party, and the SUPPLIER must indemnify and hold DALEEL and its insurers harmless with respect to amounts or prejudice that they might have to bear in this connection.

10.2 Insurance .

10.2.1The SUPPLIER undertakes to take out at its own expense and to maintain in effect, with reputable companies, all insurance policies required for covering all of the risks that may arise in connection with performance of the SUPPLY.

In particular, he must take out an insurance policy known as « exploitation » and « after delivery/work » civil liability for the following minimum amounts:

- Civil liability exploitation : Taking all bodily injury and material and immaterial damage together: 6,000,000 USD per claim, including 1,500,000 USD per claim as material and immaterial damage.
- Civil liability after delivery/work: Taking all bodily injury and material and immaterial damage together: 1,500,000 USD per claim and per year of insurance.

10.2.2. Upon request, the SUPPLIER shall provide DALEEL with (an) insurance certificate(s) provided by his insurer(s) certifying the existence, the duration and the compliance of the policy (ies) with the P.O..

10.2.3. The amounts indicated above are considered as minimum and shall not in any case constitute a limit on the SUPPLIER' s liability, or be considered as an agreement on the part of DALEEL to substitute its financial liability above the scheduled amounts.

10.2.4. The deductibles applicable to the SUPPLIER' s insurance are for the SUPPLIER' s account.

10.2.5. The SUPPLIER shall indemnify DALEEL and its insurers for repayment of all amounts that DALEEL and its insurers are required to pay in any connection whatsoever because of the absence, insufficiency or lapse of the SUPPLIER' s insurance policies.

10.2.6. The provisions of Articles 9.1. and 9.2. also apply to the SUPPLIER 's subcontractors, if any, involved in the performance of the SUPPLY. The SUPPLIER alone shall bear the consequences of any failure on the part of the said subcontractors to meet the obligations stipulated therein.

Article 11 - PATENTED DEVICES AND PROCESSES – REGISTERED TRADEMARKS

The SUPPLIER shall obtain all useful authorisations from third parties, and particularly from holders of patents and owners of registered trademarks, the application or use of which are required by performance of the SUPPLY.

The SUPPLIER shall indemnify and hold harmless DALEEL against any disputes and claims of third parties in this connection that might arise during or after completion of the order.

The SUPPLIER undertakes to obtain, if necessary, transfer of copyrights, plans and basic and execution documents from his subcontractors, to the benefit of DALEEL.

If the case arises and within this framework, the SUPPLIER shall indemnify and hold harmless DALEEL against any proceedings or law suit filed against it and shall bear all costs and expenses arising from any such proceedings. In case part of the SUPPLY in dispute is banned from use, the SUPPLIER, at its own expense, shall either have to replace, or modify, same in such a way as to do away with the infringement. Any such modification shall not detract from the contractual requirements of the SUPPLY.

Article 12 - CONFIDENTIALITY

The documents supplied by DALEEL as well as any DALEEL information to which the SUPPLIER has access are strictly confidential. In particular, neither communication to third parties, nor personal use shall be made thereof.

12.1. The SUPPLIER undertakes to strictly respect the said confidentiality obligation and to have it respected in the same way by his personnel and his subcontractors.

12.2. The documents, items, entrusted by DALEEL to the SUPPLIER, or specific equipment manufactured by the SUPPLIER, in respect of the SUPPLY shall be returned to DALEEL as soon as the SUPPLIER no longer needs them in order to meet his contractual obligations, and he shall not be entitled to make copies thereof.

12.3. The SUPPLIER undertakes not to carry out any publications (press article, conference, advertising ...) connected with performance of the SUPPLY, without having obtained prior, explicit and written approval from DALEEL. DALEEL reserves the right to request or prohibit reference to itself in connection with the said publication.

12.4. The SUPPLIER agrees neither to refer to nor to use DALEEL' s business name or trademarks for any reason whatsoever, without the prior, explicit and written authorisation of DALEEL.

12.5 Any failure to comply with the provisions of the present article 11 shall be considered as a major violation by the SUPPLIER of its obligations to DALEEL, and may cause immediate and irreparable prejudice to DALEEL, in connection with which DALEEL shall be entitled to take any necessary legal steps. The SUPPLIER indemnifies DALEEL against the consequences of any shortcomings in meeting this obligation on the part of himself, his personnel, his subcontractors and their personnel with respect to the provisions of the present article.

Article 13 – APPLICABLE LAW – DISPUTE SETTLEMENT

13.1 Settlement of disputes

Any disputes which may derive from the validity, interpretation, application or termination of the P.O. shall be exclusively and finally settled according to the applicable laws of the Omani legislation.

The president of the arbitral tribunal shall be a lawyer licensed under English law.

The arbitration shall take place in Muscat (Sultanate of Oman). The language to be used for the arbitration proceedings will be the English.

Any of the Parties may at any time request provisional or protective measures from any court having jurisdiction over the party to which such measures would be applied.

The Parties shall keep strictly confidential the contents of this arbitration proceedings.

The arbitral decision shall be final, binding and without the right of appeal. The Parties agree to abide by the decision and hereby waive any right to other recourse, to the maximum extent permitted by law.

The existence of an arbitration procedure during the performance of the P.O. shall not suspend the contractual obligations of the Parties.

13.2 P.O. law

This P.O. shall be governed by, construed, interpreted and applied in accordance with Omani law, excluding any choice of law rules that would refer the matter to the laws of another jurisdiction.

13.3 Ruling language

All documents produced by SUPPLIER in the execution of the P.O., as well as all written communications between DALEEL and SUPPLIER, shall be written in the English language which is hereby designated as the ruling language of the P.O..

Article 14 – MISCELLANEOUS

14.1. At the time of expiration of the P.O., either due to the completion of the SUPPLY or due to termination, the provisions of Articles 3.2., 9, 10, 11 and 12 of the present General Conditions shall remain in effect.

14.2. Any notifications (reports and other communications) relating to the P.O. to be issued from one Party to another shall be made in writing and are either handed over directly in exchange for a receipt or sent by registered mail with receipt to the addresses indicated in the P.O., at which the Parties elect domicile. They shall become effective after receipt at the said addresses (or any new address duly indicated by either Party).

14.3. Any non-observance by one of the Parties, not pointed out by the other Party, of any of its obligations whatsoever resulting from the P.O. including the present General Conditions shall not be considered, whatever the duration thereof may be, as a waiver of its rights and as absolving the said other Party from retroactively remedying and from carrying out, in the future, the obligation or obligations concerned under the terms and conditions of the P.O. including the present general conditions.

14.4. If any one whatsoever of the stipulations of the documents mentioned in Article 13.5 is void in the light of a rule of law, it shall be considered as non-existent, without entailing the nullity of the present General Conditions and of the P.O..

14.5. In case of a conflict between (1) the P.O. (2) the documents attached thereto, if any, and (3) the present General Conditions, the contractual documents shall prevail in the order indicated above.

14.6. The documents mentioned in Article 13.5 constitute all of the commitments concluded between the Parties, and cancel and replace any prior commitments, oral or written, relative to the order.

14.7. No modification may be made to the present General Conditions, in the order and in the attached documents without the written approval of the authorised representatives of the SUPPLIER and of DALEEL.

3. General Terms for Services

GENERAL TERMS AND CONDITIONS TO THE ORDER FOR SERVICES

DALEEL PETROLEUM L.L.C.

The present General Conditions are applicable to the work order or order of services, hereafter named the ORDER, placed by the COMPANY and they prevail over the General Conditions of the CONTRACTOR. They may be modified only by the Particular Conditions mentioned in the ORDER.

These modifications will be valid only for the relevant ORDER and the CONTRACTOR cannot apply them to other ORDERS.

In case of discrepancies between the General Conditions and the Particular Conditions, the Particular Conditions will prevail.

DEFINITIONS

ORDER means the document, including any possible amendments, by which the COMPANY entrusts the CONTRACTOR with the performance of a services contract and sets its conditions.

The ORDER can be enlarged by adding documents (e.g. Particular Conditions, appendices, exhibits, technical descriptions, scope of services, special provisions, etc.) to which it refers and which are deemed to be a part thereof.

SERVICES means all the services to be carried out by the CONTRACTOR pursuant to the ORDER.

COMPANY means "Daleel Petroleum L.L.C." for whom the SERVICES are rendered.

CONTRACTOR means the natural person or the company or other entity which has undertaken to carry out the SERVICES which have been entrusted to him by the COMPANY.

ACCEPTANCE OF THE ORDER

The contract is made only if the CONTRACTOR accepts without reservation the present General Conditions and when applicable, the Particular Conditions as defined in the ORDER.

The acceptance of the ORDER is established by the return to the COMPANY, within a delay of eight (8) working days from the dispatch of the ORDER, of the copy of the ORDER named "receipt notice", excluding all other documents, bearing the signature of the CONTRACTOR which means acceptance without reservation of the said Conditions.

Any beginning of implementation of the ORDER by the CONTRACTOR indicates his final acceptance of the present General Conditions and when applicable of the Particular Conditions of the COMPANY.

The provisional acceptance does not preclude the CONTRACTOR from formally sending back within the set delay the signed "receipt notice".

Any beginning of implementation without a previous ORDER from the COMPANY cannot commit the latter.

MODIFICATION

Any modification to the ORDER must imperatively be implemented pursuant to an Addendum issued and accepted under the same conditions as set out in Article 2 hereabove.

DUTY AND OBLIGATION OF THE CONTRACTOR

3.1 General obligations

The CONTRACTOR undertakes to carry out the SERVICES within the time-limits, in accordance with the practices of the industry and the provisions of the ORDER.

He recognises having full knowledge of his contractual obligations, of the conditions in which the SERVICES must be carried out and of the duties, burdens and charges pertaining to them.

In consequence no claim from the CONTRACTOR in order to modify the agreed prices, the time-limits set, the procedure of implementing his obligation or a claim to restrict his liability shall be accepted by the COMPANY.

3.2 CONTRACTOR's personnel

The CONTRACTOR :

- undertakes to perform the SERVICES with competent personnel and in adequate number, in accordance with the applicable laws and regulations, mainly in respect of the industrial relations and the social coverage.
- guarantees the respect by his personnel of the laws and regulations applicable where the SERVICES are implemented and the observance by the said personnel of all applicable particular rules of safety.

3.3 Material means of the CONTRACTOR

The CONTRACTOR undertakes :

- to make available and to use the material means necessary to carry out the SERVICES in conformity with the industrial practices and the contractual provisions.
- to ensure the maintenance, repair and replacement of the said material means.

3.4 Guarantees

The CONTRACTOR guarantees :

- the proper design of the installation studies made by him,
- the proper implementation of his SERVICES,
- the time-limits.

The CONTRACTOR is solely liable towards the COMPANY for the overall implementation of these provisions.

If the SERVICES turn out to be dissatisfactory due to a mistake, an omission or for any other reason, the CONTRACTOR shall make at his own expense the necessary corrections to comply with the provisions of the ORDER without waiving, when applicable, the provision for compensation for delay.

3.5 Sub-contracting

The CONTRACTOR may not subcontract any part of the SERVICES without the previous written agreement of the COMPANY. This authorisation does not free the CONTRACTOR from any of his obligations pursuant to the ORDER. In particular, the CONTRACTOR is solely responsible towards the COMPANY as well as towards third parties of the subcontractors he has chosen and also of the proper and complete performance of the part of the SERVICES subcontracted.

CONDITIONS OF ACHIEVEMENT OF WORK

3.6 Time-limits - Compensation for delay

The ORDER specifies the dates to implement the SERVICES. It can provide the compensation for delay, the amount of which shall be deducted from the CONTRACTOR's invoices, this compensation cannot be deemed as liquidated damages in consideration of the damage suffered by the COMPANY. The existence of such provisions does not preclude the right of the COMPANY to terminate the ORDER as specified in Article 11.1 hereafter.

3.7 Control - Insurance - Quality

The CONTRACTOR is bound to communicate upon the COMPANY's request the Programme of Quality Insurance that he will implement to satisfy all the quality requirements of the COMPANY defined in the contractual documents.

The COMPANY retains the right to verify, at any time, during the SERVICES, the progress of the Programme of Quality Insurance.

3.8 Completion of SERVICES acceptance

In consideration of the nature of the SERVICES the ORDER may establish a procedure for acknowledgement of SERVICES such as an acceptance procedure of the complete file by the COMPANY. The payment of the last instalment of the invoicing schedule shall be made only upon the execution of the reception of the SERVICES.

FINANCIAL PROVISION

3.9 Price

The ORDER provides the means of payment to the CONTRACTOR. The price is understood all applicable taxes (if any) included, firm and not subject to revision. Prices of the ORDER express the full remuneration of the CONTRACTOR for the implementation of the SERVICES, the CONTRACTOR being presumed to have taken into account in his price all burdens, hardship, insurance premiums, etc. and also all taxes, payments and other legal levies which are to be borne by the CONTRACTOR by whatever method of computing or collecting.

In the field of taxation and any other legal contribution or levy pertaining directly to it, the CONTRACTOR is bound to fulfil in the required time all his obligations to the relevant administrations and shall indemnify and hold the COMPANY free and harmless from and against any relevant claim.

3.10 Invoicing, payments

In the absence of particular conditions provided in the ORDER, the CONTRACTOR shall make a sole invoice at the end of the SERVICES.

Invoices shall bear the complete reference number of the ORDER, shall be drafted in full conformity with the conditions of the ORDER and be supported by the necessary justifications for their control.

Any invoice not in conformity with the contractual provisions shall be returned to the CONTRACTOR and the time-limits for the payment shall be postponed accordingly.

The payment of the invoice in conformity shall be made forty-five (45) days after the receipt of the invoice.

In case of dispute on an invoice, the COMPANY shall only take into account the undisputed part of the invoice and the payment of that part shall be made upon request of the CONTRACTOR and shall be deemed an instalment payment.

LIABILITIES - INSURANCES

3.11 Liability

Liabilities toward the Administration

The CONTRACTOR guarantees the COMPANY against any claim which is the consequence of his failure or a failure of his personnel, sub-contractors and suppliers and their personnel to comply with the legislation of the country in which the SERVICES are rendered, i.e. Sultanate of Oman or abroad if the SERVICES or part of it, are performed outside Oman.

Liability toward third parties

The CONTRACTOR and the COMPANY shall be, individually, liable for all pecuniary consequences, whether directly or indirectly, of the civil liability they incur under the law in respect to all damages of whatever nature caused to third parties by their personnel or property or other contractors, subcontractors and suppliers, arising from the implementation of the SERVICES.

In consequence the Party liable for such damages shall hold free and harmless the other Party against any claim from a third party.

Liability toward the other Party

A Bodily injury

Each Party shall bear the full cost of any accident which may occur to the personnel it employs directly or indirectly in respect of the SERVICES and whoever may be responsible for the accident.

In consequence each Party waives its right of recourse against the other Party, the other contractors, subcontractors and suppliers for all damages to its personnel without prejudice to the right of the parties concerned or their successors and those of the Social Security or any similar body in a foreign country.

B Damage to property

Each Party shall bear the consequences of damages or losses caused thereto to the goods or properties belonging to it, whatever may be the cause.

In consequence each Party in its name and in that of its other contractors, subcontractors or suppliers which it shall indemnify and hold free and harmless waives its right of recourse against the other Party, its other contractors, subcontractors or suppliers, pertaining to such damages or losses.

C Indirect losses

Each Party waives its right of recourse against the other Party, the other contractors and subcontractors and suppliers for all indirect losses subsequent or non-subsequent to all damages of whatever nature caused by the fault of the other Party or the personnel acting on its behalf.

3.12 Insurance

The CONTRACTOR shall, in due time and at his own expense, take out and maintain the necessary insurance policies covering all insurable risks for which he is liable under the

CONTRACT and applicable laws and regulations. The COMPANY shall be entitled at all times to require certificates thereof. Each Party shall arrange to obtain from its insurers the necessary waivers of their rights of recourse.

PROPRIETARY RIGHTS AND PATENTS

3.13 Each Party remains the holder of the proprietary rights vested before the beginning of the SERVICES.

3.14 Technical documents of any kind, such as plans, computation notes, lists of materials, schemes, details of installation and specifications furnished to the CONTRACTOR by the COMPANY, will remain the exclusive property of the COMPANY.

Technical documents of any kind, such as plans, computation notes, lists of materials, schemes, details of installation and specifications prepared by the CONTRACTOR will be the exclusive property of the COMPANY.

3.15 The results of the SERVICES will be the exclusive property of the COMPANY, and he will benefit from the exclusive right to apply for patents pertaining to any invention made during or in connection with the SERVICES.

The CONTRACTOR shall provide the COMPANY with his know-how and shall indemnify and hold the COMPANY free and harmless from and against all claims or actions from holders or licensees of any proprietary and/or patent and/or trademark rights and arising in connection with or during the performance of the SERVICES. The CONTRACTOR shall indemnify and hold the COMPANY free and harmless from and against any damages and expenses incurred by COMPANY as a result.

PROFESSIONAL SECRECY AND OBLIGATION OF CONFIDENTIALITY

The CONTRACTOR undertakes and guarantees for his personnel and subcontractors the respect of the obligation not to divulge to anyone, either directly or indirectly, any news, information or any documents obtained or made during the implementation of the SERVICES and pertaining to the activities of the COMPANY, his subcontractors or companies and bodies of Daleel Petroleum Company L.L.C., their associates, subcontractors suppliers or contractors and their clients. Furthermore the CONTRACTOR undertakes to deliver to the COMPANY, and this at the latest by the end of the implementation of the SERVICES, all documents, material, and powers of attorney which could have been delivered to his personnel during the SERVICES.

These undertakings shall be valid in the event of suspension, termination or after the implementation of the SERVICES. The COMPANY retains the right, it necessary, to make a member or members of the CONTRACTOR's personnel subscribe to a particular undertaking of secrecy.

FORCE MAJEURE

3.16 Force majeure means any event beyond the control of the party concerned having both an unforeseeable and insurmountable nature preventing the performance of either all or part of the ORDER. Acts including the strike of the CONTRACTOR's, subcontractors' or suppliers' employees, agents or representatives shall in no case constitute force majeure circumstances.

The Party claiming force majeure shall within a maximum period of eight (8) days from the occurrence of the force majeure event (failing which it shall not be entitled to avail itself thereof) (i) notify the other Party of this event, giving evidence of its force majeure nature (ii) indicate its estimated duration and (iii) inform the other Party of the steps taken or which it intends to take.

3.17 As a result of the occurrence of a force majeure event, the Parties' performance of the obligations affected shall be suspended ; accordingly, each Party shall bear the costs respectively incurred in connection with the same. Should force majeure render the performance, or continued performance of the SERVICES impossible, the COMPANY shall be entitled to exercise any or all of the following options :

- determine the steps to be taken, with the CONTRACTOR's agreement, during the period of suspension ;
- propose a modification of the ORDER to take into account the new situation provided that the CONTRACTOR shall not avail himself of such modification (e.g. reduction in the extent of the SERVICES) to claim any indemnity whatsoever or any additional remuneration ;
- terminate the ORDER with retroactive effect to the date on which the SERVICES were interrupted, without payment of compensation to the CONTRACTOR other than payment for the part of the SERVICES performed to the date of interruption.

TERMINATION

3.18 The CONTRACT may be terminated by the COMPANY in the event of a serious breach by or default of the CONTRACTOR and in particular and without limitation, in the event of violation of applicable laws and regulations, or misrepresentation with respect to the means, interruption of the SERVICES, excessive delays or poor workmanship in the implementation of the SERVICES, and also in the event of subcontracting of the SERVICES without the COMPANY's prior consent.

Should the CONTRACTOR fail to remedy any such breach or default within eight (8) days from receipt of the formal notice addressed to him in writing by the COMPANY, the latter shall be entitled to automatically terminate the ORDER without any additional formal action and without prejudice to any claim for damages.

3.19 Even if the CONTRACTOR has not failed in his obligations, the COMPANY may at any time, before or after commencement of the SERVICES, terminate the ORDER either wholly or in part without having to justify the reasons for such termination.

In such a case the Parties shall come to an agreement as to a termination indemnity for the direct loss incurred by the CONTRACTOR as a result of such termination.

3.20 The COMPANY shall likewise be entitled to terminate the ORDER in the event of the death of the CONTRACTOR.

ASSIGNMENT

Unless previously agreed upon by the COMPANY, the CONTRACTOR shall not assign in any way the ORDER or part of the ORDER or any benefit or interest thereof.

Subject to having first informed the CONTRACTOR, the COMPANY shall be entitled to freely assign the ORDER or part of the ORDER or any benefit or interest thereof.

RULE OF COURT - LIQUIDATION - DEATH OF CONTRACTOR

In the event of a compulsory winding up or rule of Court against, or voluntary liquidation or personal bankruptcy of the CONTRACTOR, the COMPANY shall have the option to terminate the ORDER by simple written notification and without compensation, unless he decides to continue the SERVICES with the liquidator or trustee or unless the latter decides to continue to perform the ORDER.

SETTLEMENT OF DISPUTES

The ORDER will be governed by, construed and interpreted according to the Laws of the Sultanate of Oman.

Should an amicable settlement not be reached in the event of disputes arising out of the performance or the interpretation of the ORDER, the disputes shall be submitted :

- a) if both Parties agree, to a single arbitrator mutually agreed. In case, both Parties agree to abide by the arbitrator's award, such award being final.
- b) if both Parties cannot agree upon an arbitrator within fifteen days, to the International Chamber of Commerce and settled according to the rules of Conciliation and Arbitration of the said Chamber.

The arbitration award will be final and binding on both Parties. The place of Arbitration shall be Muscat, Sultanate of Oman, and the arbitration shall be conducted in English language.

The Chairman of the arbitration panel shall be a lawyer licensed under English Law.

Both Parties agree to keep the contents of the arbitration proceedings strictly secret.

The existence of an arbitration procedure during the performance of the Contract shall not suspend the contractual obligations of the Parties.

APPLICABLE LAW

The ORDER, its performance and consequences thereof, shall be governed by the laws of the Sultanate of Oman.

NOTICES

In the absence of information on the ORDER, CONTRACTOR and COMPANY are deemed to have chosen as their address the address of their registered place of business.

Any correspondence shall be valid when sent to the address chosen by the parties in the ORDER or, in its absence, to their registered place of business.

4. HSE terms and Conditions for Transport

4. HSE TERMS FOR PIPINGS TRANSPORT AND DELIVERY

4.1 Obligation:

- a) Vendor shall ensure all pipes are packaged in such a manner and accordance to the HSE requirement to ensure that the pipes goods shall be transported and delivered to Company field without sustaining any damages.
- b) Contract holders are responsible for communicating this specification to contractors, and ensuring that the requirements of this specification are adhered to within the scope of their contracts.
- c) Contractors are responsible for ensuring that activities undertaken within their scope of their contracts and sub-contractors are managed in accordance with the requirements of this specification.
- d) Transport supervisors or logistic person for transporting are responsible for ensuring that the vehicles that are used for transporting cargo and equipment are appropriate and fit for service, and the drivers persists with sufficient skills and equipment necessary to secure their loads prior to taking on the road.
- e) Drivers are ultimately responsible for ensuring that the loads that they carry are secured prior to taking on the road and for inspecting the load at regular intervals during the trip.

.4.2 Restrain of long pipes

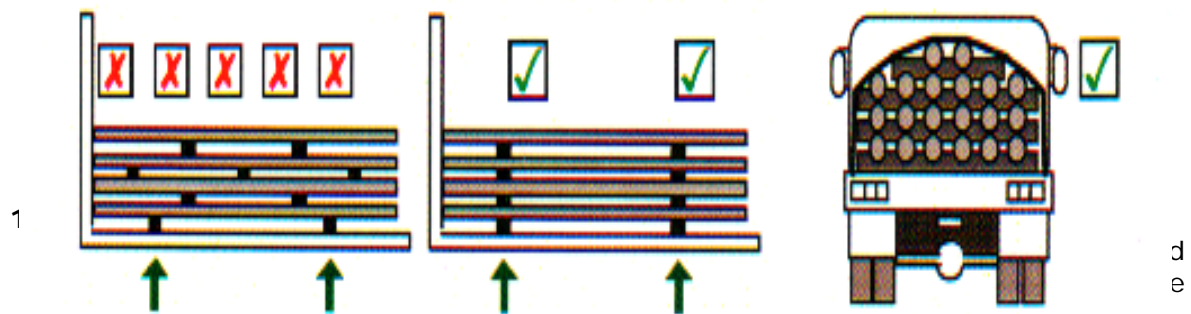
A) Legal Requirements:

A-1 All drivers, vehicles and equipment shall comply with Sultanate of Oman Road Traffic Laws.

A-2 All drivers and vehicles shall comply with Daleel Petroleum Driving and Vehicles specification stipulated in the HSE management system. (I.e. seatbelts, speed limits & traffic signs, safe distance behind other vehicles, dust code, wadis crossing after the rains... etc.)

B) Performance Monitoring:

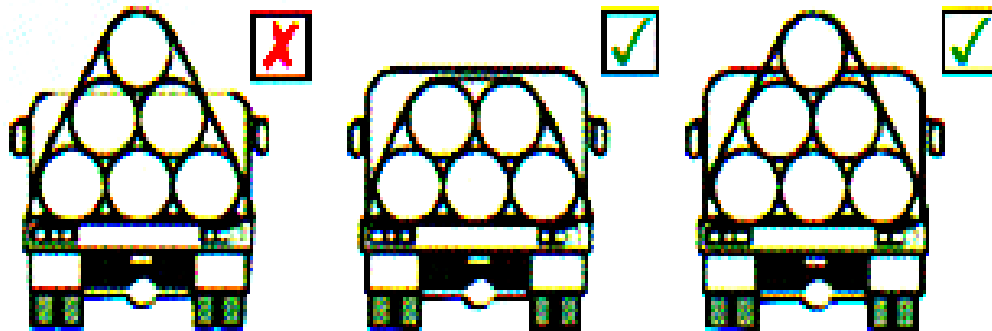
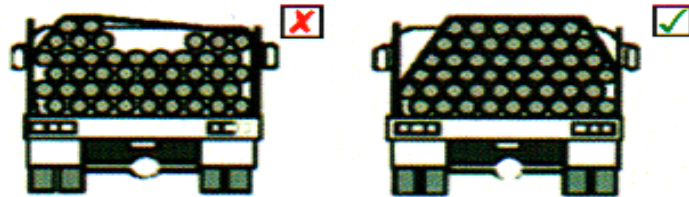
B-1 Compliance with this specification shall be monitored through workplace supervision, audits of transport companies, periodic inspections and random checks by the Site HSE advisor.



c) Dunnage can also be used to increase friction between a load and the vehicle, and to prevent portions of the load from damaging other parts of the

load or vehicle. Dunnage material must be strong enough to support the portion of the load (including lashing) that is in contact with and does not become crushed during transport.

d) It is important to use dunnage in a way that increases the stability of the load when the vehicle is stationary and also when the vehicle is moving. Dunnage shall be placed so that it does not rotate out of position, break or slip out of place. When dunnage is used between portions of a stacked load, it should be positioned in a vertical line and lashed directly across the dunnage so that it cannot work free.



5. General Requirements of Pipes and Tubular:

- a) Pipes and tubulars shall be transported on vehicle/trailers with headboards that can prevent the load from moving forward in the event of sudden stop of the vehicle. Vehicles or trailers shall have stanchions (four per side) to prevent side ways movement of the load. Shaped dunnage or racks should be used when possible to keep the load from sliding or rolling under the lashings.
- b) A minimum of four web lashings should be used, tensioned from alternative sides of the trailer. Chains and chain binders should not be used to tension steel pipe, use web lashings, minimum 50 mm or 100 mm preferred.
- c) Rubber load mats significantly increases friction if placed between the layers of the pipe. Their use is strongly recommended particular if the pipe/tubular stack are not peaked, i.e. pyramid shaped. Rubber mats prevent inner lengths of pipe moving rearward due to not being tensioned correctly by direct contact with web lashing.
- d) Tie-down lashings shall be sufficiently tensioned to provide adequate downward restraint and prevent lateral movement.
- e) Oilfield Trailers are permitted to transport pipes and tubular, provided that the trailer is pulled by oilfield prime mover fitted with rear cabin protection bars and winch cage

6. Application

Application of this HSE specification for load restraint and transportation is mandatory for to all cargo activities in Company operations regardless of weather they are performed by Company personnel, contractors or sub-contractors