

## **PURCHASE ORDER TERMS AND CONDITIONS**

These are the PURCHASE ORDER terms and conditions ("CONDITIONS") governing, and incorporated into, a PURCHASE ORDER issued from 24 July 2013.

### **1. DEFINITIONS AND INTERPRETATION**

#### **1.1 In This Purchase Order:**

- (a) "AFFILIATE" means a person which controls, or is controlled by, or which is controlled by an entity that controls a party, "control" in this context means the ownership directly or indirectly having 50 per cent or more of the shares or voting rights in a person.
- (b) "AUTHORITY" is any government department, local government council, government or statutory authority or any other person or entity under a law which has a right to impose a requirement on, or whose consent is required to carry out, any operations authorised under this PURCHASE ORDER.
- (c) "CLAIMS" means claims, liens, judgments, penalties, awards, remedies, debts, liabilities, damages, demands, costs, losses, expenses (including legal costs and expenses) or causes of action, of whatever nature including those made or enjoyed by dependants, heirs, claimants, executors, administrators, successors, survivors or assigns.
- (d) "COMMENCEMENT DATE" shall mean the date of the PURCHASE ORDER.
- (e) "CO-VENTURER" shall mean any other person with whom the PURCHASER or its AFFILIATES are or may be from time-to-time a party to a joint operating agreement or unitisation agreement or similar agreement.
- (f) "DEFECT" means any part or aspect of the GOODS, SERVICES or RENTAL ITEMS which is inadequate, unsatisfactory or are not compliance with the requirements of the PURCHASE ORDER, including the required materials, workmanship, design, manufacture and assembly; and "DEFECTIVE" has the corresponding meaning.
- (g) "DEFECTS LIABILITY PERIOD" means the period determined in accordance with clause 3.10.
- (h) "DELIVERY DATE" shall mean the date(s) (and time(s), if applicable) specified in the PURCHASE ORDER which the GOODS or RENTAL ITEMS are to be supplied and SERVICES are to be provided to the PURCHASER by the SUPPLIER (time being of the essence) or it no date is specified, within a reasonable time having regard to normal commercial practice in the industry in which the PURCHASER operates.
- (i) "GOODS" shall mean the materials and/or goods, if any, specified in the PURCHASE ORDER.
- (j) "GOOD OILFIELD PRACTICE" means internationally recognised oilfield methods, procedures and practices, together with the exercise of that degree of skill, diligence, prudence and foresight that reasonably would be expected from an experienced and competent contractor operating in Australia under conditions comparable to those applicable to the relevant activity in the light of known facts, or facts which should reasonably have been known at the time, and consistent with applicable laws and authorisations and having regard to the need for:
  - (i) suitable and experienced personnel and adequate materials;
  - (ii) ongoing monitoring and testing of plant and equipment performance, safe operating procedures and appropriate maintenance procedures;
  - (iii) the observance of relevant Australian and international standards; and
  - (iv) in the case of design, engineering and construction, internationally accepted design, engineering and construction practices that reasonably would be expected from recognised designers, engineers and constructors of comparable plant, equipment and facilities in Australia.
- (k) "GST" has the meaning given to that term in the New Tax System (Goods and Services Tax) Act 1999 (as amended) (Cth) and any regulation made under that Act.
- (l) "INTELLECTUAL PROPERTY RIGHTS" means statutory and proprietary rights in respect of copyright, inventions, patents, registered and unregistered trade marks (including service marks), registered and unregistered designs, circuit layouts, confidential information, scientific discoveries knowledge, know-how or expertise, and all other intellectual and industrial property rights as defined by "intellectual property" in Clause 2 of the Convention Establishing the World Intellectual Property Organisation, 1967.
- (m) "PRICE" means the amount specified in the PURCHASE ORDER as payable for the GOODS, RENTAL ITEMS and/or SERVICES as described in the PURCHASE ORDER.
- (n) "PUBLIC OFFICIAL" means any individual holding a legislative, administrative or judicial office, whether appointed or elected; any individual exercising a public function for a foreign country, including, without limitation, for a public agency or public enterprise; any official or agent of a public international organisation; and any political party or party official, or any candidate for public office.
- (o) "PURCHASER" shall mean the person named as the PURCHASER in the PURCHASE ORDER.
- (p) "PURCHASER GROUP" shall mean the PURCHASER and the CO-VENTURERS and each of their respective AFFILIATES and each of their respective directors, officers, employees (including agency personnel) and agents.
- (q) "PURCHASE ORDER" means the PURCHASE ORDER issued by the PURCHASER to which the CONDITIONS apply.
- (r) "RENTAL ITEMS" means any item specified in the PURCHASE ORDER to be leased to the PURCHASER.
- (s) "SERVICES" means the services, if any, specified in the PURCHASE ORDER.
- (t) "SUPPLIER" shall mean the person named as the supplier in the PURCHASE ORDER.
- (u) "SUPPLIER GROUP" shall mean the SUPPLIER, and its subcontractors, and each of their respective AFFILIATES, and each of their respective directors, officers, employees (including agency personnel) and agents.
- (v) "THIRD PARTY" shall mean any party, which is not a member of the PURCHASER GROUP or the SUPPLIER GROUP.
- (w) "VENDOR DATA" means all technical, engineering, safety, environmental, and any other data, programs, systems, information or documents forming part of the provision of the GOODS, RENTAL ITEMS and SERVICES to be supplied by the SUPPLIER.

#### **1.2 Interpretation**

Unless the context otherwise requires, words importing the singular shall include the plural and vice versa. Headings are for convenience only and must be ignored in construing this document. References to any person include references to any individual, company, body corporate, association, partnership, firm, joint venture, trust and government. References to any party include references to its respective successors and permitted assigns. The word "include" in any form is not a word of limitation.

#### **1.3 Invalidity and Severability**

- (a) If any provision of this document is or becomes invalid, illegal or unenforceable, in whole or in part, then the provision will apply with whatever deletion or modification is necessary so that the provision is legal, valid and enforceable and gives effect to the commercial intention of the parties.
- (b) To the extent that it is not possible to delete or modify the provision, in whole or in part, under paragraph (a), then such provision or part of it will, to the extent that it is illegal, invalid or unenforceable, be deemed to not form part of this document and the legality,

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validity and enforceability of the remainder of this document will, subject to any deletion or modification under paragraph (a), not be affected nor impaired.

### **2. PURCHASE ORDER FORMATION**

- (a) No other terms or conditions will apply unless they have been expressly agreed to in writing by the PURCHASER.
- (b) The PURCHASE ORDER is formed when the SUPPLIER: (i) communicates (expressly or implied) either in writing or verbally with the PURCHASER acceptance of the order; or (ii) commences the dispatch or provision of any of the GOODS, RENTAL ITEMS or SERVICES.
- (c) The PURCHASE ORDER constitutes the entire agreement between the PURCHASER and the SUPPLIER.
- (d) The PURCHASE ORDER consists solely of the CONDITIONS, any specifications referred to in the PURCHASE ORDER and the PURCHASE ORDER document which states the purchase order number and the name of the SUPPLIER. No terms or conditions sought to be imposed by the SUPPLIER before or after placement of the PURCHASE ORDER (including terms incorporated into any tender, offer, counteroffer or proposal made by the SUPPLIER) will apply, unless expressly accepted in writing by the PURCHASER.

### **3. SUPPLIER'S OBLIGATIONS TO THE PURCHASER**

#### **3.1 Terms and Supply**

- (a) The SUPPLIER must comply with the CONDITIONS of this PURCHASE ORDER.
- (b) The SUPPLIER will supply the GOODS and/or RENTAL ITEMS and provide the SERVICES to the PURCHASER at the place of delivery specified in the PURCHASE ORDER on the DELIVERY DATE.
- (c) The SUPPLIER will lease the RENTAL ITEMS (if any) to the PURCHASER. The SUPPLIER retains full title to the RENTAL ITEMS.

#### **3.2 Supply of GOODS and RENTAL ITEMS**

GOODS and RENTAL ITEMS supplied by the SUPPLIER must:

- (a) comply with the specification and/or description in the PURCHASE ORDER;
- (b) be new (unless otherwise specified in the PURCHASE ORDER) and of recent origin (except this requirement does not apply to RENTAL ITEMS);
- (c) be free from DEFECTS;
- (d) be of merchantable quality and fit for the purpose for which they are ordinarily acquired;
- (e) when used properly, be safe and not endanger health; and
- (f) otherwise be in accordance with all relevant standards, laws and regulations.

#### **3.3 Supply of Services**

SERVICES supplied by the SUPPLIER must:

- (a) comply with the specification and/or description in the PURCHASE ORDER;
- (b) be performed with due skill, care and attention in a safe and diligent manner;
- (c) be performed by personnel who are qualified, licensed, competent and experienced in providing the SERVICES and by the key personnel (if any) specified in the PURCHASE ORDER;
- (d) be performed in a timely manner and in accordance with the program or timetable, if any, specified in the PURCHASE ORDER (time being of the essence); and
- (e) be performed in accordance with all applicable laws, codes and standards.

#### **3.4 Rental Items**

- (a) If the PURCHASER duly complies with the PURCHASE ORDER, the SUPPLIER must allow the PURCHASER to possess and enjoy the RENTAL ITEMS during the term of the lease without any interruption or disturbance from the SUPPLIER.
- (b) On the conclusion of the rental period or upon the termination of the PURCHASE ORDER, the RENTAL ITEMS will, subject to fair wear and tear, considering the conditions in which the RENTAL ITEMS were supplied and employed, either be (depending on the terms of the PURCHASE ORDER):
  - (i) returned to the SUPPLIER by or on behalf of the PURCHASER (at the PURCHASER's cost); or
  - (ii) collected by the SUPPLIER (at the SUPPLIER's cost).
- (c) The SUPPLIER shall not charge hire during the time in which the RENTAL ITEMS are not working.
- (d) In the event that RENTAL ITEMS cannot be repaired in a reasonable timeframe, the SUPPLIER will replace the RENTAL ITEMS with other RENTAL ITEMS that are suitable to carry out the work.

#### **3.5 Delivery**

- (a) If it is specified in the PURCHASE ORDER that the PURCHASER will arrange for the GOODS and/or RENTAL ITEMS to be collected from the SUPPLIER, delivery is taken to occur upon commencement of loading of the GOODS and/or RENTAL ITEMS onto the transport arranged the PURCHASER.
- (b) If specified in the PURCHASE ORDER, the SUPPLIER must, at its own cost and risk, deliver the GOODS and/or RENTAL ITEMS by the DELIVERY DATE. Deliveries are to be made at the time and at the location specified in the PURCHASE ORDER, unless otherwise agreed in writing. Time is of the essence for delivery of the GOODS and/or RENTAL ITEMS. If this clause 3.5(b) applies, delivery is taken to occur upon completion of offloading by the SUPPLIER.
- (c) If clause 3.5(b) applies, where GOODS and/or RENTAL ITEMS are lost or damaged in transit (including loading and off-loading), the SUPPLIER will replace them at no cost to the PURCHASER.

#### **3.6 Inclusive Price**

- (a) The PRICE which the PURCHASER has agreed to pay for the GOODS, RENTAL ITEMS and SERVICES is set out in the PURCHASE ORDER and is fixed and not subject to rise and fall and exclusive of GST but includes all other taxes, duties or other charges as applicable.
- (b) The SUPPLIER acknowledges and warrants that:

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- (i) it is registered and holds all requisite licences, permits and approvals required by law and that are necessary to properly provide the GOODS, RENTAL ITEMS and SERVICES;
- (ii) that all work shall be performed in the best and workmanlike manner and acknowledges that the PURCHASER entered into this PURCHASE ORDER relying on the particular skill, competence, experience and ability of the SUPPLIER to provide the GOODS, RENTAL ITEMS and SERVICES;
- (iii) the SUPPLIER has sufficient resources of all kinds to maintain efficient and timely provision of the GOODS, RENTAL ITEMS and SERVICES;
- (iv) the SUPPLIER has knowledge of all the applicable laws, business practices and standards which must be followed in providing the GOODS, RENTAL ITEMS and SERVICES and will comply with all applicable laws and standards;
- (v) all consents and a non-exclusive, irrevocable, royalty-free, transferable, paid up licence for the use of any third party intellectual property, moral or other rights have been obtained;
- (vi) in the case of GOODS, the GOODS:
  - (A) will conform to its description in the PURCHASE ORDER and any applicable specifications and shall be of good merchantable quality, free from DEFECTS and fit for the purpose. This warranty is in addition to and not to the exclusion of any warranty or service guarantee stated in the PURCHASE ORDER or implied by law; and
  - (B) are free and clear of all liens and encumbrances and that SUPPLIER has and will give PURCHASER good and marketable title to same; and
- (vii) in the case of SERVICES, the SERVICES will be:
  - (A) performed with the high degree of professional skill, care, competence and diligence expected of a supplier experienced in providing services of the same type as the SERVICES; and
  - (B) suitable to the SUPPLIER's stated purpose and performed in accordance with the PURCHASE ORDER.
- (viii) all performance data, measurements and specifications quoted in brochures, quotations or tenders are accurate within the tolerances (if any) specified in those documents;
- (ix) it has unencumbered title to all GOODS and RENTAL ITEMS;

### **3.7 Access, Inspection and Testing**

- (a) The SUPPLIER will allow the PURCHASER to expedite, inspect and test the GOODS during manufacture at the SUPPLIER's premises on 24 hours prior notice. Any expediting, inspection, testing or any failure to do so shall in no way relieve the SUPPLIER of its obligations as specified in the PURCHASE ORDER.
- (b) The PURCHASER may inspect and test the GOODS and/or RENTAL ITEMS. Inspection and testing may be undertaken after the GOODS and/or RENTAL ITEMS are unpacked by the PURCHASER or when GOODS and/or RENTAL ITEMS are installed into the PURCHASER's plant or premises.
- (c) If any GOODS are returned under clause 3.9, risk will revert to the SUPPLIER upon return and title will revert to the SUPPLIER upon reimbursement of the PRICE by the SUPPLIER.
- (d) Inspection and/or testing of the GOODS and/or RENTAL ITEMS does not:
  - (i) release the SUPPLIER from liability in relation to any DEFECTS in the GOODS and/or RENTAL ITEMS which were not actually identified during inspection or testing;
  - (ii) release or waive warranties given by the SUPPLIER in relation to the GOODS and/or RENTAL ITEMS; or
  - (iii) otherwise relieve the SUPPLIER of any of its obligations to perform the PURCHASE ORDER.
- (e) The SUPPLIER must ensure that all warranties applicable to the GOODS are transferred to the PURCHASER.

### **3.8 Specifications**

- (a) The SUPPLIER will ensure that the GOODS and/or RENTAL ITEMS and SERVICES will meet the PURCHASER's requirements with regard to any quality, quantity or specifications.
- (b) All documentation (including drawings and reports) supplied by the SUPPLIER in relation to the GOODS or RENTAL ITEMS or as part of the SERVICES shall be accurate, comprehensive and complete.

### **3.9 Defects Correction**

- (a) The PURCHASER may reject any GOODS, RENTAL ITEMS or SERVICES which do not conform to the PURCHASE ORDER. If upon inspection any GOODS, RENTAL ITEMS or SERVICES are found to be DEFECTIVE or fail to meet the specifications or any other requirements of the PURCHASE ORDER ("DEFECTIVE GOODS" and/or RENTAL ITEMS" or "DEFECTIVE SERVICES", respectively), the PURCHASER may (without prejudice to its rights):
  - (i) in the case of GOODS and/or RENTAL ITEMS not yet delivered, reject them;
  - (ii) in the case of GOODS and/or RENTAL ITEMS delivered, return such GOODS and/or RENTAL ITEMS to the SUPPLIER at the SUPPLIER's expense; and
  - (iii) in the case of SERVICES, reject the SERVICES supplied.
- (b) Upon rejection or return of any DEFECTIVE GOODS and/or RENTAL ITEMS or DEFECTIVE SERVICES, and without limiting the PURCHASER's rights under the PURCHASE ORDER, the SUPPLIER shall:
  - (i) in the case of GOODS and/or RENTAL ITEMS not yet delivered redo the work or supply at no additional cost to the PURCHASER;
  - (ii) in the case of GOODS and/or RENTAL ITEMS delivered, reimburse the PURCHASER for any amounts paid by the PURCHASER on account of the PRICE of the DEFECTIVE GOODS and/or RENTAL ITEMS, and any cost incurred by the PURCHASER in connection with the delivery or return of such GOODS and/or RENTAL ITEMS; and
  - (iii) in the case of SERVICES, re-perform the DEFECTIVE SERVICES, at no cost to the PURCHASER and at a time convenient to the PURCHASER.
- (c) If the SUPPLIER fails to remedy any DEFECT or default to the satisfaction of the PURCHASER then the SUPPLIER agrees that the same may be remedied by the PURCHASER at the cost of the SUPPLIER.
- (d) Nothing in this clause reduces or otherwise affects the SUPPLIER's obligations or the PURCHASER's rights under this PURCHASE ORDER or at law, in equity or by statute.

### **3.10 Goods Warranties**

- (a) If any DEFECT in the GOODS attributable to design, workmanship or operating characteristics arises within:
  - (i) 12 months from the date when the GOODS are first put into service; or
  - (ii) 24 months from the date of delivery,  
("DEFECTS LIABILITY PERIOD") the SUPPLIER must, at its own expense, do all things necessary to remedy the DEFECT and must reimburse the PURCHASER for any costs incurred in connection with the DEFECT, including the cost of the PURCHASER remedying the DEFECT if the SUPPLIER does not do so within a reasonable period following notice of the DEFECT from the PURCHASER.

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- (b) If the PURCHASER determines that a DEFECT cannot adequately be remedied, then the PURCHASER may, at its option, elect either to accept the non-conforming GOODS with an adjustment in the PRICE or to direct that the DEFECTIVE GOODS be removed at the SUPPLIER's expense.
- (c) In the event of any remedial work, a new warranty will apply to such work for a period of 12 months from its completion or until expiry of the normal warranty period, whichever is later.

**3.11 Services Warranties**

- (a) The SUPPLIER warrants that the SERVICES will be:
  - (i) fit for their intended purpose;
  - (ii) carried out in accordance with good industry practices;
  - (iii) free of DEFECTS; and
  - (iv) carried out in strict compliance with the requirements of the PURCHASE ORDER.
- (b) The delivery of a warranty from any THIRD PARTY vendor shall be in addition to the warranties given by the SUPPLIER under the PURCHASE ORDER, and shall not relieve the SUPPLIER from responsibility for its warranties under the PURCHASE ORDER.
- (c) The SUPPLIER will obtain and assign any warranties received from THIRD PARTY vendors to the PURCHASER and will assist the PURCHASER in securing performance of THIRD PARTY warranties.
- (d) Where the SUPPLIER obtains a warranty not specified in the PURCHASE ORDER or where a warranty obtained by the SUPPLIER extends beyond the DEFECTS LIABILITY PERIOD, the SUPPLIER must ensure that the PURCHASER has the benefit of that warranty.
- (e) If, during the term of the PURCHASE ORDER or during the DEFECTS LIABILITY PERIOD, the PURCHASER is of the view that the SERVICES do not comply with the requirements of the PURCHASE ORDER then the PURCHASER may require the SUPPLIER to re-perform the SERVICES at the SUPPLIER's cost within such time as the PURCHASER reasonably may request.

**3.12 Packing**

The SUPPLIER must, at its own cost, ensure that the GOODS and/or RENTAL ITEMS are properly packed, secured and labelled to avoid damage or destruction during transit including in accordance with generally accepted good industry practice and to meet the PURCHASER's requirements as specified in the PURCHASE ORDER.

**3.13 Documentation**

- (a) The SUPPLIER will provide to the PURCHASER by the due date(s) all VENDOR DATA in the specified format and quantities as detailed in the PURCHASE ORDER.
- (b) The SUPPLIER shall provide sufficient documents to enable the PURCHASER to identify the nature and quantity of GOODS and/or RENTAL ITEMS delivered including a material safety data sheet in accordance with, and if required by, the National Code of Practice for the Preparation of Material Safety Data Sheets. All delivery documents must include a delivery docket which must state:
  - (i) the purchase order number;
  - (ii) a description of the GOODS and/or RENTAL ITEMS delivered; and
  - (iii) the quantity of GOODS and/or RENTAL ITEMS delivered.

**3.14 Hazardous Materials**

The SUPPLIER will ensure that the GOODS will comply with the requirements of all applicable law and, to the extent that they contain toxic, corrosive or hazardous materials, the SUPPLIER will ensure that a notice to that effect accompanies each consignment, together with appropriate care and handling instructions. GOODS supplied under the PURCHASE ORDER, which are contaminated beyond use, at the time of delivery, shall be regenerated or disposed of by the SUPPLIER. The title and risk of the contaminated GOODS will remain with the SUPPLIER, who will bear all expenses for the said processes.

**3.15 Title and Risk**

- (a) Title in the GOODS will pass from the SUPPLIER to the PURCHASER upon the earlier to occur of delivery in accordance with the PURCHASER's requirements under the PURCHASE ORDER or payment by the PURCHASER for the GOODS.
- (b) Unless otherwise specified in the PURCHASE ORDER, risk in the GOODS is taken to pass at the time of delivery in accordance with the PURCHASE ORDER. If the PURCHASE ORDER specifies the point of delivery by reference to Incoterms, risk is taken to pass at the time specified in the applicable Incoterm in Incoterms 2010.

**3.16 Patent Indemnity**

- (a) The SUPPLIER shall indemnify, defend and hold harmless the PURCHASER GROUP from all claims, losses, damages, costs (including legal costs), expenses, and liabilities of every kind and nature for, or arising out of, any alleged infringement of any patent or proprietary or protected right arising out of or in connection with the performance of the obligations of the SUPPLIER.
- (b) Where the GOODS and/or RENTAL ITEMS incorporate computer software, the SUPPLIER warrants that:
  - (i) the software is free from viruses, trojan horses, bugs, worms or any other defects that are intended to, or do, damage or interfere with the proper working of the software;
  - (ii) any software maintenance, upgrade, patch or fix supplied by the SUPPLIER for the software will comply with subparagraph 3.16(b)(i) and will be compatible with the existing version of the software; and
  - (iii) the PURCHASER's use of the software will not infringe the intellectual property or moral rights of any person.

**3.17 Spares**

The SUPPLIER shall give sufficient notice to the PURCHASER of its intention to cease supply of GOODS, component parts or replacements, to enable the PURCHASER to purchase such GOODS, component parts or replacements.

**3.18 Safety and Environmental Plans**

- (a) The SUPPLIER may be requested to provide the PURCHASER with a copy of its Health and Safety and Environmental Management Plans.
- (b) The SUPPLIER must, when on the PURCHASER's premises, comply with the PURCHASER's requirements, standards, systems, practices and policies, from time to time.

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### **3.19 Site Examination and Inductions**

- (a) The SUPPLIER is deemed to have examined the location for delivery of the GOODS and/or RENTAL ITEMS and its surrounds and accepted responsibility for any additional costs, losses and expense arising out of the physical conditions and characteristics of the said location.
- (b) The SUPPLIER (and any employee, agent or subcontractor of the SUPPLIER) must:
  - (i) complete all relevant inductions as required by the PURCHASER prior to commencing performance of SERVICES at the location where SERVICES are to be performed;
  - (ii) at all times while performing the SERVICES, comply in full with the PURCHASER's site conditions, rules, regulations and policies including obtaining a "temporary pass" before entering the PURCHASER's work site;
  - (iii) use its best endeavours not to interfere with the PURCHASER's activities; and
  - (iv) ensure that it does not leave rubbish or debris when delivering the GOODS and/or RENTAL ITEMS and/or performing the SERVICES.

### **3.20 Insurance**

- (a) Unless otherwise specified in the PURCHASE ORDER, the SUPPLIER must hold insurances a prudent supplier of the GOODS and/or RENTAL ITEMS and/or SERVICES would hold including:
  - (i) insurances to cover physical loss or damage to the GOODS and/or RENTAL ITEMS;
  - (ii) public liability insurance of not less than \$10 million;
  - (iii) comprehensive motor vehicle insurance of not less than \$1 million;
  - (iv) workers compensation insurance as required by law; and
  - (v) any other insurance
    - (A) reasonably required by the PURCHASER; or
    - (B) appropriate in relation to the Services; or
    - (C) as required by law.
- (b) Where allowable by law, all insurances provided by the SUPPLIER shall name the PURCHASER GROUP as an additional insured, and also contain a waiver of subrogation and a cross liability clause, which should treat each of the covered parties as if a separate policy had been issued to each of them.
- (c) The SUPPLIER must provide the PURCHASER with certificates of insurance and policy wording, endorsed by the SUPPLIER's insurers or brokers, within 7 days upon request by the PURCHASER.

### **3.21 Confidentiality**

- (a) Subject to clause 3.21(b) the SUPPLIER must not, without the PURCHASER's approval, disclose CONFIDENTIAL INFORMATION to any THIRD PARTY or use or reproduce CONFIDENTIAL INFORMATION other than strictly for the performance of the PURCHASE ORDER.
- (b) Clause 3.21(a) shall not apply to the extent the Confidential Information is:
  - (i) in the public domain in the form it was disclosed or made available by or on behalf of the PURCHASER (otherwise than as a direct result of breach of the PURCHASE ORDER); or
  - (ii) required to be disclosed by Law (provided the SUPPLIER first advises the PURCHASER of the legal requirement for disclosure and allows the PURCHASER the opportunity to seek orders preventing disclosure).
- (c) The SUPPLIER must establish and maintain effective security to safeguard the CONFIDENTIAL INFORMATION and to keep CONFIDENTIAL INFORMATION under its control.
- (d) On termination or completion of the PURCHASE ORDER, the SUPPLIER must return CONFIDENTIAL INFORMATION to the PURCHASER.
- (e) In this clause, "CONFIDENTIAL INFORMATION" means all documents (including drafts and notes), reports, data or information of any kind, in any form, whether:
  - (i) communicated orally or in writing between the PURCHASER and the SUPPLIER in connection with the PURCHASE ORDER; or
  - (ii) created or generated by the SUPPLIER in connection with the PURCHASE ORDER and includes (but is not limited to) financial information, trade secrets, business affairs, suppliers, operations data, drawings, designs, technical information and any other information relating to the PURCHASER's business.
- (f) The SUPPLIER must not make public announcements in relation to this PURCHASE ORDER without the PURCHASER's consent.

### **3.22 Independent Contractor**

The SUPPLIER is an independent contractor and must exercise independent control, management and supervision in the performance of the PURCHASE ORDER. The SUPPLIER is not the PURCHASER's agent in any way. The SUPPLIER's personnel will not under any circumstances be considered employees of the PURCHASER for any purpose.

### **3.23 Supplier's Personnel**

- (a) SUPPLIER will engage and provide the services of all personnel required to perform the SERVICES.
- (b) SUPPLIER will ensure that all of SUPPLIER's personnel hold current, the necessary licenses, permits, endorsements and other certificates required by law to carry out the SERVICES and are competent in every way to perform the SERVICES.

### **3.24 Supplier's Equipment**

- (a) SUPPLIER will supply all tools and equipment necessary to complete the SERVICES.
- (b) SUPPLIER will ensure that all of SUPPLIER's plant and equipment is in good working order and suitable for use in connection with the SERVICES.

### **3.25 COMPLIANCE WITH LAW**

- (a) The SUPPLIER GROUP must observe and abide by, and must require all SUPPLIER personnel to observe and abide by:
  - (i) all applicable laws (including registration to do business, immigration, import/export, local preference, national content, tax withholding and payment and obtaining all licences, permits, registrations as required);
  - (ii) any requirements for the certification of SUPPLIER's equipment (and its subcontractors' equipment) and any regulations and decrees enacted thereunder;
  - (iii) any requirements for the manner of conducting SERVICES (including obtaining Employers' Liability, Worker's Compensation or similar statutory national insurance); and
  - (iv) the provisions applicable to the SUPPLIER in any collective labour agreement or equivalent entered into by the SUPPLIER.

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- (b) The SUPPLIER expressly recognises that non-compliance by the SUPPLIER GROUP with this clause 3.25 is sufficient reason for the PURCHASER to terminate this PURCHASE ORDER without any right to compensation except those payments accrued up to the date of termination.
- (c) The SUPPLIER must indemnify, defend and hold harmless the PURCHASER GROUP against any penalty or other sanction or other CLAIMS which may be imposed on any member of PURCHASER GROUP by an Authority by reason of an alleged or actual violation by the SUPPLIER GROUP of any restriction or any failure to comply with any of the foregoing provisions of this clause 3.25.

**3.26 ANTI-BRIBERY AND ANTI-CORRUPTION PROGRAMS**

(a) Improper Business Influence

- (i) SUPPLIER shall not permit or countenance any member of SUPPLIER GROUP offering, promising, or giving, in connection with carrying out the obligations under this PURCHASE ORDER, anything of value, including, without limitation, any entertainment of a nature and cost which, when taking into account all relevant circumstances, is neither reasonable nor appropriate or a gift other than one of a nominal value, either directly or indirectly, to or for the benefit of any member of PURCHASER GROUP for obtaining, retaining or directing business to or for any person or for any other improper purpose.
- (ii) PURCHASER shall not, permit or countenance any member of PURCHASER GROUP requiring, demanding or soliciting, in connection with carrying out the obligations or performing the SERVICES under this PURCHASE ORDER, the promise, transfer or payment of anything of value, including, without limitation, any entertainment of a nature and cost which, when taking into account all relevant circumstances, is neither reasonable nor appropriate or a gift other than one of a nominal value, either directly or indirectly, to or for the benefit of any person within PURCHASER GROUP for obtaining, retaining or directing business to any person within SUPPLIER GROUP or for any other improper purpose.

(b) Improper Government Influence

SUPPLIER shall not permit or countenance any member of SUPPLIER GROUP and PURCHASER shall not permit or countenance any member of PURCHASER GROUP offering, promising or giving, in connection with carrying out the obligations or performing the SERVICES under this PURCHASE ORDER any undue pecuniary or other advantage, whether directly or indirectly through intermediaries, to a PUBLIC OFFICIAL, for that official or for a third party, to act or refrain from acting in relation to the performance of official duties, to obtain or retain business or other improper advantage.

**3.27 Novation**

The PURCHASER may transfer/novate all or any of its rights and obligations under this PURCHASE ORDER at any time and from time-to-time to any of its AFFILIATES, to any of the CO-VENTURERS or any new or interim operator, without the SUPPLIER's consent. The SUPPLIER must execute any documents reasonably required to give effect to such a transfer/novation.

**4. PURCHASER'S OBLIGATIONS TO THE SUPPLIER**

**4.1 Acceptance**

- (a) Acceptance shall be from the time when a duly authorised employee or representative of the PURCHASER accepts the applicable GOODS, RENTAL ITEMS or SERVICES, delivered or collected, and where such GOODS, RENTAL ITEMS or SERVICES are not DEFECTIVE or damaged in any way and comply with the PURCHASE ORDER. It shall be deemed that the PURCHASER shall not to have accepted DEFECTIVE GOODS and/or RENTAL ITEMS or DEFECTIVE SERVICES until such time as such DEFECT, damage or breach is remedied by the SUPPLIER.
- (b) Such acceptance shall be without prejudice to the SUPPLIER's liability for any DEFECT in or damage to the DEFECTIVE GOODS and/or RENTAL ITEMS or DEFECTIVE SERVICES or any breach of the PURCHASE ORDER which is not identified by such duly authorised employee or representative of the PURCHASER at the time of acceptance.

**4.2 Risk**

Unless otherwise specified in the PURCHASE ORDER, risk in the GOODS is taken to pass to the COMPANY at the time of delivery in accordance with the PURCHASE ORDER. If the PURCHASE ORDER specifies the point of delivery by reference to Incoterms, risk is taken to pass at the time specified in the applicable Incoterm in Incoterms 2010.

**4.3 Price Payment and GST**

- (a) Subject to the CONDITIONS, the PURCHASER will pay the PRICE to the SUPPLIER for the supply of GOODS and/or RENTAL ITEMS and/or performance of the SERVICES within thirty (30) days of receipt of the SUPPLIER's proper tax invoice, the receipt of such invoice shall not being earlier than the DELIVERY DATE unless otherwise stated in the PURCHASE ORDER.
- (b) The PURCHASER may withhold payment in respect of any part of an invoice submitted by the SUPPLIER hereunder, without liability for interest, where the amount in question is the subject of a dispute or difference between the PURCHASER and the SUPPLIER.
- (c) The PURCHASER is entitled to deduct and set-off against any moneys due to or claimed by the SUPPLIER any sum which is claimed against or payable by the SUPPLIER to the PURCHASER for any reason.
- (d) If any supply made pursuant to a PURCHASE ORDER is a Taxable Supply, the PURCHASER will pay to the SUPPLIER the GST in respect of that Taxable Supply.
- (e) The SUPPLIER must submit to the PURCHASER a valid tax invoice specifying:
  - (i) the relevant purchase order number;
  - (ii) the GOODS and/or RENTAL ITEMS supplied and/or the SERVICES performed as at the date of the invoice;
  - (iii) the Site and date of performance of the SERVICES and/or delivery of the GOODS and/or RENTAL ITEMS;
  - (iv) where SERVICES are charged on a time basis, the actual hours spent by individual personnel performing the SERVICES; and
  - (v) such other particulars as are necessary to enable the PURCHASER to obtain input tax credits for the amount of GST payable.
- (f) By submitting an invoice to the PURCHASER, the SUPPLIER warrants that:
  - (i) the specified GOODS and/or RENTAL ITEMS and/or SERVICES have been supplied in accordance with the PURCHASE ORDER; and
  - (ii) the amounts specified in the invoice are accurate and the PURCHASER is entitled to payment of the amount claimed.

**4.4 Termination for Convenience**

The PURCHASER may at any time give written notice to the SUPPLIER to terminate the PURCHASE ORDER forthwith and in such event the PURCHASER shall pay, and the SUPPLIER shall accept in settlement of all claims under the PURCHASE ORDER, such sums as shall reasonably compensate it for all work done and obligations assumed by it in performance of the PURCHASE ORDER

## **PURCHASE ORDER TERMS AND CONDITIONS**

prior to its termination and for all work reasonably done by the SUPPLIER in giving effect to such termination. The value of any material, payment for which has been made by the PURCHASER but which is left with, and can be put to use by, the SUPPLIER, shall be taken into account when calculating such losses but such sum shall in no event exceed the PRICE set out in the PURCHASE ORDER unless otherwise previously agreed.

### **5. MUTUAL OBLIGATIONS**

#### **5.1 Indemnity Arrangements**

- (a) The SUPPLIER shall be responsible for and shall save, indemnify, defend and hold harmless the PURCHASER GROUP from and against all claims, losses, damages, costs (including legal costs) expenses and liabilities in respect of:
- (i) loss of or damage to property of the SUPPLIER GROUP whether owned, hired, leased or otherwise provided by the SUPPLIER GROUP arising from or relating to the PURCHASE ORDER;
  - (ii) personal injury including death or disease to any person employed by the SUPPLIER GROUP arising from or relating to the PURCHASE ORDER; and
  - (iii) subject to any other express provisions of the PURCHASE ORDER, personal injury including death or disease or loss of or damage to the property of any THIRD PARTY to the extent that any such injury, loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of the SUPPLIER GROUP.
- (b) The PURCHASER shall be responsible for and shall save, indemnify, defend and hold harmless the SUPPLIER GROUP from and against all claims, losses, damages, costs (including legal costs) expenses and liabilities in respect of:
- (i) loss of or damage to property of the PURCHASER GROUP whether owned, hired, leased or otherwise provided by the PURCHASER GROUP arising from or relating to the PURCHASE ORDER;
  - (ii) personal injury including death or disease to any person employed by the PURCHASER GROUP arising from or relating to the PURCHASE ORDER; and
  - (iii) subject to any other express provisions of the PURCHASE ORDER, personal injury including death or disease or loss of or damage to the property of any THIRD PARTY to the extent that any such injury, loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of the PURCHASER GROUP.
- (c) All exclusions and indemnities given under this Clause 5.1 (save for those under Clauses 5.1(a)(iii), 5.1(b)(iii)) and Clause 5.2 shall apply irrespective of cause and notwithstanding the negligence or breach of duty (whether statutory or otherwise) of the indemnified party or any other entity or party and shall apply irrespective of any claim in tort, under contract or otherwise at law.

#### **5.2 Consequential Loss**

- (a) For the purposes of this Clause 5.2 the expression "**CONSEQUENTIAL LOSS**" shall mean: (i) consequential or indirect loss; and (ii) loss and/or deferral of production, loss of product, loss of use, loss of revenue, profit or anticipated profit.
- (b) Notwithstanding any provision to the contrary elsewhere in the PURCHASE ORDER, the PURCHASER shall save, indemnify, defend and hold harmless the SUPPLIER GROUP from the PURCHASER GROUP's own **CONSEQUENTIAL LOSS** and the SUPPLIER shall save, indemnify, defend and hold harmless the PURCHASER GROUP from the SUPPLIER GROUP's own **CONSEQUENTIAL LOSS**, arising from or relating to the PURCHASE ORDER.

#### **5.3 Transfer of Purchase Order**

The SUPPLIER shall not at any time sub-contract or assign any part of its rights or obligations under this PURCHASE ORDER to any other person, without first obtaining the PURCHASER's prior written consent.

#### **5.4 Intellectual Property**

- (a) Subject to clause 5.4(b) and 5.4(d), nothing in this PURCHASE ORDER affects the rights of either party with respect to **INTELLECTUAL PROPERTY RIGHTS** in existence at the **COMMENCEMENT DATE**. SUPPLIER warrants and represents that there is no Project IP in existence as at the **COMMENCEMENT DATE**.
- (b) All rights in relation to **INTELLECTUAL PROPERTY RIGHTS** (whether patentable or not or otherwise registrable) created arising out of or in connection with this PURCHASE ORDER ("**PROJECT IP**") will vest on creation in, and remain solely owned by, the PURCHASER. PURCHASER shall be entitled to seek protection in respect of **PROJECT IP** anywhere in the world by way of patents or otherwise as it shall decide in its absolute discretion.
- (c) SUPPLIER shall, at the request of the PURCHASER, do all acts and things and shall procure that its officers, employees, agents and contractors do and execute all documents as may be required to perfect the right and title of the PURCHASER to the **PROJECT IP**.
- (d) SUPPLIER may make available pre-existing or independently developed **INTELLECTUAL PROPERTY RIGHTS** ("**BACKGROUND IP**") for the purposes of the SUPPLIER supplying the **GOODS** and/or **SERVICES**. The SUPPLIER grants the PURCHASER and CO-VENTURERS a non-exclusive, non-transferable, irrevocable, perpetual, worldwide, royalty-free licence, to use, modify and communicate the **BACKGROUND IP** arising out of or in connection with the **GOODS** and/or **SERVICES** and to exercise its rights in the **PROJECT IP**.
- (e) PURCHASER grants SUPPLIER a non-exclusive, non-transferable, irrevocable, perpetual, worldwide, royalty free licence to use and communicate the **PROJECT IP** solely for purposes directly related to supplying the **GOODS** and/or **SERVICES**.

#### **5.5 Cancellation**

- (a) The SUPPLIER or the PURCHASER may terminate the PURCHASE ORDER in the event that:
- (i) the other party is in material breach of a condition of the PURCHASE ORDER; or
  - (ii) becomes insolvent or is declared by a court to be insolvent; enters into, or proposes or attempts to enter into, any compromise or arrangement with creditors including bankruptcy; has an order made or a resolution passed (or attempted to be passed) for its winding up; has a receiver or manager, administrator, controller or similar officer appointed; or has a mortgagee take possession of the whole or any part of its property or undertaking.
- (b) In such an event, the only remaining commitment will be for the PURCHASER to pay for **GOODS**, **RENTAL ITEMS** and or **SERVICES** already accepted by the PURCHASER.

#### **5.6 Representatives**

PURCHASER and SUPPLIER will each appoint a representative for the purpose of liaising with the other party, and will notify the other party of its appointed representative. SUPPLIER's representative will have the authority to legally bind SUPPLIER in matters arising under the PURCHASE ORDER.

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### 5.7 Entire Agreement and Variation

The PURCHASE ORDER constitutes the entire agreement between the parties and supersedes all previous negotiations and communications. The PURCHASE ORDER may only be varied by written agreement between PURCHASER and SUPPLIER.

### 5.8 Proper Law and Language

The PURCHASE ORDER shall be construed and take effect in accordance with Queensland Law and shall be subject to the exclusive jurisdiction of the Queensland courts.

### 5.9 Dispute Resolution

- (a) Any and all disputes, controversies or differences of any kind whatsoever (a "DISPUTE") which may arise between the parties hereto out of or in connection with this PURCHASE ORDER, including, without limitation, any breach or termination hereof, must, if possible, be decided amicably by the parties. If such DISPUTE cannot be so settled within 14 days after written notice by one Party to the other (the "ARBITRATION NOTICE"), the DISPUTE is finally settled by arbitration before a single arbitrator which is to be conducted and held in accordance with, and subject to, the Institute of Arbitrators and Mediators Australia Fast Track Arbitration Rules. The award made in pursuance thereof is binding on the parties. The seat of arbitration and any arbitration meetings and proceedings must be held in Brisbane. The arbitration is to be conducted in the English language.
- (b) The award rendered by the Arbitrator must be in writing and must set forth in reasonable detail the facts of the DISPUTE and the reasons for the award. The Arbitrator must render its award based on the explicit terms of this PURCHASE ORDER and strict rules of law. The Arbitrator is not entitled to render the award ex aequo et bono based on principles of justice and fairness, or otherwise to assume the powers of an amiable compositeur, if such decision would conflict with the explicit terms of this PURCHASE ORDER or strict rules of law. The Arbitrator has the authority to include in such award a decision binding upon the parties hereto, enjoining them to take or refrain from taking specific action with respect to the matter in DISPUTE. The award of the Arbitrator is final and binding on the parties and is enforceable in any court of competent jurisdiction.
- (c) Pending the rendering of an award by the Arbitrator, the parties hereto must diligently perform their respective duties and obligations under this PURCHASE ORDER.

### 5.10 Agency

- (a) The PURCHASER enters into this PURCHASE ORDER as agent for and on behalf of itself and the CO-VENTURERS, but notwithstanding this:
  - (i) the SUPPLIER must look only to the PURCHASER for the due performance of this PURCHASE ORDER and nothing herein contained entitles the SUPPLIER to commence any proceedings against the CO-VENTURERS; and
  - (ii) the PURCHASER may assert any CLAIM or commence any CLAIM or commence any proceedings against the SUPPLIER which the PURCHASER and/or the CO-VENTURERS may have against the SUPPLIER.
- (b) The indemnities and warranties given by the SUPPLIER to the PURCHASER or the PURCHASER personnel under this PURCHASE ORDER may be enforced by the PURCHASER against the SUPPLIER for the benefit of the PURCHASER GROUP and/or PURCHASER personnel.

### 5.11 Health, Safety, Environment and Community ("HSEC")

#### (a) HSEC Principles and Procedures

- (i) All operations conducted under the PURCHASE ORDER shall be conducted in accordance with this clause 5.11.
- (ii) The SUPPLIER shall, in the conduct of the SERVICES:
  - (A) report to the PURCHASER GROUP within twenty (20) hours of the management of the SUPPLIER receiving notice thereof, details of fatalities, critical or life threatening injuries, material environmental incidents and any other material incidents which (in each case) may present a reputational risk to any party to the PURCHASER ORDER and also provide copies of any written notices received from AUTHORITIES or THIRD PARTIES with respect to such fatalities and incidents;
  - (B) prepare an HSEC report to be submitted by the SUPPLIER to the PURCHASER GROUP on a monthly basis in respect of the previous month containing, at a minimum:
    - (I) occupational safety indicators (fatalities and lost time incidents (i.e., incidents resulting in a person missing at least an entire work day) and frequency, recordable incidents and frequency and total man hours worked) of the SUPPLIER GROUP;
    - (II) known environmental incidents (e.g. leaks, spills, and cases of violations of environmental laws and permits) that are sufficiently substantial to be reportable to an AUTHORITY; and
    - (III) material written HSEC related claims;

#### (b) Health, Safety, Environment and Community

With the goal of achieving safe and reliable operations in compliance with all applicable laws and regulations, including avoiding a significant and unintended impact on the safety, security or health of people, on property, or on the environment, the SUPPLIER shall in the conduct of the SERVICES:

- (i) design and manage the SERVICES to standards intended to achieve sustained reliability and promote the effective management of HSEC risks;
- (ii) pursue a structured HSEC management system that includes procedures consistent with those generally applied in the petroleum industry to effectively manage HSEC risks and pursue sustained reliability of operations under the PURCHASER ORDER;
- (iii) conform with applicable HSEC laws, regulations and other HSEC related statutory requirements that may apply to the SERVICES;
- (iv) require its contractors, consultants and agents undertaking activities for the PURCHASER ORDER to manage HSEC risks in a manner consistent with the requirements of this section by putting a process in place to identify and select contractors with a robust HSEC program and record of performance consistent with GOOD OILFIELD PRACTICE and a properly applied HSEC program;
- (v) perform onsite audits of its contractors to verify contractors' conformance to HSEC requirements and the PURCHASER GROUP shall have the right to participate in HSEC audits of contractors;
- (vi) maintain HSEC statistics for activities and operations conducted under the this PURCHASE ORDER and made accessible to the PURCHASER GROUP; and
- (vii) on a semi-annual basis, provide the PURCHASER GROUP with an HSEC continuous improvement plan, which outlines the Operator's initiatives and activities designed to improve employee and contractor HSEC behaviours and performance.

#### (c) Health, Safety, Security and Environmental Management Systems

- (i) **Plan Requirements for SUPPLIER:** The SUPPLIER shall have an effective Health, Safety, Environment and Community Management System, or an equivalent standard, that includes the SUPPLIER's internal policies for all operations conducted under this PURCHASE ORDER. This management system must include at a minimum:

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- (A) A systematic approach to HSEC management designed to ensure compliance with the law and to achieve continuous performance improvement;
  - (B) Establish and implement a HSEC audit and inspection program designed to verify that HSEC management policies, systems, plans and procedures remain appropriate and in compliance with applicable regulations and including action plans to correct deficiencies identified;
  - (C) Set HSEC objectives and key performance indicators for improvement including at a minimum, the measure, appraise and report performance of lost time injury frequency and total recordable incident rate for both employees and contractors, where available;
  - (D) Require contractors to manage HSEC in line with SUPPLIER's HSEC policy and perform onsite audits of contractors HSEC performance to ensure conformance with such policy;
  - (E) Ensure that HSEC is the responsibility of all executives, managers, teams and individuals;
  - (F) Permit any individual to stop any work, or prevent any work from starting where adequate HSEC controls are not in place; and
  - (G) Include HSEC performance in the appraisal of operating staff and reward them accordingly.
- (ii) **Overview of Plan for Participants:** Upon the written request of the PURCHASER GROUP, the SUPPLIER will present to the PURCHASER GROUP a sufficient overview of the SUPPLIER's HSEC Management systems or an equivalent standard, to evidence compliance with clause 5.11(a).
- (iii) **SUPPLIER's HSEC Performance as an Agenda Item:** SUPPLIER's HSEC performance with respect to SERVICES shall be an agenda item for all meetings of the PURCHASER GROUP where past HSEC statistical performance as well as ongoing and future HSEC improvement initiatives are presented and discussed.
- (d) **Health, Safety, Environment and Community Reporting**
- (i) **SUPPLIER's Obligation to Notify PURCHASER GROUP:** without limiting its obligations under the PURCHASE ORDER, SUPPLIER shall notify the PURCHASER GROUP as soon as reasonably practical after occurrence of any of the following incidents with respect to SERVICES:
- (A) a well blow-out;
  - (B) any material event that requires written notification to an AUTHORITY for any health, safety, security or environmental non-compliance;
  - (C) a fatality or life threatening injury resulting in lost time injuries of one (1) or more people;
  - (D) an incident where property damage is estimated to be in excess of one million dollars \$1,000,000; or
  - (E) a material well control, operational or environmental event causing significant loss of production,
- and such notifications be followed by a written report. Such report shall be furnished within fifty (50) days of the relevant incident unless the SUPPLIER determines that the report shall require more time to prepare (as a result of the complexity of the incident). In such a case, the SUPPLIER shall notify the PURCHASER GROUP of the need for an extension.
- (ii) **Monthly HSEC Report:** The SUPPLIER shall provide a monthly report to the PURCHASER GROUP with HSEC statistics as defined herein. Such report shall be provided by the twentieth (20th) of each month with HSEC statistics for the preceding month for both SUPPLIER and contractor performance, where available. HSEC statistics are defined as: Total Recordable Injury Rate (TRIR) and man-hour basis, Recordable Injury descriptions, Occupational Illnesses, Lost Time Injuries, Lost Time Injury Frequency and man-hour basis, Vehicle incident rate, Reportable Spills, Fines or Incidents of Non-compliance (all as defined by applicable laws). In addition to opportunities to review data through audits, SUPPLIER will furnish HSEC performance information annually.
- (e) **Health, Safety, Security and Environmental Inspections**
- PURCHASER GROUP's Right of Access:** For the purposes of conducting HSEC inspections and audits, the PURCHASER GROUP shall have the right of access to activities and operations of SUPPLIER with respect to SERVICES and shall have access to SUPPLIER's files; provided that any PURCHASER GROUP employee inspecting the SUPPLIER's facilities (i) shall provide to PURCHASER a copy of proof of adequate liability and casualty insurance, (ii) shall sign a release (in a reasonable form) in favour of SUPPLIER covering such inspection, and (iii) that appropriate representatives of PURCHASER are present during field visits.