

## General Terms and Conditions for Plant Hiring

### 1. Definitions

<b>OTS</b>	Ocean Team Scandinavia a/s, Vesterhavsgade 56, 6700 Esbjerg.
<b>Day</b>	12 hours unless otherwise specified.
<b>Hire Period</b>	The time from when the Plant leaves OTS workshop or place where last issued until received back at OTS workshop or delivered to another place named by OTS.
<b>Hirer</b>	The party taking OTS Plant on hire whether individual firm, company or public authority and its successors, assignees or personal representatives.
<b>Invoice</b>	The invoice or invoices sent by OTS to Hirer in respect of charges incurred by Hirer.
<b>Plant</b>	All plant, equipment, cable, cable drums, trailers, fuel tanks, machinery and accessories of whatever nature hired by Hirer from OTS.
<b>Site</b>	The site to which the Plant is delivered (or is to be delivered) on Hirer's instructions.
<b>Week</b>	Seven consecutive days.

### 2. Extent of Contract

The delivery note, hire contract, invoice, off-hire receipt note, and return note as well as the present General Terms and Conditions comprise the Contract between OTS and Hirer and no other extraneous terms and conditions shall form part of that Contract ("the Contract") and no variation of the Contract shall be effective unless specifically agreed in writing by an authorized OTS employee. For the purpose of interpretation, the paragraph headings contained here in shall be ignored.

### 3. Availability of Plant

The Plant is offered subject to being available to OTS when Hirer's acceptance of the Contract is received by OTS.

### 4. Loading, Unloading and Transport

Hirer shall be responsible for loading and unloading the Plant at Site, and any driver, operator, etc. supplied by OTS shall be deemed to be under Hirer's control. Plant shall be hired at the hire charges or hire rates as set out in the accompanying quotation and/or hire contract. Notice of commencement of delivery of Plant shall indicate acceptance of these hire charges/rates without exception or variation. Hirer will also make sure that the surface on which the Plants are to be unloaded and/or placed is of sufficient load bearing capacity and level.

Hirer shall pay the cost and if required by OTS arranging transport of the Plant from the collection place specified on completion of the Hire Period. In the event that the Plant requires to be transported for the purpose of repair of damage or exchange of the Plant, the cost of which is to be met by OTS then the cost of such transport shall be met by the Hirer. The cost of transport of a replacement Plant rendered necessary by damage or breakdown of the Plant which is the responsibility of the Hirer (in terms of contract), is covered by the Hirer.

### 5. Delivery in Good Order and Maintenance (Inspection Reports)

Unless notification in writing to the contrary is received by OTS from Hirer, in the case of Plant supplied with an operator within two (2) working days, and in the case of Plant supplied without an operator within one (1) working day, of Plant being delivered to the Site, Plant shall be deemed to be in good order in accordance with the terms of Contract and to Hirer's satisfaction.

Hirer shall be absolutely responsible for the safekeeping of the Plant during the Hire Period, for the maintenance of the Plant in good condition, for the lubrication of the Plant and changing the lubrication oil all in strict accordance with OTS instructions, for the use of the Plant in conformity with its specifications, and current relevant laws or/and any other regulations and Hirer shall ensure that the Plant is not operated for any purpose beyond its rated capacity or in a manner likely to result in undue deterioration of the Plant. Hirer shall check lubricating oil, check/change filters and coolant levels in the Plant daily and ensure that lubricating oil and coolant are kept at the level required for the proper operation of the Plant. Hirer shall keep himself acquainted with the condition of the Plant and shall not operate it after it has become defective, damaged or in a dangerous state or in a state which results in breach of any applicable law or regulation, and if Hirer or any servant or agent of Hirer does operate the Plant in such a condition Hirer shall be solely responsible for any damage loss or accidents resulting therefrom. Should breakdown or damage occur to Plant due to failure to observe any term of the Contract, due to negligence or misuse by

Hirer or its servants or to willful or accidental damage however occurring or due to damage caused by salt water, salt spray and/or salt laden air, Hirer shall be liable to OTS for:

- i) The cost of repairs
- ii) OTS hire charges for the Plant while the Plant is idle due to breakdown or damage and while repairs are being carried out (without prejudice to OTS rights to receive hire charges in respect of all other periods when the Plant is not off hire).

Hirer shall be responsible for its safekeeping, use in a workman-like manner within the manufacturer's rated capacity and return on the completion of the hire in the same condition.

Hirer shall when hiring Plant without OTS's employee take all reasonable steps to keep him acquainted with the state and condition of Plant. If Plant be continued at work or in use in an unsafe and unsatisfactory state Hirer shall be solely responsible for any damage, loss or accidents whether directly or indirectly arising therefrom.

Hirer shall notify OTS when the Plant has operated for 200 hours since it was last serviced or since the start of the Hire Period, whichever is later. If the service is carried out within one week of such notice being received by OTS, the costs of such service will normally be met by OTS. If a service is not carried out within one week of the Plant having operated for 200 hours due to Hirer's failure to notify OTS as provided in this clause then Hirer shall compensate OTS for additional wear, tear and damage to the Plant by paying the costs of the next service and any consequent repairs. If OTS fails to service the Plant within one week of receipt of notification by Hirer as provided in this clause then the cost of the next service and any consequent repair costs of the Plant will be met by OTS.

High pressure pumps or pumps in general and ancillaries are exceptionally susceptible to incorrect operating conditions. Any pump failure due to cavitations (caused by insufficient water/oil supply or dirty water filter) to be invoiced to Hirer.

## **6. Handling of Plant**

When a technician is supplied by OTS to work the Plant, he shall be under the direction and control of Hirer. Such technician shall for all purposes in connection with his employment in the working of the Plant be regarded as servant or agent of Hirer who alone shall be responsible for all claims arising in connection with the operation of the Plant by the said technician. Hirer shall not allow any other person to operate such Plant without the previous consent of OTS in writing.

## **7. Breakdown and Other Stoppages**

Breakdowns or defects in Plant resulting from proper ordinary usage or fair wear and tear or the development of an inherent fault or a fault not ascertainable by reasonable examination prior to commencement of the Hire Period may, at OTS option, either be repaired at OTS expense and with the least possible delay from his notification of breakdown to OTS until repair, or alternatively OTS may replace the Plant. If repair is impracticable and if replacement Plant is not available, OTS may terminate the hiring forthwith and will not have any liability whatever towards Hirer for such termination or any consequences of breakdown.

Any breakdown or the unsatisfactory working of any part of the Plant must be notified immediately to OTS. For this purpose, no notification shall be effective unless and until it is actually received by OTS. Hirer shall not attempt to effect repairs himself except with the express authority of OTS. Any breakdown or damage caused by using fuel, oil, lubricants, filters, parts, or coolant other than those specified by OTS will render Hirer absolutely responsible for the costs specified in clause 5(i) and (ii).

Neither relief from hire charges nor any claims will be accepted by OTS for stoppages through causes outside OTS's control, including but not limited to intervention by any Government, Municipal or other authority, bad weather or ground conditions nor shall OTS be responsible for the cost or expense of recovering any Plant from such ground.

## **8. Loss of Use of Other Plant Due to Breakdown**

Each item of the Plant specified in the Contract is hired as a separate unit and the breakdown or stoppage of one or more units or vehicles (whether the property of OTS or otherwise) through any cause whatsoever, shall not entitle Hirer to compensation or allowance for the loss of working time by any other unit or units of Plant working in conjunction therewith.

## **9. Consequential Losses**

OTS accepts no liability nor responsibility for any consequential loss or damage due to or arising from the breakdown or stoppage of the Plant through any cause whatsoever, or through non-arrival arising from accident or breakdown during loading, unloading or transport of the Plant, through any other cause whatsoever.

**10. Hirer's Responsibility for Loss and/or Damage**

During the continuance of the Hire Period Hirer shall make good to OTS all loss of or damage to the Plant arising from whatever cause and shall also indemnify OTS fully and completely in respect of all claims by any person whatsoever for injury to person or property caused by or in connection with or arising out of the use of the Plant and in respect of all costs and charges in connection therewith. If Hirer fails to return the Plant for any reason whatsoever whether or not involving any negligence or other fault on the part of Hirer, its servants or agents, then Hirer shall be liable to the Company for:

- i) The whole cost or replacement of the Plant
- ii) OTS hire charges for the Plant until payment of the costs under Clause 5(ii) above.

**11. Notice of Accidents**

If the Plant is involved in any accident resulting in injury to persons or damage to property immediate notice must be given to OTS and confirmed in writing.

**12. Insurance**

Hirer shall be responsible at its own expense for insuring itself against all risk arising from the presence or operation of the Plant on Site, covering from lease start until plant return to the shipping address or other OTS named address, including loading, transport and unloading.

If the Plant is involved in any accident resulting in injury to persons or damage to property, immediate notice must be given to OTS by telephone and confirmed in writing to OTS office, and in respect of any claim not within Hirer's agreement for indemnity in Clause 23 hereof, no admission, offer, promise of payment or indemnity shall be made by Hirer without OTS consent in writing.

In the event that the Plant is damaged beyond repair due to Hirer's negligence, Hirer agrees to reimburse OTS one-hundred and ten percent of the replacement value of the Plant.

**13. Sublet and Move from Site**

Hirer shall not sublet or lend the Plant or any part thereof to any third party without first receiving the written permission of OTS.

Hirer shall not move the Plant from the Site to which it was delivered or consigned unless consent be obtained from OTS, such consent to be confirmed in writing.

**14. Servicing and Inspection**

Hirer shall at all reasonable times allow OTS, his agents or his insurers to have access to Plant to inspect, test, adjust, service or replace the same. So far as reasonably possible, such work to be carried out at times to suit the convenience of Hirer.

Except in the case of repairs undertaken by OTS's employee Hirer shall not repair or attempt to repair the Plant unless specifically authorized by OTS. OTS undertakes to deal with all necessary repairs as quickly as reasonably possible, the cost of labor for normal maintenance performed by OTS in excess of normal greasing time shall be borne by OTS except where repairs are necessitated by Hirer's negligence, misdirection, or misuse of the Plant, in which case Hirer shall bear full expense arising therefrom.

**15. Daily Charge**

The full daily rate shall be charged for each day (including weekend) of the Hire Period and invoicing hire charges shall be submitted every two weeks. Payment of hire for one (1) month or less will be done after job completion. Payment of hire for more than one month will be done by monthly invoicing.

**16. Commencement and Termination of Hire (Transport of Plant)**

The Hire Period shall commence from the time when the Plant leaves OTS's address and shall continue until the plant is received back at OTS's named address. Both days included unless previously agreed in writing.

**17. Notice of Termination of Contract**

Where a period of hire is indeterminate or having been defined becomes indeterminate, the Contract may be terminated at two (2) days' notice in writing given by either party to the other. In the event of Hirer desiring to terminate the Contract and failing to give such notice hire for the period of two (2) days notice shall be chargeable in lieu. Notice given by Hirer to OTS employee shall not deem to constitute compliance with the provisions of this clause.

**18. Transport and Other Costs**

If required by OTS, Hirer shall pay the cost of and arrange the transport of the Plant from OTS depot to Site and back after the completion of the Hire Period. Hirer shall be liable for any other cost whatsoever.

**19. Owner Plates**

OTS may affix his plate or mark on the Plant to indicate that it is his property and Hirer shall not remove, deface or cover up the same.

**20. Government Regulations**

Hirer alone will be responsible for obtaining any necessary permission and consents for the erection and operation of the Plant and for compliance with all regulations issued by municipality or any other local authorities and OTS shall not be responsible for any breach thereof.

**21. Protection of Owner's Rights**

If Hirer should make default in punctual payment of all sums due to OTS for hire of Plant or other charges or should fail to observe and perform the terms and conditions of this Contract, or if Hirer should suffer any distress or execution to be levied against him or make or propose to make any arrangements with his creditors or should do or should cause to be done or permit or suffer any act or thing whereby OTS's rights in the Plant may be prejudiced or put into jeopardy, this agreement shall forthwith be terminated (without any notice or other act on the part of OTS and notwithstanding that OTS may have waived some previous default or matter of the same or a like nature) and it shall thereupon be lawful for OTS to retake possession of the said Plant and for that purpose to enter into or upon any premises where the same may be and the determination of the hiring under this condition shall not affect the right of OTS to recover from Hirer any monies due to OTS under the contra damages for breach thereof.

**22. Default**

If Hirer should make default in punctual payment of any sums due to OTS for hire of Plant or other charges or should fail to observe and perform the terms and conditions of this Contract, or if Hirer should suffer any diligence, distress or execution to be used or levied against him or make or propose to make any arrangement with his creditors or, being a Company, should go into liquidation (other than a member's voluntary liquidation) or have a Receiver, Administrator or Administrative Receiver appointed to the whole or any part of his assets and undertaking (including uncalled capital) or should do or cause to be done or permit or suffer any act or thing whereby the OTS rights in the Plant may be prejudiced or put into jeopardy, the Contract shall forthwith be terminated (without any notice or other act on the part of OTS and notwithstanding that OTS may have waived some previous default or matter of the same or a like nature), and it shall thereupon be lawful for OTS to retake possession of the Plant and for that purpose enter into or upon any premises where the same may be and the determination of the hiring under this Condition shall not affect the right of OTS to recover from Hirer any amounts due to OTS under the Contract or damages for breach thereof.

**23. Indemnities**

Hirer shall be solely responsible for and shall hold OTS fully indemnified against any loss or damage arising to or in connection with the Plant or as a result of the use or situation of the Plant. Hirer shall fully and completely indemnify OTS in respect of all claims by any person whatsoever for injury to person or property caused by or in connection with the use or situation of the Plant and in respect of all costs and charges in connection therewith whether arising under statute or common law. The foregoing indemnities shall be effective whether or not the loss, damage or injury arises from any negligence on the part of Hirer.

**24. Arbitration**

Any dispute or difference arising under or in connection with this Agreement or any breach thereof, which cannot be settled by friendly negotiation and agreement among the parties, shall be finally settled by a Danish court of law and shall be governed by Danish law.

The venue shall be the Court of Esbjerg, Denmark; alternatively, the western division of the Danish High Court in Viborg, Denmark.

The court language shall be Danish.