



## WELLWISE – GENERAL CONDITIONS OF PURCHASE

### 1. General Information

1.1 Unless otherwise specified in the Purchase Order, the following terms and conditions of purchase (hereinafter “*Conditions of Purchase*”) aim at establishing the terms and conditions pertaining to the purchase of product, studies, materials and/or services (hereinafter referred to as “*Supplies*”) that shall apply between Wellwise Oilfield Services Limited (hereinafter “*WELLWISE*”) and its suppliers or service providers (hereinafter “*Supplier*”) whenever not expressly stipulated to the contrary in the general terms and conditions of sales of any such *Supplier*.

### 2. Purchase Order

2.1 The *Purchase Order* includes, but is not limited to, the following documents:

- The order form on which are listed the specific conditions applicable to the purchase.
- The technical specifications, plans, or any other item which is relevant to the purchase which defines the *supplies*,
- These *Conditions of purchase* by reference
- The technical and administrative instructions defining the procedures to be followed by each party to complete the *Purchase Order* to Satisfaction

2.2 It is expressly agreed that whenever the *Supplier* judges that certain purchase specifications are omitted or formulated in an incorrect or contradictory manner in the *purchase order*, *Supplier* shall immediately notify *WELLWISE* in writing to ensure that the final wording of the *Purchase Order* will correspond to *WELLWISE* requirements, particularly with regards to the quantitative and qualitative specifications.

2.3 To be deemed valid, the order form of the *purchase order* must be signed by an authorised representative of *WELLWISE* Purchasing department. This form shall carry a *Purchase Order* Number and an issuance date that the supplier must refer at all times.

### 3. Acceptance of the Order

3.1 The *Supplier* must confirm its Acceptance by returned fax, which shall be initialed, dated and signed, no later than five (5) calendar days after receipt of the *Purchase Order*. *WELLWISE* may cancel the *Purchase Order* without prejudice if *WELLWISE* has not received the acknowledgement of receipt within two (2) weeks of issuance the *Purchase Order*.

3.2 Any changes made by the *Supplier* to any of the *Purchase Order* terms specifications and instructions shall not be binding without formal written consent from an authorised representative of *WELLWISE*'s Purchasing Department.

### 4. Changes to the Order

4.1 During the completion of the *Purchase Order*, *WELLWISE* shall be entitled to modify conditions such as packing and/or transfer methods, place of delivery or receipt, adjustments to the delivery and/or completion schedule and increases or decreases to the quantities ordered within plus or minus thirty percent (30%). The *Supplier* has a period of five (5) business days from the change request to inform *WELLWISE* in writing with any useful justifications, of the effect these requested changes may have on price conditions and/ or deadlines. After this date *WELLWISE* will not be

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obliged to accept any claims and/or objections from the *Supplier*.

### 5. Assignment – Outsourcing

- 5.1 The *Supplier* may not assign the *Purchase Order* to third parties, even in part, without prior written consent from *WELLWISE* to outsource the completion of all or part of the *Purchase Order*.
- 5.2 The acceptance by *WELLWISE* of any subcontractor appointed by *Supplier* shall by no means relieve the *Supplier* of its contractual obligations and responsibilities.

### 6. Monitoring and Inspection

- 6.1 Upon *WELLWISE*'s request, the *Supplier* shall give *WELLWISE* representatives free access to its services and workshops during working days and hours and shall hand over to *WELLWISE*'s representatives all documents relating to the *Purchase Order* completion process that *WELLWISE* may request. This access to *Suppliers* Premises shall be granted at all times, from the *Purchase Orders* submission to its full completion.
- 6.2 The *Supplier* shall make available to *WELLWISE* all the necessary support required to carry out these inspections.
- 6.3 These inspections shall by no means relieve the *Supplier* of its obligations, in particular the obligation to fulfill the *Purchase Order* in strict compliance with the agreed terms and conditions. Inspections do not constitute an approval of the *Supplies* and shall not prejudice *WELLWISE*'s rights.

### 7. Deadlines

- 7.1 Delivery dates specified in the *Purchase Order* are the *Supplies* arrival dates at the point of delivery
- 7.2 Prompt delivery is an essential *Purchase Order* requirement. Whenever *Supplier* suspects that the agreed to delivery date may not be met, the *Supplier* shall immediately notify *WELLWISE* in writing of the reasons and extent of the expected delay and the measures immediately taken, at its own expenses, to avoid or reduce the expected delay.
- 7.3 After three (3) weeks beyond the deadline contractually scheduled for delivery, *WELLWISE* may in its sole discretion cancel the *Purchase Order* in full or in part of the *Supplies* without prejudice to any damages *WELLWISE* may claim and without entitling the *Supplier* to any compensation

### 8. Prices

- 8.1 *Purchase Order* prices exclude VAT. They are final and not modifiable

### 9. Delivery

- 9.1 The *Supplies* must be packaged in new packaging suited to the container mode of transport, storage and final destination.
- 9.2 Any delivery not accompanied by a shipping document detailing at least the following information may be rejected by *WELLWISE*:
- *Purchase Order* Number appearing on the order form
  - Quantity delivered
  - Gross and net weight and volume

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- Number of shipped units
  - Type of packaging
- 9.3 Early or partial deliveries can be effected by *Supplier* only with prior written consent from *WELLWISE's* Purchasing Department. *WELLWISE* reserves the right to return deliveries not complying with the *Purchase Order*, particularly in the event of surplus quantities of *Supplies*, or to alternatively store the *Supplies* at the exclusive expense of the *Supplier*.
- 9.4 Technical documents, certificates, reports and any other documentation required in the *Purchase Order* are an integral part of the *supplies*. *The Purchase order* shall be considered incomplete until the necessary documents are delivered. If these documents are not submitted, *WELLWISE* reserves the right to postpone payment of *Supplier* invoice(s) until documents receipt
- 9.5 Unless otherwise stated in the *Purchase Order* *WELLWISE* will pronounce acceptance of the *Supplies* delivered within fifteen (15) days of delivery or completion. This *WELLWISE's* approval is meant to confirm conformity of the *Supplies* with the *Purchase Order*. It does not prejudice any defects, errors or failures that might appear at a later time. Therefore, the delivery is at all times acceptable “with all proper reserves”
- 9.6 In the event that all or part of the *Supplies* delivered does not confirm to the *Purchase Order*, *WELLWISE* reserves the right to reject all or part of the *Supplies* delivered and the *Supplier* will be required to replace such rejected *Supplies* with items that comply with the *Purchase Order*.
- 9.7 Any *Supplies* rejected by *WELLWISE* will be recovered by the *Supplier* within Eight (8) working day of receipt of rejection notice issued by an authorized representative of *WELLWISE's* Purchasing Department.
- 10. Invoicing – Payment**
- 10.1 Invoices and installments requests must be addressed to *WELLWISE*, to the attention of the Accounts Department in at least two (2) copies, indicating the *Purchase Order* number and references, the place of origin and customs code of the goods, the intra-community VAT number of the *Supplier*, accompanied by the document referring to the initiating cause for payment. Invoices and Installment requests must be established in the currency specified in the *Purchase Order*.
- 10.2 Any partial invoicing of a *Purchase Order* will only be accepted under the condition that the corresponding partial delivery has been agreed to beforehand in writing by an authorised representative of *WELLWISE's* Purchasing Department
- 10.3 Provided that the *Supplies* have been formally accepted and declared conform by *WELLWISE*, *Suppliers* invoices shall be paid except stipulated otherwise in the *purchase Order*, Sixty (60) days from the end of the month invoice is received and accepted unreservedly, on the fifteenth (15<sup>th</sup>) of the following month.
- 10.4 The method of payment is as indicated on the *Purchase Order*, Usually by wire transfer.
- 10.5 The payment of an invoice does not affect *WELLWISE's* right to question in writing any unjustified charges.



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### 11. Transfer Of Ownership

- 11.1 Unless otherwise stipulated, the transfer of ownership of the *Supplies* shall occur on the day of delivery of the *Supplies* or the day *WELLWISE* receives the services or work previously ordered.
- 11.2 The transfer of ownership of the *Supplies* does not affect in any manner the obligations of the *Supplier* geared to acceptance of the *Purchase Order*.
- 11.3 Any ownership retention is deemed unwritten.

### 12. Components Supplied By *WELLWISE*

- 12.1 Any component provided by *WELLWISE* to *Supplier* for the purpose of the *Purchase Order* remains at all times and under all circumstances the property of *WELLWISE*.
- 12.2 The *Supplier* is obliged to clearly identify them especially vis-à-vis third parties
- 12.3 The *Supplier* must ensure that they are well preserved, particularly during storage and handling/transportation.

### 13. Models and Tools

- 13.1 The drawings, models and tools provided to the *Supplier* remain the exclusive property of *WELLWISE*. Model and tools created by the *Supplier* for the completion of the *Purchase Order* become the property of *WELLWISE* upon creation. They will be permanently identified in a legible manner as belonging to *WELLWISE* and will be passed on to *WELLWISE* upon request.
- 13.2 All necessary models and tools and corresponding plans to carry out the *Purchase Order* should be exclusively for that purpose. They may not be used, reproduced or disclosed by *Supplier* to third parties without prior written permission of *WELLWISE*.

### 14. Confidentiality

- 14.1 All written or oral information conveyed by *WELLWISE* to the *Supplier* related to *WELLWISE* expertise, specifications, procedures, requirements and other technical information, documents and data should be treated as confidential and shall not be disclosed to third parties without *WELLWISE* prior written consent. This information may be used exclusively to carry out the *Purchase Order* or to prepare bids or quotes for *WELLWISE*.
- 14.2 The property rights and the copyrights relative to designs, drawings, samples and other documents delivered to the *Supplier* or specifically created by the *Supplier* for the realisation of *Supplies* ordered by *WELLWISE*, including photographs, shall be deemed exclusive property of *WELLWISE* and shall not be reproduced at any time or disclosed to third parties without *WELLWISE*'s prior written consent.

### 15. Warranty

- 15.1 In addition to the legal Guarantee for defects or latent defects, the *Supplier* ensures the compliance of the delivered *Supplies* with their specifications and applicable laws and regulations. Except otherwise specified in the *Purchase Order*, the warranty for *Supplies* shall extend over a period of one year following acceptance of the delivery by *WELLWISE*
- 15.2 In the event *WELLWISE* detects an anomaly or a defect in the *Supplies*, *WELLWISE* shall promptly inform the *Supplier* in writing, stating the nature of the anomaly or defect. Up to the expiration of the warranty period, the *Supplier* is required to immediately provider at its own

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expenses any replacements, repairs, modifications and/or improvements necessary for upholding the characteristics, performance and yields guaranteed to *WELLWISE*.

15.3 Any repair or replacement in full or in part of the *Supplies* under warranty entails the renewal of the original one year warranty period from the day of the complete repair or replacement of the defective *Supplies*.

16. Should the *Supplier* fail in its obligation to correct, repair or replace the defective *Supplies* delivered, and in order to ensure their compliance with the specifications, *WELLWISE* reserves the right, following *Suppliers* non-response to due notification within eight calendar days, to request a third party of its choice to perform that obligation at the expense and risk of the *Supplier*.

### 17. Force Majeure

17.1 Neither party will be liable for any failure to perform acts, other than payment obligations, due to unforeseen circumstances or causes beyond the parties' reasonable control, as defined by the courts. Force Majeure only releases the party asserting the latter from its contractual obligations within the extent and duration of prevention from fulfilling them. Each party shall bear the burden of all expenses incumbent upon it and which arise from the occurrence of Force Majeure.

17.2 The party affected by Force Majeure shall promptly notify the other by fax or email confirmed by registered letter with acknowledgement of receipt, together with such evidence in verification thereof. The other party reserves the right to verify and inspect the

facts. The party asserting Force Majeure shall use its best endeavors to minimize the negative impact resulting from this situation.

17.3 In any case, strikes conducted by the *Suppliers* personnel or the personnel of its suppliers do not relieve the *Suppliers* from liability in the event of any delay or delivery impediment.

17.4 Should the event that gives rise to the Force Majeure continue for more than thirty (30) consecutive calendar days, the party not affected by the Force Majeure may terminate the outstanding *Purchase Order* immediately and automatically without compensation to the other party

### 18. Termination

18.1 In the event of failure in whole or in part by the *Supplier* to fulfill any of its obligations under this *Purchase Order*, the latter may be terminated or cancelled by *WELLWISE* without any legal formality, by registered letter with acknowledgement of receipt, eight (8) calendar days after receipt of this letter, without prejudice to any damages that could be charged to the *Supplier* and late penalties incurred up to the date of termination or cancellation. The *Supplier* must refund and/or submit to *WELLWISE*, no later than one (1) month after receipt of the aforementioned registered letter:

a) If the *Purchase Order* is cancelled: Any amounts that would have been paid as an advance, installment or for any other purpose whatsoever.

b) If the *Purchase Order* is terminated: any amounts that would have been paid as an advance, installment or for any other purpose, less than the value of supplies actually



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completed at the date of termination, on evidence.

- c) In all cases, the documents used for the completion, and all data, books, manuals, copies of plans, information, models and tools etc., prepared for and by it for the purpose of the *Purchase Order*.

18.2 In the absence of default on the *Suppliers* side, *WELLWISE* may, at any time, terminate the *Purchase Order* in whole or in part, giving (8) calendar days notice by registered letter with acknowledgement of receipt from the *Supplier* against payment to the *Supplier* subject to evidence of *Supplies* portions completed at the date of termination, less any installments already settled. In this case, the completed portion of the *Supplies* will become the property of *WELLWISE*.

18.3 Except otherwise stipulated by law, *WELLWISE* may terminate the *Purchase Order* forthwith, automatically and without prior notice, in the event of liquidation, receivership or bankruptcy of the *Supplier*.

### 19. Governing Law and Jurisdiction

19.1 Relations between *WELLWISE* and the *Supplier* in the negotiation, creation and implementation of the *Purchase Order* are governed by English law. The United Nations Convention for international sales of goods shall not govern.

19.2 In the event of any dispute between *WELLWISE* and the *Supplier*, even in the case of introduction of third parties or multiple respondents, the relevant courts in the location of *WELLWISE*'s head office shall have jurisdiction. This clause is stipulated for the exclusive benefit of *WELLWISE* and the latter

may nevertheless refer the matter to any other relevant court.

### SUPPLIERS ACCEPTANCE

**I hereby confirm I have read and accepted the WELLWISE General Conditions of Purchase**

DATE:

NAME:

TITLE:

FOR AND ON BEHALF OF:  
(Company name)

**(Please ensure you are authorized to sign on behalf of your Company)**