



HESS EGYPT EXPLORATION LIMITED SERVICE ORDER TERMS AND CONDITIONS

These service order terms and conditions together with the service order (this "Service Order") shall govern all services performed by Contractor for Company (as each are defined in this Service Order) hereunder.

- 1. PERFORMANCE OF SERVICES:** Contractor will provide Company with a written acknowledgement that the services ordered hereunder will be performed in accordance with the terms hereof. Contractor shall then perform all services in accordance with the agreed upon terms, as set out in this Service Order. Contractor shall upon Company's request, provide to Company a bar chart schedule indicating major milestones and Company shall have the right to procure services as it deems necessary to correct any schedule delays as they become evident and charge any additional costs incurred there from to Contractor. Contractor shall furnish at its expense all labour, equipment, tools, consumables and materials necessary for the satisfactory and complete performance of the services, except for any items furnished by the Company.
- 2. CONTRACTOR'S PERSONNEL:** Contractor's personnel shall be competent, properly qualified, skilled and experienced in accordance with good industry practice for the services they are to perform. Contractor shall verify all relevant qualifications of its personnel. Contractor shall, if so requested by Company, provide verifiable evidence that all of its personnel have satisfactorily passed a background check, including without limitation a review of the individual's criminal history and a drug and alcohol test. Contractor shall ensure that all of its personnel comply with all applicable laws including immigration laws and where required are in possession of a valid work permit for the duration of the performance of the services. When so requested, Contractor shall provide to Company a copy or other adequate proof of such work permits. Contractor shall endeavour to hire qualified local residents and citizens of the country in which the services are performed and shall comply with all applicable laws, rules and regulations regarding the hiring of local residents. For all services performed Contractor shall ensure that all of its supervisory and key personnel can read, write and speak fluent English. Contractor shall make its own arrangements for the engagement of its personnel, local or otherwise, and unless provided otherwise in this Service Order, for their payment, transport, housing maintenance, board and lodging. Contractor shall not replace any key personnel without Company's prior approval which shall not be unreasonably withheld. Company may request replacement of any of Contractor's personnel if in Company's opinion such personnel are incompetent or negligent in the performance of their duties, engaged in activities which are contrary or detrimental to the interests of Company or are not conforming to Company's policies. Contractor shall be responsible for the compliance by its subcontractors and its subcontractor's personnel with the requirements of this Clause and any other provision of this Service Order.
- 3. INSPECTION / REJECTION AND ACCEPTANCE OF SERVICES:** Company shall have the right, but not the obligation, to inspect all services performed hereunder by Contractor. The exercise of this right by Company will not relieve Contractor from any of its obligations hereunder. Company reserves the right to reject any services which Company determines do not conform to the requirements of this Service Order and to request correction or re-performance of all non-conforming services by Contractor at Contractor's expense. Company's acceptance of any services shall not be deemed a waiver of any of Company's rights hereunder, at law or otherwise.
- 4. CHANGE ORDERS:** Company reserves the right at any time to make changes in this Service Order by written notice to Contractor, and Contractor agrees to comply with such changes. If such changes cause a material increase or decrease in Contractor's costs or time of performance of this Service Order, Contractor shall notify Company immediately and negotiate a mutually agreed adjustment to such time for performance or costs.
- 5. TERMINATION:** Company may at any time give written notice to Contractor to terminate this Service Order. In such an event, Company shall pay, and Contractor shall accept, in settlement of all claims under this Service Order, an amount that reasonably compensates Contractor for all services satisfactorily performed in accordance with the specifications of this Service Order prior to such notification.
- 6. CONFORMANCE TO SPECIFICATIONS:** All services performed by Contractor hereunder shall conform to Company's applicable specifications, drawings, samples or other descriptions. Substitutions or alterations will not be permitted without Company's written consent, such consent not to be unreasonably withheld, conditioned or delayed.
- 7. SERVICE WARRANTY:** In addition to any other warranties that may exist at law, Contractor warrants that it has the required skills and capacity to perform, and shall timely perform, all services with due diligence and in accordance with this Service Order in a good workmanlike and safe manner to the satisfaction of Company, all in accordance with the highest standards of international petroleum industry practices, skill and care and in strict accordance with the instructions of Company. In addition, Contractor warrants that all equipment, tools and other items utilised by it in the performance of services shall be in good working order, free from defects and capable of performing the services. Contractor agrees that it fully understands the services and has independently investigated, analysed and accepted the conditions under which the services shall be performed, including all relevant conditions prevailing at the work site. All warranties will be construed to be conditions as

well as warranties and will not be deemed exclusive. All warranties will run to Company, its successors, assigns and customers.

8. **TIME IS OF THE ESSENCE:** Time is expressly declared to be of the essence in this Service Order. Without excusing Contractor's timely performance obligations hereunder, Contractor shall promptly notify Company when services are likely to be delayed and shall undertake all actions reasonably requested by Company in order to remedy any such delay, at Contractor's sole cost, unless otherwise expressly agreed to by Company in writing. In the event of any such delay, Company reserves the right to terminate this Service Order and recover from Contractor all losses and costs incurred by Company from the delay.
9. **REMEDIES / CORRECTIONS OF DEFECTS:** Contractor will promptly correct or re-perform, without any expense to Company, any services not conforming to the requirements of this Service Order when notified by Company within twelve (12) months from Company's acceptance of the services. In the event Contractor fails to correct or re-perform services as required herein, Company may correct or have the non-conforming services re-performed and charge the cost thereof to Contractor. No approval by any inspector on behalf of Company will affect Contractor's obligations under this Service Order. Contractor will further warrant all replacement or repaired goods in accordance with the terms hereof for a further period of twelve (12) months from delivery of the replacement services.
10. **PRICE:** All prices quoted by Contractor shall be quoted in United States Dollars or converted to an equivalent United States Dollar value at the time of quote unless expressly waived by Company. Prices shall be as last quoted in writing by Contractor to Company and shall not change without written agreement by Company issued prior to delivery of services. Company may cancel any order for services without any resulting liability after receiving a price change notice.
11. **TAXES/DUTIES/FEEs:** Contractor shall be liable for and, to the fullest extent permitted by law, Contractor shall release, defend, indemnify and hold Company Group (as defined herein below) harmless from the reporting, filing and payment of any taxes (whether sales, use, VAT or any other tax), duties, charges, licenses, or fees (and any related fines, penalties or interest) imposed directly or indirectly on Contractor or its subcontractors, employees, agents or servants or on Company Group as a result of Contractor's performance or non-performance hereunder. Upon request, Contractor shall furnish Company evidence of its payment of and compliance with the aforementioned tax obligations. Where required by law or regulation, Company may withhold taxes from any amounts due to Contractor and shall account for such withholdings. Contractor and Company both acknowledge and agree that the payments provided for in this Service Order constitute the maximum amount for which Company shall be held responsible for all goods ordered hereunder and further agree that no payment due from Company to Contractor shall in any event be increased in order to cover any withholding tax, government charge, levy or other obligation of Contractor.
12. **PAYMENT TERMS / INVOICE PROCEDURES:** Contractor shall be compensated as set forth herein for all services satisfactorily performed in accordance with this Service Order. Such compensation shall constitute payment in full. If Contractor's pricing includes any estimated prices, Contractor shall not be compensated in excess of the estimated amounts without the prior written consent of Company. All invoiced amounts shall be in United States Dollars unless otherwise expressly permitted by Company. Invoices shall, at Company's option, either be dated and mailed at the time of completion of the services or consolidated and issued in arrears on a monthly basis or as otherwise directed by Company. All invoiced amounts shall be itemised and supported with appropriate documentation. All invoices shall include Company's Service Order number, the name of the location where the services were performed. [Conditioned upon satisfactory performance of Contractor's obligations, Company will pay](#) for the Services and/or the Goods against Contractor's invoice in the amounts specified in the Service Order within thirty (30) days of receipt of Contractor's properly prepared and supported invoice; [provided](#), however, that Company reserves the right to dispute any amounts which, in its sole opinion, it determines to be inaccurate or unearned or which apply to any non-conforming services. Company shall notify Contractor of any disputed amounts and will withhold payment of such amounts until such disputes are mutually resolved. All applicable discount periods will be calculated from the date an acceptable invoice in accordance with the procedures above is received or from the date all invoiced materials are received by Company, whichever is later. Contractor must submit invoices of all amounts claimed to be due and owing under this Service Order within ninety (90) days of completion of this Service Order.
13. **AUDIT:** Contractor will maintain complete and accurate financial and other records on this Service Order for at least two calendar years after the year during which the services have been performed hereunder. Upon Company's written request and at Company's expense, Company will be entitled to audit Contractor's records, during reasonable business hours, for the purpose of verifying the accuracy of all billings made by Contractor to Company hereunder; and Contractor shall fully cooperate with Company's reasonable requests for documentation pursuant to any such audit, excepting only with regard to the calculation of Contractor's profit margin and overhead rates. If adjustments are necessary, Contractor will promptly issue an amended final invoice or credit, as the case may be. In addition, if Company's audit reveals an over billing of 5% or more, Contractor will reimburse Company for its reasonable audit costs.

14. **LICENSES / PERMITS:** Contractor represents that it is duly authorised to perform its obligations hereunder or shall become so authorised prior to performance of its obligations hereunder by procuring from the proper authorities all necessary permits, licenses and approvals which may be required, except where applicable laws, rules or regulations expressly require Company to obtain them. The costs of all necessary permits, licenses and approvals shall be deemed included in Contractor's quoted prices, unless applicable laws, rules or regulations expressly require Company to obtain them. Notwithstanding any provision herein to the contrary, Contractor shall not be required to take any actions inconsistent with any applicable law.
15. **TITLE AND RISK OF LOSS:** As to all deliverables fabricated, constructed or assembled at Company's location in accordance with the terms of this Service Order to Company's satisfaction, title to all work completed or in progress, and all associated equipment and materials which are to become a permanent part of the final product, and all drawings, diagrams, data, instructions or operations manuals and other associated items, plus all contract rights associated therewith, shall transfer to and become vested in Company from the earliest moment of identification to the work. For all deliverables fabricated elsewhere and delivered to Company's locations, title to all items shall transfer in accordance with the instructions of the specific order there for. Notwithstanding the foregoing, Contractor shall exercise due care and be liable for the safe-keeping of all items within its possession or control.
16. **COMPLIANCE WITH LAWS, RULES AND REGULATIONS AND COMPANY'S POLICIES:** Contractor shall, at all times during the performance of its obligations hereunder, comply with all applicable laws, rules and regulations (in particular, but not limited to, those of the Arab Republic of Egypt). While on Company's premises, Contractor's employees, subcontractors and other invitees will be subject to and abide by all of Company's applicable policies, including, but not limited to, safety, health, fire protection, contraband and drug/alcohol and social responsibility policies. Contractor shall take all necessary precautions to keep the work site free from hazards that are likely to cause injury, illness, death or damage to property. Failure to abide by Company's policies will result in immediate removal from Company's premises and will be a breach of Contractor's obligations hereunder. Contractor will comply with all environmental and OSHA regulations including OSHA Process Safety Management Standard, numbers 29 C.F.R. 1910.119 and OSHA Hazard Communication Standard, 29 C.F.R. 1910.1200.
17. **CONFIDENTIALITY:** Contractor shall keep this Service Order, and any information related to it disclosed by Company, in strict confidence and will not disclose the same to any third party without the prior written consent of Company. This obligation of confidentiality shall not apply to any information that was already known to Contractor and not bound by a duty of confidentiality, information that is or becomes publicly available through no fault of Contractor or its representatives, or information that is independently developed by Contractor.
18. **INDEMNITY:** Contractor shall, save, release, protect, defend, indemnify and hold harmless Company and its directors, officers, employees, subsidiaries, affiliates, successors, assigns, agents, representatives, co-venturers, other contractors and invitees ("Company Group") from and against any claim, demand, cause of action, damage, loss or expense (including court costs, interest and reasonable attorney's fees) arising from any (a) personal injury, disease, illness or death, (b) property damage, loss or loss of use of same, (c) pollution, environmental damage or loss of natural resources, (d) infringement of any intellectual property right including, without limitation, any patent, trademark, copyright or trade secret, or (e) breach of contract, which arises, actually or allegedly, from Contractor's, or its employee's, agent's or contractor's, performance or non-performance of its obligations hereunder, regardless of the cause thereof, expressly including, but not limited to, strict liability, premises liability or Company Group's own negligence (whether joint or concurrent, active or passive, ordinary or gross), excluding only Company Group's wilful misconduct.
19. **INSURANCE:** Contractor shall, at all times during the performance of this Service Order, provide and maintain insurance in a form satisfactory to Company with insurance companies satisfactory to Company and authorised to do business in the jurisdiction of Company as follows: (a) Worker's Compensation insurance covering Contractor's obligations under all applicable laws and Employer's Liability insurance not less than \$1,000,000 USD per occurrence; (b) General Liability insurance, including contractual liability and products liability, with limits not less than \$1,000,000 USD combined single limit per occurrence bodily injury and property damage ; (c) Automobile Liability insurance, with limits not less than \$1,000,000 USD combined single limit per occurrence bodily injury and property damage – such Automobile Insurance will apply to all owned and non-owned vehicles; and (d) Umbrella Excess Liability coverage not less than \$4,000,000 USD per occurrence. As to all insurance policies required to be carried hereunder, Contractor shall: (1) cause its insurers to waive their rights of subrogation against Company Group; (2) name Company Group as additional insured; (3) acknowledge that its insurance is primary and ensure that no claims for contribution are made against any of Company's insurance policies; and (4) pay all deductible amounts as to all insurance coverage that it provides. Upon request by Company, Contractor shall promptly deliver to Company certificate(s) of all insurance coverage provided by Contractor, as set forth above, which certificates shall provide that no insurance coverage will be cancelled or changed without thirty (30) days' prior written notice to Company. The liabilities assumed by Contractor under this Service Order will be specifically covered under, but not limited by, Contractor's General Liability Insurance as set forth above.

Additionally, Contractor and all of its employees, agents and subcontractors, if any, shall, prior to performing any services in the Arab Republic of Egypt, have in place an effective, fully paid-up Medical, Evacuation, Repatriation, Travel and Security Services program (the "Program") and shall provide proof thereof to Company prior to commencement of the services. Contractor shall provide thirty (30) days' prior written notice to Company before expiration of the Program and will not be permitted to perform any services after the expiration of the Program.

20. **CONSEQUENTIAL DAMAGES:** Notwithstanding any other provision in this Service Order, Company shall not be liable to, nor save, release, protect, defend, indemnify or hold harmless Contractor, and Contractor hereby waives all claims against Company, for special, indirect or consequential damages, including, without limitation, those arising from business interruption, loss of profits or punitive damages arising from breach of this Service Order; except only if caused by Company's wilful misconduct or for such damages which are awarded to a third party and for which indemnification is sought pursuant to the terms of this Service Order.
21. **LIENS:** All materials or articles delivered and services performed under this Service Order will be free of all liens, charges, claims and similar encumbrances, and, if Company requests, a proper release of all liens or satisfactory evidence of freedom from liens and other claims will be delivered to Company prior to any payment. Contractor shall defend, indemnify and hold Company harmless from and against all liens, charges, claims or similar encumbrances by any of Contractor's subcontractors, suppliers or other creditors if any should arise from the performance or non-performance of this Service Order. Contractor waives any right to assert a lien against any of Company's property, except to the extent that such lien is directly attributable to Company's material breach of this Service Order.
22. **ASSIGNMENT / SUBCONTRACTING:** Contractor may not assign or subcontract any portion of this Service Order or any interest herein without the express prior written consent of Company, which may be withheld or conditioned in Company's sole discretion. Any assignment which is not permitted shall be null and void. This Service Order shall be binding upon and inure to the benefit of any permitted successors and assigns of Contractor and all successors and assigns of Company.
23. **ENTIRE AGREEMENT / ACCEPTANCE OF TERMS / CONFLICT OF TERMS / WAIVER:** This Service Order, including any exhibits executed by both parties and attached hereto, shall constitute the entire agreement between Company and Contractor relating to all services performed hereunder by Contractor for Company and shall supersede all prior representations, discussions, negotiations and agreements, whether written or oral. This Service Order may be amended or modified only in a written document signed by Company and Contractor. No oral waiver, amendment or modification will be effective under any circumstances whatsoever. Contractor's commencement of performance of its obligations hereunder shall constitute Contractor's acceptance of the terms and conditions of this Service Order and Contractor's waiver of any exceptions hereto. Any additional or differing terms and conditions contained in any of Contractor's documents are rejected by Company and become no part of the contract between Company and Contractor unless expressly agreed to in writing by Company. Any conflicts between the terms and conditions of this Service Order and any applicable plans or specifications or other written documents shall be resolved in favour of the terms and conditions of this Service Order unless agreed to otherwise in a written document signed by both parties. Any conflicts between these terms and conditions and Company's instructions on the cover page of this Service Order shall be resolved in favour of Company's instructions on the cover page of this Service Order. Failure to enforce any provision of this Service Order shall not constitute a waiver of any term hereof.
24. **MASTER AGREEMENT:** The terms and conditions of this Service Order shall apply to all services performed by Contractor hereunder unless a master or term service agreement or other agreement exists between Contractor and Company covering the services provided hereunder, in which case the terms of the master or term service agreement or other agreement shall take precedence as to such services to the extent a conflict exists between the terms and conditions contained in this Service Order and those contained in the master or term service agreement or other agreement.
25. **ACCIDENT/INCIDENT REPORTING:** Contractor agrees to provide Company a written report of all accidents or incidents occurring on or while in transit to or from Company's premises resulting in personal injuries, illness and death, or property damage or loss, or pollution or other harm or damage to the environment or other natural resources, immediately after occurrence and to also provide Company with a complete written report of such accidents or incidents within twenty-four (24) hours of occurrence. Additionally, Contractor shall provide to Company such further information concerning the accidents or incidents as Company may require and shall allow Company full access to the accident or incident site and subject facilities, equipment or other items and shall otherwise reasonably cooperate with Company's independent investigation of the accident or incident.
26. **SEVERABILITY:** In the event that any of the provisions or applications of this Service Order are held to be unenforceable or invalid by any court of competent jurisdiction or as the result of any valid federal, state, territory, local or other governmental or administrative law, statute, regulation, rule, order or other directive, the unenforceable or invalid provision shall be deemed to be automatically deleted from this Service Order, and the validity and enforceability of the remaining provisions or applications shall not be affected thereby and shall continue in full force and effect, and the parties shall make any lawful modifications necessary to achieve

Company's primary business purpose under this Service Order, to the extent that same may have been affected by the deletion of the invalid or unenforceable provision.

27. **FORCE MAJEURE:** Neither Contractor nor Company shall be liable for any obligations hereunder, other than the respective defense and indemnity and insurance coverage obligations, which are delayed or prevented by the occurrence of a Force Majeure Event as hereinafter defined. Company shall not be bound to accept services after the scheduled date for performance if such delay is due to a Force Majeure Event, but may choose to do so at its sole option. Only the following events shall be considered a Force Majeure Event, to the extent that same are beyond the reasonable control of and could not have been reasonably anticipated or avoided by the affected party: (a) fire, explosion or similar catastrophe; (b) earthquake, flood, drought, hurricane, cyclone, tornado or other severe natural disasters; (c) maritime, aviation, rail or other transportation disasters; (d) war, riots, acts of terrorism, rebellion, blockades, embargoes or other hostilities; (e) strikes, lockouts or labor or industrial disputes at a national or regional level; (f) changes to any law, rule or regulation which frustrates the purpose of this Service Order; and (g) any other event beyond the reasonable control, anticipation and avoidance of one or both of the parties. In the event of a Force Majeure Event, the affected party shall promptly provide written notice to the other party of the event and its expected impact upon the affected party's ability to meet its obligations hereunder and shall promptly resume performance of its obligations hereunder as soon as practicable after the cessation of the Force Majeure Event or condition.
28. **ETHICS / CONFLICTS OF INTEREST / FCPA COMPLIANCE:**
- a. **ETHICS.** Contractor shall at all times during the performance of its obligations hereunder conform to sound ethical business practices in conformance with all applicable laws, rules or regulations and shall in its business practices promote the values of integrity and social responsibility. Contractor shall not, without Company's prior written approval, participate in any business where, for advantage, use could be made of information, knowledge or a relationship arising from this Service Order or where such participation might conflict with Company's interests. Contractor hereby warrants that, in relation to this Service Order and the subject matter hereof neither: (i) Contractor or any of its affiliates or employees; (ii) to the best of its knowledge or belief, any of its consultants, agents, representatives or other persons retained or otherwise engaged by Contractor, has offered or will offer, or has caused or will cause to be offered, or has given or will give, or has caused or will cause to be given, anything of value (including but not limited to money or gifts) whether directly or indirectly to, or for the use of, any government official, political party or political candidate or to any member of their respective families. Contractor agrees that it shall incorporate terms similar to those set out herein into all or any contracts entered into by Contractor in relation to this Service Order and the subject matter hereof.
 - b. **CONFLICT OF INTEREST.** Contractor shall not offer to Company's employees any gifts, entertainment, or other favors beyond the common courtesy usually associated with business practices. Contractor shall not pay any commissions or fees or grant any rebates or other remuneration or monetary gratuity to any employee, agent, or representative of Company. Neither Contractor nor its subcontractors shall grant any secret rebates, one to the other, nor pay any commissions or fees to the employees or officers of the other.
 - c. **FCPA COMPLIANCE.** Contractor warrants, on behalf of itself and its employees, agents and subcontractors, that (1) they are not foreign government officials nor are they affiliated with any foreign government official; (2) that they understand the United States Foreign Corrupt Practices Act of 1977 as amended (15 U.S.C. 78dd-1, 78dd-2, 78m (1998)), including any additional amendments passed during the contract period; (3) that they have not previously engaged in conduct that would violate the FCPA if they had been subject to it; (4) that they will not in the future engage in conduct that would violate the FCPA to the extent that they are subject to it; and (5) that they will not cause Company to violate the FCPA. Contractor shall ensure that procedures are implemented to prevent conduct that would violate the FCPA.
29. **EDI:** Any electronic transmission of this Service Order, by Electronic Data Interchange ("EDI") or otherwise, and any electronic or printed summary report or data summary of the information contained in this Service Order, will constitute an original document or writing that will be admissible into evidence in any legal proceeding (including arbitration).
30. **LANGUAGE:** The ruling language of this Service Order shall be the English language.
31. **GOVERNING LAW / VENUE:** This Service Order shall be construed and interpreted in accordance with the applicable laws of England, exclusive of any principles of conflicts of laws that would require application of the substantive laws of another jurisdiction. The exclusive venue and jurisdiction in any actions related to, or arising out of, this Service Order shall be England.
32. **INDEPENDENT CONTRACTOR:** Contractor is an independent contractor, and all persons employed by Contractor shall be its employees, and not employees, representatives or agents of Company in any respect. Contractor shall be solely responsible for the manner and method of performing all of its obligations under this

Service Order, and Company shall have no responsibility or liability for supervising, inspecting and/or reviewing Contractor's performance. Contractor shall be solely responsible for the results of its performance, and Company shall be entitled to rely upon Contractor's performance of its obligation to perform the services in accordance with the requirements of this Service Order.

33. PUBLICITY: Contractor shall not issue any public press release or statement regarding this Service Order or use Company's name, trade name, trademark, logo or other designation in connection with any public release, advertisement or promotional material without Company's prior written consent, which consent may be withheld in Company's sole discretion.
34. STATUS OF COMPANY: Company enters into this Service Order for itself and as agent for and on behalf of its co-venturers. Notwithstanding the foregoing, Contractor shall look only to Company for the performance of this Service Order and waives any and all rights to make or pursue any claim against Company's co-venturers, on whose behalf Company is acting. Company is entitled to enforce this Service Order on behalf of those co-venturers on whose behalf it is acting, as well as for itself.
35. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999: Subject to the provisions of Clauses 17, 18 and 19, the parties intend that no terms of the Service Order shall confer any benefit on, nor be enforceable by, any person who is not a party to the Service Order under the Contracts (Rights of Third Parties) Act 1999. Notwithstanding the foregoing, any of the terms of the Service Order, including the provisions of Clauses 17, 18, and 19, may be varied, amended, novated or terminated by the written agreement of the parties without notice to or the consent of any third party.