# CONTRACT FOR INSPECTION SERVICES FOR FPSO CONSTRUCTION ACTIVITIES

**By and between**

**PETRÓLEO BRASILEIRO S.A.**

**And**

**XXXXXXX**



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# CONTRACT FOR INSPECTION SERVICES FOR FPSO CONSTRUCTION ACTIVITIES

This Contract for Inspection Services for FPSO Construction Activities (this "**Agreement**") is made and becomes effective as of the day of its signature (the "**Effective Date**") by and between:

**PETRÓLEO BRASILEIRO S.A. – PETROBRAS**, a government-controlled company, registered at the National Register of Legal Entities of the Ministry of Finance under No. 33.000.167/0001-01, with headquarters at Avenida República do Chile, 65, Rio de Janeiro – RJ, herein represented by Sr. [name], [function] ("**BUYER**").

AND

[Company name], a company organized and existing under the laws of xxxxx, [address], herein represented by [name], [function] ("**CONTRACTOR**" and, together with BUYER, the "**Parties**," and each a "**Party**").

The Parties acknowledge and agree that they are bound to the Hiring Process No. 700xxxxxxx and to CONTRACTOR's proposal in connection therewith, and in consideration of the mutual covenants set forth therein and herein, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

## ARTICLE 1 - DEFINITIONS AND INTERPRETATION

1.1 Definitions. In addition to other defined terms used throughout this Agreement and its Exhibits, the following terms shall have the meanings set forth below in this Article 1.

"**Affiliates**" shall mean (i) any Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with a Party; or (ii) any Person that, directly or indirectly, is the beneficial owner of fifty percent (50%) or more of any class of equity securities of, or other ownership interests in, a Party or of which a Party is directly or indirectly the owner of fifty percent (50%) or more of any class of equity securities or other ownership interests.

"**Agreement**" or "**Contract**" shall mean this Contract for Inspection Services for FPSO Construction Activities between BUYER and CONTRACTOR, including all Exhibits hereto and Bid Documents, as the same may be amended from time to time.

"**Anticorruption Laws**" shall have the meaning set forth in Section 3.2.1.

"**Applicable Codes and Standards**" shall mean the codes, standards or requirements set forth herein or in any Applicable Law, including those listed in the Exhibits hereto and which, together with the other requirements established in this Agreement, govern, apply to or have jurisdiction over CONTRACTOR's performance of the Works; provided that in the event of any inconsistency or conflict between any of the Applicable Codes and Standards, the code, standard or requirement specifying the highest level of performance shall govern CONTRACTOR's performance under this Agreement.



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"**Applicable Law**" shall mean any treaty, law, statute, code, ordinance, decree, injunction, judgment, order, Consent, Environmental Law, Applicable Code and Standard, rule or regulation (including those relating to taxes), policy having the force of law, or collective labor agreement, in each case promulgated, entered into, or endorsed by any Governmental Authority having jurisdiction over the matter in question, including any Conduct Adjustment Agreements (Termo de Ajustamento de Conduta), as issued, amended, modified or supplemented from time to time by the Federal Public Prosecution Service (Ministério Público Federal), any or all of which relate to the performance of the Works or the interpretation or application of this Agreement.

"**Bid Documents**" shall mean all the documents, including but not limited to circular letters, instructions to bidders, bid forms, and any addenda issued prior to receipt of bids. issued, in connection with the invitation for bids or proposals. for Bidding Process No. 7003926361, which constitutes the underlying basis for the present Contract.

"**Business Day**" shall mean any day other than a Saturday, Sunday or a Day that is an official holiday at the local Site where the Works are to be, or are being, performed.

"**BUYER**" or "**PETROBRAS**" shall have the meaning set forth in the preamble hereto.

"**BUYER Group**" shall mean BUYER, its Affiliates, their respective officers, directors, employees, and agents (including subcontractors other than CONTRACTOR and its Subcontractors), and any Person legally authorized to act in the name of BUYER or any member of the Consortium and/or its affiliates as defined herein.

"**BUYER Policies**" shall mean the policies of BUYER relating to employee health, safety, security and the environment, as the same may be amended from time to time, or such other matters as BUYER may direct from time to time by notice to CONTRACTOR.

"**BUYER Project Manager**" shall mean the Person designated by BUYER in a written notice to CONTRACTOR from time to time to act on behalf of BUYER in all matters relating to the Works.

"**Conduct Adjustment Agreement**" (Termo de Ajustamento de Conduta) shall mean any agreement between CONTRACTOR and any Governmental Authority, including the Federal Public Prosecution Service (Ministério Público Federal), providing for or concerning the regulation, modification or adjustment of CONTRACTOR's conduct, performance or activities.

"**Confidential Information**" shall mean any proprietary information, technical data, trade secrets or know-how, data, reports or records, or other information, whether or not marked as confidential by the disclosing Party, including but not limited to research, product ideas, product plans, products, services, customers, customer lists, markets, software, developments, inventions, processes, formulas, technology, designs, drawings, hardware configuration information, marketing, finances or other business information disclosed by a Party to the other Party directly or indirectly, either orally, in writing, in electronic format, or by drawings or inspection of parts or equipment. Confidential Information does not include (a) information in the public domain which was not made public by a breach of this Agreement; (b) information which was obtained prior to its disclosure and without violating an obligation of confidentiality; (c) information obtained from third parties which have the right to disclose such information



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without violating an obligation of confidentiality; and (d) information which must be disclosed as required by any Laws or Governmental Authorities, provided that (i) failure to disclose would subject the disclosing Party to civil, criminal or administrative penalties, and (ii) the disclosing Party gives the other Party prompt and timely notice of the request for such disclosure. In the case established in subsection (d) above, the affected Party may request that the disclosing Party appeal the disclosure order to the competent tribunals to the extent permitted under the applicable laws, in which case the affected Party shall bear the cost of the appeal.

"**Consent**" shall mean any approval, consent, authorization, permit, license, certificate or other form of permission that is required from any Governmental Authority or from any other applicable third party under Applicable Law with respect to the performance of the Works or of CONTRACTOR Group's activities related thereto.

"**CONTRACTOR**" shall have the meaning set forth in the preamble hereto.

"**CONTRACTOR's Code of Conduct**" shall mean the internal policies, practices, procedures and requirements of the CONTRACTOR for ensuring compliance with Applicable Laws, including applicable Anticorruption Laws.

"**CONTRACTOR Service Representative**" shall mean the representative of CONTRACTOR in charge of performing and expediting the Works.

"**CONTRACTOR Service Representative Mobilization**" shall mean the mobilization of one or more CONTRACTOR Service Representatives at the Site(s) where the Works will be performed, including the provision by CONTRACTOR of air and inland transportation, visas, hotel reservations, tools, insurances, and vaccination programs, in each case in compliance with Applicable Laws.

**"CONTRACTOR Group**" shall mean CONTRACTOR, its Affiliates and Subcontractors (solely to the extent that such Affiliate or Subcontractor is involved in the performance of this Agreement), their respective officers, directors, employees, and agents, and any Person legally authorized to act in the name of CONTRACTOR or any of the foregoing in connection with this Agreement.

**"Contractual Price Balance"** shall mean the outstanding balance of the Maximum Price after subtracting all payments made by BUYER to CONTRACTOR in relation to the Works duly performed by CONTRACTOR.

"**Day**" shall mean a calendar day.

"**Defect" or** "**Defective Work**" shall have the meaning set forth in Section 12**.**

"**Dispute**" shall have the meaning set forth in Section 18.1.

"**Dispute Notice**" shall have the meaning set forth in Section 18.1.

**"EDM" or "Electronic Document Management":** PETROBRAS's system for management of technical and administrative documents related to the FPSO Project.



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**“Effective Beneficiary”** shall have the meaning set forth in Section 6.6.1.2.

“**Effective Date**” shall have the meaning set forth in the preamble hereto.

“**Environmental Law**” shall mean any Applicable Law relating in any way to the environment, the protection, preservation or reclamation of natural resources, to the management, Release or the threatened Release of any Hazardous Materials, or to the health and safety of the personnel working at the Site, to the extent applicable to the Works and/or the Site.

“**Equipment**” shall mean all tools, materials, equipment, appliances and supplies required for the full and timely completion of the Works.

“**Factory Inspection Services**” shall have the meaning set forth in Section 2.1.

“**Field Inspection Services**” shall have the meaning set forth in Section 2.1.

**"Force Majeure"** for the purposes of this Agreement, shall mean any act, event or condition that (i) renders it impossible for the affected Party to perform its obligations under this Agreement, (ii) are beyond the reasonable control of the affected Party and not due to its fault or negligence and (iii) could not have been prevented or avoided by the affected Party through the exercise of due diligence, including but not limited to, the expenditure of any reasonable sum taking into account the Contract Price. Force Majeure may include catastrophic storms or floods, lightning, earthquakes and other typical acts of God, wars, civil disturbances, revolts, insurrections, sabotage, commercial embargoes, fires, explosions, or actions of a Governmental Authority that were not requested, promoted or caused by the affected Party, that prevent Contractor from timely discharging its duties and obligations. Notwithstanding the foregoing, Force Majeure shall not include any of the following: (a) economic hardship; (b) changes in market conditions; (c) late delivery or failure of Equipment, unless otherwise caused by Force Majeure hereunder; (d) strikes and other industrial disturbances caused by or associated with Contractor's employees or Subcontractor's employees, or that are considered as illegal or abusive; (e) nonperformance or delay by Subcontractors, unless otherwise caused by Force Majeure hereunder; (f) weather conditions which could reasonably be anticipated by experienced contractors (and any Site conditions arising therefrom); and (g) robbery or theft of any warehoused, stored or in transit Equipment, materials or any other goods under Contractor's responsibility or control, whether or not owned by Contractor.

“**FPSOs**” shall mean, individually or collectively, as the context indicates, the floating production, storage and offloading units identified by the BUYER as FPSOs.

"**FPSO PSA**" shall mean the Purchase and Sales Agreement signed between Petrobras and the seller of FPSOs whose construction and outfitting is to be supported by the Scope of Work to be carried out by CONTRACTOR.

“**Good Industry Practices**” shall mean the more stringent of either (i) any practices, methods, techniques and standards required by Applicable Law; or (ii) internationally accepted professional practices, methods, techniques and standards observed by the petroleum construction and production industries in the world, particularly those involving operations in the Gulf of Mexico, United States, United Kingdom or in the offshore waters of Brazil, and with respect to the design, construction, commissioning, testing, operation of, and integration into,



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floating production, storage and offloading units, or of subsystems, systems and modules similar in type, size, and scale to each FPSO, as in effect from time to time.

"**Governmental Authority**" shall mean any national, regional or other government of any country, state, province, county, municipality, or other political subdivision thereof; any government body, agency, authority, division, department, board or commission, or any instrumentality, officer or official of any of the foregoing, including any court, tribunal or committee, in each case having administrative or regulatory power over a Party, the Site or any portion of the Works.

"**ICC Rules**" shall have the meaning set forth in Section 18.2.

"**Invoice**" shall mean CONTRACTOR's request for a payment in accordance with Section 8.2.

"**Hazardous Materials**" shall mean any hazardous, toxic, or polluting substance, material, waste or contaminant as defined or regulated pursuant to Environmental Law or Applicable Law, including asbestos or asbestos containing material, and polychlorinated biphenyls.

"**Liens**" shall mean an encumbrance of any kind, including any mortgage, lien, pledge, security interest, deed of trust, claim or any charge of any type on property for payment of some debt, obligation or duty.

"**Limited Call-Off**" shall have the meaning set forth in Section 9.1.

"**Maximum Price**" shall have the meaning set forth in Section 7.1.

"**Measurement Report**" or "**MR**" shall have the meaning set forth in Section 3.11(e).

"**Party**" or "**Parties**" shall have the meaning set forth in the preamble hereto.

"**Person**" shall mean any natural or legal person or entity.

"**Proposal Submission Date**" shall mean the date of submission of the proposal by the CONTRACTOR.

"**Purchase Order**" shall mean an order issued by CONTRACTOR to a Subcontractor for the purchase of goods, material, equipment, supplies or services for use in connection with the performance of any part of the Works.

"**Release**" shall mean any release, spill, emission, leaking, pumping, injection, pouring, emptying, deposit, disposal, discharge, dispersal, dumping, escaping, leaching or migration into or through the environment or within or upon any building, structure, facility or fixture.

"**Request**" shall have the meaning provided in Section 18.2.

"**Scope of Work**" shall mean the description of the Works to be performed by CONTRACTOR as set forth herein and as further detailed in Exhibit I hereto.



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"**Site**" shall mean any and all sites where the Works are performed by the CONTRACTOR or Subcontractor(s).

"**Subcontractor**" shall mean any Person with whom CONTRACTOR has entered into any Subcontract, Purchase Order or other agreement for such Person to perform any part of the Works, or to provide any goods, materials, equipment or supplies, including any Person (other than CONTRACTOR) at any tier with whom any Subcontractor has further subcontracted any part of the Works.

"**Subcontracts**" shall mean any agreement established between CONTRACTOR and its Subcontractors or between a Subcontractor and a lower tier of Subcontractor, in each case for the performance of any part of the Works or the provision of any goods, materials, equipment or supplies in connection therewith.

"**Tribunal**" shall have the meaning set forth in Section 18.2.

"**Unit Rate**" shall have the meaning set forth in Section 7.1.

"**Works**" shall mean all work and services to be done or performed by CONTRACTOR or its Subcontractors under this Agreement, as more fully described in Section 2.1 and Exhibit I hereto, and all other activities necessary or appropriate to provide BUYER with Field Inspection Services and Factory Inspection Services.

1.2 Section and Exhibit References. Any reference to a particular Article, Section, subsection, paragraph, subparagraph, Exhibit or schedule, if any, shall be a reference to such Article, Section, subsection, paragraph, subparagraph, Exhibit, or schedule in and to this Agreement.

1.3 Interpretation

(a) References in the singular shall include the plural and vice versa.

(b) Any reference to this Agreement, any Exhibit hereto, or any other agreement, document or drawing defined or referred to in Section 1.1 shall include each amendment, modification and supplement thereto and waiver thereof as may become effective from time to time in accordance with the terms hereof or thereof, except where otherwise indicated.

(c) Any term defined by reference to any other agreement or document shall have such meaning whether or not such agreement or document remains in effect.

(d) The words "include" and "including" shall include the phrase "not limited to". The terms "hereof" or "thereof", "herein" or "therein", "hereunder" or "thereunder" and comparable terms refer to the entire Agreement with respect to which such terms are used and not to any particular article, section or other subdivision thereof.

(e) A reference to any Governmental Authority includes any Governmental Authority succeeding to such agencies or authority's functions and capabilities. Any reference to a Person shall include that Person's successors and permitted assigns or to any Person succeeding to that Person's functions.



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(f) If any provision of this Agreement contemplates that the Parties shall negotiate as to any matter after the date that this Agreement is effective, such provision shall be construed to include an obligation by the Parties to negotiate in good faith and within the spirit and intent of this Agreement.

(g) Except as otherwise expressly indicated herein, any reference in this Agreement to any Applicable Law shall be considered as including a reference to any amendment, modification or supplement then in force, as well as a reference to all norms or regulations then in force and enacted in connection with the Applicable Law and whose validity derives therefrom.

(h) All Exhibits, schedules, appendices or attachments to this Agreement shall be read in conjunction with the body of this Agreement, and such Exhibits, schedules, appendices or attachments shall be interpreted so as to give effect to the intent of the Parties as evidenced by their terms when taken as a whole; provided however, that in the event of an express and irreconcilable conflict between the terms of any Exhibits, schedules, appendices or attachments and the provisions of the body of this Agreement, the provisions of the body of this Agreement shall control.

(i) In case of a conflict between the terms of two or more Exhibits and/or schedules, appendices or attachments, the terms and provisions of Exhibit I and/or its schedules, appendices or attachments shall prevail over any other Exhibit and/or schedule, appendix or attachment of this Agreement.

## ARTICLE 2 - RELATIONSHIPS AND ACKNOWLEDGEMENTS

2.1 Subject Matter of this Agreement. The subject matter of this Agreement is the provision by CONTRACTOR to BUYER of the Works, including technical service inspection for FPSO fabrication, construction and assembly and commissioning activities in shipyard, as further detailed in Section 3.3 of Exhibit I hereto (the "**Field Inspection Services**"), and support for factory inspections and test monitoring of equipment, systems, components and materials, as further detailed in Section 3.2 of Exhibit I hereto (the "**Factory Inspection Services**") NBS 1.1403.90.00. CONTRACTOR shall perform the Works (i) in accordance with the Scope of Work and the terms and conditions of this Agreement, (ii) in compliance with Applicable Law, and (iii) consistent with Good Industry Practices.

2.2 Status of CONTRACTOR. The relationship between CONTRACTOR and BUYER shall be that of an independent contractor and nothing contained herein shall be construed as constituting any relationship between the Parties other than that of counterparties contracting freely and independently on an arm's-length basis. Any provisions of this Agreement which may appear to give BUYER or the BUYER Project Manager the right to direct or control CONTRACTOR as to details of performing the Works, or to exercise any measure of control over the Works, shall be deemed to mean that CONTRACTOR shall follow the desires of BUYER or the BUYER Project Manager in the results of the Works only, and not in the means by which the Works are to be accomplished. Nothing herein shall be interpreted to create a master-servant or principal-agent relationship between CONTRACTOR or any of its Subcontractors and BUYER. Without prejudice to the foregoing, CONTRACTOR shall strictly comply with all provisions, terms and conditions of this Agreement, and the fact that CONTRACTOR is an independent contractor shall not relieve it from its responsibility to fully,



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completely, timely and safely perform and complete the Works in strict compliance with this Agreement and be responsible for all Subcontractors' performance and supply requirements.

## ARTICLE 3 - OBLIGATIONS OF CONTRACTOR

3.1 Scope of Work – General Scope. CONTRACTOR agrees that the requirements of the Scope of Work are consistent with Good Industry Practices and its obligations under Section 2.1 above, and CONTRACTOR confirms and warrants that it is capable and has the expertise to perform all Works as described in Exhibit I hereto in accordance with the specifications and standards set forth or referenced therein. CONTRACTOR is fully capable of performing its obligations hereunder in accordance with Good Industry Practices, Applicable Law, and all other terms and provisions of this Agreement.

3.2 Specific Obligations. Without limiting the generality of Section 3.1 or the requirements of any other provision of this Agreement and/or its Exhibits, as part of the Works the CONTRACTOR shall:

(a) provide Field Inspection Services and Factory Inspection Services, in accordance with the requirements set forth in Exhibit I;

(b) employ, in connection with its performance under this Agreement, Persons duly skilled in the work assigned to such Persons;

(c) be responsible for and pay all applicable taxes in accordance with Article 6;

(d) exert all reasonable efforts to control cost of the Works to BUYER and promptly notify BUYER of anticipated cost deviations; and

(e) appoint one or more CONTRACTOR Field Representative(s) and perform CONTRACTOR Field Representative Mobilization.

3.2.1 CONTRACTOR agrees that, in connection with this Agreement, the performance of the Works and the other activities and operations contemplated herein, no member of the CONTRACTOR Group shall: (i) offer, promise, authorize, make or give any payments, gifts or gratuities directly or indirectly to any Person for the purpose of illegally or improperly inducing or influencing such Person to make a business, purchase or contracting decision, or to take any other action favorable to the Parties or execution of this Agreement; or (ii) otherwise take any action, or omit to take any action, that would violate or cause a violation of any Applicable Law related to the business practices of the CONTRACTOR or any CONTRACTOR Group member, and/or the laws relating to combating bribery and corruption in the countries of each Party's place of incorporation, principal place of business, and/or place of registration as an issuer of securities, and/or in the countries of each Party's ultimate parent company's place of incorporation, principal place of business, and/or place of registration as an issuer of securities, including the United Kingdom Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977, the Brazilian Law n. 12.846/2013, and any rules or regulations issued under any of the foregoing (collectively, the "**Anticorruption Laws**"). CONTRACTOR shall include (and cause its Subcontractors to include) this requirement in all Subcontracts and Purchase Orders. For any Subcontracts or Purchase Orders that CONTRACTOR has already entered into prior to the Effective Date, CONTRACTOR shall confirm to BUYER's satisfaction that all such



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Subcontractors are held to comparable anticorruption and anti-bribery standards, which are no less stringent than the Anticorruption Laws.

3.2.2 CONTRACTOR represents and warrants that neither it nor any member of CONTRACTOR Group has taken any actions that would, if undertaken, conflict with the obligations under Section 3.2.1.

3.2.3 CONTRACTOR shall notify BUYER as soon as possible of any investigation or proceeding initiated by a Governmental Authority relating to an alleged violation of the aforementioned Anticorruption Laws and obligations by any member of CONTRACTOR Group. CONTRACTOR shall use reasonable efforts to keep BUYER informed as to the progress and disposition of such investigation or proceeding, except that CONTRACTOR shall not be obligated to disclose to BUYER any information that would be considered legally privileged.

3.2.4 CONTRACTOR represents and warrants that the members of CONTRACTOR Group have been informed of their obligations in relation to the Anticorruption Laws and have adequate policies and procedures in place in relation to business ethics and conduct and compliance with Anticorruption Laws. In addition, CONTRACTOR covenants that members of the CONTRACTOR Group involved in the performance of this Agreement shall comply with Anticorruption Laws and CONTRACTOR's Code of Conduct.

3.2.5 CONTRACTOR covenants, on behalf of itself and each member of CONTRACTOR Group, that it will report to BUYER promptly in writing any request, explicit or implicit, of any personal advantage made by any member of BUYER Group to any member of CONTRACTOR Group.

3.2.6 CONTRACTOR shall promptly upon written request from BUYER:

(i) respond in reasonable detail to any BUYER inquiries concerning (A) the compliance of any member of CONTRACTOR Group with Anticorruption Laws or CONTRACTOR's Code of Conduct, or (B) any notice provided by CONTRACTOR pursuant to Section 3.2.3;

(ii) provide BUYER with a copy of CONTRACTOR's Code of Conduct and such additional supporting documentation and materials as BUYER may reasonably require to evaluate the circumstances of any investigation or proceeding which is the subject of a notice provided by CONTRACTOR pursuant to Section 3.2.3 or confirm CONTRACTOR's compliance with its obligations under Section 3.2.1 to 3.2.8, except that CONTRACTOR shall not be obligated to disclose to BUYER any information that would be considered legally privileged; and

(iii) furnish a written certification (Exhibit III) signed by an authorized representative of CONTRACTOR to the effect that CONTRACTOR is in compliance with Sections 3.2.1 and 3.2.2.

CONTRACTOR's obligations under this Section 3.2.6 shall survive termination or expiration of this Agreement.

3.2.7 Concerning the matters that are the subject of this Agreement, CONTRACTOR shall:



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(i) properly record and report CONTRACTOR's transactions in a manner that accurately and fairly reflects in reasonable detail CONTRACTOR's assets and liabilities;

(ii) comply with Applicable Laws and Good Industry Practices; and

(iii) devise and maintain adequate internal controls concerning CONTRACTOR's undertakings under Sections 3.2.1 to 3.2.8.

3.2.8 CONTRACTOR agrees to defend, indemnify and hold each member of BUYER Group free and harmless from and against any and all claims, losses and/or liabilities (including costs, expenses and attorneys' fees related to any administrative, judicial, or arbitration proceedings) suffered or incurred by any member of BUYER Group arising out of or resulting from any CONTRACTOR breach of Sections 3.2.1 to 3.2.7.

3.3 CONTRACTOR's Obligations Regarding the Performance of the Works. Without limiting the generality of Section 3.1 or the requirements of any other provision of this Agreement and/or its Exhibits, as part of the Works the CONTRACTOR shall further:

(a) perform all other obligations, acts, works and services which are required by the terms of this Agreement or which can be reasonably implied from such terms as being necessary for the successful and timely completion of the Works;

(b) obtain all Consents necessary for the performance of the Works, except those which must be obtained in the BUYER's name;

(c) provide all Equipment necessary for the performance of the Field Inspection Services and Factory Inspection Services, as defined in item 3.1.1. of Exhibit I;

(d) remedy, immediately and at its own expense, any errors, discrepancies or omissions in any documents prepared by CONTRACTOR or Subcontractors pursuant to this Agreement and/or take all necessary actions to cure any Defect in the provision of the Works that has been identified by PETROBRAS as not being in accordance with the requirements contained in this Agreement, as well as identifying to Petrobras any errors, discrepancies or omissions in the works performed by the seller of the FPSOs under the FPSO PSA;

(e) have its representatives in readiness in accordance with the Project Schedule and the Critical Path Schedule to be provided by BUYER based on the information furnished by the company in charge of FPSO construction activities in order to comply with the chronology set forth in such schedules;

(f) provide the insurances set forth in Article 14 and bear all expenses related to any insurance contracted in accordance with Article 14; and

(g) subject to the provisions of Article 6, pay and bear all taxes and expenses, including import duties, payable as a consequence of the performance of the Works in accordance with the terms of this Agreement to all local, state or federal Governmental Authorities, as the case may be, both in Brazil and abroad.



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3.4 Employment of Personnel. Neither CONTRACTOR nor any member of CONTRACTOR Group shall, in connection with its performance of this Agreement, employ or contract with any unfit Person or anyone not skilled in the work assigned to such Person. CONTRACTOR shall promptly remove from the Site(s) any employee or other member of CONTRACTOR Group who does not meet the foregoing requirements or who obstructs or is disruptive to the Works, or whose presence at the Site(s), under justified reason, is not necessary. In addition, CONTRACTOR agrees that within twenty-four (24) hours after receipt of written notice from BUYER, it will remove from the Works and the Site(s) any employee or other member of CONTRACTOR Group who, in BUYER's opinion, is interrupting, interfering or impeding the timely and proper completion of the Works. BUYER and any other member of BUYER Group shall have no liability and CONTRACTOR shall defend, indemnify and hold each member of BUYER Group harmless from and against any and all claims, losses and/or liabilities (including costs, expenses and attorneys' fees related to any administrative, judicial, or arbitration proceedings) suffered or incurred by any member of BUYER Group arising out of or resulting from the termination by CONTRACTOR or any member of CONTRACTOR Group of any employment or contractual relationship with any such Person following a request by BUYER to have such Person removed from the Works or the Site(s).

3.4.1 CONTRACTOR shall:

(i) be solely responsible for the supervision, technical and administrative guidance and labor required for the performance of the Works;

(ii) refrain from using, in all activities related to the performance of this Agreement, forced labor and the work of minors, and shall cause this requirement to be adopted in any Subcontract or Purchase Order;

(iii) promptly upon request from BUYER, provide BUYER a written statement representing that it has complied and is in compliance with the requirement contained in Section 3.4.1(ii); and

(iv) entrust the Works to reputable professionals qualified to use techniques in accordance with Applicable Law and Good Industry Practices;

(v) promptly upon request from BUYER, provide BUYER with evidence of any professional's technical qualifications;

(vi) provide, and keep up to date, the list of Contractor's employees responsible for carrying out the Field Inspection Services and Factory Inspection Services, setting the Contractor's organizational chart, for references;

(vii) immediately inform PETROBRAS in case of any incident or accident involving a CONTRACTOR representativeduring the performance of their duties;

(viii) provide written notice to PETROBRAS of any unanticipated significant changes or developments in the Works. CONTRACTOR shall at all times have available, and upon PETROBRAS request, shall furnish PETROBRAS with any documents which, at PETROBRAS sole discretion, PETROBRAS deems necessary to inspect, evaluate or review the performance of the Works.



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3.4.2 CONTRACTOR shall cause its employees and any other member of CONTRACTOR Group, when working at the Site(s) or any facility of the BUYER, to use identification badges furnished by BUYER, which must be returned to BUYER after termination of this Agreement or at such time as any such employee of CONTRACTOR or other member of CONTRACTOR Group is no longer assigned or expected to perform any activities related to this Agreement.

3.4.3 CONTRACTOR shall comply, and shall cause each member of CONTRACTOR Group to comply, in a timely manner, with all social security and labor-related tax obligations in respect of any employees or other personnel engaged by it in the performance of the Works, and shall provide to BUYER promptly upon BUYER's written request documentation evidencing such compliance.

3.4.3.1 CONTRACTOR shall pay and bear, and shall cause each member of CONTRACTOR Group to pay and bear, all charges and expenses incurred in providing lodging, boarding, transportation, personal protective equipment and medical care for its employees or other personnel engaged by it in the performance of the Works, including any charges or expenses related to any training provided or required by BUYER in connection with the performance of the Works.

3.4.4 CONTRACTOR shall undertake and pay, and shall cause each member of CONTRACTOR Group to undertake and pay, any and all civil, labor, social security and tax obligations deriving from its performance of the Works and the compensation received in connection therewith, together with any costs, expenses and attorneys' fees related to any administrative, judicial, or arbitration proceedings that may be filed or commenced against any member of BUYER Group due to noncompliance with the foregoing obligations. CONTRACTOR also undertakes to assume any and all liability related to any claims that may be filed or commenced against any member of BUYER Group in any administrative, judicial, or arbitration proceedings due to noncompliance by CONTRACTOR or any member of CONTRACTOR Group with its obligations under this Section 3.4.4, including by requesting the exclusion of any member of BUYER Group from such proceedings, at the request of BUYER, and by offering the necessary guarantees or bonds required to release any such member of BUYER Group, and also bearing the costs and expenses incurred by any of them in such proceedings.

3.4.4.1 If a claim referred to in Section 3.4.4 is made against any member of BUYER Group, BUYER shall immediately give notice to CONTRACTOR and CONTRACTOR shall be entitled to contest any such claim in good faith by appropriate administrative, judicial or arbitration proceedings. If any member of BUYER Group is found liable for any claim described in Section 3.4.4, CONTRACTOR shall pay to such member of BUYER Group, as the case may be, the liability amount attributable to it in the decision rendered by the relevant court, arbitration panel or other competent Governmental Authority.

3.4.5 CONTRACTOR shall arrange and maintain in full force and effect at all times during the term of this Agreement all documentation related to any expatriate employees or other members of CONTRACTOR Group that take part in any portion of the Works, including the necessary work visas, required by Applicable Law.

3.5 Factory Inspection Services and Field Inspection Service Personnel: CONTRACTOR shall ensure that all Persons deployed to perform Field Inspection Services or Factory



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Inspection Services possess the minimum professional qualifications, education and work experience applicable to their position as set forth in Section 6 of Exhibit I.

3.6 Site Security. The following shall apply to each Site:

(a) when working at a Site, CONTRACTOR shall comply, and shall cause each member of CONTRACTOR Group to, comply with BUYER and the shipyard's Security Policies (to be disclosed by BUYER), as well as the Security Policies of the shipyard (to be disclosed by BUYER) where the FPSO is to be or is being built.

(b) CONTRACTOR shall comply, and shall cause each member of CONTRACTOR Group to comply, with all Applicable Laws when working at the Site, including in particular Applicable Laws relating to employee health, safety, or security and protection of the environment.

(c) CONTRACTOR shall defend, indemnify, and hold harmless each member of BUYER Group from and against any and all claims, losses and/or liabilities (including any costs, expenses and attorneys' fees related to any administrative, judicial, or arbitration proceedings) suffered or incurred by any member of BUYER Group arising out of or resulting from CONTRACTOR's use, handling, or disposal of Hazardous Materials at any Site.

3.7 Progress Meetings. During performance of the Works, BUYER may require CONTRACTOR to attend progress meetings. At the Parties' progress meetings, all material matters bearing on the progress and performance of the Works since the preceding progress meeting shall be discussed and addressed, including any previously unresolved matters, deficiencies in the Works or the methods being employed for the Works, and problems, difficulties, or delays which may be encountered. BUYER shall provide CONTRACTOR with minutes of all progress meetings. All decisions taken at such progress meetings shall be recorded in the minutes. CONTRACTOR shall initial and sign the minutes, noting any disagreements. The minutes shall be considered the definitive record of what occurred and was decided at the meetings.

3.8 Obligation to respond. CONTRACTOR must respond to any inquiry made by BUYER in a timely manner, or within the timeframe requested by BUYER. Such an inquiry may be raised via electronic messages, items noted in progress meetings, contractual letters or any other official contract communication channel duly established with CONTRACTOR prior to the inquiry being made. CONTRACTOR shall promptly provide all information and documentation as may be reasonably requested by BUYER in connection with this Agreement.

3.10 Audits & Examination. Upon reasonable notice, BUYER shall have the right to examine or audit (or to have examined or audited) the books and records of Contractor which in any way relate to this Agreement. When so requested by BUYER, CONTRACTOR shall provide to the examiners and auditors (including BUYER personnel) full access to all personnel, property, and records and CONTRACTOR's personnel shall cooperate with the auditors to effect the audit or audits hereunder. The examiners and auditors shall have the right to copy any and all documentation relating to the execution of the Scope of Work under this Agreement.

3.11 Reports. In connection with the performance of the Works, the CONTRACTOR shall issue/provide:



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(a) Work Monthly Control Reports, as per item 3.1.11 of Exhibit I. BUYER may, from time to time and at its sole discretion, request partial control reports for specific items or services included within the Works.

(b) Inspection Final Reports, as per items 3.1.15 and 3.2.4 of Exhibit I, consolidating all relevant information about each inspection carried out and concluded. BUYER may, from time to time and at its sole discretion, request partial reports for specific components of the Field Inspection Services.

(c) Specific Technical Reports, as per item 3.3.2.2 of Exhibit I. At any point during the performance of the works, BUYER may at its sole discretion request a technical report from CONTRACTOR on a specific issue or issues, specifying the studies, data, references, and technical analysis that are to be included in the technical report.

(d) CONTRACTOR Measurement Report, as per item 7.5 of Exhibit I, to be issued and sent to PETROBRAS on a monthly basis, and containing detailed accounts and measurements of the progress of the Works performed during the relevant monthly period. The contents of the Contractor Measurement Report shall include, but shall not be limited to, the calculations and underlying references set forth the Exhibit II – PPU (unit prices), evidence of Works performed and all the information necessary for PETROBRAS to carry out the proper analysis of the performance of works, and the correspondent validation process in connection with payments to CONTRACTOR pursuant to the terms of this Agreement .

## ARTICLE 4 - OBLIGATIONS OF BUYER

4.1 Specific Obligations: In accordance with and subject to the terms and conditions of this Agreement, BUYER shall:

(a) pay CONTRACTOR the Unit Rates and all other sums (if any) when due in accordance with Articles 7 and 8 and Exhibit II hereof;

(b) perform all of its obligations under this Agreement in a timely manner to facilitate the execution of the Works;

(c) appoint one or more BUYER Project Manager, Contract Manager and Contract Supervisor;

(d) hold a Contract Kick-off meeting with the participation of CONTRACTOR within thirty (30) Days after the Effective Date, where BUYER will furnish CONTRACTOR with the details regarding the construction strategy and preliminary schedules for the FPSOs, the composition of BUYER's team, BUYER's communication plan and any other information which BUYER considers relevant for the performance of the Contract;

(e) serve notice on CONTRACTOR, at least 20 (twenty) continuous days before the commencement of the Works, for the timely mobilization of CONTRACTOR personnel. The notice to CONTRACTOR shall specify, at a minimum, the technical specialty/specialties of the professional or professionals required, the location of the Site, the date when the mobilization of personnel is to take place and the contact details of BUYER's representatives. The Project



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documents necessary for the performance of the Field Inspection Services and Factory Inspection Services, or access to PETROBRAS EDM, shall be provided by BUYER at least 5 (five) Days before the date specified for the mobilization of personnel; and

(f) grant access to, and provide workstations at each Site, for use by employees or other members of CONTRACTOR Group performing Field Inspection Services at such Site, including chairs, desks and internet access (Wi-Fi), provided, however, that BUYER shall not be required to supply computing equipment, the cost and responsibility for which shall be borne by CONTRACTOR and included in the applicable Unit Rates.

## ARTICLE 5 - REPRESENTATIONS OF THE PARTIES

In addition to their individual representations and warranties in other provisions of this Agreement, each Party further represents and warrants, with respect to itself only, that:

5.1 Corporate Standing: It is a corporation duly organized, validly existing and in good standing under the laws of Brazil (with respect to BUYER) or [insert or confirm jurisdiction of incorporation of CONTRACTOR] (with respect to CONTRACTOR). It is authorized and qualified to do business in all jurisdictions in which the nature of the business conducted by it makes such qualification necessary and where failure to so qualify would have a material adverse effect on its financial condition, operations, prospects, taxes or business.

5.2 No Violation of Law; Litigation. It is not in violation of any Applicable Law or judgment entered by any Governmental Authority, which violation(s), individually or taken together, would affect its performance of any obligations under this Agreement. Except as publicly disclosed by Buyer before the U.S. Securities and Exchange Commission and/or the Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliários*), there are no judicial or arbitral proceedings or any administrative proceedings by or before any Governmental Authority, now pending or (to the best of its knowledge) threatened against it that, if adversely determined, could reasonably be expected to have a material adverse effect on its financial condition, operations, prospects or business, as a whole, or its ability to perform under this Agreement.

5.3 Corporate Action. It has all necessary power and authority to execute, deliver and perform its obligations under this Agreement; its execution, delivery and performance of this Agreement has been duly authorized by all necessary action on its part; and this Agreement has been duly and validly executed and delivered by it and constitutes a legal, valid and binding obligation enforceable against it in accordance with its terms.

5.4 Financial Solvency: CONTRACTOR is financially solvent, able to pay all debts as they mature, and possesses sufficient working capital to complete the Works as provided in this Agreement and perform its obligations hereunder. BUYER is financially solvent, able to pay all debts as they mature, and possesses sufficient working capital to perform its obligations under this Agreement.

## ARTICLE 6 - TAXES AND DUTIES

6.1 Taxes of any kind that are due as a direct result of this Agreement or its execution are the exclusive responsibility of the taxpayer identified as liable for such tax under Applicable Law,



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and shall not give rise to any right of reimbursement from any other party except as expressly provided for in this Agreement.

6.1.1 Taxes derived from the performance of the Works by the CONTRACTOR and whose economic burden correspond to the CONTRACTOR (including, without limitation, Corporate Income Tax (Imposto de Renda sobre Pessoa Jurídica, IPRJ), Social Contribution on Net Profits (Contribuição Social sobre o Lucro Líquido, CSLL), Tax on Operations of Credit, Exchange and Insurance (Imposto sobre Operações Financeiras, IOF), and payroll social security contributions) shall in no event be transferred to Buyer under this Agreement.

6.1.2 CONTRACTOR represents and acknowledges that it has considered, in connection with the submission of its proposal, all taxes applicable to the performance of the Works, and no claim grounded on error in this evaluation shall be admissible for the purposes of requesting a revision to the applicable Unit Rates or Maximum Price, or for reimbursement for payments ordered by any Governmental Authority.

6.1.3 CONTRACTOR agrees to reduce the Unit Rates or Maximum Price, as applicable, due to improper inclusion of amounts corresponding to taxes of any kind, failure to take advantage of tax benefits, failure to perform deductions or to use credits allowed by law, with the consequent restitution or compensation to BUYER of amounts eventually paid to the CONTRACTOR, updated exclusively at the Secure Overnight Financing Rate (SOFR),, published bythe Chicago Mercantile Exchange with a 0,42826% spread, considering the period between the date of payment made to the CONTRACTOR and the date prior to the date of restitution or compensation referred to in this Section herein.

6.1.3.1 In the event the Secure Overnight Financing Rate (SOFR), published by the Chicago Mercantile Exchange is discontinued, BUYER shall designate a substitute reference rate it believes in good faith to be substantially equivalent, and a notice to that effect shall be issued by BUYER.

6.2. BUYER, when withholding taxes at source, shall deduct and collect from any payments it makes, within the periods defined by Applicable Law, all those taxes which it is obliged to collect as a retention agent under current legislation, and CONTRACTOR shall not be entitled to any right of increase in the calculation basis nor to the revision set forth in Section 6.3.

6.2.1 CONTRACTOR, with no requirement for notification or prior warning, shall supply in advance all documents required in connection with the withholding of taxes at source to be performed by BUYER.

6.2.2 The bar on any increase in the calculation basis set forth in Section 6.2 shall prevail even if the laws of the jurisdiction to which CONTRACTOR is subject to do not allow for the compensation of taxes withheld at source.

6.2.3 BUYER shall furnish CONTRACTOR with all the necessary documentation required to enable compensation to be paid to CONTRACTOR under the laws of the jurisdiction to which CONTRACTOR is subject for any taxes withheld and paid to Brazilian tax authorities for the account of CONTRACTOR.



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6.3 In the event that, after CONTRACTOR presents its proposal, there were to supervene the creation of new taxes, the modification of applicable rates and/or the modification to the basis of calculation of existing taxes, the extinction of existing taxes, the inception of tax breaks of any kind and/or exemption from or reduction of taxes that either directly or indirectly are proven to increase or reduce the tax burden of CONTRACTOR, the Unit Rates and Maximum Price, as applicable, shall be revised in proportion to whatever demonstrable increase or reduction occurred, and the difference resulting from said modifications shall be compensated at the earliest possible opportunity.

6.3.1 The revision set forth in Section 6.3, to increase the Unit Rates and Maximum Price, as applicable, shall only apply if the increase in tax burden does not result either from decisions taken by CONTRACTOR, such as a change of service provider facility, or enrollment in simplified tax system, among others, or from mere economic circumstance, such as the inclusion in a higher tax bracket which already existed at the time of proposal submission on account of an increase in CONTRACTOR's income.

6.3.2 CONTRACTOR shall supply all documents required to prevent BUYER from incurring tax burdens resulting from the joint and several tax liability of BUYER pursuant to applicable law, including those related to the activities of Subcontractors, with no requirement for notification or prior notice, under penalty of bearing compensation at the first opportunity of the value of taxes in connection to which the joint and several liability set forth by law applies.

6.4 The Unit Rates and Maximum Price, as applicable, shall be immediately adjusted, in order to deduct the value of any undue tax, in the event that any tax taken into consideration in the calculation of such values is no longer fully or partially due, as a result of: (i) a declaratory act by the Attorney General of the National Treasury, approved by the Minister of State of the Treasury, authorizing the non-initiation of appeal or waiver of appeal filed by the Union; (ii) binding precedent; (iii) final ruling by the Supreme Federal Court, through Direct Action of Unconstitutionality (ADI) or Declaratory Action of Constitutionality (ADC); (iv) suspension of an applicable norm by the Federal Senate, or (v) inclusion of a particular activity in a tax incentive regime.

6.5 For purposes of compliance with tax legislation in force, CONTRACTOR, if resident or domiciled outside of Brazil, shall provide the following register information: (a) tax identification number (NIF) provided by the tax authorities abroad, indicating whether CONTRACTOR is a natural person or a legal entity; (b) individual taxpayer registry identification (Cadastro de Pessoas Físicas, CPF or Cadastro Nacional de Pessoa Jurídica, CNPJ), as required by Brazilian law; (c) full address (street, avenue, number, complement, district, city, administrative region, State, Province, etc.); (d) country of tax residence.

6.5.1 In the event that, at any time during the performance, or after termination, of the Agreement, tax authorities were to determine that any of the register information provided by CONTRACTOR was insufficient and/or irregular, CONTRACTOR shall be responsible for compensating any losses caused to BUYER in connection therewith, including due to the imposition of administrative penalties, and shall promptly reimburse BUYER for any amounts paid by BUYER or held in an escrow account pursuant to administrative, judicial or arbitration proceedings..



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6.6 CONTRACTOR hereby represents and warrants that it possesses the operational capacity to achieve its corporate purposes, in addition to being the effective beneficiary of the income earned by virtue of this Agreement.

6.6.1 For the purposes of compliance with Brazilian law the CONTRACTOR agrees to submit, whenever there supervenes a change in its legal status or material situation that could affect its operational capacity to achieve its corporate purposes and/or upon request by PETROBRAS, an updated operational capacity statement and all necessary supporting documents proving its operational capacity, and the fact that CONTRACTOR is the Effective Beneficiary of the income earned, with such obligation to survive for a period of 6 years after the Contract has reached its full term, or has been terminated pursuant to the provisions herein.

6.6.1.1 The operational capacity referred to herein is to be evidenced by, among other factors, facilities and human resources such as would reasonably be considered to allow the achievement of the Scope of Work.

6.6.1.2 For the purposes of Section 6.6, “Effective Beneficiary” shall mean a natural person, or a legal entity not incorporated for the sole or primary purpose of achieving tax savings, and which earns income on its own behalf and not as an agent, trustee, or authorized representative on behalf of a third party.

6.6.2 In the event that, at any point during the performance of this Agreement, or after it has reached its full term or has been terminated pursuant to provisions herein, tax authorities were to challenge the operational capacity of CONTRACTOR, and/or dispute its status as the Effective Beneficiary of income paid pursuant to this Agreement, CONTRACTOR shall be responsible for compensating any losses caused to BUYER in connection therewith, including due to the imposition of administrative penalties, and shall promptly reimburse BUYER for any amounts paid by Buyer or held in an escrow account pursuant to administrative, judicial or arbitration proceedings.

6.7 CONTRACTOR undertakes to issue billing documents in accordance and compliance with Applicable Law, including applicable Brazilian tax laws and the provisions of this Agreement.

6.7.1 If, during or after the performance of this Agreement, either the tax authorities or BUYER were to find that CONTRACTOR presented a tax document that contravened either applicable tax legislation in force and/or this Agreement, CONTRACTOR shall be required to present a substitute document that is compliant with that legislation and/or the provisions of this Agreement, and take whatever steps and administrative actions are required by the Treasury to cancel the rejected document, under the terms of the relevant legislation; any failure by Contractor to do so shall attract the applicable contractual sanctions.

6.7.2 In the event of a tax assessment being raised against BUYER by the competent authorities, due to non-compliance at any time by CONTRACTOR with the obligation set forth in Section 6.7, CONTRACTOR shall be responsible for any losses caused to BUYER in connection therewith, and shall promptly reimburse BUYER for any amounts paid by Buyer or held in an escrow account pursuant to administrative, judicial or arbitration proceedings, plus any costs incurred by BUYER in connection with its defense in any such administrative, judicial or arbitration proceedings, including any proceedings instituted pursuant to Section 3.4.4.



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6.7.3 CONTRACTOR assumes full responsibility for any liens that may be imposed upon BUYER by virtue of a tax document that it issues in contravention of Applicable Law.

## ARTICLE 7 – UNIT RATES AND MAXIMUM PRICE

7.1 As full and complete compensation for CONTRACTOR´s performance of the Works and all of CONTRACTOR´s obligations hereunder in accordance with the terms and conditions of this Agreement, BUYER shall pay to CONTRACTOR hereunder the relevant hourly and daily rates specified in Exhibit II to this Agreement and calculated in accordance therewith (each, as the context may require, the "**Unit Rates**"); provided always that BUYER shall have no obligation to pay to CONTRACTOR any compensation in respect of CONTRACTOR's performance of the Works and its obligations hereunder which exceeds the aggregate amount of US$ [contractual price] (such maximum amount hereinafter referred to as the "**Maximum Price**").

7.2 The Unit Rates are inclusive of all the necessary overhead, personnel (management, direction, administration, labor), taxes due to labor and social security obligations, costs, expenses, taxes, fees, Consents, Equipment, insurance, profit, transportation, mobilization and demobilization, and all other direct and indirect costs incurred or to be incurred by CONTRACTOR or any member of CONTRACTOR Group as required for the performance of the Works under this Agreement, including its provisions relating to CONTRACTOR's obligations (Article 3), Taxes (Article 6), Good Industry Practices, and compliance with all Applicable Laws.

7.3 Except as expressly provided in Article 6, Unit Rates and the Maximum Price are fixed for the duration of the Agreement and are not subject to escalation for any reason. No adjustments in the Unit Rates or the Maximum Price as stated in Section 7.1 herein shall be made as a result of changes in the relative values of any currencies.

7.4 For the avoidance of doubt, CONTRACTOR shall not incur fees and expenses over and above the Maximum Price without BUYER's prior written approval. Any fees or expenses incurred by CONTRACTOR without BUYER's prior written approval shall be at the sole cost and expense of CONTRACTOR.

## ARTICLE 8 - PAYMENTS TO CONTRACTOR

8.1 Payments – General. Subject to the terms of this Agreement, following issuance by the BUYER of the Limited Call-Off, BUYER shall pay CONTRACTOR upon the completion in full of each service.

8.1.1 The timesheet shall consider the period comprised between 11$^{th}$ (eleventh) day of the previous month and the 10$^{th}$ (tenth) day of the current month, and shall identify, in respect of each Day of the current period, all time spent by CONTRACTOR's personnel performing the Works on such Day.

8.1.1.1 Each timesheet submitted in respect of a Person engaged by CONTRACTOR or any member of CONTRACTOR Group to perform any part of the Works shall be signed and approved by each of BUYER's Contract Supervisor and CONTRACTOR's Service Representative.



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8.1.2. Following Limited Call-Off, and no later than the 15th day of the current month, CONTRACTOR shall provide BUYER with all Unit Rate calculations, technical and monthly control reports, timesheets, and such other documentation as BUYER may reasonably request to evidence the services provided in the current period. All documents presented as evidence of the services provided during such period shall be consolidated in a CONTRACTOR Measurement Report (MR) to be signed by BUYER's Contract Manager(s), confirming the acceptance of such services. CONTRACTOR's failure to provide satisfactory evidence of the services provided, including the presentation of documents containing materially incorrect or incomplete information or which have not been signed by BUYER's Contract Manager(s), shall result in the rejection of CONTRACTOR's Invoice for such services.

8.1.3 BUYER shall analyze the documentation provided by CONTRACTOR and may request further information or evidence at its sole discretion. BUYER will issue the BUYER Measurement Report no later than the 5th Day of month immediately following the month when the services were performed, and to which the Invoice pertains.

8.2 Invoicing: CONTRACTOR shall furnish BUYER, with a copy to BUYER's Project Manager, with an invoice in a form reasonably acceptable to BUYER (the "**Invoice**"). The Invoice shall be denominated and paid in United States Dollars (USD).

8.2.1 After receipt of the BUYER Measurement Report, CONTRACTOR shall issue its Invoices no later than the 10th Day of each month immediately following the month when the services were performed. The Invoices shall include the relevant approved timesheets.

8.2.2 Payments due for the performance of the Works shall be made by BUYER to CONTRACTOR, in United States Dollars (USD), by means of a bank wire transfer to the Bank and at the bank branch indicated by CONTRACTOR at Section 8.6. The due date will be on the 30th (thirtieth) consecutive day, counted from the date that CONTRACTOR files the complete billing documents essential to the regular payment in the place and in the form indicated by BUYER.

8.2.2.1 When the due date coincides with a bank holiday in the city of Rio de Janeiro-RJ, payment shall be made on the first subsequent business day.

8.2.3 In the event that CONTRACTOR provides its Invoice later than the 10th Day of the month, then the due date for payment of the Invoice shall be postponed by as many Days as the number of Days of delay in the delivery of an acceptable Invoice, according to the provisions set forth in Section 8.2.2.

8.2.4. The performance of the Works will be measured taking into account the applicable Unit Rates for services set forth in Exhibit II and the Region Adjustment Factor (CF) defined in Exhibit II-C.

8.2.4.1 The number of daily/hourly quantities, duly approved by BUYER's Project Manager(s), shall be multiplied by the Region Adjustment Factor (CF) according to the specific country where the Works were performed. The Unit Rates shall not be adjusted by this Region Adjustment Factor in any way.



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8.3 Invoicing Documents: Each Invoice issued to BUYER shall contain the following information:

(i) CONTRACTOR's address;

(ii) reference to this Agreement with effective dates and any amendment or addendum pursuant to which the Invoice is issued;

(iii) CONTRACTOR's bank account information; and

(iv) any other data required to enable payment corresponding to the applicable Invoice to be made.

8.3.1 The CONTRACTOR shall deliver the Invoices to the address set forth in Section 19.5(a), and properly upload them to the Petronect System, accessible at www.petronect.com.br.

8.4 Representation: Each Invoice shall constitute a representation by CONTRACTOR that:

(i) the quality of all Works described in the invoice is in accordance with the terms of this Agreement;

(ii) CONTRACTOR is entitled to payment of the amount invoiced; and

(iii) the Works (or any portion thereof) described in the statement accompanying the invoice and all previous invoices are free and clear of all Liens.

The amount of the Invoice shall correspond to the relevant Works completed by or on behalf of the CONTRACTOR.

8.5 Disputed Amounts: If an Invoice is disputed by BUYER, payment shall be made on its undisputed portion. Payment on disputed amounts shall be made as soon as the dispute is resolved, but without any interest payable by BUYER on such amounts.

8.6 Payments: The payment amount due to CONTRACTOR based on each Invoice shall be effected by BUYER by wire transfer in favor of CONTRACTOR. CONTRACTOR hereby notifies BUYER that payment shall be made to the following bank and account:

BANK: xxx
BRANCH/ADDRESS: xxx
ACCOUNT: xxx
Agency: xxx
SWIFT: xxx

Whenever CONTRACTOR desires to utilize bank information different from that indicated above, it shall notify BUYER in accordance with Section 19.5 indicating the new bank information.

8.7 Payments Not Acceptance of Works: No payment made hereunder shall be considered as approval or acceptance of the Works or any portion of the Works by BUYER, or a waiver of any



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claim or right that BUYER may have hereunder. All payments shall be subject to correction and adjustment to be effected in subsequent payments.

8.8 Payments Withheld and Deducted. In addition to disputed amounts set forth in the Invoice, BUYER may withhold or deduct payment on Invoices or portions thereof in an amount and to such extent as may be reasonably necessary to protect BUYER and any other member of BUYER Group from loss due to:

(a) delays in CONTRACTOR's performance of its obligations, provided that any amounts so withheld or deducted shall be considered liquidated damages and determined in accordance with Section 10.1;

(b) Defective Works that have not been remedied as required under this Agreement;

(c) amounts incorrectly paid by BUYER to CONTRACTOR or in respect of Invoices that were not accompanied by the required supporting documentation;

(d) amounts corresponding to the satisfaction of any liability to third parties for which CONTRACTOR is responsible (which liability is established directly or under any provision of this Agreement, including any provisions relating to CONTRACTOR's duty to indemnify any member of the BUYER Group) and brought against BUYER or any member of the BUYER Group;

(e) any other expenses, costs or liabilities which BUYER or any member of BUYER Group has incurred and for which CONTRACTOR is legally or contractually responsible, such as undisputed payments under any Subcontracts or Purchase Orders;

(f) any material breach by CONTRACTOR of any term or provision of this Agreement;

(g) any amounts corresponding to the satisfaction of any judicial, arbitral or administrative decision or award, encumbrances, liabilities to third parties for which CONTRACTOR is responsible (whether directly or under any provision of this Agreement, including any provisions relating to CONTRACTOR's obligation to indemnify BUYER or any member of BUYER Group), and brought against BUYER or any member of the BUYER Group or, in the case of an encumbrance or Lien, created on any property of BUYER or BUYER Group; and

(h) any undisputed amounts due and payable by CONTRACTOR to BUYER.

8.9 Payment Error: Payments made in error shall be immediately returned by the Party receiving the payment in error. Notwithstanding the generality of the foregoing, in the event that BUYER discovers that the Works associated with a payment were not in fact performed in accordance with this Agreement and the standard set out in Section 12.2, BUYER may set off any such payment against future payments until the Work is performed in full or Defective Work is corrected.

8.10 Adjustments: Except as expressly provided in Article 6, and as otherwise expressly stated in this Agreement, the Unit Rates, and Maximum Price shall not be subject to any adjustment for any reason, including fluctuations of exchange rates, inflation, or price escalations.



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## ARTICLE 9 – COMMENCEMENT OF WORK: TERM

9.1 Commencement of Works. CONTRACTOR shall commence the Works and start CONTRACTOR Service Representative Mobilization upon receipt from BUYER of a limited call-off ("**Limited Call-Off**"), which will be issued by BUYER. Mobilization shall include all the activities needed to obtain the applicable visas, hotel reservations, airline tickets acquisition, health insurance, etc.

9.2 Term. This contract is valid for 1,745 (one thousand seven hundred and forty-five) days commencing on the Effective Date.

## ARTICLE 10 - LIQUIDATED DAMAGES

10.1 If CONTRACTOR fails to comply with any of its obligations under this Agreement in a timely manner, for each Day of delay, CONTRACTOR shall pay to BUYER an amount corresponding to one percent (1.0%) of the total Invoice issued by CONTRACTOR in respect of the delayed Work or other obligations, after notification by BUYER of the delay stating a reasonable cure period and CONTRACTOR's failure to cure in such period. BUYER may, at BUYER's sole discretion, deduct or withhold from CONTRACTOR amounts that are otherwise due and payable to CONTRACTOR in order to satisfy any amounts payable by CONTRACTOR to BUYER pursuant to this Section 10.1.

10.2 CONTRACTOR's payment to BUYER of the amount calculated pursuant to Section 10.1, whether made directly to BUYER or through BUYER's deduction or withholding of amounts otherwise due and payable to CONTRACTOR, shall be BUYER's sole and exclusive remedy for damages suffered due to CONTRACTOR's delay in the timely performance of its obligations under this Agreement; provided, however, that such damages for delay shall not be deemed to include any costs, charges or expenses incurred by BUYER pursuant to Section 12.5, in respect of which CONTRACTOR shall remain liable to BUYER.

10.3 The Parties acknowledge and agree that due to the unique nature of CONTRACTOR's services, the difficulty in obtaining substitute services and the effects of delay, it would be impracticable or extremely difficult to determine the actual damages resulting from CONTRACTOR's failure to comply with its obligations under this Agreement in a timely manner. It is understood and agreed by the Parties that in light of these factors, any sums that would be payable by CONTRACTOR pursuant to Section 10.1 are in the nature of liquidated damages, are not a penalty, and represent a reasonable and appropriate estimate of fair compensation for the losses that BUYER may reasonably anticipate sustaining from CONTRACTOR's delayed performance of its obligations. CONTRACTOR agrees not to challenge the enforceability of the liquidated damages provisions contained herein. If the enforceability of the amount of liquidated damages under this Agreement is successfully challenged by CONTRACTOR, or by a third Person acting in its place and stead, as being a penalty or unreasonable amount, CONTRACTOR shall instead be liable to BUYER for all direct and consequential damages, costs and losses incurred by BUYER in connection with such breach or delay, together with all costs incurred by BUYER in proving or enforcing the same, without regard to any limitation whatsoever specified in Article 13 or elsewhere in this Agreement.



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## ARTICLE 11 - ADMINISTRATIVE SANCTIONS

11.1 - Without prejudice to contractual sanctions, the provisions of the Liability of the Parties Clause and the possibility of contractual termination, PETROBRAS is entitled to apply the following Administrative Sanctions to SERVICE PROVIDER, pursuant to Law No. 13.303/16 and RLCP:

a) Admonitory warning;
b) Administrative fine; and
c) Temporary suspension of participating in PETROBRAS' public bidding proceedings as well as contracting with PETROBRAS.

11.1.1 – The Administrative Sanctions shall only be applied after a due administrative procedure is over, in which it shall be granted the right to adversary system and full defense.

11.1.1.1 – Administrative Sanctions and Contractual sanctions are of different (legal) nature and may be applied jointly.

11.1.2 - PETROBRAS may, justifiably and at its discretion, apply an administrative fine in full replacement for the mild, medium or severe suspension penalty.

11.1.2.1 – The administrative fine will have its value defined according to the following formulas: Mild administrative fine = (0.1% RB + 0.1% VC + VPA) / 3 Medium administrative fine = (0.2% RB + 0.2% VC + VPA) / 3 Severe administrative fine = (0.4% RB + 0.4% VC + VPA) / 3 Where: RB = SERVICE PROVIDER's gross revenue in the last fiscal year immediately preceding the conduct that gives rise to the imposition of the fine VC = value of the Agreement or the invitation to tender (hiring) VPA = value of the loss calculated from the SERVICE PROVIDER's conduct (if there is no loss or impossibility of calculation, the VPA assigned will be equal to zero), limited to the sum of the RB and the VC, except in cases where the sanction refers to breach of contractual labor obligations, when such limit shall not be applied

11.1.2.1.1 – The maximum limit of an administrative fine in replacement for the suspension penalty shall be 10% of the Total Value of the Agreement.

11.1.2.1.2 - The calculation basis for the application of the fine, which refers to a percentage of the Total Value of the Agreement, will take into account the initial value of the Agreement with the adjustment defined in Clause Price Adjustment, considering also the additions and deletions covered by addenda executed until the fine trigger date, without the incidence of any proportional additions due to any extension.

11.1.2.1.3 - The replacement of the sanction of suspension for the sanction of administrative fine will be put in place from the full payment of the administrative fine. The sanction of suspension shall take effect from its application until the full payment of the fine.

11.1.2.2 – Payment of administrative fines may be made by deduction of collateral amounts in accordance of provisions related to Guarantee of Compliance with Contractual Obligations.

11.1.2.3 – If the administrative fine exceeds the value of the requested collateral provided for in the Guarantee of Compliance with Contractual Obligations Clause, or if such collateral does



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not allow the deduction of the respective amount, the payment of the administrative fine may be made upon deduction from the payments due by PETROBRAS.

11.1.2.4 – SERVICE PROVIDER may also pay the amount of the administrative fine as provided for in the notification of application of the sanction.

## ARTICLE 12 – WARRANTY AND REMEDY OF DEFECTIVE WORK

12.1 CONTRACTOR warrants that it shall perform the Works in a first class, professional manner and that all Works shall be free from any defects in workmanship and performed in accordance with Applicable Laws, the highest quality, efficient, and current Good Industry Practices, and in conformity with the terms and conditions of this Agreement.

12.2 Instruction to Correct Defect. If BUYER discovers or believes any part of the Works to be performed by CONTRACTOR has not been performed in accordance with this Agreement and the standard set out in Section 12.1 (such Work being the "**Defective Work**"), BUYER may give the CONTRACTOR an instruction:

(a) Specifying the Defective Work;
(b) Requiring the CONTRACTOR to correct the Defective Work; and
(c) Specifying the reasonable time within which the Defective Work shall be corrected.

For the avoidance of doubt, the Parties acknowledge and agree that Defective Work shall not include, and CONTRACTOR shall not be required to correct, any work, services or other activities required to be performed by any third party pursuant to the terms of any FPSO purchase and sales agreement or other contract entered into by BUYER or any member of BUYER Group for the supply of an FPSO in respect of which the Works under this Agreement are to be performed.

12.3 Correction of Defect. If an instruction is given under Section 12.2, CONTRACTOR shall, at its own cost, correct the Defective Work:

(a) within the time specified in such instruction; and
(b) in accordance with the terms and conditions of this Agreement.

12.4 Claim for Correction of Defect. If an instruction is given by BUYER under Section 12.2, CONTRACTOR shall proceed to correct the Defective Work within the time period stated in such instruction and will not be entitled to a variation, change order or any other additional compensation whatsoever in respect of such corrective Work.

12.5 BUYER may Correct Defective Work. If CONTRACTOR fails to undertake and pursue with due diligence the complete correction of any Defective Work within fourteen (14) days following receipt of BUYER's notice, or any extended period as may be directed by BUYER, then BUYER may correct the Defective Work itself or by employing third parties to correct the Defective Work on its behalf at CONTRACTOR's own risk, and CONTRACTOR shall be liable to BUYER for all reasonable documented costs, charges, and expenses incurred by BUYER in connection with such corrective Work.



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## ARTICLE 13 – LIMITATION OF LIABILITIES

13.1 BUYER and CONTRACTOR Limitation of Liability. Each of BUYER and CONTRACTOR's liability for damages pursuant to this Agreement is limited to direct damages, excluding loss of profits and other consequential damages, and except as otherwise provided below, the aggregate amount of CONTRACTOR's liability for direct damages shall, except as otherwise provided in this Section 12.1, be limited to an amount equal to twenty percent (20%) of the Maximum Price. This Section 12.1 expressly survives the termination of this Agreement.

13.1.1 Notwithstanding anything to the contrary set forth in Section 12.1, CONTRACTOR shall defend, indemnify and hold BUYER and each member of BUYER Group free and harmless from and against any and all claims, losses and/or liabilities (including any costs, expenses and attorneys' fees related to any administrative, judicial, or arbitration proceedings) suffered or incurred by any member of BUYER Group from any claims, demands, proceedings, actions, causes of action or suits brought by any Person other than CONTRACTOR and which arise out of or relate to any loss or damage caused by any act or omission of CONTRACTOR or any member of CONTRACTOR Group.

13.1.2 The limitation of liability provided in Section 13.1 in respect of a Party shall not apply with respect to such Party if the event giving rise to a claim for by the other Party for damages or indemnification under this Agreement results from any of the following:

(a) losses or damages resulting from such Party's gross negligence, willful misconduct, fraud, willful refusal to perform the Works or any obligations hereunder, intentional breach of this Agreement or any Subcontract or Purchase Order, or any act of bad faith committed by BUYER or any member of BUYER Group, on the one hand, or CONTRACTOR or any member of CONTRACTOR Group, on the other hand, in relation to the Works;

(b) abandonment or obstruction of the Works by CONTRACTOR or any member of CONTRACTOR Group, or a reduction of such member's level of activities to protect and preserve the Works, except when directed by BUYER pursuant to an existing provision of this Agreement;

(c) violation of Applicable Law, including any applicable tax, labor, Environmental Law or Anticorruption Law, or the occurrence of any Release or environmental damage caused by any member of CONTRACTOR Group, subject to a maximum liability in case of such environmental damage of one million United States Dollars (US$1,000,000.00) per event;

(d) violation by the Party of any intellectual property rights of third parties, including copyrights, patents, trademarks or any other intellectual property right in connection with the Works, including any Works performed by Subcontractors;

(e) the payment of proceeds (exclusive of any deductibles) under any insurance policy required to be obtained by CONTRACTOR or any member of CONTRACTOR Group under this Agreement;

(f) the payment of liquidated damages for delay pursuant to Section 10.1 or for termination costs pursuant to Section 16.3.1.1; or



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(g) any costs arising from CONTRACTOR's warranty obligations and the rectification of Defective Work under Article 12, including any costs incurred by BUYER pursuant to Section 12.5.

## ARTICLE 14 – CONFIDENTIALITY

14.1 Neither CONTRACTOR nor CONTRACTOR's employees shall disclose to third parties material developed in the performance of this Agreement, nor shall either the CONTRACTOR or the CONTRACTOR's employees use such material other than in the performance of the Works.

14.2 Furthermore, neither CONTRACTOR nor CONTRACTOR's employees shall divulge any information obtained from BUYER, its Affiliates, its agents, or their personnel, during the performance of the Works to anyone except BUYER and its Affiliates, so long as and to the extent that, such information has not become part of the public domain, does not correspond to that furnished or made known to CONTRACTOR by third parties as a matter of right or without restriction as to disclosure, or was in CONTRACTOR'S lawful possession at the time of such disclosure.

14.3 Title to documents, reports and other data. Title to reports and other documents or data (including data contained in any storage media), specifications and the like which are furnished or produced pursuant to this Agreement, or required or produced primarily for the performance of Contractor's obligations under this Agreement, shall be the sole and exclusive property of BUYER and shall be treated as Confidential Information.

## ARTICLE 15 – INSURANCE

15.1 CONTRACTOR shall carry and maintain in full force and effect at all times during the term of this Agreement insurance policies which provide coverage consistent with CONTRACTOR's obligations under this Agreement.

15.2 Should any loss occur for which CONTRACTOR is responsible, CONTRACTOR shall be liable for the full amount of the loss, including any amount in excess of the CONTRACTOR's insurance limits and including the amount of any deductible specified in CONTRACTOR's insurance policy.

15.3 In all insurance coverage maintained by CONTRACTOR, CONTRACTOR shall have the insurance carriers waive all rights of subrogation against the BUYER and any member of BUYER's Group identified by BUYER for such purpose.

15.4 If requested by BUYER, CONTRACTOR shall have its insurance carrier(s) furnish to BUYER insurance certificates specifying the types and amounts of coverage in effect and the expiration dates of each policy, and a statement that no insurance will be cancelled or materially changed without at least thirty (30) Days' prior written notice to BUYER. If requested by BUYER, CONTRACTOR shall permit BUYER to examine the original insurance policies or at BUYER's option CONTRACTOR shall furnish BUYER with copies of insurance policies certified by the carrier(s) as being true and complete copies of the original policies. BUYER's approval of, or non-objection to, CONTRACTOR's insurance certificates or policies shall not relieve CONTRACTOR of any obligation or liability under this Agreement.



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## ARTICLE 16 - TERMINATION

16.1 Termination by BUYER. BUYER shall be permitted to terminate this Agreement for convenience or if any of the following events occurs:

(a) commencement of a voluntary winding-up of CONTRACTOR;

(b) an involuntary winding-up instituted against CONTRACTOR that is not stayed, dismissed or terminated within thirty (30) Days after commencement;

(c) CONTRACTOR becomes insolvent, has a receiver appointed, makes a general assignment or filing for the benefit of its creditors or files for bankruptcy protection;

(d) CONTRACTOR ceases, or threatens to cease all or a material portion of its activity;

(e) CONTRACTOR repeatedly fails to perform the Work in a diligent, efficient, workmanlike, skillful and safe manner;

(f) CONTRACTOR repudiates any of its obligations under this Agreement;

(g) CONTRACTOR fails to maintain insurance required under this Agreement;

(h) CONTRACTOR fails to make any material payment to a Subcontractor for performance of any of the Works, the satisfactory performance of which is undisputed, provided CONTRACTOR shall have up to fifteen (15) Days after receipt of written notice by BUYER to cure such failure or make substantial progress (in the reasonable opinion of BUYER) towards curing such failure, if the failure is capable of being cured;

(i) CONTRACTOR disregards or breaches Applicable Law;

(j) CONTRACTOR materially breaches any of its other obligations under this Agreement, provided CONTRACTOR shall have up to fifteen (15) Days after receipt of written notice by BUYER to cure such breach or make substantial progress (in the reasonable opinion of BUYER) towards curing such breach, if the breach is capable of being cured;

(k) CONTRACTOR and its Subcontractors enter into any contract(s) related to the same FPSO construction that constitute(s), at BUYER's sole discretion, a conflict as regards the performance of this Agreement; or

(l) CONTRACTOR at any point during the performance of this Agreement, employs or otherwise engages any manager or partner with a power of direction or representative designated to performance of the Works who is a spouse, spousal-equivalent or is within the third-degree of relationship, by birth, marriage, adoption or other civil family relationship, to an employee of BUYER Group holding a position of trust, or to any employee related to the same FPSO construction at the shipyard, construction sites and vendors factories where the Works have been, are being, or are to be, performed.



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16.2 Termination by CONTRACTOR. CONTRACTOR shall be permitted to terminate this Agreement in the event of a payment default by BUYER with respect to undisputed amounts that are not cured within one hundred and twenty (120) Days after written notice is provided to the BUYER.

16.3 Termination Costs.

16.3.1 Subject to Article 13, in the event of a termination of this Agreement by BUYER pursuant to clauses (a) to (l) of Section 16.1, and without prejudice to any other rights or remedies available to it, BUYER shall be entitled to recover from CONTRACTOR any damages, fines or penalties for which CONTRACTOR is liable hereunder.

16.3.1.1 In the event of termination pursuant to clauses (k) and (l) of Section 16.1, CONTRACTOR will pay to BUYER 30% of the Contractual Price Balance existing as of the effective time of termination. CONTRACTOR shall pay the amount referred to in the preceding sentence to BUYER by wire transfer to the account details provided by BUYER within thirty (30) Days following the later of termination or receipt of such details from BUYER.

16.3.1.2 CONTRACTOR agrees not to challenge the enforceability of the termination payment required pursuant to Section 16.3.1.1. If the enforceability of the amount of such termination payment is successfully challenged by CONTRACTOR, or by a third Person acting in its place and stead, as being a penalty or unreasonable amount, CONTRACTOR shall instead be liable to BUYER for all direct and consequential damages, costs and losses incurred by BUYER in connection with CONTRACTOR's termination, together with all costs incurred by BUYER in proving or enforcing the same, without regard to any limitation whatsoever specified in Article 13 or elsewhere in this Agreement.

16.3.2 In the event of termination of this Agreement by CONTRACTOR pursuant to Section 16.2, or by BUYER for convenience, CONTRACTOR shall be entitled to payment for any unpaid Works performed hereunder as of the date of such termination. Except for payment of such unpaid Works, BUYER shall not be liable for any costs incidental to termination. Payment of such unpaid Works by the BUYER shall be the sole and exclusive liability of BUYER, and the sole and exclusive remedy of CONTRACTOR.

## ARTICLE 17 - SUSPENSION

17.1 The BUYER may, at its absolute discretion, by notice in writing to CONTRACTOR, suspend at any time the execution of all or any portion of the Works. Upon receipt of any such notice, CONTRACTOR shall, unless the notice requires otherwise:

(a) immediately make arrangements to discontinue the Works on the date and to the extent specified in the notice, and

(b) minimize expenditures arising from or related to performance of the Works.

## ARTICLE 18 - DISPUTE RESOLUTION

18.1 Amicable Resolution. In the event of any dispute, claim, or controversy arising out of, relating to, or in connection with this Agreement ("**Dispute**") (other than a Dispute arising out



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of, relating to, or in connection with the imposition of any administrative sanction as provided for in Article 82 of law 13.303/2016), the Parties agree in the first instance to submit the Dispute to a joint negotiation between senior management officers of each Party. Each Party shall nominate its respective senior management officer within fifteen (15) Days from the earliest date on which a Party shall be deemed to have given notice, pursuant to Section 19.5, of a dispute, claim, or controversy (the "**Dispute Notice**"). The two senior management officers shall meet at a mutually agreeable time and location within thirty (30) Days after the Dispute Notice is given to try to resolve the Dispute in an equitable and good-faith manner. If the Parties cannot agree on a time and location for the senior management officers' meeting, then they may proceed directly to proceedings under Section 18.2. The Parties expressly acknowledge and agree that BUYER's or CONTRACTOR's right to terminate this Agreement is not limited in any way by the dispute resolution provisions of this Article 18.

18.2 Binding Arbitration.

(a) Subject to the requirements of Section 18.1, the Parties agree that any Dispute (other than a Dispute arising out of, relating to, or in connection with the imposition of any administrative sanction as provided for in Article 82 of law 13.303/2016), including any Dispute as to the breach, validity, or existence of this Agreement or this Article 18, shall be finally resolved by binding arbitration before three (3) arbitrators in New York City, New York, U.S.A., in accordance with the Rules of Arbitration of the International Chamber of Commerce in force on the date of the Dispute Notice (the "**ICC Rules**"), except as those rules may be modified by this Article 18.

(b) Except as specified in this Article 18, the Parties agree that Arbitration shall be the exclusive means of resolving the Dispute. Except as specified in this Article 18, and no Party shall refer or attempt to refer a Dispute to any court or other tribunal for resolution.

(c) The Arbitration shall be conducted in the English language. Unless agreed otherwise, all documents submitted in connection with the arbitration shall be in the English language or, if submitted in any other language, shall be accompanied by an English translation.

(d) The Party filing the Request for Arbitration (the "**Request**") under the ICC Rules shall deliver a copy of the Request to the other Party at the same time and in the same manner as it delivers the Request to the Secretariat of the International Court of Arbitration (the "**Court**") of the ICC. The Request shall identify the parties to the Dispute and contain a brief statement of the nature of the Dispute and the relief requested and shall be made within a reasonable time after the Dispute arises.

(e) The arbitral tribunal (the "**Tribunal**") shall consist of three (3) arbitrators who shall be qualified by experience and education to arbitrate disputes concerning international commercial agreements and who shall be fluent in the English language. The arbitrators shall be chosen as follows:

(i) Each Party shall nominate one arbitrator. The request to the Secretariat shall include the nomination of the Party initiating the procedure. The other Party shall have sixty (60) Days to make its nomination. If a Party does not timely nominate an arbitrator, that Party's arbitrator shall be appointed by the Court pursuant to the ICC Rules;



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(ii) Within twenty (20) Days after the latest date on which one of the co-arbitrators has been confirmed or appointed by the Court, or within the time period extended by agreement of the Parties, the Parties in consultation with the two co-arbitrators selected under Section 18.2(e)(i) shall jointly nominate the third arbitrator, who shall act as chairman of the Tribunal after being confirmed by the Court. If the Parties cannot agree on the third arbitrator, the Court shall appoint the third arbitrator in accordance with the ICC Rules.

(iii) All arbitrators shall be and remain at all times wholly independent and impartial, and, once appointed, no arbitrator shall have any ex parte communications with any of the parties to the Dispute concerning the arbitration or the underlying Dispute other than communications directly concerning the selection of the chairman arbitrator, where applicable.

(f) The Tribunal's award shall be final and binding to the parties and made payable in US Dollars, exclusive of any tax or other deduction. If the Tribunal finds a breach of a payment obligation, the award may include interest thereon at a reasonable simple commercial rate until the date of the award. The Tribunal may also fix an appropriate reasonable commercial rate of interest from the date of the award until the award is paid in full.

(g) The Parties agree that judgment upon the Tribunal's award may be entered in any court having jurisdiction thereof, and may not be challenged in any court, either at the place of arbitration or elsewhere. Each Party hereby irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any such enforcement proceeding and to the proceeding being brought in an allegedly inconvenient forum. Each Party also hereby agrees to accept service of process in any such enforcement proceeding.

(h) The Tribunal shall have the authority to enter interim, conservatory, injunctive, and declaratory relief, if appropriate under applicable substantive law. The Tribunal shall also have the power to determine whether a Dispute is appropriate for Arbitration. The Tribunal shall not, however, have the power to award punitive or exemplary damages. Notwithstanding anything in this Section 18.2(i), each Party retains the right to apply for injunctive relief in any court having jurisdiction thereof prior to or during the arbitration, and any such application shall not be deemed to be an infringement or waiver of the ability to arbitrate under this Section 18.2 and shall not affect the relevant powers reserved to the Tribunal.

(i) In accordance with and subject to Section 19.8, the laws of the State of New York shall apply to the arbitration, without giving effect to any laws, rules or provisions of the State of New York that would cause the application of the laws, rules or provisions of any jurisdiction other than the State of New York. The Tribunal shall not have the power of an amiable compositeur.

(j) Unless the Parties agree otherwise, the arbitration shall be completed within the time limit provided by the ICC Rules.

(k) The Parties agree to the exclusive jurisdiction of Brazilian courts to finally resolve any Dispute arising, relating to, or in connection with the imposition of any administrative sanction as provided for in Article 82 of law 13.303/2016.



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(l) Unless this Agreement is terminated in accordance with its terms, each Party shall continue to perform its obligations under this Agreement during the course of any of the dispute resolution procedures specified in this Article 18.

(m) This Article 18 shall survive termination of all or any part of this Agreement.

**ARTICLE 19 - MISCELLANEOUS PROVISIONS**

19.1 Entire Agreement: This Agreement, together with all Exhibits, appendices, schedules, and attachments, contains the entire understanding of the Parties with respect to the subject matter hereto and incorporates any and all prior agreements and commitments with respect thereto. There are no other oral understandings, terms or conditions, and neither Party has relied upon any representation, express or implied, which is not contained in this Agreement.

19.2 Any provision hereof which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof and without affecting the validity or enforceability of any provision in any other jurisdiction.

19.3 No amendment of the Agreement shall be effective unless it is reduced to writing and signed by the authorized representative or agents of the Parties.

19.4 Captions: The captions and section headings contained in this Agreement are for convenience and reference only and in no way define, describe, extend or limit the scope of intent of this Agreement or the intent of any provision contained herein.

19.5 Notice: Any notice, demand, offer, or other written instrument required or permitted to be given pursuant to this Agreement shall be in writing signed by the Party giving such notice and shall be hand delivered or sent by overnight courier, messenger, facsimile (with confirmation of receipt), e-mail (with confirmation of receipt) or certified mail, return receipt requested, to the other Party at the address set forth below.

(a) If delivered to BUYER:

PETROBRAS
Avenida República do Chile, 65
Rio de Janeiro – RJ / Brazil Tel:
Attn: Managing Director

(b) If delivered to CONTRACTOR:

COMPANY
Address
Attn:

Each Party shall have the right to change the place to which notice shall be sent or delivered by sending a notice to the other Party informing of such change. Notices shall be deemed to have been duly given on the date they are: (i) delivered personally; (ii) sent by facsimile or e-mail, if receipt is acknowledged or a confirming copy is sent the same day by mail; or (iii) sent



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by a recognized overnight delivery service to the Party to whom the notice is to be given. All other notices shall be deemed given when received. Notwithstanding the foregoing, if a notice is delivered or sent after the close of regular business hours, it shall be deemed to have been given on the first Business Day following receipt, unless receipt is acknowledged on the same Day.

19.5.1 All communications between the Parties in connection with this Agreement will be in the English language.

19.6 Waiver. A right may only be waived in writing, signed by the Party giving the waiver and (a) no other conduct of a Party (including a failure to exercise, or delay in exercising, the right) operates as a waiver of the right or otherwise prevents the exercise of the right; (b) a waiver of a right on one or more occasions does not operate as a waiver of that right if it arises again; and (c) the exercise of a right does not prevent any further exercise of that right or of any other right.

19.7 Survival. The provisions of Article 12 (Warranty and Remedy of Defective Work), Article 13 (Limitation of Liabilities), Article 14 (Confidentiality) and provisions addressing warranty, liability, indemnity, confidentiality and proprietary rights (including publicity releases), including Sections 3.2.8, 3.4, 3.8(c) and 6.7 of this Agreement, shall survive its termination and final settlement. The provisions of this Agreement relating to termination and dispute resolution, including Articles 16 (Termination) and 18 (Dispute Resolution) and the Parties' choice of law and arbitration set forth therein and at Section 19.8 (Governing Law), shall survive its termination, but not its final settlement.

19.8 Governing Law: This Agreement shall be governed by, construed and enforced in accordance with the internal laws of the State of New York, without giving effect to any laws, rules or provisions of the State of New York that would cause the application of the laws, rules or provisions of any jurisdiction other than the State of New York, except that all issues arising out of, relating to, or in connection with the imposition of any administrative sanction as provided for in Article 82 of law 13.303/2016 shall be governed by, construed and enforced in accordance with Brazilian law.

19.8.1 Counterparts. This Agreement may be executed in counterparts. Delivery by facsimile or electronic format "pdf" or "tif") of an executed counterpart of a signature page to this Agreement shall be as effective as delivery of an original executed counterpart of this Agreement.

19.9 Exhibits: All Exhibits, schedules, appendices, or other attachments referenced in this Agreement are incorporated into this Agreement by such reference and shall be deemed an integral part of this Agreement.

19.10 Limitations on Third Party Beneficiaries: Independent CONTRACTOR. This Agreement is for the sole and exclusive benefit of the Parties hereto and is not intended to create any benefit in favor of any third party, except as provided with regard to the members of BUYER Group, as applicable. This Agreement does not establish a joint venture, partnership or principal-agent relationship between the Parties. CONTRACTOR is an independent contractor, and all persons employed by CONTRACTOR in connection herewith shall be employees of CONTRACTOR and not employees of BUYER in any respect. Neither CONTRACTOR nor any



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member of CONTRACTOR Group is an agent of BUYER and CONTRACTOR and each member of CONTRACTOR Group shall maintain complete control over its employees. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, act on behalf of, or to act as or be an agent or representative of, or to otherwise bind or obligate the other Party.

**ARTICLE 20 - HUMAN RIGHTS**

20.1 The PARTIES commit to respect Human Rights, as established at International Bill of Human Rights, at International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work and at other international and national instruments, to act with due diligence, according to UN Guiding Principles on Business and Human Rights, and to promote and protect human rights, ensuring that there is no violation of civil, political, economic, social and cultural rights of people involved, directly or indirectly, in the execution of this Agreement.

20.2 In alignment with the commitments undertaken by PETROBRAS, SERVICE PROVIDER declares to:

a) Respect human rights, adopting practices and policies that guarantee nationally and internationally recognized human rights, disseminating and training its employees and subcontractors;

b) Provide a safe and healthy work environment that promotes diversity, equity and inclusion, respect for differences and equal opportunities in access, remuneration and advancement in employment, including equal pay between men and women;

c) Respect the right of all employees to form or join trade unions, as well as to bargain collectively, ensuring that there will be no reprisals;

d) Respect and comply with environmental legislation when performing services or supplying goods, adopting the best environmental practices, preventing risks and mitigating environmental impacts arising from its activities and from its subcontractors; and

e) Respect the rights of indigenous peoples and traditional communities, their self-determination, access to land, to their livelihoods and their cultural and social principles.

20.3 In alignment with the commitments undertaken by PETROBRAS, SERVICE PROVIDER, in the execution of this Agreement, undertakes and declares:

a) Do not practice or tolerate any act of prejudice or discrimination, harassment and/or sexual violence;

b) Do not practice and/or compact any form of sexual exploitation of children and adolescents, sensitizing employees and subcontractors to combat this violence;

c) Do not use child labor, nor subject your employees to conditions similar to slavery or degrading working conditions, ensuring adequate food, accommodation and sanitary



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conditions, as well as including this provision in the agreements celebrated with subcontractors;

d) Do not practice and/or compact with acts that constitute threats or intimidation against human rights defenders of any nature, in the free exercise of their activities, in respect for freedom of expression, association and manifestation, requiring a similar behavior from their subcontractors; and

e) e) Do not practice acts that constitute illegal or abusive behavior when interacting with security forces, communities and workers, avoiding the use of lethal weapons, providing assistance to victims.

20.4 At the signature of the Agreement and whenever requested, SERVICE PROVIDER must provide a declaration of compliance with items 20.2 and 20.3, pursuant to the attached template.

20.5 In order to ensure the investigation of allegations of human rights violations or violence at work, SERVICE PROVIDER must:

a) Maintain and disclose a communication channel and establish objective procedures to receive, forward, treat and respond manifestations from its employees, employees of subcontracted companies, surrounding communities, supply chain and other interested parties impacted by the execution of the object of the Agreement;

b) Ensure that all manifestations will be responded and that there is no retaliation for any type related to manifestations received; and

c) Cooperate fully with PETROBRAS in any audit or investigation related to allegations of human rights violations, violence at work, including sexual violence, harassment, abuse or inappropriate behavior, providing the necessary information, documents, work instruments and assistance, including ensuring the access to the places where the contracted services are provided, even on its premises, as well as making efforts to ensure that the employees involved attend interviews with PETROBRAS, in order to allow verification of compliance with the provisions contained in this clause.

20.6 Not Applicable.

20.7 In the event that non-compliance with items 20.2, 20.3 and 20.5 is identified during the execution of the Contract, SERVICE PROVIDER shall provide a justification, accompanied by an action plan approved by PETROBRAS, within 15 days, to address the non-compliance, regardless of the application of the penalty provided for in the Contract Fines Clause.

**ARTICLE 21 - FORCE MAJEURE**

21.1 No Liability. Notwithstanding any provision to the contrary in this Agreement, neither CONTRACTOR nor PETROBRAS shall be liable to the other for any damages, claims or suits of any nature arising out of delay or noncompliance with the obligations under this Agreement if such delay or noncompliance is due to Force Majeure.



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21.1.1 The Party invoking Force Majeure shall give written notice to the other Party immediately following the occurrence of the event of Force Majeure specifying the details and the anticipated duration of the Force Majeure. Once the Party is no longer prevented from performing its obligations under this Agreement as a result of an event of Force Majeure, it shall promptly notify the other Party of this fact. In the event that a Party were to dispute the occurrence of an event of Force Majeure, the Party claiming Force Majeure shall bear the burden of proof with respect to the existence thereof.

21.1.2 A Force Majeure event shall be deemed to have commenced not earlier than seventy-two (72) hours prior to the giving of such notice by the affected Party. The affected Party shall, in such notice, indicate what actions it is taking to mitigate the effects of such Force Majeure event. The affected Party shall further provide the other Party with (i) periodic supplemental written notices during the period of the Force Majeure event regarding any change, development, progress, or other relevant information concerning the Force Majeure event; and (ii) prompt written notice after the termination of the Force Majeure event.

21.2 Prevention and Mitigation. The affected Party shall: (i) make all reasonable efforts to prevent, reduce to a minimum or mitigate the effect of any delay or cost increase resulting from a Force Majeure event; and (ii) use reasonable efforts to ensure the prompt resumption of normal performance of the Works after the termination of any event of Force Majeure.

21.3 If the event of Force Majeure lasts more than 60 (sixty) consecutive days, preventing the affected Party to comply with its contractual obligations, then either party may communicate Contract termination the other in writing, pursuant to the conditions set forth in Article 21.

**ARTICLE 22 – ASSIGNMENT**

22.1. CONTRACTOR may not assign this Agreement or any of its rights or obligations hereunder, in whole or in part, without the prior written consent of BUYER, and any such unauthorized assignment shall be null and void. In the event of an authorized assignment, and except as otherwise explicitly agreed by BUYER, CONTRACTOR shall remain responsible for the performance of the Works hereunder.

22.1. BUYER may assign this Agreement or any of its rights or obligations hereunder, in whole or in part, at any time to any member of BUYER Group, and shall provide prompt notice to CONTRACTOR of such assignment. The assignment by BUYER of this Contract, in whole or in part, shall not in any way affect or diminish any of CONTRACTOR'S obligations or liabilities hereunder, and CONTRACTOR shall remain responsible to any such assignee to the same extent as it would have been responsible to BUYER hereunder.



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[*signature page follows*]



PÚBLICA

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

Signed
By BUYER:

_____
Petróleo Brasileiro S.A. - PETROBRAS
Name: xxx
Title: xxx

Signed
By CONTRACTOR:

_____
[Company]
Name: xxx
Title: xxx



PÚBLICA