PFPNet Subcontractor Terms and Conditions Issue 1

TERMS AND CONDITIONS

This Services Agreement ("Agreement") is attached to and made a part of the Purchase Order submitted by PFPNet Limited ("PFPNet") to ______ ("Contractor") dated - _____ ("Purchase Order"). Contractor shall perform the scope of services set forth therein upon acceptance of the Purchase Order. The Contractor and PFPNet are referred to herein individually as "Party" and collectively as "Parties".

ACCEPTANCE OF TERMS: The terms and conditions set forth below and the contents of the Purchase Order shall constitute the full Agreement between the Contractor and PFPNet and shall be deemed mutually accepted and effective upon Contractor's signing the Purchase Order or issuing confirmation they will proceed. Any changes or amendment to these terms and conditions, or conflicting terms introduced in Client's Proposal or other document, are expressly rejected unless both Parties agree to the changes in writing and they are incorporated into this Agreement. Any amendment must be in writing signed by Contractor and PFPNet.

1. SCOPE OF SERVICES: The services to be provided by Contractor pursuant to this Agreement ("Services") are described in the Purchase Order, and any amendments thereto, which shall set forth the schedule and estimated charges for the Services. If the Services are to be rendered in connection with a specific location, the Purchase Order shall also describe the site ("Project Site").

2. COMPENSATION: The method of charging for the Services is stated in the Purchase Order prepared by PFPNet. This may be on a Fixed Price basis, Time and Materials basis, or Limit of Liability basis. Where charges are on a Time and Materials basis, the charges shall be based on the Rate Schedule in effect when the Services are performed. Where charges are not to exceed a specific sum, Contractor shall notify PFPNet before such sum is exceeded and shall not continue to provide the Services beyond such sum unless PFPNet authorises an increase in the sum. If this specific sum is broken down into budgets for specific tasks, the task budget may be exceeded without PFPNet authorisation as long as the total sum is not exceeded. Any amount allocated to a task or milestone may be exceeded without PFPNet authorised tasks, milestones, schedule or assumed responsibilities will not be effective until the Parties have mutually agreed to an equitable adjustment of the budget in writing.

3. PAYMENT CONDITIONS: Regardless of the compensation method, Contractor shall periodically submit invoices to PFPNet. PFPNet shall pay each invoice within thirty (30) days of the date of the invoice. If PFPNet objects to all or any portion of any invoice, PFPNet shall notify Contractor of the objection within fifteen (15) days from the date of the invoice, give reasons for the objection, and pay that portion of the invoice not in dispute. PFPNet shall pay an additional charge of one percent (1%) of the amount of the invoice per month or the maximum percentage allowed by law, whichever is the lesser, for any payment received by Contractor more than thirty (30) days from the date of the invoice. Payment thereafter shall first be applied to accrued interest and then to the unpaid principal. The additional charge shall not apply to any disputed portion of any invoice resolved in favour of PFPNet. In the event of a legal action brought by Contractor against PFPNet for invoice amounts not paid, attorneys' fees, court costs, and other related expenses shall be paid to the prevailing party by the other Party. In addition to the above, if payment of Contractor invoices is not maintained on a thirty (30) day current basis, Contractor may, by ten (10) days' written notice to PFPNet, suspend further performance and withhold any and all data from PFPNet until such invoice payments are restored to a current basis.



4. CONSTRUCTION PROCEDURES: Contractor shall not be responsible for the acts or omissions of other parties engaged by PFPNet, and shall not have control or charge of and shall not be responsible for their construction means, methods, techniques, sequences, or procedures, or for their safety precautions and programs.

5. RECOGNITION OF RISK AND STANDARD OF CARE: PFPNet recognises that opinions arising out of professional services are based on limited data and that actual conditions may vary from those encountered at the times and locations where data are obtained, and that the limited data results in uncertainty with respect to the interpretation of these conditions, despite the use of due professional care. It is further recognised that the state of practice, particularly with respect to contaminated site and waste conditions, is changing and evolving and, further, that certain of the governmental regulations relating to hazardous waste sites purport to require achievement of results which cannot be accomplished in an absolute sense. Contractor shall be obligated to comply with applicable professional standards of care in the performance of the Services but does not guarantee results.

6. RISK ALLOCATION: The liability of Contractor, its employees, agents and subcontractors (hereinafter for purposes of this Section referred to collectively as "Contractor"), for PFPNet's claims of loss, damage, or expense, including, without limitation, PFPNet's claims of contribution and indemnification with respect to third-party claims relating to services rendered or obligations imposed under this Agreement shall not exceed in the aggregate under this Agreement the total sum of £100,000. In no event shall either PFPNet or Contractor be liable for consequential damages, including, without limitation, loss of use or loss of profits, incurred by one another or their subsidiaries or successors, regardless of whether such damages are caused by breach of contract, willful misconduct, negligent act or omission, or other wrongful act of either of them.

7. INDEMNIFICATION: If any claim is brought against PFPNet and/or Contractor, their employees, agents, and subcontractors (hereinafter for purposes of this Section referred to collectively as "Contractor"), by a third party, relating in any way to the Services or this Agreement, including all Service Orders, then, subject to the allocation of risk under Section 7 above, Contractor and PFPNet shall each indemnify the other against any loss or judgment on a comparative responsibility basis under comparative negligence principles. PFPNet responsibility includes that of its agents, employees, and other contractors.

8. RIGHT OF ENTRY: PFPNet grants to Contractor, and, if the Project Site is not owned by PFPNet, warrants that permission has been granted for, a right of entry from time to time by Contractor, its employees, agents and subcontractors, upon the Project Site for the purpose of providing the Services.

9. HAZARDOUS SUBSTANCES: All non-hazardous samples and by-products from sampling processes in connection with the Services shall be disposed of by MMI in accordance with applicable law; provided, however, that any and all such materials, including wastes, that cannot be introduced back into the environment under existing law without additional treatment, and all hazardous wastes, radioactive wastes, hazardous materials or hazardous substances ("Hazardous Substances") related to the Services, shall be packaged in accordance with applicable law by Contractor and turned over to PFPNet for appropriate shipping and disposal. Contractor shall not arrange or otherwise dispose of Hazardous Substances under this Agreement. Contractor, at PFPNet's request, may assist PFPNet in identifying appropriate alternatives for off-site treatment, storage or disposal of the Hazardous Substances, but Contractor shall not make any independent determination relating to the selection of a treatment, storage, or disposal facility nor subcontract such activities through transporters or others.



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PFPNet shall sign all necessary manifests for the disposal of Hazardous Substances. If PFPNet insists upon the signing of such manifests by Contractor's agents or employees, such signing shall be as PFPNet's agent so that Contractor will not be considered to be a generator, transporter, or disposer of such Hazardous Substances, and PFPNet shall indemnify Contractor against any claim or loss resulting from such signing and from Contractor's nonnegligent handling of Hazardous Substances. If unanticipated Hazardous Substances or conditions are encountered, Contractor may suspend work for safety reasons until mutually agreeable arrangements are made, which may involve amendments to this Agreement.

10. CONFIDENTIALITY: Contractor will maintain as confidential any documents or information provided by PFPNet and will not release, distribute or publish same or Contractor's test results to any third party without prior permission from PFPNet, unless compelled by law or order of a court or regulatory body of competent jurisdiction. Such release will occur only after prior notice to PFPNet.

11. USE OF DOCUMENTS: Provided that Contractor has been fully paid for the Services, PFPNet shall have the right to use the documents, maps, photographs, drawings, and specifications resulting from Contractor's efforts on the Project. Reuse of any such materials by PFPNet on any extension of this Project or any other Project without Contractor's written authorization shall be at PFPNet's sole risk. PFPNet shall have the right to retain copies of all such materials. PFPNet retains the right of ownership with respect to any intellectual property rights such as, but not limited to, patentable concepts or copyrightable materials arising from its Services. PFPNet may perform acceptance tests or procedures regarding electronic versions of final documents (not drafts) for a period of sixty (60) days after transmission. Any errors detected on electronic versions of such final documents within the 60-day acceptance period will be corrected by Contractor at no additional charge to PFPNet.

12. PFPNET RESPONSIBILITY: In a timely manner PFPNet shall provide Contractor, in writing, all information relating to PFPNet's requirements for the Project, give Contractor prompt written notice of any suspected deficiency in the Services and with reasonable promptness to avoid impacts to the progress of the Project, provide approvals and decisions. When the Services include on-site activities, PFPNet shall also correctly identify the location of subsurface structures, such as pipes, tanks, cables, and utilities and notify Contractor of any potential hazardous substances or other health and safety hazards or conditions known to PFPNet existing on or near the Project site. PFPNet shall be responsible for obtaining all necessary permits required to execute the Services and Project work. If included in the Services, Contractor will assist PFPNet with permit applications, however all impacts and obligations will be the responsibility of the PFPNet. In addition, PFPNet agrees to hold Contractor harmless from any claim related to or arising from circumstances, acts or omissions in connection with the Project Site which occurred prior to Contractor providing any Services under this Agreement.

13. DELAYS AND FORCE MAJEURE: In the event that Contractor field or technical work is interrupted due to causes outside of its control, Contractor's schedule for performance and compensation shall be equitably adjusted (in accordance with Contractor's current Rate Schedule) for the additional labor, equipment, time, and other charges associated with maintaining its work force and equipment available during the interruption, and for such similar charges that are incurred by Contractor for demobilization and subsequent remobilization. Except for the foregoing provision, neither Party shall hold the other responsible for damages or delays in performance caused by force majeure, acts of God, or other events beyond the reasonable control of the other Party. Delays within the scope of this Section which cumulatively exceed forty-five (45) days shall, at the option of either Party, make the applicable Service Order subject to termination for convenience or to renegotiation.



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14. TERMINATION: PFPNet may terminate all or any portion of the Services for convenience, at its option, by sending a written notice to Contractor ("Notice of Termination"). Either Party can terminate this Agreement for cause if the other commits a material, uncured breach of this Agreement or becomes insolvent, has a receiver appointed, or makes a general assignment for the benefit of creditors. Termination for cause shall be effective twenty (20) days after receipt of a Notice of Termination, unless a later date is specified in the Notice of Termination. The Notice of Termination for cause shall contain specific reasons for termination, and both Parties shall cooperate in good faith to cure the causes for termination stated in the Notice of Termination. Termination for cause shall not be effective if reasonable action to cure the breach has been taken before the effective date of the termination. PFPNet shall pay Contractor upon invoice for services performed and charges incurred prior to termination, plus termination charges. Termination charges shall include, without limitation, the putting of Project documents and analyses in order and all other related charges incurred which are directly attributable to termination. In the event of termination for cause, the Parties shall have their remedies at law as to other rights and obligations between them, subject to the other terms and conditions of this Agreement.

15. ASSIGNMENTS: Neither party to this Agreement shall assign its duties and obligations hereunder without the prior written consent of the other party.

16. VALIDITY, SEVERABILITY AND GOVERNING LAW: The provisions of this Agreement shall be enforced to the fullest extent permitted by law. If any provision of this Agreement is found to be invalid or unenforceable, the provision shall be construed and applied in a way that comes as close as possible to expressing the intention of the Parties with regard to the provisions and that saves the validity and enforceability of the provision. This Agreement shall be governed by the laws of the place of the Project Site unless expressly provided otherwise in the Service Order. In the event that any provision or portion of this Agreement is held to be unenforceable or invalid the remaining provisions or portions shall remain in full force and effect

17. NO THIRD-PARTY RIGHTS: This Agreement shall not create any rights or benefits to Parties other than PFPNet and Contractor. No third party shall have the right to rely on Contractor's opinions rendered in connection with the Services without Contractor's written consent which may be conditioned on the third party's agreement to be bound to acceptable conditions and limitations similar to this Agreement.

18. INTEGRATED WRITING: This Agreement constitutes a final and complete repository of the agreements between PFPNet and Contractor. It supersedes all prior or contemporaneous communications, representations, or agreements, whether oral or written, relating to the subject matter of this Agreement. Modifications of this Agreement shall not be binding unless made in writing and signed by an Authorized Representative of each Party.

