

APPENDIX 4.1 PRICING, PAYMENT TERMS AND INVOICING

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1. CONTRACTOR'S CHARGES, PRICES AND VARIOUS COSTS

- 1.1 In consideration of Contractor's performance of the Contract, Contractor shall be entitled to invoice the Charges as calculated pursuant to this Appendix 4.1 and Appendix 4.2.
- 1.2 The Total Contract Sum (subject only to any changes pursuant to Contract Variations), be **[Insert amount]**
- 1.3 All Charges and prices stated or referred to in the Contract are exclusive of Tax as per the Master Terms.
- 1.4 Daily/hourly rate items as detailed in Appendix 4.2 shall only be applied, as appropriate, during the Survey (including mobilisation and de-mobilisation).
- 1.5 Where, at the commencement and/or completion of Work occupies part of any day, the part of the day occupied will be charged on a pro-rata basis to the nearest hour at the applicable day rate.
- 1.6 Contractor shall allow to Purchaser's representatives on the Vessel free use of telephone/fax communications and internet connection. All relevant documented expenses thereto shall be charged at cost, only.
- 1.7 Daily/hourly rate items as detailed in Appendix 4.2 shall only be applied, as appropriate, during the Survey.
- 1.8 Contractor shall on its own expense contract with appropriate subcontractors to assist Contractor with the performance of the Contract.

2. PAYMENT PLAN

- 2.1 The Total Contract Sum shall be invoiced in accordance with the following payment plan:
 - (a) 20% on the date of the Vessel mobilisation
 - (b) 25% on de-mobilisation.
 - (c) 25% of the Total Contract Sum adjusted for any Contract Variations at the receipt of the Preliminary Report.
 - (d) 30% of the Total Contract Sum adjusted for any Contract Variations on the Completion Date (cf. the Master Terms).
- 2.2 Invoices to Purchaser shall show the total prices and charges for each item invoiced in accordance with Appendix 4.2.
- 2.3 Purchaser reserves the right to reject invoices, unless they are fully itemised and include references to the appropriate cost items detailed in Appendix 4.2

3. PAYMENT TERMS

- 3.1 The payment terms for Contractor's invoices shall be 30 days to the end of a calendar month.
- 3.2 Unless otherwise instructed by Purchaser, all invoices shall be issued exclusive of VAT (since Purchaser is not subject to paying VAT).

- 3.3 Contract shall send the invoices in accordance with Purchaser's instructions from time to time
- 3.4 Invoices not paid when due shall accrue interest from the day following the day on which payment was due until the day on which they are paid, at the rate of 1 % per month calculated on a daily basis.