

PROJECT PARTICIPANT'S AGREEMENT (PPA)

AGREEMENT

between

and **the Partnership** of the following partners:

BUREAU VERITAS

BATELLE

For the Joint Industry Project (JIP)

ENGINEERING CRITICAL ASSESSMENT FOR MOORING COMPONENTS

Date

Reference: See Exhibit B in separate file named: "Mooring Components ECA Proposal Final draft Rev 2-5.doc"

Revision 1: Date of this revision: 9th of October 2008

General Conditions

This Agreement is entered into by and between

(hereinafter referred to as the "Participant") and between the Partnership (hereinafter referred to as the "Partnership") of the following partners :

- 1) BUREAU VERITAS S.A. having its offices at
17 bis, PLACE DES REFLETS, LA DEFENSE 2, 92400 COURBEVOIE, FRANCE
 - FAX : (33) - (0)1 - 42 91 53 20
 - PHONE : (33) - (0)1 - 42 91 28 70
 - E-mail : jean-pierre.sauvage@bureauveritas.com
- 2) BATTELLE The Business of Innovation, having its offices at
505 King Avenue, Columbus, OHIO 43201-2693
 - Fax : 614.458.4908
 - PHONE : (1) 614.424.4908
 - E-mail : dongp@battelle.org

WHEREAS the Participant has agreed to participate in the Project upon the terms and conditions hereinafter contained, it being intended that CONTRACTOR will enter into similar Agreements with all Parties to the Project.

IT IS HEREBY AGREED AS FOLLOWS:

1 Project Description and Definitions

- Project:** Work to be carried out in accordance with the Agreement, as described in Exhibit B.
- Participant:** Any company or individual, which by signing this or any equivalent Agreement, has agreed to participate in the Project.
- Party:** Any Participant or CONTRACTOR
- Parties:** All Participants and CONTRACTOR.
- Project Deliverables:** The deliverables resulting from the performance of the Project as defined in Exhibit B hereto.
- Steering Committee:** A group comprising one voting member from the PARTNERSHIP partners and one voting member from each participant nominated by that respective Participant.
- Affiliate:** Any parent of a Party, being a company owning directly or indirectly fifty percent (50%) or more shares entitled to vote at a general meeting of shareholders, and any company in which any such parent owns directly or indirectly at least fifty percent (50%) of the shares entitled to a vote at

a general meeting of shareholders and any future companies in which a party or its parent company, directly or indirectly, owns or controls at least fifty percent (50%) of the shares entitled to a vote at a general meeting of shareholders.

Late Participants: Participants joining the Project later than the Date of Late Entry. For the purpose of the definition of Late Participants a Participant is defined to have joined the Project when the Participant has signed the Agreement, or an equivalent agreement.

Late Participant Fee: A fee to be paid by the Late Participants in excess of the budget commitments of the initial Participants.

Date of Late Entry: _____ 31st December 2009 _____

Project Termination: The date when all technical reports and financial accounts for the Project have been approved by the Steering Committee.

Project Start Date: _____ as soon as 4 major organizations as participants have signed the agreement ____

2 Project Execution

- 2.1 The PARTNERSHIP is responsible for the execution of the Project pursuant to the work plans and budget previously approved by the Steering Committee. Specific tasks may be subcontracted to other institutions or firms subject to prior approval by the Steering Committee.
- 2.2 The PARTNERSHIP undertakes to carry out all operations in a diligent and professional manner and will make every reasonable effort to achieve the objectives of the Project (as further described in Exhibit B) within the time and budget limits as set forth in this Agreement. However, the activities of the Project will be limited by the budget. The PARTNERSHIP shall have no liability in the event that the objectives of the Project are not met, provided the procedures and the instructions of the Steering Committee are followed, where such procedures and instructions may be considered reasonable given the circumstances prevailing at the time of their issuance.
- 2.3 Any equipment bought or constructed for the Project account shall be used only for the performance of the Project during the Project life. When the Project has been terminated, the equipment shall become the property of the PARTNERSHIP save where a Participant has bought and/or provided such equipment to the PARTNERSHIP for the purpose and duration of the Project where such equipment shall remain the property of the Participant..
- 2.4 Technical and financial summary reports which briefly summarize progress and main findings of the Project work are to be submitted by the PARTNERSHIP to the Participants quarterly or at such other interval according to this Agreement, ref. Exhibit B.
- 2.5 Project Deliverables for each task will be issued before Project Termination. A preliminary draft of the Project Deliverables shall be circulated to all Participants for comment. The PARTNERSHIP shall evaluate all comments before making the final issue.

3 Steering Committee

3.1 The Participants and the PARTNERSHIP shall form a Steering Committee to be effective from the Project Start Date. Each Participant and PARTNERSHIP partner shall have the right to nominate one representative, who will carry one vote in the Steering Committee.

Any Participant may elect not to be represented in the Steering Committee, but will have to abide by the decisions of the Steering Committee.

3.2 Each Participant and PARTNERSHIP partner electing to be represented on the Steering Committee shall name its representative on the Steering Committee as well as a deputy. Each of them shall have full authority to represent the appointing Participant and PARTNERSHIP partner in all matters relative to Steering Committee jurisdiction.

3.3 The Steering Committee shall have the power to:

- a) Approve or disapprove work plans and budgets proposed by the PARTNERSHIP within the terms of the Agreement;
- b) Approve or disapprove changes in the Project description and Budget described in Exhibit A and Exhibit B, as proposed by the PARTNERSHIP. Major changes such as increase in work scope and in the overall budget, require the unanimous approval of all Participants. The PARTNERSHIP shall have the right to decline any change of the work scope which is outside the general scope of the Project or which will significantly increase the quantity of work being performed. It being understood that any changes which increase the work scope of the Project or the overall budget by [10%] will be considered major changes;
- c) Review the progress of the Project;
- d) Approve or disapprove the Project Deliverables;
- e) Approve or disapprove of proposed Late Participants.

3.4 The Steering Committee shall meet twice a year, or at such shorter intervals as may be determined by the Steering Committee. If not decided otherwise by the Steering Committee, the meetings shall be held at the business address of BUREAU VERITAS in PARIS. The PARTNERSHIP shall call such meetings and shall give at least ten (10) days prior written notice thereof to the Participants and the PARTNERSHIP partners.

3.5 The chairman will be elected by the steering committee

3.6 At least fifty percent (50%) of the members of the Steering Committee must be present in order to make decisions and approvals which shall be considered valid and binding on all Participants and PARTNERSHIP partners. Decisions or approvals are made by simple majority, except as otherwise specifically provided in the Agreement. In case of equal votes the Chairman's vote becomes decisive and final.

3.7 Each Participant and PARTNERSHIP partner shall be solely responsible for all and any costs and expenses incurred in maintaining its respective representative on the Steering Committee. Delivery to a Participant's representative and PARTNERSHIP partner's representative of notices, reports and results under this Agreement shall be deemed to constitute delivery to a Participant.

4 Payments

- 4.1 Participant shall pay the participation fee to BUREAU VERITAS acting for the PARTNERSHIP in accordance with the payment schedule in Exhibit A hereto.
- 4.2 BUREAU VERITAS will issue invoices which shall be paid within 60 days of receipt. Payments shall be payable to BUREAU VERITAS by means of US Dollars, check or electronically, free of all deductions.
- 4.3 The PARTNERSHIP reserves the right to withhold provision to Participant of the Project Deliverables if Participant is in default of any payment under this Agreement, until such payment is made.
- 4.4 For Universities, Technical Institutes or Mooring Connectors fabricators, payment with material, tests or analysis and studies will be considered. BUREAU VERITAS shall be in charge of evaluation of costs with regards to the payment schedule in Exhibit A.

5 Late Participants

A Late Participant may be admitted to the Project, following unanimous approval by the Steering Committee, on the following terms:

- 5.1 Payment of the original participation fee, as set out in Exhibit A hereto plus, a premium over and above the original participation fee equal to ten percent (10%) of the original participation fee.
- 5.2 On receipt of the participation fee plus said premium, if applicable, the information thus far produced shall be made available to Late Participants.

6 Confidentiality

- 6.1 All information obtained by virtue of and during the performance of the Project shall be treated as confidential by the Parties to this Agreement.
 - 6.1.1 Information on the JIP deliverables: for a period of three (3) years after the date of completion of the Project Termination, or as otherwise agreed by unanimous vote of the Steering Committee, and shall not be divulged by the Parties hereto, their directors, employees or agents to any third party other than to their Affiliates (who shall be bound by obligations of confidentiality no less onerous than those set out in this Agreement) or in accordance with Clause 6.2.
 - 6.1.2 During this confidentiality period, Participant and its Affiliates may disclose such information to contractors, consultants and joint venture partners, provided that each such party agrees in writing to hold the information in confidence to at least the same extent as provided herein and to use the information only on behalf of the Participant and its Affiliates or the joint venture partners.
 - 6.1.3 The above obligations of confidentiality shall not apply to information which:
 - (a) at the time of disclosure is in the public domain; or
 - (b) after disclosure becomes lawfully part of the public domain; or
 - (c) is information rightly derived or received independently from this Agreement; or

- (d) the receiving Party can show was rightfully in its or its Affiliates possession at the time of disclosure; or
- (e) is rightfully received by Participant or its Affiliates from a third party who had the lawful right to disclose the information.

6.1.4 During the period of confidentiality, as referred to in Clause 6.1, neither CONTRACTOR nor Participant shall publish or permit to be published either alone or in conjunction with any third party any information, articles, photographs, illustrations or any other material relating to the Project without prior reference to and approval in writing from the Steering Committee. Such consent shall apply to each specific application and relate only to that application, such consent shall not be unreasonably withheld.

6.2 All participants and partnership partners commit themselves not to use or divulgate any information obtained from their participation to the JIP against any other person or company, being participant or not to the JIP.

6.3 In case of some part of the project needs confidential data transmitted by any Participant, a limited "Technical Committee" accepted by all Participants will be in charge of evaluating and summarize those data, in such a way that nobody should be able to use this data against the participant. Final form shall be approved by the Participant giving the data.

7 Intellectual Property

7.1 Technical information (including drawings, designs, specifications, electronically recorded and stored data, computer program and calculations) developed or arising during that part of the Project performed by the PARTNERSHIP or in connection with the performance thereof including the results thereof, shall belong to the PARTNERSHIP but full worldwide, non-exclusive, irrevocable, paid-up use rights and licenses will extend to Participants and their Affiliates, including the right to grant sub-licenses to sub-contractors.

7.2 Title to all technical information (including but not restricted to drawings, designs, specifications, electronically recorded and stored data, computer programs and calculations, reports and meeting handouts) provided by Participant, shall remain with Participant. Participant hereby grants to the PARTNERSHIP, its subcontractors, agents and assigns, and those Participants (including Late Participants) directly assisting the PARTNERSHIP with the performance of the Project and their respective Affiliates, an, irrevocable, paid up, non-exclusive license to use any information supplied only for the duration and purposes of this Agreement subject to the confidentiality obligations contained in Clause 6. In the event that any information provided by Participant hereunder belongs to a third party, then any granting of such license shall be subject to the consent of said third party.

7.3 For the avoidance of doubt, sole title to any technical information (including but not restricted to drawings, designs, specifications, electronically recorded and stored data, computer programs and calculations, reports and meeting handouts) initially provided by the PARTNERSHIP as the basis for the Project shall remain with the PARTNERSHIP and the Participant may not apply or use such technical information, except to the extent that such technical information is already in the public domain as evidenced by written documents of the Participant.

8 Liability and Indemnification

8.1 The Project Deliverables may be used by any Participant or PARTNERSHIP partners and/or Affiliate or on behalf of any Participant or Affiliate by any third party properly receiving disclosure

thereof provided that such use is in accordance with the terms of this Agreement. Every reasonable effort shall be made by the PARTNERSHIP to ensure the accuracy and reliability of the Project Deliverables. However, the PARTNERSHIP makes no representation, warranty, expressed or implied, or guarantee in connection with the Project or Project Deliverables and shall on no account be liable, whether arising at contract, tort or otherwise, or responsible for any loss, damage, injury or death resulting from the Participant's or PARTNERSHIP partners or its Affiliates' use of Project Deliverables.

8.2 The use by a Party or any of its Affiliates of technical information contained in the Project Deliverables shall be solely at its own risk and no other Party shall be liable for any damage resulting from inaccuracy, incorrectness, unsoundness, and/or unreliability in the use thereof.

8.3 Notwithstanding the above clauses, no Party to this Agreement shall be liable to any other Party for loss of earnings, or profit or other consequential damages suffered by such other Party, nor shall any Party be entitled to claim any compensation from the other Party for such loss or damage suffered by itself.

8.4 Notwithstanding any provision to the contrary, the total liability of each Participant under this Agreement shall not exceed the respective Participation Fee paid by each Participant, as further detailed in Exhibit A.

9 Responsibilities of the PARTNERSHIP

9.1 The PARTNERSHIP will use its reasonable endeavors, with the degree of care and diligence which can reasonably be expected of a prudent and experienced company, to ensure that the Project will be carried out as specified in Exhibit B hereto, as modified from time to time by the Steering Committee.

9.2 The PARTNERSHIP will comply with, and will require its subcontractors, if any, to comply with all applicable laws and regulations of all relevant government authorities.

10 Force Majeure

No failure or omission by either Party hereto to carry out or observe any of the stipulations, conditions or obligations to be performed hereunder shall, except as herein expressly agreed to the contrary, give rise to any claims against such Party for breach of this Agreement if such failure or omission arises from any cause beyond the reasonable control of that Party including, but not limited to, strikes, lock-outs, riots and sabotage, acts of war, destruction of equipment by fire, explosion, storm, flood, earthquake or other natural disaster (defined herein as 'Force Majeure' circumstances). Each Party hereto shall take all reasonable steps to mitigate its loss by reason of any Force Majeure circumstance and shall resume performance of its obligations under this Agreement as soon as the said Force Majeure circumstance shall cease to apply.

11 Law

This Agreement shall be governed by the laws of ENGLAND. Any dispute arising in connection with this Agreement should first be attempted to be settled by private negotiations between the Parties. In the events that such disputes cannot be resolved through private negotiations between the Parties, the matter shall be referred to a team consisting of one senior executive representative of each Party for resolution. If such dispute, conflict, breach or deadlock cannot

be settled through negotiation, the Parties agree first to try in good faith to settle the dispute, conflict, breach or deadlock by mediation administered by the London Court of International Arbitration (“LCIA”) under its rules before resorting to arbitration. If the Parties are unable to settle the dispute, conflict, breach or deadlock through mediation within ninety (90) calendar days of its commencement, the dispute shall be finally settled by arbitration according to the arbitration rules of the LCIA, unless the Parties agree otherwise. Any arbitration proceedings shall take place in London, England. Any judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereover. Any award rendered by the arbitrator(s) may include costs against any Party, but under no circumstances are the arbitrator(s) authorized or empowered to award special, punitive or multiple damages against any Party. The language to be used in the arbitration proceedings will be English.

12 Validity, Changes and Termination

- 12.1 This Agreement will become effective when it has been signed by Participant and the PARTNERSHIP represented by BUREAU VERITAS and written notification has been given by the PARTNERSHIP that at least four (4) Participants (oil companies) have signed the equivalent agreements.
- 12.2 If at the Project Start Date an insufficient number of Participants have signed Agreements, this Agreement shall lapse and no amount shall be due from the Participant in respect of the Project and the PARTNERSHIP represented by BUREAU VERITAS shall within 14 days of invoice repay the Participant all sums paid to the PARTNERSHIP represented by BUREAU VERITAS hereunder.
- 12.3 Changes in this Agreement, with respect to the total budget and Project objectives, may be recommended by the Steering Committee, but require the consent of each of the Participants in accordance with Clause 3.3b. Changes in this Agreement are to be made in a written amendment to the Agreement.
- 12.4 In the event that intermediate results obtained in the Project execution necessitate changes of the Project plan the Steering Committee may request that the PARTNERSHIP shall prepare a revised plan and price specification. Providing the amendment will not cause the total Project budget to be exceeded, such a change may be authorized by a simple majority in the Steering Committee.
- 12.5 The Project is terminated on the date all Project Deliverables and the financial accounts for the Project have been approved by the Steering Committee.
- 12.6 A Participant may at any time terminate its participation in the Project without cause by giving the PARTNERSHIP (14) days’ written notice. Such termination shall not affect the Participant’s obligation to pay the full participation fee to the PARTNERSHIP represented by BUREAU VERITAS as set forth in Clause 4, with all outstanding payments becoming due to a date of termination. Provided the terminating Participant has paid the full participation fee, termination of its participation in the Project shall not affect the Participant’s rights to receive and use documentation and all other materials and information delivered to other Participants who have paid the participation fee. Upon termination, the terminating Participant ceases to be represented on the Steering Committee and shall not be subject to any additional fees and costs. The Parties expressly agree that following any termination of this Agreement, the Parties’ obligations under Clauses entitled “Confidentiality,” “Intellectual Property,” and “Liability and Indemnification” shall survive any termination.
- 12.7 This Agreement may not be assigned to any Party, except as provided herein, without the prior written consent of the other Party. A Party may assign this Agreement to an Affiliate without the consent of the other Party but with prompt written notice to the other Party. A Party may assign

this Agreement to any purchaser or transferee of all or substantially all of the Party's assets or stock without the consent of, but with prompt written notice to, the other Party. No such assignment shall relieve the assigning Party of its obligations of confidentiality set forth herein.

13 Audit:

The PARTNERSHIP represented by BUREAU VERITAS agrees to keep adequate books, records and all other documentation to support all financial matters relating to the project. The PARTNERSHIP will preserve such documentation for a period of two years following completion of its services under this Agreement. Any Participant or its authorized representative has the right to audit as and when deemed necessary the PARTNERSHIP's Project accounts at all reasonable times upon notice during the term of this Agreement and for a period of two calendar years after end of the year for Project completion. Such audit shall be executed on the PARTNERSHIP premises. All costs in connection with the audit shall be borne by the Participant requesting the audit.

14 Miscellaneous

- 14.1 Each Party shall exercise reasonable care and diligence to prevent their employees and agents from making, receiving, providing, or offering gifts, entertainment, payments, loans, or other considerations for the purpose of improperly influencing their relationship between the Parties. This obligation shall apply to activities of each Party in its relations with other Party's employees, representatives, and their families, as well as other Party's vendors, contractors, or consultants.
- 14.2 Each Party agrees that it will not use the other Party's corporation or trade name(s), trademarks, service marks, in any form, written or oral, in advertisements, brochures, publicity releases, or similar materials, without that Party's prior express written consent.
- 14.3 Any Party may at its own expense, at any time during the term of this Agreement conduct its own independent research (provided such research does not use the technical information and/or confidential information of any other Party other than as permitted pursuant to this Agreement). No Party to this Agreement shall have rights in any such independent research carried out by any other Party by virtue of its participation in this agreement.

15 Entire Agreement

This Agreement and Exhibit A and Exhibit B constitute the entire understanding between the Parties hereto with respect to the subject matter hereof. No changes, alterations, or modifications to this Agreement will be effective unless in writing and signed by the authorized officers of the Parties.

IN WITNESS WHEREOF the Parties hereby approved by signing the Agreement on this _____ day of _____, 2008.

.....

BUREAU VERITAS on behalf of the PARTNERSHIP.

By _____
(Signature)

By _____
(Signature)

Name _____
(please type)

Name _____
(please type)

Title _____

Title _____

BATTELLE.....

By _____
(Signature)

(Signature)

Name _____
(please type)

(please type)

Title _____

Exhibit A

PROJECT COST AND SCHEDULE OF PAYMENTS

Project Cost and Participation Fees

The total project cost is US\$ 1, 000,000

Each Participant shall pay a participation fee according to the following:

- 50 k\$ x 2 for Oil Companies
- 40 k\$ x 2 for Engineering companies, Yards
- 25 k\$ x 2 for Manufacturers, Classification Societies, Technical and Scientific Institutes, Universities.

To execute the full JIP program, particularly the Task 7 mentioned in exhibit B; a minimum of 10 companies will be sought. If less than 10 companies will be participating by the end of Year 1, Task 7 will be scaled down according to the funding available.

Schedule of Payments

Participant shall pay the Participation Fee to CONTRACTOR within thirty (30) days of receipt of Contractor's invoice. Participants shall be invoiced according to the following schedule:

- a) 40% of the Participation Fee at the start of the project
- b) 40% of the Participation Fee one year later
- c) 20% of the Participation Fee upon approval and acceptance of Project Deliverables by the Steering Committee.

EXHIBIT B

PROJECT PROPOSAL

See separate file named: "Mooring Components ECA Proposal Final draft Rev 2-5.doc"