

Administration Requirements: Coordination and Reporting

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1 Introduction

It is **TechnipFMC's** intention that, in the implementation and administration of the **PO/Agreement**, **Supplier** shall utilize its own methods and procedures. However, to achieve the proper level of quality and safety for the **Work**, **TechnipFMC** has specified certain mandatory requirements as detailed in these Administration Requirements.

If a specific requirement, stated in this document, by nature, is not relevant for the **Work** performed by **Supplier**, **Supplier** is exempt from adherence to such requirement without further acceptance from **TechnipFMC**.

2 Definitions

Refer to PRD-0000030203, Global Purchasing Terms for Goods and Services, for definitions used in this document.

Exceptions within this document, the terminology:

- ▶ **FMCTI**, referring to legacy FMC Technologies entities, is hereafter named **TechnipFMC**.
- ▶ **Subcontractor**, means subcontractor at any level.

3 Organization

Supplier shall keep organizational records/charts of personnel assigned to the **Work** and, upon request, provide a copy to **TechnipFMC**.

Supplier shall continuously keep **TechnipFMC** informed about any changes to their organization, systems and/or their **Subcontractors**. As a minimum, **Supplier** shall keep the Supplier Questionnaire updated with the following information:

- ▶ List of Key Personnel.
- ▶ List of emergency contacts (24 hours availability).
- ▶ Bank account-related information.
- ▶ Organization (ownership, company name, management, addresses, etc.).
- ▶ Business Management System, incl. certifications/accreditations.
- ▶ List of qualified **Subcontractors**.

Updated Supplier Questionnaires shall be sent by email to **TechnipFMC's** Commercial Point of Contact.

4 Commercial Correspondence

The contact details of **TechnipFMC's** Commercial Point of Contact (the Buyer) and **Supplier's** nominated contact person will be provided in the **Purchase Order (PO)**. All communication of a commercial nature between the **Parties**, affecting the **PO**, shall include these persons.

Supplier shall utilize **TechnipFMC's** electronic collaboration systems. Agreed exceptions may only be made when having documented lack of IT infrastructure, preventing the systems from being used. **Supplier** shall have routines in place to support execution in these systems to ensure accurate and timely **PO** confirmation, schedule management, and reporting.

Except for transactions within the electronic collaborations systems, written correspondence between the **Parties** shall be done either by email or letter format. Email is considered as an appropriate method for correspondence for day-to-day activities, such as for status updates, reporting, memos, and meeting minutes.

Letter format is the preferred method for formal correspondence for contractual matters between the **Parties**. Such correspondence shall be signed as applicable by **Supplier** or **TechnipFMC's** representative, or an authorized deputy for the **Agreement**. Each letter shall refer to one subject only. Letters can be attached to email.

All correspondence shall as a minimum include:

- ▶ Reference to **Agreement/PO**.
- ▶ Subject, date and sequence number where relevant.
- ▶ Conclusion and/or actions with due date.

Correspondence shall be archived in a secure location in accordance with **Supplier's** filing system. **Supplier** shall create and maintain a communication log related to the **PO**.

5 Planning and Tracking

Supplier shall perform schedule planning, including progress tracking, for all **Deliverables** in the **PO**, identifying activities, as applicable, for:

- ▶ **Supplier's** documents and **TechnipFMC Provided Documents**.
- ▶ Engineering.
- ▶ **TechnipFMC Provided Items**.
- ▶ Raw material and critical components procured from **Subcontractors**.
- ▶ Fabrication and manufacturing, including welding and machining as a minimum.
- ▶ Sub-assembly, assembly and tests.

The activities shall be based on a logic network which identifies the critical paths. The scheduled activities shall as a minimum:

- ▶ Include original plan dates and revised forecasted dates, both based on early dates.
- ▶ During execution, include actual progress compared with original plan.
- ▶ Indicate progress based on physical progression of the activities factored to achieve a percentage weighting for each activity. Once established, the weightings shall not be varied during the **PO's** duration, unless accepted by **TechnipFMC**.
- ▶ Reflect **Variations** and concluded **Variation Orders**.

6 Reporting

Unless otherwise specified in the **Agreement/PO**, **Supplier** shall report as required in this section. Reporting frequency is specified in the **Agreement/PO**. **TechnipFMC** is entitled to change content requirements and frequency if considered necessary.

Regardless of reporting frequency, any significant HSE incidents and/or quality issues shall be reported without undue delay. In the event of fatalities, lost time incidents, or high potential incidents, this shall be reported within 2 hours after the occurrence. **Agreement/PO** may specify additional HSE reporting requirements.

Reporting format shall be as agreed with **TechnipFMC**, and shall, as a minimum, identify **PO** number, PO line, part number, and if applicable, **TechnipFMC's** project number.

Standard reporting shall, as a minimum, include:

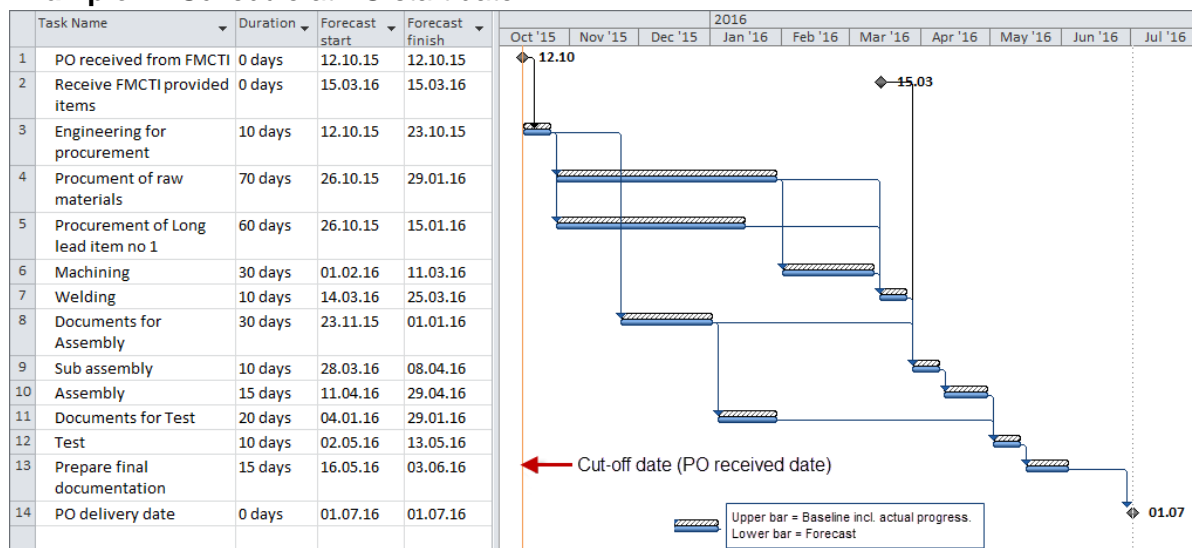
- ▶ Monthly summary of HSE incidents and/or quality issues.
- ▶ Potential risks with status of preventive actions.
- ▶ Progress summary, including challenges with status of mitigating actions.
- ▶ Updated schedule with specified cut-off date, reflecting the activities and requirements as specified in Section 5, and, when applicable, include available float per activity.
- ▶ Forecast of activities scheduled to be completed within 4 weeks of the report date, including activities with hold and witness intervention requirements.

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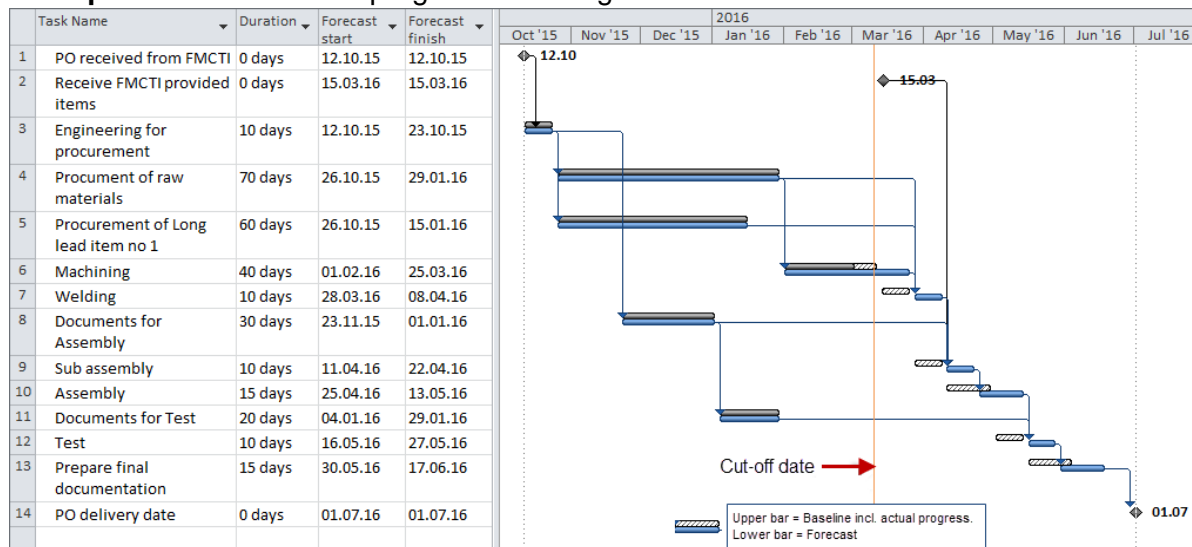
When specified in **PO/Agreement**, these requirements apply in addition to the above standard:

- ▶ Original schedule must be accepted by **TechnipFMC**, and shall become **Supplier's** baseline for the **Work's** progress and forecast reporting.
- ▶ Reporting shall include a timescale chart displaying original schedule, revised forecasted schedule, and actual progress reflecting the requirements as specified in Section 5.
 - Chart shall identify critical and sub-critical paths. A sub-critical path is a series of activities where completion is within one week of the critical path completion.
 - See examples of timescale charts below.
- ▶ Reporting shall reflect cost progression, including **Variations** and concluded **Variation Orders**.
- ▶ Monthly HSE reporting shall be provided as specified in PRD-0000035684, Administration Requirements: HSE Management.

Example 1 Schedule at PO start date



Example 2 Schedule with progression during execution



Note: The examples above are intended for illustration only, and contains a date format (DD.MM.YY) that is not supported by Section 7.

7 Date Format

For clarity on dates in reporting and communication, **Supplier** shall use a geography neutral format by making the month and year obvious.

Within data files and reports, **TechnipFMC** recommends a format with an abbreviated month (Mmm) and four-digit year (YYYY), DD-Mmm-YYYY (e.g. 23-Nov-2012). Keep in mind that English is the business language, as abbreviations can be slightly confusing in different languages (e.g. Jun and Jul in French are both Jui).

For file names with dates to sort chronologically (version control), **TechnipFMC** recommends the numerical format per ISO 8601, YYYY-MM-DD (e.g. 2012-11-23).

8 Meetings

For ongoing **POs**, both **Parties** may require status meetings. Details, such as frequency, format and content shall be agreed between the **Parties**. When deemed necessary by **TechnipFMC**, **Subcontractor** shall be represented in such meetings.

The **Party** that initiates the meeting shall submit a proposed agenda to the other **Party** at a minimum of three (3) **Business Days** in advance. Changes to the agenda shall be advised at latest one (1) **Business Day** prior to the meeting.

Unless otherwise agreed, the initiating **Party** shall chair the meeting and prepare meeting minutes. The meeting minutes shall be signed by both **Parties**.

When requested, **Supplier** shall provide **TechnipFMC** the option to attend meetings with **Subcontractor** and/or provide copy of meeting minutes.

9 Variation Management

Supplier shall establish and maintain a register of concluded **Variation Orders** and pending **Variation Order Requests**. **Variation Order Requests** shall be submitted electronically, and if relevant, in a format instructed by **TechnipFMC**.

10 Facilities

When required by **TechnipFMC**, **Supplier** shall provide facilities for **TechnipFMC** and/or **Company**. Office facilities shall at a minimum include furniture, internet access, printer, access to restroom, cleaning, and heating/air conditioning. All facilities shall comply with any statutory or mandatory rules and regulations.