



DET NORSKE VERITAS

QUALITY SYSTEM CERTIFICATE

Certificate No. QSC - 5865

*This is to certify that
the Quality System
of*

TIANJIN SIBTEX ELECTRIC SUBMERSIBLE PUMP CO., LTD.

at

21, Taihu Road, Hexi District, Tianjin, P.R. China

has been found to conform to the Quality System Standard:

ISO 9001 : 1994

This Certificate is valid for the following product or service ranges:

DESIGN AND MANUFACTURE OF ELECTRICAL OIL-SUBMERSIBLE, WATER-SUBMERSIBLE, SEWAGE WATER-SUBMERSIBLE PUMPING SYSTEM AND ASYNCHRONOUS MOTORS

Place and date:

Hong Kong, June 16th, 2000

This Certificate is valid until:

March 14th, 2003

for the Accredited Unit:

DNV CERTIFICATION B.V.,
THE NETHERLANDS



Accredited
by the RvA

Original Certification date:

March 14th, 1997

K. S. Cheung

Management Representative

Xu Jie

Lead Auditor

Lack of fulfilment of conditions as set out in the Appendix may render this Certificate invalid.

DOCNO. CERTUS_9716

COSCO PUMP COMPANY LTD.

STANDARD WARRANTY, TERMS AND CONDITIONS

1. LIMITED WARRANTY

Seller warrants that products manufactured by Seller, when properly installed by trained, authorized service representatives, shall be free from defects in material and workmanship. Equipment's supplied but not manufactured by Seller is warranted only to the extent of and by the original manufacturer's warranty. Seller's obligation under this warranty shall be limited to the repair or replacement of the parts or product which prove to be defective at Seller's option within one year from the date of installation or eighteen (18) months from date of shipment. Whichever occurs first, provided that Buyer gives notice and satisfactory proof of any defects as provided herein after ("Warranty Claims"). Warranty claims by the Buyer must be submitted to the Seller or Seller's authorized representative within thirty (30) days following the failure date of the product(s). Any defective part must be returned at Buyer's expense to a location designated by seller. Seller will deliver repaired or replacement parts to Buyer, at Seller's expense, to the original shipment location. The product(s) submitted by Buyer for a warranty claim shall become the property of Seller. This limited warranty does not apply to defects in performance caused by, but not limited to, damage during shipment, operation in hostile environment, corrosive fluids, lightning, improper electrical power supply, improper handling at the well site or misapplication. Seller's obligation under this limited warranty shall not apply to any product which is normally consumed during operations, or which has an expected operating life inherently shorter than the warranty period stated herein. In the event that the products are not installed by trained, authorized representatives, or are altered by the Buyer or any other person without prior written authorization by Seller, all warranties are void.

A new warranty shall not be established for any products repaired or replaced by Seller under the terms of this limited warranty. Any such products shall be warranted only to the extent of the warranty time period on the original products.

The limited warranty described herein is in lieu of all other warranties, whether oral, written, express, implied or statutory, implied warranty of fitness and merchantability shall not apply. Seller's warranty obligations and Buyer's remedies there under are solely and exclusively as stated herein.

2. LIMITATION OF LIABILITY

The total liability of Seller, Seller's authorized representatives and subcontractors on any claim, whether sole or concurrent or otherwise, arising out of, in connection with, or resulting from the manufacture, sale, delivery, repair, replacement or any use of the product(s) or service shall not exceed the price allocable to the products or service which gives rise to the claim.

In no event shall Seller, Seller's authorized representatives or subcontractors be held liable for any special, incidental or consequential damages, including but not limited to, damages for loss of revenue, cost of capital, losses or other expenses arising from installation, use or any other caused, regardless of the advice or recommendation that may have been rendered regarding such installation or use of products and services.

3. PAYMENT

Unless otherwise agreed to in writing, payment to Seller for products and services shall be made by a letter of credit. Buyer shall establish such credit at its sole expense. All such Letters of Credit shall be payable to Seller, shall be acceptable to Seller, shall be maintained in sufficient amount and for a sufficient length of time necessary to meet all payment obligations, shall be irrevocable, shall be payable in Canadian Dollars and confirmed by a Bank satisfactory to Seller. Currencies of other nations and confirming Banks of other Nations must be established prior to order placement. Other terms and conditions of payment shall be stated by Seller on invoices rendered at the time of shipment to Buyer, or as otherwise, may be stated in writing by an Officer of the Seller.

4. DELIVERY AND SHIPMENT

Unless otherwise agreed, Seller shall deliver products and services to Buyer at site designated by Seller. Buyer shall provide Seller with the date and desired method of shipment instructions with reasonable advance notice and must be agreed to by Seller. If any part of the products or services cannot be delivered when ready due to any cause defined in the "Force Majeure" article hereunder, Seller may place such products in storage. In such event, Seller's delivery obligations shall be deemed to be fulfilled and title and all risk of loss or damage shall pass to Buyer.

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As a service to Buyer, Seller shall upon Buyer's written request and Seller's written reply, arrange for shipment and packaging of products on the behalf of Buyer. Buyer shall pay Seller on demand for all fees and expenses, including but not limited to, those covering preparation of Consular Documents, freight and insurance. In providing this service to reasonable instructions of Buyer, or in their absence, shall act according to it's best judgment. Seller shall be without liability on any claim asserted by the Buyer with respect to such shipment service.

5. ORDER CANCELLATION

Buyer may cancel an order at any time prior to the date of shipment by giving written notice to Seller. Buyer shall pay for all materials purchased on its behalf, for all work performed and a cancellation charge. The cancellation charge shall be 10% of the catalog price of the ordered products or services.

6. TITLE AND RISK OF LOSS

Title and risk of loss will pass to buyer at the time of delivery specified in Article 4.

7. TAXES, DUTIES AND FEES

All prices are exclusively of taxes, duties, fees, charges and other assessments levied by any Governmental authority. Any such taxes, duties, fees, charges or similar assessments paid by Seller will be solely for Buyer, and Buyer agrees to reimburse Seller for any such payments upon submission of Seller's invoice.

8. GOVERNING LAW

The Buyer and Seller agree that this agreement shall be construed, interpreted and governed on accordance with the Laws of Canada.

9. FORCE MAJEURE

Shall not be liable for any delay or failure to deliver products or services to Buyer or a failure to perform duties hereunder where such failure is the result of a condition beyond Seller's control including, but not limited to, an Act of God, Government Actions, Trade Sanctions, War, Fire, Flood, Labour strike or other such dispute.

10. CLAIMS

No claims or allowances will be allowed for damaged or missing products after the products have been placed in transit by the Seller.

11. GENERAL

All prices are subject to change without notice. All prices in Seller's quotation(s) expire thirty (30) days from the date of issue and may be withdrawn by Seller at any time prior to acceptance of Buyer's order, unless otherwise stated in writing on the quotation.

INTERNATIONAL FIELD SERVICE

	Onshore-Normal	Offshore-Normal
Standard International Day Rate - \$USD	PRICE ON APPLICATION	
Overtime Hourly Rate - \$USD		
Travel and Break Time Day Rate - \$USD		

CONDITIONS

1. All field service work performed by COSCO personnel is subject to COSCO terms and conditions of sale.
2. The normal COSCO work day is 12 hours per day or 72 hours per week. Overtime rates will be charged on all hours beyond these time boundaries.
3. Day rate charges begin when the COSCO serviceman leaves the COSCO base, and continue until the serviceman returns to a COSCO base. Customer shall pay all costs of transportation and living costs incurred by COSCO serviceman.
4. COSCO serviceman will be allowed a two day break for each 14 days of work at the Customers location. Customer will not be billed for travel and living expenses of COSCO servicemen while on break; a maximum of four (4) break days will be billed to Customer in a given 30 day time period.
5. COSCO will pay serviceman salaries, benefits and required insurance. COSCO will also pay cost of obtaining passports, visas and similar expenses necessary for legal travel to the Customers location.