Statement of Principles
Ethical Conduct in Negotiations

Revision Date: April 2014

This document includes the Statement of Principles and a description of the issues.

Statement of Principles

Although Geophysical Contractors and Clients are necessarily on opposite sides of the table during Contract negotiations, both must be able to trust the other in order for both the contracting process and operating relationship to work smoothly.

1. Both the Contractor and the Client must be committed to honesty and truth in the negotiation process:

   - Clients should disclose all known Material Information about the Survey Area, including, e.g., information about climatic and weather conditions, subsea and industrial hazards, government regulation, community or organizational opposition, and Marine Mammal protection issues.

   - Contractors should be truthful in describing the availability, capabilities, skills, and relevant experience of particular boats, equipment, crews or personnel.

   - Clients and their negotiators should not knowingly make, or cause or allow to be made, false or misleading statements of fact, as negotiating ploys or otherwise.

2. A Contractor's negotiator may attempt to confirm a Client negotiator's statement of facts about a competitor's willingness to accept a particular Contract clause in the following manner:

   - Obtain specific confirmation (orally or in writing) from the Client regarding the representation.
Commercial Context

Failure of either Party to disclose Material Information about the Survey Area, applicable government regulation, likely community or organizational opposition, crew experience and qualifications, or equipment capabilities, undermines the trust required in order to establish and maintain a professional working relationship, and may cause unnecessary delays in completing the Contract and beginning the project.

Ideally, disclosures of Material Information should occur in the request for Tenders or in a separate document issued concurrently, provided to all companies interested in Tendering, and promptly updated when additional Material Information is received by the Client. The obligation of disclosure should be backed by a warranty that such disclosure has been made.