



## 1. DEFINITIONS

- 1.1 "Buyer" means Hafnia Pools Pte Ltd and their respective offices and representatives, or an affiliated company as stated in the Order. An inquiry to a Vendor from any of Buyer's offices or vessels will be considered an inquiry from Buyer.
- 1.2 "Vendor" means the firm/company defined in the Agreement as "Vendor" who has entered into an agreement with Buyer for the supply of the Goods or performance of Services.
- 1.3 "Agreement" means the Purchase and/or Service Order issued by Buyer to Vendor, and shall include these General Terms and Conditions, any attachments, appendices, schedules, correspondence and documents as the parties may have expressly identified and agreed in writing as forming part of the Agreement. In the event of any inconsistency between the documents comprising the Agreement and ii/, the Purchase and/or Service Order or any specific contractual terms, the Purchase and / or Service Order or any specific contractual terms shall prevail over these General Terms and Conditions.
- 1.4 "Goods" means all goods covered by the Purchase Order.
- 1.5 "Service / Services" means the performance that the Vendor renders to the Buyer pursuant to the Order, to the extent this does not consist of supplying Goods.
- 1.6 "Party/Parties" means any party (Vendor and / or Buyer) to the Agreement.
- 1.7 "Price" means the specified and/or confirmed price from Vendor in accordance with the Agreement. Such price is firm and not subject to currency fluctuation or escalation.
- 1.8 "Product" means the result of a fabrication or production process.
- 1.9 "Purchase and/or Service Order" means the Purchase and/or Service Order issued by Buyer to Vendor.
- 1.10 "Sub-Vendor" means any firm or other entity which has entered into an agreement with Vendor for supply part of or all the Goods and/or Services in the Purchase or Service Order.
- 1.11 "Specification" means a detailed description of the design and materials.

## 2. Applicability of these Terms and Conditions

- 2.1 These Terms and Conditions are – to the express exclusion of the Vendor's terms and conditions – applicable to all Orders between the Buyer and the Vendor, as well as to any ensuing or related agreements or further agreements. These Terms and Conditions are also applicable to negotiations regarding such Orders or Agreements, even if said negotiations do not result in the conclusion of an Agreement. The Vendor shall be considered to make / its offer based on these Terms and Conditions.
- 2.2 Regardless of their form, deviations from or supplements to these Terms and Conditions shall only apply if the Buyer has consented to same in writing.

## 3. Order

- 3.1 The Buyer shall only be bound by Orders that are confirmed by the Vendor's returning, within 5 days of receiving the Order, of a signed copy of the Order provided by the Buyer, unless the Order specifies another term. As long as the Vendor has not confirmed the Order as described above, the Buyer shall be entitled to cancel the Order by providing written notice to the Vendor of same, without the Buyer being liable for any payment of damages or other compensation to the Vendor.
- 3.2 Offers, delivery deadlines, warranties, specifications and price lists provided by the Vendor, as well as other provisions agreed in writing, may not be unilaterally changed after their issue.
- 3.3 The Agreement shall be concluded by the timely confirmation of the Order in accordance with Clause 3.1. The content of the Agreement shall be determined exclusively by the Order and these Terms and Conditions.



#### **4. VENDOR PERFORMANCE AND GENERAL INSTRUCTIONS**

- 4.1 The Vendor represents and warrants that it has the necessary expertise, capability, skill, know-how and resources to perform the delivery of Goods and/or Services in accordance with the Agreement.
- 4.2 Vendor shall comply with all applicable laws and regulations in connection with fulfillment of the Agreement. Vendor shall, at its own cost, obtain and maintain any and all registrations, permits, consents, authorizations, approvals and/or licenses necessary to perform delivery of Goods or Services as per the Agreement. Whenever requested by Buyer, Vendor shall produce documentation showing that necessary registrations, permits, consents, authorizations, approvals and/or licenses have been obtained.
- 4.3 Where requested by Buyer, Vendor shall furnish Buyer with a production or implementation plan and/or assist Buyer in the preparation of progress reports.
- 4.4 If Vendor considers discontinuing the Services or related support of any Goods supplied under the Agreement Buyer shall be notified in writing not less than six months prior to such discontinuation.
- 4.5 Vendor to confirm the Purchase and/or Service Order with NET prices and date (s) of delivery.
- 4.6 Partial deliveries are not accepted unless there is a prior written agreement for partial deliveries.
- 4.7 Vendor shall defend and save harmless Buyer from patent liability or claims of patent infringement of any nature or kind, infringement of any nature or kind of patent, trademark or copyright registered in any or all countries in connection with the Goods and / or Services provided by Vendor, including costs and expenses for, or on account of any patented, unpatented and patentable invention made or used in the performance of the Agreement and also including cost and expense of litigation, if any.
- 4.8 The Vendor shall perform the Order itself, unless the Buyer has expressly granted its prior written consent to, permission to, or has issued a written Order allowing, the Vendor to contract out work, use any sub-contractors, or source any Goods or services from third parties. The Vendor shall be fully responsible for the performance of third parties engaged in performing the Order as if it were his/ her/ its own performance

#### **5. HSSE - HEALTH, SAFETY, SECURITY AND ENVIRONMENT**

- 5.1 Vendor shall comply with all applicable local and international laws, regulations, rules and guidelines involving health, safety, security and environment.
- 5.2 Vendor shall confirm its commitment to monitoring, document and whenever possible, improving the environmental impact regarding design, manufacturing, packaging and delivery of the Goods and/or Services. Vendor will work with Buyer and any Sub-Vendor to minimize the environmental impact of the energy and materials used.
- 5.3 Vendor shall make best efforts to establish a formal environmental management system in accordance with the quality assurance system standard ISO 14001, or an equivalent auditable system.
- 5.4 Vendor warrants that the Goods and/or Services are in accordance with the quality assurance system standard ISO 9000, or an equivalent auditable system.
- 5.5 Vendor shall confirm that Goods and/or Services are in strict compliance with Vendor's and/or the original equipment manufacturer's specifications, drawings and quality standards, subject to any express modifications specified in the Agreement.
- 5.6 Vendor shall confirm that the original equipment manufacturer's certificate of conformity, where applicable, will be supplied to Buyer for all Goods.
- 5.7 Vendor warrants that Goods and/or Services are in compliance with all applicable requirements of any Vessel's classification society and all applicable laws and regulations, including but not limited to:
  - a) If applicable, Vendor shall ensure that Goods comply with the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 (MARPOL 73/78) Annex VI: prevention of Air Pollution from Ships.
  - b) If applicable, Vendor shall ensure that the Goods comply with SOLAS Chapter II-1, Regulation 3-5 and MSC.1/Circ. 1374, MSC.1/Circ.1379 relating to the prohibition of supplying Goods containing asbestos and where Goods are required to be certified with an asbestos-free declaration.



The Vendor shall indemnify Buyer and hold Buyer harmless for failure to comply with this sub-clause 5.7 and Vendor shall pay for and settle directly all costs including but not limited to the removal, cleaning, decontamination and re-installation of the Goods including costs for sampling, analysis, validation and re-validation. Furthermore Vendor shall compensate Buyer for any loss and / or damage due to the non-compliance with this clause.

- 5.8 If Vendor is aware of any defect or other quality issue related to Goods and/or Services provided to a third party similar to the Goods and /or Services, Vendor shall immediately notify Buyer in writing.
- 5.9 Vendor undertakes to refrain from using child labor as defined in the International Labor Organization (ILO) Convention No. 138 on minimum age for admission to employment, and from using slave labor in any activity related to performance of this Agreement. Vendor shall comply with all relevant laws and regulations relating to the employment of children and young persons in connection with the Work.

## **6. DELIVERY DATE AND CONSEQUENCES**

- 6.1 The Goods and or Services shall be delivered as per the delivery time and destination specified in the Purchase and/or Service Order, unless otherwise agreed in writing between Buyer and Vendor.
- 6.2 Should the Vendor fail to meet all, or part of the requirements in 6.1, the Vendor will immediately be in default without any notice of default being required. In such case, the Buyer shall be entitled, without judicial intervention and without prejudice to its other rights, to terminate the entire Order or to terminate that part of the Order that has not been performed (and to have a third party perform same at the Vendor's expense) unless the Vendor can prove that the delay is caused by Force Majeure
- 6.3 Buyer shall be promptly notified if Vendor anticipates that it will not be able to deliver the Goods and/or Services at the time stated in the Purchase and / or Service Order stating the reason and the new time when delivery can be expected.
- 6.4 In the event of delay and Buyer does not elect to cancel the Agreement, Buyer shall be entitled to liquidated damages at a rate of zero point three five percent (0.35%) of the Price per each completed day of delay, however the aggregate of the liquidated damages shall not exceed 20 % of the Price.
- 6.5 The Vendor and Buyer hereby agree that the compensation payable pursuant to Clause 6.4 is a reasonable and genuine pre-estimate of the damages that the Buyer would suffer as a result of Vendor's failure to deliver Goods and or Services in accordance with the Agreement and is in proportion to Vendor's legitimate interest in enforcing Vendor's contractual obligations.

## **7. Postponement of delivery**

- 7.1 The Buyer shall be entitled to postpone the delivery of the Goods for a reasonable period of time by providing the Vendor with a written statement to that effect. In the aforementioned statement, the Buyer shall indicate the period of time for which the delivery term will be extended.
- 7.2 If the Buyer avails itself of the right referred to in clause 7.1, the Vendor shall store the Goods in a suitable place in such a manner that they are identifiable as being destined for the Buyer and shall take suitable measures to prevent a loss of quality in the Goods. The Buyer shall pay the Vendor a reasonable amount of direct costs incurred in relation to said storage.



## **8. Performance according to the Specification**

- 8.1 The Vendor shall be obliged to perform the Order in strict accordance with the Specification and with due observance of the usual requirements of proper and good workmanship.
- 8.2 The Buyer shall be entitled to amend the Specification. Should this amendment result in a substantial change in the costs or the time necessary for the performance of the Order, then the price or date of delivery or supply of the Order will be reasonably adjusted accordingly as agreed by the Parties.
- 8.3 The Vendor shall inform the Buyer within 5 working days of receiving written notification of the amendment if the amendment will result in a substantial change in the costs or the time necessary for the performance of the Order, in default of which the Vendor shall forfeit its right to adjust the Order. In anticipation of an Agreement between the Parties concerning the possible amendment of the Order, the Vendor shall perform the Order in accordance with the amendment proposed by the Buyer.

## **9. Goods made available by the Buyer to the Vendor**

- 9.1 The Buyer shall remain the owner of all goods made available to the Vendor in connection with the Order. The Vendor shall at all times refrain from using these goods in such a way that third parties acquire ownership of same through alteration, accession, confusion or any other cause. If the aforementioned goods become part of a Product, the Buyer shall acquire ownership of that Product by operation of law without any further act of delivery being required. This provision shall not prejudice the provisions regarding risk contained in clause 10.10 which shall remain in full force and effect.
- 9.2 The Vendor shall, at its own expense and on behalf of the Buyer, ensure that all of the goods that it receives from the Buyer are insured, under the usual terms and conditions, against all harm or loss that could result from the full or partial loss of, or harm to, those goods, regardless of the cause of same.

Immediately after the Order is performed and unless the Buyer instructs the Vendor otherwise in writing, the Vendor shall return, in good condition, all models, stamps, drawings or other tools that the Buyer has provided to the Vendor. The Vendor shall use these tools entirely at its own risk; the Buyer shall never be liable for any negative consequences, including but not limited to damages, losses etc. ensuing from the use of these tools by the Vendor or any third parties. The Vendor shall not use these tools for any purpose or authorize or allow the tools to be used by a third party for purposes, other than in connection with the proper performance of the Order.

## **10. PACKING, INCOTERMS AND PASSING TITLE AND RISK**

- 10.1 All packaging shall be designated to ensure sufficient protection of the Goods against damage in transit.
- 10.2 Buyer is ISO 14001 certified and actively working on initiatives aimed at reducing waste. Vendor shall also endeavor to reduce global warming by using environmentally friendly packing material where practical.
- 10.3 For delivery of spares and/or equipment in wooden crates, all wooden materials used must comply with ISPM 15 standard. If Goods are incorrectly packed, Vendor shall be responsible for any additional expense incurred in delivering such Goods to their correct/final destination. Any additional expense incurred by Buyer shall be for Vendor's account and to be deducted from the payment due by Buyer with supporting documents and against a proper credit note from Vendor.
- 10.4 All dangerous goods must be delivered separately and packed in accordance with all applicable ADR (formally, the European Agreement concerning the International Carriage of Dangerous Goods by Road), IMO (International Maritime Organization) or IATA (International Air Transport Association) packing instructions.
- 10.5 The use of asbestos in packing or products is strictly prohibited.
- 10.6 The Buyer shall be entitled to reject shipments which do not conform with the provisions of Clause 10.1 to 10.4.
- 10.7 All Goods and Services must be delivered at the delivery point specified in the Purchase and/or Service Order.
- 10.8 If not otherwise agreed in writing between Buyer and the Vendor, terms of delivery shall be interpreted in accordance with the following INCOTERMS valid at the time of signing the Agreement:
- a) When delivering to Buyer named destination in same country Carriage Paid To (CPT) to apply up to the named place of destination.



- b) When delivering cross border to Buyer named destination, Carriage Paid To (CPT) to apply up to the named place of destination.
  - c) When delivering Free On Board (FOB) onto Buyer's Vessel to apply up to the named port (normally via the port agent).
- 10.9 It is Vendor's responsibility to arrange proper shipment declarations for each given delivery to destination specified in the Agreement to avoid any delay in customs clearance based on the local / national customs legislation. If Goods are incorrectly delivered, Vendor shall be responsible for any additional expenses incurred in delivering such Goods to the specified address/destination. Any additional expense incurred by Buyer shall be for Vendor's account and to be deducted from the payment due by Buyer with supporting documents and against a proper credit note from Vendor.
- 10.10 The title in the Goods shall pass to Buyer upon delivery in accordance with above INCOTERMS definitions. The title and risk of the Goods shall remain with Vendor until the Goods is deemed to be delivered in their entirety in accordance with the Agreement.
- 10.11 The Vendor warrants that the Goods to be delivered will be free of attachment, retention of title, third-party rights, etc., and that the Buyer shall have unrestricted access to the Goods and/ or Services. The Vendor shall indemnify the Buyer for all harm or loss ensuing from breaching this Clause.

## **11. Intellectual property**

- 11.1 The Vendor grants the Buyer a non-exclusive, irrevocable license, subject to any intellectual property and other exclusive rights regarding the Goods supplied. Pursuant to this license, the Buyer shall have the right to use and apply, in the course of the Buyer's own business, the inventions and know-how incorporated into the Goods to the extent these are protected by the rights referred to, including to repair the Goods and/ or to cause them to be repaired, and the Buyer shall also be authorized to supply the Goods to third parties, whether or not the Goods are supplied to the third parties as a component of other goods. The fee for this license is included in the price.
- 11.2 The Vendor warrants that the Goods do not infringe the intellectual property rights of any third parties and shall indemnify the Buyer, companies affiliated with the Buyer and the Buyer's clients and customers for all costs, loss or harm that may arise as the result of any infringement or alleged infringement of such rights.

## **12. Inspection after delivery**

- 12.1 Unless agreed otherwise in the Order, the Buyer shall inspect the Goods or assess the Services within a reasonable time of their being delivered or performed, respectively. If that inspection indicates that the Goods or Services are inconsistent with the Order, then the Buyer shall return the Products or reject the Services or shall accept the Goods and/ or Services at a lower price.
- 12.2 The inspection shall not preclude the Buyer from claiming the Vendor's non-performance of its warranty obligations stipulated in Clause 20 or of any other obligations the Vendor may have to the Buyer.



### **13. DELIVERY INSTRUCTION, SHIPMENT DOCUMENTS AND CARGO INSURANCE**

- 13.1 All deliveries must be clearly marked and have following information:
- a) Vendor's name;
  - b) Vessel's name;
  - c) Purchase and/or Service Order number;
  - d) Each package to be marked with Vessel's name and Purchase and/or Service Order number.
  - e) Proforma Invoice / Packing List with all necessary data like contents, number of packages, gross weight etc.
- 13.2 Proforma Invoice / Packing List should have 3 copies to follow the Goods; 1 copy inside and 2 copies outside the package.
- 13.3 Copy of AWB, Proforma Invoice / Packing List to be emailed to the consignee with copy to Buyer prior to flight / shipment arrival.
- 13.4 Vendor must indicate the Harmonized System (HS) code for each line item on the Delivery Note.
- 13.5 In the event Goods are not delivered with the above shipping documents, Vendor shall be responsible for any additional expenses incurred in delivering such Goods to the specified address/destination. Any additional expense incurred by Buyer shall be for Vendor's account and to be deducted from the payment due by Buyer with supporting documents and against a proper credit note from Vendor.
- 13.6 Unless otherwise agreed each Party to be responsible for their own Cargo Insurance before and after the delivery of the Goods respectively.

### **14. INVOICING INSTRUCTIONS AND PAYMENT**

- 14.1 Soft copy (hard copy not required) of the invoice including signed Delivery Note, AWB/BL, Time Sheet and other relevant supporting documents where applicable to be sent via email (in UNPROTECTED PDF format 300dpi) to [AP@hafniabw.com](mailto:AP@hafniabw.com)
- 14.2 There should be only ONE invoice with an unique invoice number per Purchase and/or Service Order
- 14.3 No extra items are to be added to the Purchase and/or Service Order.
- 14.4 The invoice currency must be the same as stated in the offer and/or order confirmation.
- 14.5 Buyer Purchase and/or Service Order and buyer name shall be stated on each invoice and supporting document.
- 14.6 Vendor will submit invoices in a timely manner of Goods and/or Services being rendered. Vendor agrees that a discount of 20% will be applied to any invoice not received in 6 months.
- 14.7 Invoice to be issued not before time of delivery and payment shall be made within 30 calendar days from receipt date of invoice unless otherwise agreed.
- 14.8 In the case of consumable items that are delivered to a Vessel in port, a copy of the 'delivery note' signed by the Vessel's Master should accompany or follow the relevant invoice as a supporting document to enable Buyer to match items and invoice. Similarly, in the case of a Service Order relating to services to be performed onboard a Vessel, a 'service report' signed and stamped by the Vessel's Master or Chief Engineer should accompany or follow the relevant invoice as a supporting document to enable Buyer to match service and invoice. In these cases, payment shall be made within 30 calendar days from the later of the date of receipt date of invoice or delivery note or service report as the case may be.
- 14.9 Without prejudice to its statutory rights to postpone performance, the Buyer shall be entitled to suspend payment to the Vendor as long as the Vendor, or a group company affiliated with the Vendor, continues to default on its obligations pursuant to other agreements between the parties.
- 14.10 If advance payment is made and Vendor fails to deliver the Goods and / or Services as ordered, Buyer reserves the right to request for full refund of the advance payment plus interest charge.



14.11 Buyer may always offset what it owes or will owe to the Vendor with what the Vendor and/ or companies affiliated with the Vendor owes or will owe to Buyer, regardless of whether such amounts are due and payable or subject to a condition or time limit. The Vendor may only offset amounts with the written consent of Buyer.

## **15. VAT, TAX, ETC.**

15.1 Buyer confirms that:

- a) Goods are solely for use onboard an oceangoing vessel and should be zero-rated; or
- b) Goods are for direct export and should be zero-rated; or
- c) Goods being delivered to an export warehouse are for eventual export and should be zero-rated

15.2 Vendor shall make best effort to ensure Goods supplied are invoiced as zero- rated.

## **16. FORCE MAJEURE**

16.1 Neither Party shall be responsible for any loss, damage, delay, standby charge, or failure in performance under the Agreement resulting from conditions beyond a Party's reasonable control including, but not limited to, acts of God, government restrictions (including the denial or cancellation of any export or other necessary license) wars, terrorism, insurrections, general strikes, or any other similar cause (an event of "Force Majeure"). The Party claiming to be affected by a Force Majeure event shall notify the other Party in writing without delay on the intervention and of the cessation of such circumstances.

## **17. SERVICE ORDERS AND CONDUCT OF SERVICE PERSONEL**

17.1 If the Goods and/or Services require Vendor to be onboard a vessel under the management of Buyer, Vendor undertakes to take certain actions onboard including, without limitation, the following:

- a) For any Service person(s) going onboard the Vendor shall at its own cost arrange any and all personnel insurance cover. The Vendor expressly indemnifies Buyer and hold Buyer harmless and confirms that Buyer shall be under no liability whatsoever to the Vendor in respect of loss of life, illness, injury or loss of or damage to personal effects, luggage or other property, by reason of having allowed the Service person onboard..
- b) Sign the Buyer Safety Commitments Card on arrival onboard.
- c) Enter his personal details in the gangway logbook and comply with all Buyer security requirements.
- d) Outside the accommodation area, turn off any battery-operated equipment which is not intrinsically safe, such as cell phones and cameras; familiarize itself with the vessel, including but not limited to the alarm signals and the location of muster stations.
- e) Smoke only in allowed smoking areas.
- f) Wear proper personal protection equipment including safety shoes, safety helmet, eye and ear protection, gloves and boiler suits as applicable.
- g) Ensure that one of the Master, Chief Officer or Chief Engineer is aware of and does not prohibit its actions and obtain from one of them any necessary work permits for work in enclosed spaces, hot work, cold work and work afloat.





## **18. BUSINESS ETHICS, ANTI-BRIBERY AND ANTI-CORRUPTION**

- 18.1 Vendors and Buyer warrant and represent that they respectively operate strict anti-bribery, anti-corruption, sanctions and anti-money laundering policies (“Respective Policies”) across their respective fleets and businesses across the wider group, which apply to all of their employees and to those of the wider group (each respectively known as “Vendor’s Group” and “Buyer’s Group”). Vendor and Buyer agree that in contemplation of, during and towards the performance of the Agreement, both parties and the respective Vendor’s Group and the Buyer’s Group will and continue to comply with all the applicable anti-bribery, anti-corruption, sanctions and anti-money laundering laws and regulations, including but not limited to all the sanctions in force at any time following implementation their by the United Nations, the United States and/or the European Union. Vendor and Buyer warrant, represent and undertake that neither party shall enter into any direct or indirect agreement, understanding, arrangement or conduct which purports to or actually benefits an entity or an individual that is prohibited pursuant to any of the sanction provisions of the United Nations, the United States and/or the European Union, or offer, give or agree to give any person, or solicit, accept or agree to accept from any person, either directly or indirectly, anything of value in order to obtain, influence, induce or reward any improper advantage (together the “Conduct Obligations”).
- 18.2 Vendor and Buyer agree that both parties shall (i) in the event of any breach immediately report in writing to the other party with details of the nature of the breach of the Conduct Obligations; (ii) ensure and monitor compliance with the Conduct Obligations and their Respective Policies; (iii) make clear, in their dealings with third parties connected to the Agreement, that either party and any related third party is required to act, in accordance with the Conduct Obligations, and (iv) permit the other party to inspect, audit and make copies of any books and records relating to the Agreement and compliance with the Conduct Obligations.
- 18.3 Either party shall have the right to terminate the Agreement with immediate effect if they reasonably believe in good faith that the other party have breached in any material respect any of the requirements set out in this Clause.
- 18.4 For the avoidance of doubt, the Conduct Obligations includes the giving or receiving of Facilitation Payments. For the purposes of this clause, a Facilitation Payment means a payment of money, goods or other thing of material value to any public official or other individual in a similar position of authority or influence in any country for the purpose of expediting or securing the performance of a routine service or action which the public official ordinarily performs. This definition applies even where the payment or other benefit is nominal in amount.

## **19. LIABILITES AND INDEMNITIES**

- 19.1 Employees and Sub vendors of Vendor shall work for Vendor’s account and risk at all locations and Vendor shall indemnify and hold harmless Buyer and its affiliates for any claims for loss howsoever resulting from any injury to, or death of Vendor’s employees or employees of its Sub Vendors, except to the extent directly due to gross negligence or willful misconduct by Buyer. Property belonging to Vendor and its Sub Vendors is for Vendor’s account and risk at all locations and Vendor shall indemnify and hold harmless Buyer and its affiliates for any claims for loss howsoever resulting from any property damage or loss of Vendor or its Sub vendors or suppliers, except to the extent directly due to gross negligence or willful misconduct by Buyer.
- 19.2 Employees of Buyer shall work for Buyer’s account and risk at all locations and Buyer shall indemnify and hold harmless Vendor and its affiliates for any claims for loss howsoever resulting from any injury to, or death of Buyer’s employees, except to the extent directly due to gross negligence or willful misconduct by Vendor. Property belonging to Buyer is for Buyer’s account and risk at all locations and Buyer shall indemnify and hold harmless vendor and its affiliates for any claims for loss how so ever resulting from any property damage or loss of Buyer, except to the extent directly due to gross negligence or willful misconduct by Vendor.
- 19.3 Vendor shall defend, indemnify and hold harmless Buyer against all claims related to any injury or death caused or suffered to Third Party and in respect of loss of, damage to or loss of use of any property of any Third Party as a result of the Agreement and to the extent caused by Vendor, and against all costs incurred in connection with such claims.
- 19.4 Service boats may be placed at the service of Buyer and/or Vendor or otherwise used for the supply of material or equipment in connection with the work. In such event Vendor shall waive all rights of recourse and claims against the Buyer or owners or operators of said service boats.
- 19.5 Vendor shall indemnify and hold harmless Buyer and the owners or operators of said vessel regarding any loss or damage to property provided by Vendor to said vessel and regardless of any negligence by said indemnified Parties and against all costs of any kind incurred in connection with such claims.





## **20. WARRANTY**

- 20.1 Vendor warrants that the Goods are free of defects in material and workmanship. For all new Goods Vendor shall provide an enhanced product guarantee for 24 months from initial use or 30 months from delivery, whichever occurs first.
- 20.2 Vendor shall as soon as reasonably practicable re-perform deficient Services, and repair or replace all Goods which are or become defective during the period of twenty four (24) months from putting into service or thirty (30) months from delivery, whichever shall be the shorter, where such defects occur under proper usage are due to faulty design, Vendor's erroneous instructions as to use, erroneous use of data, inadequate or faulty materials or workmanship, or any other breach of Vendor's obligations, express or implied.
- 20.3 Repairs and replacement shall themselves be subject to the foregoing obligations for a further period of twelve (12) months from the date of new delivery, reinstallation or passing of test (if any), whichever is appropriate after repair or replacement.
- 20.4 Transport of Goods and/or part thereof to and from the Vendor in connection with the remedying of defects for which the Vendor is liable shall be at the risk and expense of the Vendor. Buyer shall follow the Vendor's instructions regarding such transport.
- 20.5 Vendor warrants that the Service provided will have a warranty period of 12 months from the completion of the Service.
- 20.6 Vendor warrants that spare parts and services for any machinery and/or equipment supplied will be available for at least ten (10) years after delivery/installation onboard any Buyer vessels. Vendor warrants that spare parts and services for main propulsion will be available for the lifetime of the vessel.

## **21. GENERAL CONDITIONS OF VENDOR**

- 21.1 No conditions submitted or referred to by Vendor when tendering or otherwise referred to by Vendor in quotations or correspondence shall form part of the Agreement unless otherwise agreed to in writing by Buyer.

## **22. CONFIDENTIALITY**

- 22.1 Vendor shall, unless otherwise required by law, keep secret and confidential all information acquired or developed in the course of providing the Goods and/or Services. Vendor shall also ensure that its employees, agents and Sub vendors keep secret and confidential all such information acquired in the course of providing the Goods and/or Services.

## **23. Breach by or insolvency of the Vendor**

- 23.1 If the Vendor fails to perform any its obligations pursuant to the Agreement or other agreements ensuing therefrom, or fails to do same properly or in a timely fashion, and, in any case, if:
- the Vendor is declared bankrupt, put into receivership or placed under administration;
  - the Vendor receives or requests a suspension of payment;
  - the Vendor participates in a debt-restructuring scheme, whether or not voluntarily;
  - the Vendor ceases to operate all or a substantial part of its business, transfers it to a third party or liquidates it in another manner;
  - an attachment is levied in such a manner that there are reasonable grounds for doubting whether the Vendor will be able to continue all or part of its business activities (or those relevant to the Buyer), then the Buyer shall be entitled, without any further notice of default and/ or judicial intervention being required, to dissolve all or part of the Agreement, without prejudice to the Buyer's right to claim compensation for all loss or harm, expenses (including related judicial and extrajudicial expenses) and interest expenses it incurs.
- 23.2 Any claims which the Buyer may have or may acquire against the Vendor in the above cases shall immediately be due and payable in full.
- 23.3 Notwithstanding a dissolution of the Agreement as referred to in Clause 23.1, the Buyer shall retain all of its rights and the Vendor shall retain all of its obligations as stipulated in these Terms and Conditions or pursuant to the applicable law.
- 23.4 The Buyer shall at all times be entitled to terminate all or part of the Agreement by observing a written term of notice. In such case, the Buyer shall reimburse the Vendor the direct expenses incurred prior to the termination, plus the direct costs relating to the termination of the Agreement



## **24. DISPUTE RESOLUTION AND GOVERNING LAW**

- 24.1 This Agreement is governed by English law and all disputes arising under or in connection with it shall be referred exclusively to arbitration in London. Arbitration shall be conducted in accordance with one of the following LMAA procedures applicable at the date of the commencement of the arbitration proceedings:
- 24.2 Where the amount claimed by the claiming Party is less than US\$400,000.00, excluding interest, (or such other sum as the parties may agree and subject to paragraph 16.3 below), the reference shall be to a tribunal of three arbitrators and the arbitration shall be conducted in accordance with the LMAA Intermediate Claims Procedure.
- 24.3 Where the amount claimed by the claiming Party is less than US\$100,000.00, excluding interest (or such other sum as the parties may agree) the reference shall be to a sole arbitrator and the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure.
- 24.4 In any case where the LMAA procedures referred to above do not apply, the reference shall be to three arbitrators in accordance with the LMAA Terms current at the date of commencement of the arbitration proceedings.

## **25. ENTIRE AGREEMENT**

- 25.1 The Agreement shall not be modified except by written consent of both Parties. Failure of either Party to insist upon strict performance by the other Party of any term or condition or right of the Agreement shall not be deemed or be construed as a waiver. Reference herein to time shall be in local time. Reference to "days" shall unless specified otherwise be reference to "calendar days". Reference to any particular statute or act of government shall mean and include any regulation issued pursuant thereto and any statutory replacement, modification and re-enactment thereof.
- 25.2 These General Terms and Conditions shall supersede any other terms and conditions referred to, offered or relied on by Vendor whether in negotiations or at any stage in the dealings between the Parties with reference to the Goods and/or Services to which the Agreement relates.
- 25.3 Without prejudice to the generality of Clause 25.2, Buyer will not be bound by other terms furnished by Vendor in any of its documents unless Vendor specifically propose in writing separately from such terms that such terms shall apply, and Buyer thereafter accepts such proposal in writing.