

GENERAL TERMS OF DELIVERY OF DAMEN MARINE COMPONENTS NETHERLANDS B.V.

Version dated 1 April 2018

Article 1: General

- In these terms and conditions the following definitions apply:
DMC: Damen Marine Components Netherlands B.V. and/or one of its group companies.
Services: any activities to be provided by DMC to the Customer under the Agreement, relating to the delivery of Goods or otherwise.
Goods: any works, physical assets, materials and other goods to be delivered to the Customer by DMC under the Agreement, as well as any activities and services relating to such delivery. Where reference is made in these General Terms of Delivery to Goods this should at all times expressly be taken to include Services as well. Goods are also taken as meaning third-party products made available by DMC.
Customer: the party with which the Agreement is concluded.
Agreement: any enquiries, offers, agreements, order confirmations and ensuing commitments whereby the Customer obtains Goods and/or services from DMC or places an order with DMC.
Object: the vessel or other physical asset to which the Goods and/or Services relate.
Where reference is made in these General Terms of Delivery to "written" this should be understood as meaning by letter, by e-mail, by online confirmation and/or by fax.
These General Terms of Delivery apply to all Agreements with the Customer.
Departures from and supplements to these General Terms of Delivery are valid only if agreed expressly and in writing.
Application of any purchasing or other conditions of the Customer is expressly rejected.
These General Terms of Delivery are available in both Dutch and English. In the event of an inconsistency between the Dutch and English versions, the Dutch version shall be binding.

Article 2: Offers, orders and agreements

- Any offers made by DMC shall be without engagement. The Customer vouchers for the accuracy and completeness of the designs and specifications submitted by it or on its behalf to DMC in relation to the performance or other details on which DMC bases its offer.
- The Agreement shall come into effect as soon as DMC has confirmed the order in writing or has made a start on its implementation.

Article 3: Prices

- All prices are exclusive of value added tax (VAT/BTW) and any other officially imposed levies.
- Unless determined otherwise in the Agreement, DMC shall be authorised unilaterally to adjust its prices and tariffs each quarter.
- Activities not forming part of the Services shall be charged separately to the Customer at DMC's standard rates at the time of performance.
- The costs associated with the handling and/or collection and/or sampling and/or removal, storage, transportation and destruction of materials, waste residues and so on may be charged by DMC in addition to the price.
- If as a result of an exceptional shortage of materials or suppliers, or due to other circumstances of an exceptional nature, such as war or serious complications, the level of wages and price of materials should rise to such an extent above the level applying on the offer date that DMC cannot reasonably be asked to bear the resultant increase in costs, DMC shall have the right to a reasonable and fair additional reimbursement, to be determined by the parties in mutual consultation or, in the absence of agreement, by the disputes procedure provided for in Article 18.

Article 4: Payment

- Payment shall be made in accordance with the agreed instalment schedule, with the first instalment falling due upon placement of the order. In the absence of agreed instalment payments, the Customer shall pay invoices within fourteen days of invoice date. Payments shall be made to a bank or giro account specified by DMC. The Customer shall not be authorised to set off or suspend a payment.
- If the Customer fails to pay the amounts due on time, it shall, without the need for any demand for payment or notice of default, be liable to pay the statutory rate of commercial interest on those amounts as from the due date, in which regard DMC shall moreover be authorised to suspend compliance with its own obligations for a period equal to that for which the payment has been delayed.
- DMC shall be authorised to charge the Customer for any legal or extralegal collection costs incurred in relation to the amounts due.
- Before delivering further Goods and/or services, DMC shall at all times be authorised – even if an order has been completed or partly implemented – to demand that the Customer provide sufficient security to enable its payment and other obligations to be discharged. In the event of any delay, the delivery period shall be extended correspondingly.

Article 5: Risk, transfer of ownership and security

- If not delivered EXWORKS (INCOTERMS 2010), the risk relating to Goods for delivery by DMC shall be borne by the Customer as soon as the Goods have been built into or otherwise incorporated in the Customer's physical assets or otherwise at the point at which they come under the effective power of disposal of the Customer or agent of the Customer.
- Any deliveries shall be subject to retention of title. Any Goods delivered to the Customer shall remain the property of DMC and the rights of ownership will be transferred to the Customer only when the latter has discharged all its obligations to DMC under the Agreement.
- DMC shall be authorised to retain the Customer's physical assets and documents until such time as the latter has discharged all its debts to DMC under the Agreement.
- DMC shall be authorised to suspend its obligation of delivery with regard to any physical assets of the Customer being held by DMC or being held by a third party and on or in connection with which DMC is working, until such time as the Customer has fully discharged its obligations under the Agreement and/or other agreements with DMC, including loss, costs and interest.
- If so requested by DMC, the Customer shall cooperate in taking measures to protect DMC's title to the Goods in the country in question.

Article 6: Implementation and deviations

- DMC shall have the right to engage third parties in order to implement a part of the Agreement.
- Apart from the customary and agreed tolerances with regard to dimensions, performance or other aspects, deviations required in order to achieve the desired results or that are due to a change in the working procedure shall also be permitted.
- The Customer shall be obliged to enable DMC to carry out the work without hindrance. It must make the Object available to DMC in good time and in a fully prepared state for the work in question to be carried out.
- DMC shall have the right to relocate the Customer's Object and other properties (including reberthing/removing, launching and dry-docking).

Article 7: Delivery and delays caused by DMC or the customer

- Unless agreed otherwise, delivery shall be ex-works (EXWORKS INCOTERMS 2010).
- The delivery of the Goods and the performance of the Services shall commence at the agreed time as specified by DMC in the written order confirmation. DMC shall suspend this time until such point as DMC has received all the documents, information and details to be provided by the Customer and until such time as a prepayment agreed upon placement of the order has been received or DMC has been provided with security.
- DMC shall seek to observe the delivery date as strictly as possible. Agreed delivery dates may not be regarded as fatal deadlines. Failure to meet the delivery date for whatever reason does not provide the Customer with any right to compensation or any right to demand the rescission of the Agreement on these grounds. DMC shall not be in breach of contract until the Customer has served DMC with written notice of default, in which regard DMC will be granted a reasonable period to discharge its obligations.
- Only in the event that DMC is in breach with regard to the delivery shall the Customer be authorised to invoke the financial penalty, under which DMC shall be liable to pay the Customer an amount in respect of the delay as set out in this clause 7.4. The financial penalty shall be calculated from the 14th (fourteenth) day after the date on which delivery should have taken place and shall be the sum of zero point twenty-five percent (0.25%) of the price of the Goods the delivery of which has been delayed, per each full week of delay thereof. The total amount of financial penalties under this clause 7.4 to be paid by DMC, shall in no case exceed five percent (5%) of the part of the price of the Goods or Services the delivery of which has been delayed. The penalty shall take the place of the Customer's right to demand compensation or rescission of the Agreement. If the performance by DMC of any obligation under the Agreement is delayed at the request of the Customer or for any reasons attributable to the Customer, DMC shall automatically be entitled to a compensation in respect of all costs, losses and expenses and to one day postponement of the time of the performance for any such day of delay.
- DMC shall in no circumstances be liable for failure to discharge its obligations or to do so on time as a result of force majeure. Force majeure shall include fire, flood, exceptional weather conditions, war, danger of war, riots, disorder, strike, failure of castings and forgings and any hindering circumstance that is not dependent exclusively on the will of DMC, such as the failure of third parties engaged by DMC to deliver Goods and Services or to do so on time. DMC shall also be excluded from liability in the event of force majeure beyond the agreed delivery date.
- Interpretation of the commercial terms shall be subject to the latest version of the Incoterms issued by the International Chamber of Commerce in Paris. Notwithstanding the provisions in the most recent version of the Incoterms, wilful damage shall be for the account and risk of the Customer from the date of order confirmation.
- DMC shall be entitled to suspend delivery if the parties disagree upon the level of the shipping costs or if any prepayment of the shipping costs agreed upon placement of the order has not taken place.

Article 8: Delivery and inspection

- The Goods and Services shall be deemed to have been delivered once they have been accepted or approved by the Customer.
- The Goods shall also be deemed to have been delivered:
 - if the Customer fails to cooperate with handover or inspection on the delivery date notified by DMC or withholds approval unjustifiably or without proper grounds;
 - if the Object has left DMC's premises or third-party premises or if the Customer provides evidence of having taken over the practical management of the Goods
 - if the Customer fails to notify any deficiencies immediately upon handover and fails to confirm these in writing within 48 hours.
- Minor and/or customary deficiencies will not stand in the way of delivery. These deficiencies will be established in writing by the Customer and DMC, in which regard DMC will indicate the period within which those deficiencies will be made good.
- DMC may deliver the Goods in part and/or perform the Services in part if the delivery of the remaining element is temporarily or permanently prevented or made more difficult by force majeure.

Article 9: Guarantee

- DMC guarantees that the Goods and Services it has delivered are sound and have been manufactured or performed in accordance with a professional standard. Should the Goods and Services delivered by DMC nevertheless exhibit defects, DMC will rectify the defects on the terms and conditions set out in this article.
- For a period of twelve (12) months after the date of the handover of the Goods to the end user of such Goods, or eighteen (18) months after notification of readiness and/or delivery of the Goods, whichever occurs earlier, DMC will make good any defects or if necessary effect replacements, provided that DMC has been notified in writing by the Customer of the defects within 15 calendar days of detection. In the event of unusually lengthy delivery dates on the part of suppliers or other long lead items, DMC shall be authorised to take longer to effect repairs. If DMC redelivers and/or repairs Goods and/or parts thereof in order to meet its warranty obligations, another warranty period of 12 months from the repair or delivery date shall

apply for these Goods and/or parts. For Goods delivered which are used on a vessel which is already in operation, a warranty period of three (3) months applies. Under no circumstances shall the warranty period in respect of any part of the Goods or Spare Parts, whether original or replaced, exceed thirty (30) months calculated from the date of delivery of the respective Goods.

- If the Customer, after consultation with DMC, has the repairs or replacement carried out elsewhere by third parties, DMC shall reimburse a sum equal to no more than what the repairs and replacement would have cost had they been carried out in the workshops of DMC or its supplier(s) during normal working hours within the guarantee period.
- The duty to effect repairs is confined to the repair of the deficient part and does not extend to the repair or reimbursement of consequential loss. Deficient parts shall be made available to DMC upon replacement and will become the property of DMC.
- Images, drawings, capacity specifications, details stated in catalogues and similar information provided by the Customer or third parties shall not be binding on DMC, unless expressly agreed otherwise in writing.
- The costs incurred by the Customer in order to transfer the Object to the agreed location and hold it there shall be for the Customer's account.
The Customer is required to take into account DMC's instructions in relation to such transportation. Any additional costs of repair, dismantling, assembly and transportation incurred by DMC because the Goods are located in a place other than that referred to in the Agreement or – where no location has been specified – the place of delivery shall be for the Customer's account.
- The guarantee obligations in Article 9.2 lapse:
 - if modifications are made by other than DMC personnel;
 - if the defects that come to light are due to inexpert use, substandard maintenance, incorrect assembly or faulty repairs effected by the Customer or third parties and not to causes attributable to DMC;
 - if the defects are due to normal wear and tear and loss of quality;
 - if the defects that come to light could reasonably have been detected in the course of acceptance;
 - if the Customer has any defects to the Goods made good by a third party;
 - if the Customer otherwise fails to comply properly with any obligation under the Agreement.In these cases DMC will make a retrospective charge for the time spent.
- Any materials that have been delivered or prescribed by the Customer shall be excluded from the guarantee.
- Unless otherwise agreed under the Agreement all Services are specifically excluded from the guarantee.
- With regard to materials delivered by and services performed by third parties, DMC's guarantee obligations shall be confined in scale and duration to the guarantee actually provided by that third-party supplier. DMC shall be relieved of its guarantee obligations by the transfer to the Customer of any claim it may have against the supplier(s).
- Activities, including research work, carried out after the Customer has wrongfully invoked the guarantee, shall be charged for in accordance with Article 3(3) and shall be carried out in accordance with these conditions.

Article 10: Liability and indemnity

- Any liability on the part of DMC shall cease upon delivery with the exception of the latter's liability under this article.
- DMC's liability in relation to any deficiencies in the Goods delivered and Services performed by it shall be limited to compliance with the guarantee obligations defined in the previous article, unless the loss incurred is due to wilful intent and/or gross negligence on the part of DMC.
- In all cases in which DMC is, despite the provisions in paragraph 2, obliged to pay compensation, the compensation shall with regard to the delivery of the Goods in no circumstances exceed 15% of the purchase price of the defective Goods delivered. The compensation with regard to the performance of the Services shall not exceed the lower of:
 - the sum of the amounts invoiced specifically for the Services during a period of three calendar months immediately preceding the loss-causing occurrence; or
 - 10% of the reimbursement of the Services under the Agreement.
- Any claim against DMC, except those specifically acknowledged in writing by DMC, shall automatically lapse 12 months after the claim arose.
- Any conditions serving to limit, exclude or determine liability that can be held against DMC by suppliers or agents in connection with the delivered materials or services can also be held against the Customer by DMC.
- Under this Agreement liability for DMC for consequential damages, such as – but not limited to – commercial or economic losses, loss of production, loss of use, loss of revenue, loss of profit, delay and business interruption or whatever the cause is and whether direct or indirect, is specifically excluded, with the exception of individual cases for which such exclusion would be contrary to the law. Further, DMC is not liable for loss of time, loss of employment or opportunity to utilize the Goods or Services supplied, loss or damage caused by incompatibility between the Goods and other equipment, costs of substituted equipment, towage charges, pollution clean-up costs, docking or diving costs, damage to the Vessel or other assets, demounting or mounting costs and/or costs of sea trials or other tests and inspections.

Article 11: Third-party goods

- If and in so far as DMC provides the Customer with third-party Goods or delivers such Goods, the terms and conditions of those third parties shall apply to those Goods, replacing the provisions in the Agreement and these General Terms of Delivery. The Customer accepts the aforementioned terms and conditions of third parties, of which DMC will provide the Customer with a copy on request.
- If an in so far as the terms and conditions of third parties as referred to in Article 11.1 are regarded as not being applicable to the relationship between the Customer and DMC or are declared not to apply, the provisions in the Agreement and these General Terms of Delivery shall apply.
- DMC's liability for third-party goods shall in no circumstances exceed what is recoverable from the third party or parties in question.

Article 12: Confidential information

- Any information provided by either of the parties to the other shall be regarded as confidential information, including at all events any information concerning the Goods provided by DMC to the Customer as well as third-party goods and services and intellectual property of DMC and third parties. The party receiving confidential information shall make use of such information solely for the purposes of implementing the Agreement.
- The Parties shall not make copies of the confidential information and/or disclose it to third parties without the prior consent of the other party.
- Any confidential information provided by the parties to each other shall remain the property of the party that has provided that information to the other party.
- The Parties shall not disclose the existence of the Agreement in publications or any advertising matter without the written consent of the other party.

Article 13: Intellectual property rights

- All rights of intellectual and industrial property on all Goods developed or provided pursuant to an Agreement shall be vested exclusively in DMC or third-party claimants and shall in no circumstances be transferred to the Customer. Such property shall include the drawings, calculations, diagrams, systems, methods, designs, documentation, reports and websites, together with any related preparatory material.
- DMC shall hold the Customer harmless against any legal claim by a third party based on the allegation that the Goods developed by DMC infringe an applicable right of intellectual or industrial property under Dutch law, on condition that the Customer advises DMC without delay in writing of the existence and content of the legal claim and leaves the handling of the case, including any settlements, entirely to DMC. The Customer shall provide DMC with the necessary authorizations, information and cooperation to enable DMC to defend itself against these legal claims, if necessary in the name of the Customer. This obligation of indemnification lapses if the alleged infringement is related to (i) materials provided to DMC by the Customer for use, treatment, processing or incorporation, or (ii) modifications made to the Goods by the Customer or third parties on behalf of the Customer. The obligation to indemnify shall not apply if the infringements are due to the use of the delivered Goods (i) in a form not modified by DMC, (ii) in conjunction with materials or goods not delivered or provided by DMC, or (iii) in some other manner than that for which the Goods were developed or intended.

Article 14: Product liability

- DMC shall not be liable for any damage to property of the Customer and/or third parties after delivery of the Goods that arises while the Goods are in the possession of the Customer. DMC shall also not be liable for any damage to products manufactured by the Customer or to products of which DMC's Goods form part. The Customer will indemnify DMC for the claims for damages of third parties mentioned in this clause.

Article 15: Environment, safety and shipyard rules

- The Customer is obliged to provide safe working conditions and to observe the applicable environmental and safety regulations, as well as the shipyard rules. The Customer is obliged to advise DMC before commencement of the work of the presence of any hazardous materials, such as but not confined to asbestos and chemical or radioactive substances and of measures taken in that connection in the previous 90 days. The Customer is required to co-operate in research by DMC into the safety of the working conditions. In the event of doubt in this regard DMC is authorised to suspend or terminate the activities or to take or commission measures to effect improvements. Any ensuing costs and loss shall be borne by the Customer. The Customer recognises that the removal of asbestos and other hazardous substances is subject to strict statutory regulation.

Article 16: Rescission

- If the Customer fails to discharge one or more of its obligations or to do so on time or properly, is declared bankrupt, applies for a provisional or definite moratorium of payment or proceeds to the liquidation of its firm, or if some or all of its assets are seized, DMC shall have the right to suspend the implementation of the Agreement or to rescind the Agreement in full or in part without prior notice of default by means of a written statement, at its discretion, and subject always to the retention of any right it may have to reimbursement of expenses, loss and interest.
- The Customer shall only be entitled to proceed to rescission in the cases referred to in Articles 7.3 and 16.4 of these terms and conditions and then only after payment to DMC of any amounts that may be owing to DMC at that time, whether or not these are due and payable.
- If the Agreement ends on the basis of Article 16.1 before the agreed Services have been completed or if the period in which they should have been performed has expired, DMC shall have the right to the full agreed price for those Services, less the savings arising directly from such termination. If the Agreement is terminated in this way through rescission by the Customer, DMC shall have a right in respect of work already performed to a proportionate element of the agreed price.
- In the event of force majeure on the part of DMC the latter's obligations will be suspended. If DMC invokes force majeure for a period in excess of one month both DMC and the Customer shall be authorised to rescind the Agreement in respect of the unperformed element by means of written notification to the other party without obligation to reimburse any loss and without prejudice to the provisions in Article 16.2.

Article 17: Transfer

- The Customer is not authorised to transfer the rights and obligations arising under this Agreement either in full or in part to third parties without the prior written consent of DMC. Conditions may be attached to such consent. DMC is authorised to transfer the rights and obligations under the Agreement to third parties.

Article 18: Disputes and applicable law

- Any disputes arising between the parties shall be exclusively resolved by the competent court in Rotterdam.
- The Agreement is subject to Dutch law.
- The parties may decide in mutual consultation on arbitration. In that case the parties agree that any disputes arising from or related to the Agreement shall be exclusively resolved in accordance with the Arbitration Regulations of the Netherlands Arbitration Institute (NAI) by one or more arbitrators appointed in accordance with the aforementioned regulations. The place of arbitration will be The Hague and the arbitration will be conducted in Dutch.