

Glomar General Terms and Conditions for the purchase of Goods and Services (hereinafter “General Conditions)”

1. Definitions

The definitions stated below in capital letters have the following meaning in the context of these general terms and conditions:

1.1. “Affiliate” means any entity controlled, directly or indirectly, by a company, any entity that controls, directly or indirectly, such company, or any entity directly or indirectly under common control with such company. For this purpose, “control” of any entity or person means ownership of a majority of the voting power of the entity or person;

1.2. “Applicable Law” means any treaty, law, decree, order, regulation, decision, statute, ordinance, rule, directive, code or other document that has legal force according to the terms of any system of law, including, without limitation, local law, the laws of any other state or part thereof or international law, and which creates or purports to create any requirement or rule that may affect, restrict, prohibit or expressly allow the terms of this Agreement or any activity contemplated or carried out under this Agreement

1.3. “Agreement” means these General Conditions and the Purchase Order and any other documents referred to in the Agreement;

1.4. “Clause” means a clause or sub-clause of these General Conditions;

1.5. “Client” means Glomar Holding B.V. and its subsidiaries Glomar Offshore BV, Glomar Offshore Windsupport BV, Glomar Shipmanagement BV, Glomar Offshore II BV, Glomar Subsea BV, Northsea Offshore Services BV, Mairan Shipping BV, Seaspan BV, Seaspan Support B.V.;

1.6. “Client Group” means the Supplier, its Principal, its and their respective Affiliates and its and their respective directors, officers and employees (including agency personnel), but shall not include any member of the Supplier Group.

1.7. “Defects Correction Period” has the meaning given in Clauses 10.2 and 10.3.;

1.8. “Delivery Date” means the date stated in the Purchase Order on which the Goods have to be delivered and / or the Services completed;

1.9. “Goods” means the goods specified in the Purchase Order.

1.10. “Parties” means Client and Supplier;

1.11. “Party” means Client or Supplier;

1.12. “Payment Period” has the meaning given in Clause 9.2.

1.13. “Price” means the price for the Goods and / or the Services as agreed in the Purchase Order;

1.14. “Principal” means the registered owner of the vessel mentioned in the Purchase Order;

1.15. “Purchase Order” means the Client’s order form that is used to confirm the order for the purchase of Goods or Services from the Supplier;

1.16. “Services” means the services and / or work to be performed by the Supplier, as further specified in the Purchase Order;

1.17. “Specification” means the technical specifications of the Goods and / or the Services, which specifications are included directly or indirectly in the Purchase order

1.18. “Supplier” means the supplier stated in the Purchase Order that enters into an agreement with the Client for the supply of Goods;

1.19. "Supplier Group" means the Supplier, its sub-suppliers of any tier, its and their Affiliates, its and their respective directors, officers and employees (including agency personnel), but shall not include any member of the Client group.

2. Placing and accepting Purchase Orders

2.1. The Client does not act for itself but as an agent for and on behalf of the Principal. When the Client enters into an agreement with a Supplier it does so for and on behalf of its Principal and not for itself.

2.2. An agreement for the sale and purchase of Goods or the supply of Services shall only be deemed to have come into existence after the Client has sent the Supplier a signed Purchase Order which signed Purchase Order is not rejected or contested by the Supplier within 2 (two) working days.

2.3 Supplier shall not revoke offers after the Client has sent it a signed Purchase Order, not even if Seller made such offers without obligation.

3. Application of these General Conditions

3.1. These General Conditions apply to all offers, tenders, assignments, Agreements, legal relationships and agreements, by whatever name, relating to the supply of Goods or the provision of Services by the Supplier to the Client or the Principal.

3.2. Client expressly rejects the applicability of any general conditions of Supplier.

3.3. In the event of any contradiction or ambiguity between the terms of these General Conditions and the terms of the Purchase Order, the terms of the Purchase Order shall prevail;

3.4. Changes to, or addenda to, these General Conditions, shall only be valid if they are expressly agreed to in a written document signed by both Parties.

3.5. These General Conditions shall also apply to any additional or subsequent agreements between the Parties.

4. Quality of the Goods

The Goods supplied under an Agreement shall:

- a) comply with the description in the Order as to quantity, description and quality; and
- b) be made of sound materials and be of sound construction; and
- c) comply with the Specification and in all respects be equal to samples or models which Client has supplied to Supplier or Supplier has supplied to Client as examples; and
- d) comply with the performance requirements specified in the Purchase Order, and
- e) be fully fit for the intended use; and
- f) shall apply with Applicable Law;

5. Verification and inspection of Goods

5.1. Prior to shipment of the Goods Supplier shall verify whether the said Goods are in compliance with what Client may expect on the basis of the Agreement.

5.2. If Client so wishes, Supplier shall notify Client on time of such verification so that Client may be present during this verification.

5.3. At Client's request, Supplier shall submit a certified copy of Supplier's reports relating to the verification.

5.4. Client shall be authorized to inspect the Goods or have the Goods inspected during their production, processing and storage.

6. Time of delivery and delivery

6.1. The agreed time or period of delivery of Goods and / or Services is of the essence. In the event of late delivery Supplier shall be in default without further notice of default being required.

6.2. Supplier shall forthwith notify Client of a (threatening) delay in the Delivery Date in writing, without prejudice to any consequences of this delay pursuant to the Agreement or the law.

6.3. Delivery of the Goods or Services at a date earlier than agreed shall only be effected if the Client agrees in writing to such earlier delivery.

6.4. Delivery of the Goods or Services at an earlier date shall not give rise to alterations of the agreed time of payment.

6.5. Unless stated otherwise in the Purchase Order the Goods shall be delivered duty paid at the agreed location. The latest edition of the Incoterms shall apply to this provision.

6.6. If delivery of the Goods or Services is delayed beyond the Delivery Date, Client shall be entitled to cancel the Agreement forthwith by sending the Supplier a written notice. In the event of such cancellation, Client or its Principal will not be liable to pay any costs, losses or damages whatsoever. Cancellation of the Agreement for delay in delivery of the Goods or Services shall be without prejudice to the Client's and the Principal's rights to claim costs, losses and damages caused by such delay in delivery.

7. Packaging of Goods

7.1. The Goods shall be packaged in such a manner that they arrive at their destination in good order by normal transport and in such a manner that they can be unloaded and stored by means of the usual facilities.

7.2. Furthermore the packaging shall at all times comply with the applicable (IMO) regulations, the European Agreement concerning the international transport of dangerous goods by road (ADR) and similar regulations concerning transport of goods by sea, inland waterways, road and air without repacking being required.

7.3. Without prejudice to the provisions of Clause 7.1 the packing shall comply with the legal requirements in the country where the Goods are delivered and Applicable Law.

8. Storage of Goods

8.1. If, for whatever reason, Client is unable to take delivery of the Goods at the agreed delivery date, Supplier shall store the Goods and take all measures which should reasonably be taken to preserve the quality and protect the Goods until delivery.

8.2. If Supplier postpones delivery as referred to in Clause 8.1 the risk of loss or damage to the Goods shall not pass to the Client until the moment that the Client or the Principal accept delivery of the Goods at the agreed place of delivery.

9. Price and payment

9.1. The Price for Goods and / or Services shall be as agreed in the Purchase Order and Supplier shall not be entitled to increase the price without Client's prior written permission

9.2. Without prejudice to the following provisions relating to deferment of payments, payment shall be made within 60 days from the date of receipt by Client of the correct and approved invoice relating to the Goods ("Payment Period")

9.3. Client shall be entitled to suspend payment of the Price in the event that:

- (i) Client and/or the Principal have/has declared the Goods and / or Services unfit or defective;
- (ii) the Goods or Services are not delivered within the period stated in the Purchase Order;
- (iii) the Supplier is in default of any other obligations arising from the Agreement.

9.4. Without prejudice to the provisions of Clause 9.3. Client shall pay the Price within the Payment Period if delivery is postponed at Client's request as provided for in Clause 9.1.

9.5. Client shall be entitled to set off any payments, costs, damages, and/or interest which is or will be payable to Client and / or Principal by Supplier, with any amounts payable to Supplier.

9.6. Any bank charges from a foreign bank shall be for Supplier's account and Supplier shall not charge Client for these costs.

10. Guarantee

10.1. The Supplier warrants and guarantees that it has performed and shall perform the Services in accordance with the provisions of the Agreement, and that the Goods will be free from defects.

10.2. In the event that the Client notifies the Supplier of any defects in the Services or the Goods prior to or within 12 (twelve) months thereafter ("Defects Correction Period"), the Supplier shall, subject to the operational requirements of the Client, carry out all works necessary to correct any defects in the Goods or the Services arising from any default of the Supplier.

10.3. In the event that any of the Services are reformed or rectified or any of the Goods are repaired or replaced by the Supplier under the provisions of this Clause 10, this Clause 10 shall apply to the portion so reformed, rectified, repaired or replaced. The Defects Correction Period or periods in respect of such work, shall commence on the date upon which such reformation, rectification, repair or replacement was completed in accordance with the Agreement provided that the cumulative Defects Correction Period shall not exceed a period of 18 (eighteen) months from the Delivery Date;

10.4. The Client may decide that the carrying out by the Supplier of work necessary to correct defects will be prejudicial to its interests. In such cases the Client may undertake the Supplier's responsibilities described in Clause 10.2. The Client shall notify the Supplier in such cases and shall be entitled to recover from the Supplier all additional costs reasonably incurred by the Client as a direct result of carrying out such responsibilities.

11. Intellectual property rights

Supplier shall protect, indemnify and hold harmless Client, Principal and their Affiliates against claims from third parties in connection with any infringement or alleged infringement of industrial or intellectual property rights, including knowledge relating to Goods and / or Services which have been delivered or which are yet to be delivered.

12. Classification

12.1. If classification of any Goods or Services by a classification society is required, Client shall be entitled to await the positive and unconditional approval of a definitive inspection conducted by a classification society before accepting the Goods and / or Services.

12.2. In addition, Client shall be entitled to cancel the Agreement and return the Goods within a reasonable period without further notice of default or judicial intervention being required, if such Goods are not unconditional approved by the classification society or if such Goods contain hidden defects, without prejudice to the Client's and the Principal's other rights, including the right to demand replacement of the Goods.

12.2. Client shall be entitled to defer payment as long as Supplier has not submitted proof of unconditional approval by the classification society to Client.

13. Delivery of Services

13.1. If Client instructs Supplier to repair or process items owned, or used by Client, Supplier shall transfer the ownership of drawings, tools and other materials specially manufactured or purchased by Supplier in connection with the execution of the Purchase Order to Client by means of physical delivery and a written statement.

13.2. The Supplier undertakes to provide sufficient qualified and competent personnel at all times to ensure performance and completion of the Services in accordance with the provisions of the Agreement and good industry standards.

13.3. All personnel employed on the Services shall, for the Services which they are required to perform, be competent, properly qualified, skilled and experienced in accordance with good industry practice.

13.4. The Supplier shall verify all relevant qualifications of personnel that it uses to provide the Services.

13.5. The Supplier shall ensure that the key personnel and supervisory personnel of the Supplier shall read, write and speak fluent English.

13.6. The Client may instruct the Supplier to remove from the work site any person engaged in any part of the Services who in the reasonable opinion of the Client is incompetent or negligent in the performance of his duties. Any such person shall be removed forthwith from the work site. Any person removed for any of the above reasons shall not be engaged again in the Services or on any other work of the Client without the prior approval of the Client. The Supplier shall provide a suitable replacement for any such person within twenty four hours or such longer time as may be agreed by the Client in writing.

13.7. Supplier waives any legal or contractual right of retention relating to items, which Supplier retains in connection with an Order.

14. Assignment and subcontracting

Supplier shall not assign, subcontract or otherwise transfer the Agreement in full or in part without Client's prior written approval.

15. Liabilities and indemnities

15.1. The Supplier shall be responsible for and shall save, indemnify, defend and hold harmless the Client Group from and against all claims, losses, damages, costs (including legal costs) expenses and liabilities in respect of:

- (a) loss of or damage to property of the Supplier Group whether owned, hired, leased or otherwise provided by the Supplier Group arising from, relating to or in connection with the performance or non-performance of the Agreement; and
- (b) personal injury including death or disease to any person employed by the Supplier Group arising from, relating to or in connection with the performance or non-performance of the Agreement; and
- (c) subject to any other express provisions of the Agreement, personal injury including death or disease or loss of or damage to the property of any third party to the extent that any such injury, loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of the Supplier Group. For the purposes of this Clause 15.1 (c) "third party" shall mean any party which is not a member of the Client Group or Supplier Group.

15.2. The Client shall be responsible for and shall save, indemnify, defend and hold harmless the Supplier Group from and against all claims, losses, damages, costs (including legal costs) expenses and liabilities in respect of:

- (a) loss of or damage to property of the Client Group (except for the Goods) whether
 - (i) owned by the Client Group, or
 - (ii) leased or otherwise obtained under arrangements with financial institutions by the Client Group

arising from, relating to or in connection with the performance or non-performance of the Agreement; and

- (b) personal injury including death or disease to any person employed by the Client Group arising from, relating to or in connection with the performance or non-performance of the Agreement; and
- (c) subject to any other express provisions of the Agreement, personal injury including death or disease or loss of or damage to the property of any third party to the extent that any such injury, loss or damage is caused by the negligence or breach of duty (whether statutory or otherwise) of the Client Group. For the purposes of this Clause 15.2 (c) “third party” shall mean any party which is not a member of the Supplier Group or Client Group.

15.3. Except as provided by Clause 15.1(a), Clause 15.1(b) and Clause 15.4, the Client shall save, indemnify, defend and hold harmless the Supplier Group from and against any claim of whatsoever nature arising from pollution emanating from the property of the Client Group arising from, relating to or in connection with the performance or non-performance of the Agreement.

15.4. Except as provided by Clause 15.2(a) and Clause 15.2(b), the Supplier shall save, indemnify, defend and hold harmless the Client Group from and against any claim of whatsoever nature arising from pollution occurring on the premises of the Supplier Group or emanating from the property and equipment of the Supplier Group (including but not limited to marine vessels) arising from, relating to or in connection with the performance or non-performance of the Agreement.

15.6. Subject only to Clause 15.7 all exclusions and indemnities given under this Clause 15 (save for those under Clauses 15.1(c) and 15.2(c)) and Clause 17 shall apply irrespective of cause and notwithstanding the negligence or breach of duty (whether statutory or otherwise) of the indemnified party or any other entity or party and shall apply irrespective of any claim in tort, under contract or otherwise at law.

15.7. The exclusions and indemnities given under this Clause 15 and Clause 17 shall not apply in the event of wilful misconduct or gross negligence (as defined in the law of the Netherlands) of the management of the indemnified party or any other entity or party.

15.8. In no event whatsoever (except for Clause 15.7 and the indemnities granted in Clauses 15.2, 15.3. and 17) shall Company Group’s liability under or in connection with the Agreement, the Purchase Order or these General Conditions exceed a total maximum amount of the Price, increased by late payment interest (if applicable).

16 Consequential Loss

For the purposes of this Clause 16 the expression “Consequential Loss” shall mean:

- (i) consequential or indirect loss under the law of the Netherlands; and
- (ii) loss and/or deferral of production, loss of product, loss of use, loss of revenue, profit or anticipated profit (if any), in each case whether direct or indirect to the extent that these are not included in (i), and whether or not foreseeable at the effective date of the Purchase Order.

Notwithstanding any provision to the contrary elsewhere in the Agreement except Clause 15.7, the Client shall save, indemnify, defend and hold harmless the Supplier Group from the Client Group’s own Consequential Loss and the Supplier shall save, indemnify, defend and hold harmless the Client Group from the Supplier Group’s own Consequential Loss, arising from, relating to or in connection with the performance or non-performance of the Agreement.

17 Insurance by Supplier

17.1 The Supplier shall arrange as a minimum the insurances set out in this Clause 17 and ensure that they are in full force and effect throughout the life of the Agreement. All such insurances shall be placed with reputable and substantial insurers, satisfactory to the Client, and shall for all insurances (including insurances provided by sub-suppliers) other than Employers Liability Insurance/Workmen’s Compensation to the extent of the liabilities assumed by the Supplier under the Agreement, include the Client, the Principal and its and their respective Affiliates as additional assureds. All insurances required under this Clause 17 shall be endorsed to provide that underwriters waive any rights of recourse, including in particular subrogation rights against the Client, the

GLOMAR // OFFSHORE

Principal and its and their respective Affiliates in relation to the Agreement to the extent of the liabilities assumed by the Supplier under the Agreement. Such insurances shall also where possible, provide that the Client shall be given not less than thirty (30) days notice of cancellation of or material change to cover. The provisions of this Clause 17 shall in no way limit the liability of the Supplier under the Agreement.

17.2 The insurances required to be effected under Clause 17.1 shall be as follows (to the extent that they are relevant to the Goods):

(a) Employers Liability and/or (where the jurisdiction of where the Services are to be provided or the Goods delivered requires the same) Workmen's Compensation insurance covering personal injury to or death of the employees of the Supplier engaged in the performance of the Services or the Delivery of the Goods to the minimum value required by any applicable legislation including extended cover (where required) for working offshore or such greater sum as may be agreed in the Purchase Order;

(b) General Third Party Liability insurance for any incident or series of incidents covering the operations of the Supplier in the performance of the Agreement, in an amount of EURO 1,000,000 per event or such other amount agreed in the Purchase Order;

(c) All risk insurance for loss or damage to property of the Supplier Group until the full replacement value of that property.

17.3 The Supplier shall supply the Client with evidence of such insurance on demand.

17.4. The Supplier shall procure that sub-suppliers are insured to appropriate levels as may be relevant to their Services.

18. Applicable law and disputes

The law of the Netherlands (with the exception of rules of Private International Law and the United Nations Convention on Contracts for the International Sale of Goods (Vienna 1980)) shall apply to the Purchase Order, the Agreement and these General Conditions and any disputes under or in connection with the Purchase Order, the Agreement or these General Conditions. All disputes arising out of in connection with this Agreement, the Purchase Order, these General Conditions shall be decided by the competent court of Rotterdam which court shall have sole and exclusive jurisdiction to decide all such disputes..

19. Confidentiality

Supplier shall not be permitted to advertise or otherwise disclose the fact that he is Supplier of Client or the content of any Purchase Order without having obtained Client's permission to do so.

-0-0-0-0-0-0-