

**SAFETY SERVICE AGREEMENT - STANDARD TERMS AND CONDITIONS****1. DEFINITIONS**

- 1.1** "Agreement" shall mean this Agreement with appendices, as amended, at any time.
- 1.2** "Certificate of Inspection" shall mean a certificate issued by WSS certifying that the Safety Equipment, as specified in the Safety Service Equipment and Systems list, has been inspected and found to be in compliance with the rules and regulations of the relevant ship's flag or classification society. Such certificate shall only be issued after the actions described in Service Chart S have been satisfactorily completed. "Company" shall mean company signing a Safety Service agreement with WSS.
- 1.3** "Safety Equipment" shall mean the standard range of systems and equipment offered by WSS specified in Appendix 1. to this Agreement.
- 1.4** "Safety Inspection & Certification" shall mean an inspection with related tests of the relevant Safety Equipment according to the Safety Service Equipment and Systems list, installed on ships administrated or owned by the Company with the purpose of; establishing a Service Chart describing the need for Safety Repairs & Replacements required to maintain a valid Safety Equipment Certificate according to the rules and regulations of the relevant ship's flag or classification society or issuing a Certificate of Inspection.
- 1.5** "Safety Repairs & Replacements" shall mean performing the actions specified in Service Charts or Service Chart S.
- 1.6** "Safety Service" shall mean performing Safety Inspection & Certification and Safety Repairs & Replacements.
- 1.7** "Safety Service Equipment and Systems list" shall mean a form which has been filled in by the Company specifying which Safety Equipment is installed on or present on each relevant ship as set out in Appendix 5. to be inspected. The Safety Service Equipment and Systems list is attached to this Agreement as Appendix 2.
- 1.8** "Key Ports" are ports that are agreed between Company and WSS which define Key Ports the Company will use for WSS to conduct the Safety Services.
- 1.9** "Safety Equipment Certificate" shall mean a certificate issued by the relevant ship's national authority/classification society with respect to a ship's seaworthiness.
- 1.10** "Service Chart" shall mean a report issued after the Safety Inspection has taken place, specifying actions which may be necessary to maintain a valid Safety Equipment Certificate according to the requirements set forth in the rules and regulations of the relevant ship's flag or classification society.
- 1.11** "Service Chart S" shall mean a service chart summarizing the actions which are necessary to maintain a valid Safety Equipment Certificate according to the requirements set forth in the rules and regulations of the relevant ship's flag or classification society.
- 1.12** "WSS" shall mean Wilhelmsen Ships Service AS or any of its subsidiaries.

**2. SCOPE OF WORK**

- 2.1** WSS shall perform the Safety Service in the Key Ports on the Safety Equipment set out in the Safety Service Equipment and System list as specified in Appendices 2 on ships covered by this Agreement. Additional requirements from the Company must be specified in connection with each service.
- 2.2** Appendices 1 shall be reviewed at regular intervals and amended when required. Such review shall be carried out minimum annually in connection with re-negotiations. The result of such review and amendments being that new ships to the Company's fleet shall be added to and covered by the Agreement, or likewise ships which are no longer administered or owned by the Company, shall be deleted from Appendices 1.
- 2.3** WSS will based on the Safety Service conducted, issue a Certificate of Inspection when the Safety Service has been completed. The Certificate of Inspection will not be issued if the Safety Repairs & Replacements according to Service chart S have not been completed.
- 2.4** Whilst performing the Safety Inspection & Certification and it is necessary to carry out Safety Repairs & Replacements as defined in Section 1.5 above, WSS is by this agreement pre-authorized to carry out such work up to a cost of maximum USD 1500. Required Safety Repair and Replacement work beyond this, must be approved by the ship's captain or chief engineer prior to being performed. Such written approval shall serve as a purchase order, if the Company issues no subsequent document to this effect.
- 2.5** If because of time restraints due to the ship's trade it is not possible to complete the Safety Inspection & Certification in the agreed Key Port, WSS shall be entitled to complete the Safety Inspection & Certification in the next Key Port, which the ship

arrives at; provided however that there is no danger that the ships Safety Equipment Certificate shall expire.

### **3. PRICE**

- 3.1** The Safety Service shall be provided at prices set out in Appendix 3.
- 3.2** Any overtime charges, waiting time, spare parts, replacements, hydrostatic tests, recharging of cylinders or extinguishers and transportation by road, barge, tender or similar shall be added to the price as quoted or incurred by WSS from time to time.
- 3.3** Prices given are applicable for Key Ports as listed in Appendix 3. Prices for Safety Services outside these Key Ports are given on request.
- 3.4** The prices for Safety Inspection & Certification and travel as set out in Appendix 3 to this Agreement will be valid for a period of 12 months from the commencement date of this Agreement. Notwithstanding the foregoing, WSS reserves the right to adjust the prices set out in Appendix 3 in case WSS experiences substantial changes in cost prices or currency fluctuations on the Safety Inspection & Certification services and the travel prices. Such price adjustments will be notified in writing and will be effective on 30 days notice.

### **4. DELAYED PAYMENT**

- 4.1** WSS shall be entitled to claim interest of 2 % per month (before as well as after judgement) on any overdue payment from the due date until payment in full is received by WSS.
- 4.2** If payment is overdue, WSS is entitled to claim and recover full compensation for collection of cost and expenses in and out of court and all legal costs and expenses on a full indemnity basis.

### **5. WSS' OBLIGATIONS**

- 5.1** WSS shall keep records of the Safety Equipment relevant to each ship covered by this Agreement according Safety Service Equipment and System List. Such records shall be established gradually. Complete records shall be in place after the first complete Safety Inspection and Certification on each ship covered by this Agreement.
- 5.2** After the complete set of records has been established, WSS shall notify the Company in due time of any Safety Service being due, and contact the Company to agree to a relevant Key Port and date for the Safety Service to be performed.
- 5.3** WSS shall carry out the Safety Service at the agreed Key Port at the agreed time if the ships stay in the Key Port allows such Safety Service to be conducted. WSS has no obligations to complete a full Safety Inspection & Certification on all systems and equipment according to Appendix in one Key Port of call. In such cases any continuation of the Safety Inspection & Certification will take place in the next Key Port of call. Certificate of Inspection will be issued only when the final review has been accomplished.

### **6. THE COMPANY'S OBLIGATIONS**

- 6.1** Prior to entering this Agreement the Company shall give WSS a properly filled in Safety Service Equipment and Systems List according to Appendix 6. For each new ship which enters the Company's fleet and covered by this Agreement the Company shall give WSS such information and Appendix 5. to this Agreement shall be updated.
- 6.2** If required by WSS, the Company shall supply all drawings, technical documents, data and specifications necessary to perform the relevant Safety Services.
- 6.3** The Company shall order/confirm in writing the Key Port, according to Appendix 7, and date for the Safety Inspection & Certification to be carried out for each relevant ship.
- 6.4** The Company shall ensure that the relevant ship is available at the agreed Key port and date for the Safety Inspection and Certification to be carried out.
- 6.5** The Company shall seek to forward additional service orders to WSS minimum 5 days in advance of the Safety Service date.
- 6.6** If the ship for some reason should be delayed or ordered to a new destination, the Company shall contact WSS without delay and agree in writing to a new date and Key Port for the Safety Inspection & Certification.
- 6.7** Any alterations to any ship's Safety Equipment which may have an effect on the Safety Service Equipment and Systems list, shall be notified to WSS in writing without undue delay.
- 6.8** If an order for Safety Service is placed by the Company as agent for a principal (disclosed or undisclosed) then the Company shall liable be jointly or severally with such principal for the payments of all amounts due to the performance of all obligations under this Agreement.

### **7. LACK OF CONFORMITY.**

- 7.1** Subject to the provisions in this Agreement's clause 8, in the event of lack of conformity at the time of delivery of the Safety Service which is not due to the Company or circumstances on his part, WSS shall at its sole discretion rectify the lack of conformity, redo the Safety Service or reduce the price of the Safety Service proportionally with the lack of conformity.
- 7.2** The Company loses any claim based on the lack of conformity where such lack of conformity would have been discovered on reasonable inspection at the time of delivery, or if the Company does not make a claim in writing to WSS as soon as the lack of conformity is discovered. In any event the Company loses his claim based on the lack of conformity if he does not complain in writing to WSS within 30 days after any such lack of conformity is discovered.
- 7.3** Except as provided by this clause 7, the Company shall have no further rights or claims in respect of lack of conformity on the part of WSS.

### **8. LIMITATION OF LIABILITY**

- 8.1** Save as otherwise expressly provided by this Agreement, and to the extent required by law, WSS shall have no liability whether express or implied by

law or by statute for damages or losses as a result of lack of conformity of Safety Services conducted or Safety Equipment supplied as a result of the Safety Services.

- 8.2** The Company shall comply with any warnings, instructions or safety rules provided to it by WSS from time to time and shall acquaint itself with, and apply best industry practice at all times in relation to storage, handling and use of all the Safety Equipment.
- 8.3** WSS shall have no liability for any Safety Inspection & Certification to be carried out prior to the expiry of the Safety Equipment Certificate if the ship has not been made available to WSS at the agreed date and Key Port as specified in Appendix 4, or if it has not been made available for sufficient time to complete the Safety Inspection & Certification at such date and Key Port.
- 8.4** WSS shall have no liability for any lack of Safety Service due to incorrect information given in the Safety Service Equipment and Systems list, records of Safety services, Safety certificates, Safety Equipment Certificates, drawings, technical documents, data, specifications or other information received from the Company.
- 8.5** WSS is not liable for any loss or damage whatsoever and howsoever arising which is due to force majeure, other event beyond the reasonable control of WSS or events that could not reasonably be foreseen by WSS when the Safety Service order was placed or the Safety Service order confirmation was issued.
- 8.6** WSS is in no event liable for indirect, incidental or consequential damages or losses, including damages for loss of profits, resulting from lack of conformity in relation to performance of the Safety Services.

## **9. INDEMNIFICATION**

- 9.1** The Company acknowledges that the Safety Services provided and supplied under this Agreement are, or may be, hazardous to human health, and the Company assumed all risk and liability for the use of the Safety Equipment. The Company shall familiarise itself and keep itself informed with respect to possible hazards to persons or property involved in the handling and use of the Safety Equipment. The Company shall advise its employee, independent contractors and others who handle Safety Equipment for the Company, and shall take such action as is reasonably necessary to advise others, who are foreseeable users of Safety Equipment of the suspected or proven hazards of Safety Equipment and the proper handling of the Safety Equipment. The Company assumes all risk and liability for the use and proper handling of the Safety Equipment after delivery and shall indemnify WSS and hold WSS harmless from all consequences including but not limited to all

liability, cost and expenses whatsoever arising from said use or improper handling, including claims by third parties.

## **10. TERMINATION**

- 10.1** This Agreement may be terminated with immediate effect if either party has committed a material breach of its obligations and responsibilities under this Agreement, and such breach has remained uncured for 60 days after notification of the breach was sent to the breaching party.
- 10.2** This Agreement may be terminated with immediate effect if either party shall be declared bankrupt, becomes insolvent, suffers the appointment of temporary or permanent receiver, trustee or custodian for all or a substantial part of its assets, which is not discharged within thirty (30) days of its appointment, or makes an assignment for the benefit of its creditors.

## **11. SUB-CONTRACTORS**

- 11.1** WSS may sub-contract any work relating to the Agreement without obtaining the consent of or giving notice to the Company. WSS shall always supervise and/or control such sub-contracted work.

## **12. ASSIGNMENT**

- 12.1** None of the rights or obligations of the Company under the Agreement may be assigned or transferred in whole or in part without the prior written consent of WSS. WSS may assign its rights hereunder.

## **13. APPLICABLE LAW AND JURISDICTION**

This Agreement shall be construed and interpreted in accordance with Norwegian law.

The City Court of Oslo shall be the exclusive venue for any legal actions of proceedings against WSS. The Company accept the City Court of Oslo as a non-exclusive venue for any legal actions or proceedings by WSS arising from or in connection with this Agreement, and agrees that such actions or proceedings may be brought in the City Court of Oslo or any other state and the Company irrevocably submits to the jurisdiction of such courts and waives any objections to actions or proceedings in any such court on any ground, including but not limited to the ground that the action or proceeding has been brought in an inconvenient or inappropriate forum.

Nothing stated previously in this Agreement shall preclude WSS from the right to seek security or interim orders (by means of an appropriate remedy of relief, including but not limited to in rem arrests, injunctions, attachments, seizures, sales, detention, the exercise of a lien or otherwise howsoever) according to local law and legislation for claims in any jurisdiction WSS sees fit.

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