

STANDARD TERMS AND CONDITIONS FOR RENTAL OF PRODUCTS

1. GENERAL

1.1. Definitions

When used in the Agreement the following words and expressions shall have the meaning stated below:

1.1.1. Agreed Currency

“Agreed Currency” shall mean the currency for payments as specified in Clause 5 of the Framework Agreement.

1.1.2. Agreed Ports

“Agreed Ports” shall mean the agreed ports for delivery, exchange, service or return of the Products as specified in Schedule 2 to the Agreement and “Agreed Port” shall be construed accordingly.

1.1.3. Agreement

“Agreement” shall mean in each case the relevant Framework Agreement together with these Standard Terms and Conditions for Rental of Products and all other schedules expressed in Clause 9 of the Framework Agreement to form part of the Agreement, each as amended from time to time.

1.1.4. Annual Rental Fee

“Annual Rental Fee” shall mean the annual rental fee as set out in Schedule 3 to the Agreement and calculated on a Ship by Ship basis in accordance with Condition 3.

1.1.5. Associated Company

“Associated Company” shall mean any company controlling, controlled by or under common control with the relevant Party where control means direct or indirect ownership of at least 50% of the voting stock or interest in the company or control of the composition of the board of directors.

1.1.6. Customer

“Customer” shall mean the enterprise stated in the Agreement, responsible for all duties and obligations towards the Lessor, regardless of whether such company is the owner of the Ships.

1.1.7. Due Date

“Due Date” shall mean the date that the Products on board a Ship are required to be re-certified in accordance with IMO/SOLAS Requirements.

1.1.8. Effective Date

“Effective Date” shall mean the date specified as such in Clause 6 of the Framework Agreement.

1.1.9. Flag State Requirements

“Flag State Requirements” shall mean the specific national requirements relating to the Products issued by the relevant flag state of each Ship.

1.1.10. Framework Agreement

“Framework Agreement” shall mean the Framework Rental Agreement for Life Rafts entered into by the Parties.

1.1.11. IMO/SOLAS Requirements

“IMO/SOLAS Requirements” shall mean the relevant regulations and legislation relating to each Product as adopted

by the International Maritime Organisation and the International Convention for the Safety of Life at Sea 1974, each as amended from time to time.

1.1.12. Lessor

“Lessor” shall mean the company entering into the Agreement with the Customer as specified in the Agreement.

1.1.13. Monitoring Period

“Monitoring Period” shall mean the period prior to the Due Date as instructed by the Customer and ending on the Due Date or such other period as agreed in writing between the Parties.

1.1.14. Parties

“Parties” shall mean the Customer and the Lessor and “Party” shall be construed accordingly.

1.1.15. Price List

“Price List” shall mean Lessor’s price list as applicable from time to time.

1.1.16. Products

“Products” shall mean the life rafts specified in Schedule 1 to the Agreement, as amended from time to time and “Product” shall be construed accordingly.

1.1.17. Ships

“Ships” shall mean the ships specified in Schedule 1 to the Agreement, as amended from time to time and “Ship” shall be construed accordingly.

1.1.18. Term

“Term” shall mean the duration of the Agreement as specified in Clause 6 of the Framework Agreement.

1.1.19. Time of Delivery

“Time of Delivery” shall mean the time of supply, exchange or service of the Products as agreed by the Parties or otherwise the actual time of delivery by the Lessor.

1.1.20. Transport Charges

“Transport Charges” shall mean all costs for transport of the Products from the Lessor’s warehouse to the Agreed Port.

1.2. Agreement documents

1.2.1. Ranking and amendments

In the event of conflict between the provisions of the documents that make up the total binding Agreement of the Parties, said documents will rank in the following order:

- a) The Framework Rental Agreement for Life Rafts.
- b) These Standard Terms and Conditions for Rental of Products.
- c) The other Schedules to the Agreement.

To be valid, any changes to the Agreement documents must be in writing and must be signed by both Parties. The use of the Schedules 1, 2 and 3 is meant to be flexible, in order for the Parties to alter and adjust the content and volume of the

rental arrangement. These Schedules may therefore be altered frequently and apply as amended from time to time. All amendments of the above mentioned documents shall be dated and executed by duly authorised officers in order to be binding on the Parties.

2. SCOPE OF RENTAL

2.1. The Products

The main scope of the Agreement is to supply the Ships with the Products in order to comply with the IMO/SOLAS Requirements for life rafts applicable for each Ship according to Flag State Requirements.

2.2. Additional services

The scope of the Agreement shall include inspection, service and exchange of Products ensuring that the Customer complies with the IMO/SOLAS Requirements and the Flag State Requirements.

2.3. Ownership

Ownership and title to the Products shall be retained by the Lessor at all times unless the Lessor enters into a finance lease (a “**Finance Lease**”) in respect of the Products.

If a Finance Lease is entered by the Lessor with a third party (a “**Finance Lessor**”) prior to or after the Effective Date of the Agreement:

- (i) the Finance Lessor shall have ownership and title to the Products;
- (ii) the Agreement shall remain in full force and effect;
- (iii) the Lessor warrants that the Finance Lease provides that the Finance Lessor shall not interfere with the Customer’s quiet use and enjoyment of the Products under the Agreement; and
- (iv) the Finance Lease provides that if the Lessor breaches of any of its obligations owed to the Finance Lessor under the Finance Lease, the Lessor’s rights to receive payments under the Agreement shall transfer to the Finance Lessor. The Finance Lease further provides that if such a transfer occurs, the Finance Lessor shall send the Customer a written notice of such transfer without undue delay. Following receipt of such a notice, the Customer shall pay any Annual Rental Fee payments and any other payments to be made to the Lessor under the Agreement to the Finance Lessor in accordance with the terms of the notice and only payment in accordance with the terms of the notice will constitute a valid payment under the Agreement.

The Products will be marked as property of the Lessor or a Finance Lessor and labelled at the Lessor’s discretion from time to time. The rights of a Finance Lessor shall not be prejudiced by the absence of markings that the Products are its property. Such marking/labelling must not be removed or tampered with by the Customer.

2.4. Supply of Products

From the Effective Date Lessor shall supply the Products to the Ships at the relevant Agreed Port and at the Time of Delivery.

2.5. Brand and age

The Lessor is free to decide the brand and age of the Products. However all Products shall be delivered with the necessary approvals and documentation for approvals according to Flag State Requirements.

3. RENTAL FEE, CHARGES AND COSTS

3.1. Annual Rental Fee

The Annual Rental Fee for the rent of the Products includes inspection, service cost, repair, maintenance and certification cost of the Products. The Annual Rental Fee does not include Transport Charges, special local delivery fees and charges for services like cranes and barge hire. Such costs will be charged to Customer separately.

3.2. Transport Charges

Transport Charges will apply to all costs for transport of the Products from Lessor’s stock locations to the relevant Agreed Port.

3.3. Adjustment of Annual Rental Fee

Lessor reserves the right to adjust the Annual Rental Fee as effective from time to time. The adjustment will be based on OECD statistics for general inflation. Lessor also reserves the right to adjust the Annual Rental Fee as effective from time to time based on changes in US dollar floating rate based on LIBOR interbank interest levels. Such adjustment shall be notified to the Customer in writing with one month’s notice.

3.4. Changed number of Products/Ships

In case the number of Products on each Ship, or the number of Ships included in the Agreement is changed during the Term of the Agreement, the Annual Rental Fee shall be adjusted accordingly, and adjustment of the relevant Schedules to the Agreement shall be made as soon as possible.

Customer is at all times obliged to notify Lessor of sale of Ship(s) included in the Agreement and adding of Ships(s) as stated in Conditions 11.1 and 12.2.

3.5. Other adjustments of Annual Rental Fee

Lessor may adjust the Annual Rental Fee for any extra cost incurred following any technical modifications to the existing Products under the Agreement or legal requirements to supply new Products by rules or regulation, local authorities or the manufacturer’s upgrade requirements or Product recall. Such Annual Rental Fee adjustment shall reflect the altered cost of the Lessor and shall be effective from the time that any such modified and/or new Products are supplied to the Customer.

4. DELAYED PAYMENT

4.1. Interest

The Lessor shall be entitled to interest at 2% per month (before as well as after judgement) on any amount overdue from the Customer from the due date of payment until the Lessor receives payment in full. The Lessor shall be entitled to claim and recover full compensation for collection of payments due, costs and expenses on a full indemnity basis.

5. DUE DATE MONITORING

5.1. Lessor’s monitoring

Lessor shall register and monitor the Products on board each Ship hereunder, especially with regard to Due Dates.

5.2. Sailing information

Customer shall cooperate with Lessor in the monitoring of Due Dates, and shall upon request from Lessor release sailing information for the Ship(s) in question during the Monitoring Period, in sufficient detail for Lessor to plan and conduct exchange and/or service of the rented Products.

5.3. Direct communication

Lessor shall, in case Customer does not have the required information, or if it is more convenient, be entitled to communicate directly with the Ship's port agent, the management company and/or the Ship in question, and be entitled to receive information about the Ship's sailing plan and planned destinations and arrival time in port.

5.4. Confidentiality

Lessor shall treat the received sailing information confidential toward third parties and shall not forward more information than necessary to fulfil his duties hereunder to his representatives and agents.

6. EXCHANGE AND SERVICE OF PRODUCTS

6.1. Incoterms

Incoterms 2000 FAS or other Incoterms shall not be part of the Agreement unless specifically stated.

6.2. Prior to Due Date

Lessor shall during the Term of the Agreement service and/or supply certified Products to each Ship in conformity with the IMO/SOLAS Requirements and the Flag State Requirements. The service shall also comply with any service requirements given by the manufacturers of the Products.

6.3. Place of service/exchange

The Products shall be exchanged in the Agreed Port alongside the Ship in question (or as close to this point as possible) in accordance with the principles of Incoterms 2000 FAS. Upon Lessor's request Customer shall off-load the Product alongside the Ship in question in accordance with the same terms.

6.4. Notice of hindrance

Customer shall immediately and no later than 5 working days prior to the Time of Delivery, notify the Lessor of any circumstance that may hinder the service and/or exchange to be performed in the Agreed Port and at the Time of Delivery. If such notice is not given, the service and/or exchange will take place as planned. Should this not be possible due to circumstances that lie within Customer's control or if Customer fails to notify Lessor as aforesaid, Customer will be liable for any extra incurred cost.

6.5. Altered destination

If the Ship alters its destination or sailing schedule subsequent to Lessor having notified the Ship or the Customer of the Agreed Port at which delivery shall take place and the Time of Delivery of the Products, the Lessor will notify the Customer of a new Agreed Port and Time for Delivery. If the Products have already been shipped from Lessor's warehouse when Lessor is informed of the alteration, Customer shall pay any extra cost incurred.

6.6. Extraordinary costs

Any extraordinary cost such as local delivery fees, handling, import, export and custom duties, crantage or barging shall be for Customer's account and will be invoiced separately at cost.

6.7. Cooperation

Customer shall ensure that the Ship cooperates with Lessor in the service and/or exchange of Products, and shall whenever necessary grant Lessor and Lessor's agents and employees access to enter the Ship.

6.8. Storage onboard

Lessor may, free of charge, store on board the Ship(s) any and all Products that require service if Lessor for any reason requests such Products to be stored onboard until removal for service.

7. DUE DATE EXTENSION

7.1. Special requirements

If it is concluded that service and/or exchange of Products before Due Date is not feasible due to special requirements in the port, special requirements for import or export of Products, or any similar event Customer shall be required to apply for an extension of the Product certificates for the Ship, at his own cost (in accordance with IMO/SOLAS Requirements for each type of Product).

Lessor shall notify Customer as soon as possible of any need for Due Date extension and in any event no later than the Due Date for each Product.

7.2. Performance in extension period

Lessor shall within the extension period perform the service and/or exchange of the Products pursuant to the terms of the Agreement and Lessor shall notify Customer of a new Agreed Port and Time of Delivery.

7.3. Hindrance

If the Ship does not receive a Due Date extension or the Ship within the extension period is not visiting any port where service and/or exchange of Products can take place (and a further extension is not possible), then the Customer shall be entitled to follow the emergency procedures as set out in Condition 8.

8. EMERGENCY PROCEDURES

8.1. Exchange overdue

If the Products are not exchanged prior to the relevant Due Date, Customer shall immediately contact Lessor with a view to agreeing the most suitable procedure for emergency exchange and/or service of the relevant Product. Such contact should normally be handled by the captain of the Ship in question.

8.2. Emergency purchase

If exchange and/or service pursuant to Condition 8.1 are not possible, Lessor and Customer shall agree the purchase of life rafts to temporarily replace the Products prior to the Due Date. To the extent possible any life rafts purchased shall be of a

make and model which form part of the Lessor's product range.

8.3. Ownership

In the event that emergency purchase is made pursuant to Condition 8.2, the ownership of the purchased life rafts shall be deemed to rest with Lessor (or, as applicable with a Finance Lessor as referred to in Condition 2.3) automatically and immediately upon such purchase and not with Customer. Lessor shall reimburse Customer for his direct cost and the purchase price, provided however that Lessor is not liable for such costs as stated in Condition 10.

The serial numbers for the purchased life rafts shall be immediately reported to Lessor together with relevant Due Dates, type and price, together with an original of the receipt of purchase.

8.4. Off-load

The Products being replaced by emergency purchase pursuant to Condition 8.2 shall be stored on board the Ship and be off-loaded to Lessor at the first convenient port or such other port as is agreed in writing between the Parties.

9. RE-CERTIFICATION AND CONDEMNATION

9.1. Re-certification

The Products shall be re-certified only at approved service stations for the Products in question.

9.2. Condemnation

The life rafts included in the Products shall be fit for their purpose. Thereafter they will be exchanged by other life rafts to be included in the Products.

10. CUSTOMER'S RESPONSIBILITIES

10.1. Loss and damage

Customer shall be liable for any damage to or loss of Products while these are on board the Ship(s), regardless of the cause of such damage or loss. The Customer shall make sure that all Products are covered by ordinary marine insurance on similar terms as the Ship.

10.2. Responsibility for cost

If damaged, lost or released Products require repair, service or new certification, this shall be handled by Lessor who invoices all costs to Customer. Re-certification will be invoiced according to Lessor's Price List in force from time to time.

If the Product is lost or repaired and re-certification is not feasible, Lessor shall invoice for the replacement of the Product in question to Customer in accordance with the Price List at the time of delivery of the replacement.

10.3. Responsibility for Product certification

Customer is at all times responsible for the maintenance of the certification of each Product. Should anything occur to any Product on board the Ship influencing the use or the certification of the Product(s) Customer shall ensure that the Ship's captain notifies Lessor and ensures that service or exchange takes place at the first opportunity at an Agreed Port.

10.4. Handling of damaged Products

Lessor shall upon notice from the Customer perform exchange and/or service of the lost or damaged Products in accordance with the terms of the Agreement. If exchange and/or service is not possible emergency procedures as set out in Condition 8 will apply.

10.5. No services by Customer

Neither Customer nor the personnel on board the Ship(s) shall conduct any service of the Products. If such service is conducted it shall be at the Customer's risk and Lessor has no obligation and no liability in respect of the Products if such unauthorized service results in a need for re-service, re-certification or exchange.

10.6. Handling and maintenance

Customer shall ensure that the Products are treated and handled with due care and skill and that normal and reasonable maintenance instructions in force for each Product are followed on board the Ship(s).

10.7. Installation and dismantling

The Customer shall ensure correct installation and dismantling of the Products in accordance with the instructions for each type of Product.

11. ADDING SHIPS TO THE AGREEMENT

11.1. Alteration of Schedules

In case Customer includes additional Ship(s) in the Agreement, the schedules to the Agreement shall be amended accordingly, including register of the Products on board the Ship(s). The Annual Rental Fee relating to the additional Ships shall be set in accordance with the price list in force at the time of the inclusion of the additional Ships.

11.2. Previous Annual Rental Fee

The inclusion of any additional Ship pursuant to Condition 11.1 shall not influence the Annual Rental Fee set for the Products included in the Agreement prior to the inclusion of additional Ship(s).

12. CANCELLING SHIP(S) FROM THE AGREEMENT

12.1. Sale of ships

If Ship(s) included in the Agreement are sold to a third party which is not an Associated Company of Customer (or the ship-owner) the rental arrangement for the Ship in question shall terminate automatically and the schedules shall be altered accordingly. This Condition also applies to Ship(s) that are scrapped during the Term of the Agreement.

12.2. Notification and termination fee

Customer shall notify Lessor of sale of Ship(s) as soon as possible and in good time before the transfer of ownership takes place, enabling Lessor to clarify whether the new owner of such Ship(s) will enter into a life raft rental agreement for the Ship(s) with the Lessor.

Should the new owner not enter into a life raft rental agreement for the Ship(s) with Lessor or the Ship(s) are being scrapped, Customer shall pay to Lessor a termination fee equal to one year's Annual Rental Fee for the Products

onboard the Ship(s) payable within 30 days of the relevant invoice therefor.

12.3. Agreement with the buyer

Customer shall assist Lessor in obtaining a life raft rental agreement for the Ship(s) with the new owner of the Ship(s).

12.4. Notification of ownership

Customer is obliged to notify potential buyers of the Ship(s) of Lessor's ownership and title to the Products (or, as applicable, the ownership and title of a Finance Lessor as referred to in Condition 2.3) and shall actively prevent a transfer of the Ship(s) with Lessor's Products onboard unless specifically agreed in writing with Lessor.

12.5. Return of Products

For Ship(s) that are sold to new owners the Products shall be returned to Lessor by off-loading at an Agreed Port, unless otherwise agreed with Lessor in writing.

If such return of Products is not made by Customer, Lessor will invoice Customer for Products not returned in accordance with the Price List valid at that time. Such invoice is to be paid by Customer within 30 days.

13. OWNERSHIP AND SECURITY ARRANGEMENTS

13.1. Lessor's right

The transfer of possession and subsequent lease of Products shall not deprive Lessor (or, as applicable, a Finance Lessor as referred to in Condition 2.3) of any right or title to the Products, hereunder the right to retain and withdraw the Products from the Ship(s). Customer warrants that the entry into the Agreement does not breach any security arrangements or other arrangements entered into by Customer, his management company, the ship owner or others. The execution by the Customer of the Agreement shall be regarded as a statement and confirmation of Customer's due investigation of and the correctness of the foregoing.

13.2. Mortgages

Customer shall at his own cost assist Lessor in any dispute with mortgagees of the Ship(s) with regard to ownership to the Products or the agreed terms and payments.

14. LESSOR'S WARRANTY

14.1. The supplied Products

Lessor warrants that the Products supplied under the Agreement are serviced and certified according to IMO/SOLAS Requirements, Flag State Requirements (if applicable) and manufacturers' service requirements for each type of Product.

15. LIMITATION OF LIABILITY

15.1. Availability of the Ship(s)

Lessor shall have no liability for any breach of warranty if the Ship(s) have not been made available to Lessor at the Time of Delivery and at the Agreed Port, or if the Ship(s) have not been made available for sufficient time to complete the service and/or exchange of Products at such date and port or if the Product to be exchanged is not off-loaded from the Ship within two hours from the requested off-load time.

15.2. Delay of Ship(s)

Lessor shall not be liable for any delay to the Ship(s) or be responsible for emergency purchase, if the Ship(s) are delayed in port following expiry of the Due Date due to information provided by Customer, the Ship(s) or the Customer's management company.

If the Ship is unexpectedly delayed or the arrival in port causes extra cost for Lessor, the Lessor shall not be liable for such extra cost and these costs shall be covered by Customer. Lessor shall minimize his extra cost following such delays and shall only invoice documented cost directly incurred as a result of the delay.

If the Ship is delayed due to alterations of delivery by Lessor, Lessor shall not be liable for any loss or damage resulting from any delays to the Ship's sailing schedule except as set out in Condition 8. If the delay creates a risk of the Ship being delayed beyond its sailing schedule, Customer is entitled to follow the emergency procedures as set out in Condition 8 to the extent that sailing from port would entail the expiry of Due Dates for the Product on board the Ship before arrival in the next port.

15.3. Circumstances within the control of Customer

Lessor shall have no liability for any loss or damage caused to Customer if Ship(s) included in the Agreement are not supplied with Products in accordance with the Agreement due to circumstances within the control of Customer, including the control of Customer's management company, agent or other representatives of Customer.

15.4. Recall

Lessor shall have no liability for any loss or damage incurred by the Customer as a result of any product recall made by manufacturer of the Products.

15.5. Consequential damages and other losses

Lessor shall in no event be liable for any loss or damage due to off-hire of the Ship(s) included in the Agreement, unless such off-hire is caused by gross negligence of the Lessor with regard to supply of Products.

Customer further agrees that he shall not be entitled to recover, and hereby disclaims and waives any right to indirect, special, incidental or consequential damages or losses of any kind arising out of, or in connection with the Agreement.

15.6. Notification of claim

Any claim Customer should want to make against Lessor shall be made in writing without undue delay. Under no circumstances may a claim be made later than 30 days after the event resulting in the claim. In addition, Lessor's liability per incident shall under no circumstances exceed an amount corresponding to the Annual Rental Fee of the Product in question.

16. INDEMNIFICATION

16.1. Indemnification for breach

Customer shall indemnify Lessor for any extra cost due to Customer's breach of the Agreement.

Lessor shall indemnify Customer for any extra cost due to Lessor's breach of the Agreement, subject to the limitations set forth above.

16.2. Other damage and liability

Customer shall indemnify Lessor for any cost, liability or claim connected to the Product or the use of the Product on board Ship(s), including any claim from third parties for damage to property, personal injury or other loss.

17. TERM AND TERMINATION

17.1. Termination for breach

The Agreement may be terminated with immediate effect if either Party has committed a material breach of its obligations and responsibilities under the Agreement. If such breach can be remedied termination may only take place if the Party in breach has been given 60 days' written notice of the breach and the breach remains unremedied.

17.2. Insolvency

The Agreement may be terminated with immediate effect if either Party is declared bankrupt, becomes insolvent or is unable to pay debts as they fall due.

17.3. Termination of the services

Lessor may terminate the Agreement by giving 6 months' written notice to the Customer if Lessor, for any reason, decides to discontinue the provision of the life raft rental services forming part of the Agreement.

18. POST-CONTRACTUAL LIABILITY

18.1. Termination fee

If Customer terminates the Agreement prior to the expiration of the Term of the Agreement Customer shall be liable to pay Lessor a termination fee equal to the total Annual Rental Fee for 1 year. In addition, Lessor is entitled to indemnification as set out in Section 16.1 and 16.2.

18.2. Survival of obligations

All claims and liabilities of the Parties to one another accrued on the date of expiration and/or termination of the Agreement shall survive such expiration/termination.

18.3. Lessor's property

The Products on board Ship(s) included in the Agreement remain property of Lessor (or, as applicable, the property of a Finance Lessor as referred to in Condition 2.3) regardless of the termination/expiration of the Agreement and shall, immediately following termination of the Agreement for any reason, be returned to Lessor at the first opportunity at an Agreed Port or such other port as agreed in writing between the Parties.

19 ETHICAL STANDARDS

19.1 The Parties agree that neither Party shall:

- (a) offer or agree to give any person working for or engaged by the other Party any gift or other consideration, which could act as an inducement or a reward for any act or omission to act in connection

with the Agreement or any other agreement between the Parties;

- (b) enter into the Agreement or any other agreement with the other Party if it has knowledge that, in connection with it, any money has been, or will be, paid to any person working for or engaged by the other Party or that an agreement has been reached to that effect unless (i) details of any such arrangement have been disclosed in writing to the other Party prior to the execution of the Agreement and (ii) approval of such arrangement by an authorised representative of the other party has been obtained;
- (c) offer, pay or promise to pay either directly or indirectly, anything of value to a Public Official in connection with the Agreement. The Parties further agree that in the performance of their respective obligations under the Agreement, the Parties and their respective agents, sub-contractors and employees shall comply with all applicable laws, rules, regulations and orders of any applicable jurisdiction, including the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. The Customer shall notify the Lessor immediately in writing with full particulars in the event that the Customer receives a request from any Public Official requesting illicit payments; or
- (d) take any other action which results in a breach by either party of any applicable anti-corruption legislation.

19.2 If the Customer or any of its agents, sub-contractors or employees breaches Condition 19.1, the Lessor may terminate the Agreement by written notice with immediate effect. Any termination pursuant to this Condition 19.2 shall be without prejudice to any right or remedy that has already accrued, or subsequently accrues, to the Lessor.

19.3 Notwithstanding Condition 20, any dispute relating to:

- (e) the interpretation of Conditions 19.1 and 19.2; or
- (f) the amount or value of any gift, consideration, inducement or reward referred to in Condition 19.1,

shall be determined by the Lessor and such determination shall be final and conclusive.

20 OFAC COMPLIANCE

Pursuant to the U.S. Department of Treasury, Office of Foreign Assets Control ("OFAC") regulations respecting USD payments, the Lessor cannot facilitate USD payments in any transaction related to OFAC sanctioned entities, either directly or indirectly. As of the effective date of these Standard Terms and Conditions, sanctioned entities include the countries of Burma, Cuba, Iran, North Korea, Sudan and Syria, and certain named persons linked to those countries. The Lessor may be required to request information from the Customer which supports a verification statement which

New York intermediary banks may require according to the OFAC regulations, including whether a person is a “specially designated national” listed by OFAC or any executive order, or a “national” of any country with which transactions are regulated by OFAC. The Customer shall provide timely and truthful responses to any such reasonable enquiries the Lessor may make to support any required verification statements.

21. MISCELLANEOUS

21.1. Entire agreement

The Agreement constitutes the whole agreement between the Parties and supersedes all previous agreements between the Parties relating to its subject matter.

Each Party acknowledges that, in entering into the Agreement, it has not relied on, and shall have no right or remedy in respect of, any statement, representation, assurance or warranty (whether made negligently or innocently) other than as expressly set out in the Agreement.

Nothing in this Condition shall limit or exclude any liability for fraud.

21.2. Force Majeure

Neither of the Parties shall be responsible for any consequences of non-performance of any of their obligations under the Agreement resulting from force majeure, including without limitation, strikes, lock-outs, labour disputes, act of God, war, acts of terrorism, riot, civil commotion, malicious damage, compliance with any law or government order, rule, regulation or direction, port security, port authorities and security restrictions in ports, accident, breakdown of plant or machinery, fire, flood, storm, difficulty or increased expense in obtaining workmen, materials, goods or raw materials, or any other circumstances beyond the control of the Parties whether similar or dissimilar to the foregoing.

21.3. Headings

In interpreting the Agreement or any provision of the Agreement, all condition, clause, sub-clause and other headings in the Agreement shall be entirely disregarded.

21.4. Governing Law and disputes

The Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law.

Any dispute arising out of or in connection with the Agreement shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Condition. The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced.

The reference shall be to three arbitrators. A Party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other Party requiring the other Party to appoint its own arbitrator within

14 calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other Party appoints its own arbitrator and give notice that it has done so within the 14 days specified. If the other Party does not appoint its own arbitrator and give notice that it has done so within the 14 days specified, the Party referring a dispute to arbitration may, without the requirement of any further prior notice to the other Party, appoint its arbitrator as sole arbitrator and shall advise the other Party accordingly. The award of a sole arbitrator shall be binding on both Parties as if he had been appointed by agreement.

Nothing herein shall prevent the Parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.

In cases where neither the claim nor any counterclaim exceeds the sum of US\$50,000 (or such other sum as the Parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.

Nothing stated previously in these conditions shall preclude Lessor from the right to seek security or interim orders (by means of appropriate remedy or 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 under all contracts to which these conditions apply in any jurisdiction Lessor sees fit.

21.5. Assignment

Customer may not assign or transfer any of his rights or obligations under the Agreement without Lessor’s prior written consent in his absolute discretion.

The Customer may not sub-lease the Products without the Lessor’s and, if applicable, the Finance Lessor’s prior written consent in their absolute discretion. The Lessor shall use reasonable endeavours to obtain the Finance Lessor’s consent if requested by the Customer.

Lessor may, without the consent of Customer, assign his rights under the Agreement to a third party. However, Lessor may not assign his supervisory obligations or exchange and service obligations hereunder to a third party without prior written consent of Customer. Lessor shall however, without the consent of Customer, be entitled to assign or transfer all his rights and obligations under the Agreement to any Associated Company of the Lessor.

21.6. Severability

In the event any clause or provision of the Agreement should, under applicable law, be held to be illegal or void, or both, such clause or provision shall be considered severable and the remaining portion of the Agreement shall continue in full force and effect, provided however, that such severability does not thereby materially alter the rights and obligations of the Parties.

21.7. Remedies

The exercise by either of the Parties hereto of any remedy or recourse available to it hereunder shall not deprive such Party of any other remedy or recourse available to it hereunder or under any applicable laws.

21.8. Waiver

No failure by either of the Parties hereto, in case of a default or breach of the Agreement by the other Party, to enforce any claim, or to exercise any remedy, or to have resort to any recourse under the Agreement or under any applicable law shall be deemed a waiver of any other remedy or recourse or a waiver of the same remedy or recourse for any subsequent default or breach.

21.9. Representation

Customer (if not ship-owner) hereby represents and warrants that it can lawfully and on behalf of each of the ship owners represent and legally bind each of the owners of the Ship(s) to the terms of the Agreement and that it has a duly signed and authorised power of attorney from each of owner of the Ship(s).

21.10. Counterparts

The Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of the Agreement.

20.11. Third party rights

With the exception of a Finance Lessor, a person who is not a party to the Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of the Agreement.

END