

TRANSAS MARINE INTERNATIONAL AB STANDARD TERMS AND CONDITIONS

1. DEFINITIONS

In these conditions:-

"Company" means Transas Marine International AB;

"Contract" means an Order accepted by the Company in writing;

"Customer" means the other contracting party;

"deals as consumer" has the same meaning as in the European Community (Unfair Terms in Consumer Contract) Regulations 1995 (the Regulations);

"Order" means the order placed by the Customer with the Company for the Products and/or Services;

"Products" means all the goods supplied by the Company under the Contract, including those that may have been supplied to Company by third parties;

"Services" means all the services rendered by the Company under the Contract;

"Specification" means the Company's specification for the Products;

"Total Contract Price" means the aggregate price of all the Products and/or Services (excluding VAT) supplied by the Company under the Contract.

2. QUOTATION

All quotations shall be subject to these conditions and unless otherwise stated or unless withdrawn by Company shall be valid for a period of sixty (60) days from the date of the quotation. The quotation is not an offer to proceed, and Customer is required to place a written Order with Company using the same reference as on the quotation.

3. PRECEDENCE OF THESE CONDITIONS

Customer agrees that the Order fully specifies its requirements for Products and/or services and unless agreed to by Company in writing shall be deemed to be placed subject to these conditions notwithstanding anything to the contrary contained on or referred to on the Order. The Order shall not be binding on Company until specifically accepted in writing.

If the Services required by Customer are special services (installation, commissioning, training, development or management services) any additional terms applicable to such Services will apply except that in the event of any conflict these conditions shall prevail.

4. PRICES

Unless otherwise stated all prices are quoted ex-works (INCOTERMS) Company's facility and are net of all taxes and duties. The price applicable to each item shall be set forth in the quotation. Prices will be quoted in Euros unless otherwise stated in the Contract.

5. PRICE ADJUSTMENT

Company reserves the right at any time prior to delivery to vary the price quoted for the Products and/or Services if following the date of the quotation the cost of supplying the Products and/or Services is increased by any factor beyond the control of Company. If any such variation in the net price of the Products and/or Services results in an increase on such price of more than five per cent (5%) Customer may cancel the Order by so notifying Company in writing within seven (7) days of notice of such increase.

6. PAYMENT

Payment for Products and/or Services shall be made within thirty (30) days of the date of the relevant invoice issued by Transas. Any sums not paid on the due date shall be subject to an interest charge at the rate of one and one-half percent (1.5%) per month compounded monthly on all amounts overdue until payment thereof, such to run from day to day and to accrue after as well as before any judgement.

7. SET-OFF

Company shall have the right at its sole discretion to reduce any outstanding Customer indebtedness which is due and payable to Company or any outstanding Company indebtedness which is due and payable to Customer by offsetting such indebtedness against any sums due and payable to Customer or to Company, as may be applicable.

8. DELIVERY AND RISK

All risks shall pass to Customer at Company's warehouse dock.

All dates and times specified to Customer for delivery and installation of the Products or the provision of Services are estimates only and Company shall not have any liability for delay or for any damages or losses sustained by Customer as a result of such dates or times not being met. Customer shall not be entitled to refuse acceptance of the Products or Services as a consequence of such delay. Time of delivery shall not be of the essence of contract between us.

Company reserves the right to make deliveries in instalments. Delay or other default in relation to a particular instalment shall not relieve Customer of its obligations to accept delivery and pay for other instalments.

Customer must make all claims for shipment shortages to Company in writing within ten (10) days of the date of delivery. Company may in its absolute discretion withhold delivery of the Products and/or supply of the Services pending payment of any sum due from Customer to Company.

If Customer does not accept delivery of a consignment of Products in accordance with the Contract: (i) Company shall be entitled to claim payment in accordance with Section 6 above for the Products refused and (ii) the Products refused shall be in all respects at Customer's risk; and the cost of storing the Products shall be borne by Customer. If the failure

to accept delivery continues for more than ten (10) days Company shall have the right to terminate the Contract pursuant to Section 18 below.

Customer shall inspect the Products immediately upon delivery or collection, and Customer shall notify Company in writing of any matter or thing by reason of which Customer states that the Products are not in accordance with the contract. If Customer fails to give such notice within 3 days, it shall be conclusively presumed that Customer has accepted the Products and that the Products are in accordance with the contract, and Customer shall have no right to reject the Products.

9. SHIPPING AND INSURANCE

All costs of shipping and insurance shall be borne by the Customer. Company shall have no liability for lost or damaged Products that are shipped in accordance with Customer's instructions.

10. TITLE

(a) Subject to the provisions of Section 13 regarding software the Company shall retain the legal and beneficial interest in the Products

(i) until Company shall have received all sums due to it from Customer whether under the Contract or any other contract between the parties,

(ii) subject to sub-section (d) below until Customer has paid the Total Contract Price together with all VAT payable thereon.

(b) Until such time as title passes,

(i) Customer shall store the Products in a manner which makes them readily identifiable as the property of Company; and

(ii) the relationship of Customer to Company shall be fiduciary in respect of the Products and accordingly Company shall have the right to trace any proceeds of sale.

(c) If any event occurs under Section 18 below which would entitle Company to terminate any Contract:

(i) Customer shall immediately notify Company of such event; and

(ii) notwithstanding any failure to so notify, all sums due to Company shall become immediately payable; and

(iii) Company by its servants or agents may for the purposes of recovery of all or any of the Products enter upon any premises where they are reasonably thought to be stored and may repossess the same.

(d) Customer is licensed by Company to mix the Products with goods not supplied by Company subject to the following express conditions, which shall apply unless and until all sums due to Company have been paid:

(i) if the Products are incorporated in or fixed or attached to or used as material for goods owned by Customer to form new

goods, such goods shall be deemed to be the sole and exclusive property of Company; or

(ii) if the Products are incorporated in or used as material for goods owned by a third party to form new goods such goods shall become or shall be deemed to be owned in common with that third party in proportion to the value of the Products to the other goods at the date of such incorporation or use.

Company's rights hereunder shall extend to these new goods whether under subsections (d) (i) or (d) (ii) above and in particular Customer shall hold any proceeds of sale of such new goods on trust for Company.

11. SPECIFICATION

(a) The Products will be supplied generally in accordance with the Specification. Company's policy is one of continuous development and consequently the Specification may vary from time to time. Company will not accept liability for the Products in respect of variations from the Specification except where any variation from the Specification is materially adverse to Customer.

(b) Descriptions and illustration contained in Company catalogues shall not form part of the Contract.

(c) All specifications, drawings and technical descriptions submitted with or in connection with any quotations or acknowledgement of Company are Company's proprietary intellectual property.

12. LIMITED WARRANTY

Unless otherwise stated in writing, Company warrants that the Products will be at the time of delivery free from defects in material and workmanship under normal use and service when installed under supervision of Company's certified service engineer within twelve (12) months after date of installation or eighteen (18) months after the date of shipment, whichever shall expire first.

13. SOFTWARE TERMS

Use of Company's software shall be subject to the following:

Company grants to Customer rights (i) to operate the software, and (ii) to make copies of the software only for the archival purposes. Customer shall not copy, modify, disassemble, reverse-engineer or decompile the software. Customer agrees that it shall not use or attempt to use the software except as authorised in these conditions or the Contract. The software does not include updates or upgrades unless otherwise stated in writing by the Company. Customer shall not have any title or ownership to the software other than ownership of the physical media. Customer acknowledges that the software may have been developed by third party software supplier(s) named in the copyright notice(s) included with the software and agrees that such software suppliers are authorised to hold Customer responsible for any copyright infringement or breach of this Section 13. Company

guarantees that the software shall not contain any material nonconformance with Company's Specifications for such software for a period of one (1) year after the date of invoice for the copy of such software.

EXCEPT FOR THE EXPRESSED GUARANTEE STATED IN SECTION 12 AND 13 ABOVE, THE COMPANY DISCLAIMS ALL GUARANTEES ON PRODUCTS HEREUNDER, INCLUDING ALL IMPLIED WARRANTIES OF SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS.

14. THIRD PARTY HARDWARE AND SOFTWARE

Any hardware or software designed, manufactured or produced by third parties and not bearing the Company's logo shall be subject to the warranty provided by such third parties that Company may elect to pass on to the Customer, provided such pass through of warranty coverage is permissible under Company's agreement with its supplier.

15. CUSTOMER ACKNOWLEDGEMENT

Customer acknowledges and agrees that:

(a) it is responsible for the operation of the Products and should ensure that they are used safely and that it should use, maintain, store and keep the Products in accordance with any instructions, user handbook or other form of guidance relating to them; and

(b) notwithstanding Company's acceptance of liability as set out in Section 16 (b) below, Customer acknowledges that it would be prudent for Customer to insure against all loss or damage Customer may suffer as a result of Company's acts or omissions whether negligent or not on the basis that Company's potential liability hereunder might otherwise be disproportionate to the Total Contract Price.

16. LIABILITY

(a) The warranties given in Sections 12 and 13 above are the only warranties given by Company and otherwise this Section 16 specifies the entire liability of Company including liability for negligence and in particular but without limitation all statutory or other express implied or collateral terms conditions or warranties are excluded to the fullest extent permitted by law.

(b) Company accepts liability except in the case of international sale of goods contracts:

- (i) for death or personal injury resulting from its negligence
- (ii) arising out of any breach of the obligations as to title implied by statute
- (iii) where Customer deals as consumer for any breach of any condition or warranty implied by statute as to the correspondence of the Products with description or sample or as to their quality or fitness for purpose or particular purpose

(iv) up to the amount calculated pursuant to Section 16 (f) below for direct physical damage to or loss of property resulting from the negligence of Company.

(c) Customer is required to notify Company of any claim under Section 16 (b) above as soon as reasonably possible except that any claim under Section 16 (b) (iv) above shall be notified to Company within ten (10) days of Customer suffering any alleged loss or damage.

(d) Except as provided in Sections 16 (a), (b) and (c) above, under no circumstances shall Company be liable to Customer or to third parties for any special, incidental, consequential, indirect or punitive damages even if Company had been advised of the possibility of such damages. Company is not responsible for lost profits or revenue, contracts, business, anticipated savings, use or goodwill.

(e) Customer will indemnify Company against any liability with regard to Products supplied to the Customer under this agreement (including liability for negligence) no matter when or how arising out of any claim by any third party against Company together with all legal costs relating thereto, except that insofar as the claim relates to direct physical damage to or loss of property resulting from the negligence of Company, this indemnity shall only apply if and to the extent that the claim and/or legal costs exceed the sum calculated pursuant to Section 16 (f) (i) and (ii) below.

(f) In no circumstances except as provided in clauses 16 (b) (i) (ii) and (iii) above will Company's liability whether in contract, tort or otherwise exceed in the aggregate:

(i) where the Total Contract Price is €150,000 or less, the lesser of (x) the sum of the Total Contract Price or (y) €75,000; or

(ii) where the Total Contract Price exceeds €150,000, fifty percent of the Total Contract Price.

PROVISIONS SET FORTH IN THIS SECTION 16 AND IN SECTIONS 12 AND 13 DO NOT AFFECT THE CUSTOMER'S STATUTORY RIGHTS WHERE THE CUSTOMER DEALS AS CONSUMER.

17. EXCUSABLE EVENTS

If Company shall be prevented from performing any provision hereof by causes beyond its control, including labour disputes, civil commotion, war, governmental regulations or controls, inability to obtain necessary material or services or Acts of God Company will give written notice to Customer and if Company is unable to perform its obligations for a period of more than six (6) months either party may terminate the Contract by written notice.

18. TERMINATION

Without prejudice to any claim or right it might otherwise make or exercise Company shall have the right forthwith to terminate the contract by notice and to claim for any losses, costs or expenses thereby incurred if Customer commits any

serious breach of any of the terms of these conditions or if Customer makes or offers to make any arrangement or composition with creditors or commits any act of bankruptcy, or if any petition or receiving order in bankruptcy is presented or made against Customer, or if any resolution or petition to wind up Customer is passed or presented otherwise than for reconstruction or amalgamation or if a receiver of Customer's property or assets or any part thereof is appointed or if a third party seizes or threatens to seize the Products before legal ownership has passed to Customer in accordance with Section 10 above.

19. CONSENTS/EXPORTING

Where applicable Company shall endeavour to obtain an export licence and all other necessary consents to enable the Products to be exported from Ireland. If Customer or its agent does not furnish the necessary instructions and/or documents, Company will make declarations according to its best judgement but will in no case be responsible for any fines or other charges due to errors or incorrect declarations, which shall be the sole responsibility and legal and financial liability of Customer. In the event that Company is unable to obtain an export licence or visas or consents for personnel required to provide Services outside Ireland, the Company shall not be held liable for any damages that Customer may suffer. Customer shall comply with all laws and regulations applicable to the export and import of Products or technical information supplied by Company.

20. FORWARDING INSTRUCTIONS

Forwarding instructions where required shall be provided by Customer not later than seven (7) days after being advised that the Products are ready for despatch. If no forwarding instructions are received within this period Company shall have the right thereafter to deliver the Products and to charge Customer in accordance with Section 6 above.

21. AMENDMENTS OR CANCELLATIONS

Once accepted by Company no Order can be amended or cancelled except with Company's prior written approval and upon terms which indemnify Company against any losses, including without limitation loss of profit or additional costs resulting therefrom.

22. ENTIRE AGREEMENT

These conditions supersede all previous conditions, understandings, commitments, agreements or representations whatsoever whether oral or written relating to the subject matter hereof and shall not be varied except with Company's written consent.

23. TAXES

Unless otherwise stated all prices are quoted excluding VAT, income and local sales, use, excise, or other taxes, and changes in effect at the date of the quotation and directly applicable to the Product covered by the Contract are payable by Customer.

24. GOVERNING LAW

These conditions will be governed by and construed in accordance with the law of Sweden and the parties hereby submit to the jurisdiction of the Courts of Sweden. Any dispute, controversy or claim arising out of or in connection with these conditions, or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce.

25. MISCELLANEOUS

The headings in these conditions are provided for reference only and shall not be used as a guide to interpretation. If any of the words or provisions of these conditions shall be deemed to be invalid for any reason, the remaining provisions shall nevertheless continue in full force and effect and will in no way be affected, impaired or invalidated.

Any notice required to be given hereunder shall be sufficiently given if properly addressed and sent by registered post (with receipt confirmation, postage prepaid), or facsimile transmission (machine receipt confirmed) to in the case of Company: Datavägen 37, SE-436 32, Askim, Sweden Attn.: Managing Director, and in the case of Customer to its last known address.

26. CONSUMER

Where products are sold under a consumer transaction (as defined in the Regulations the statutory rights of the consumer are not affected by these conditions.

27. THIRD PARTIES

A person who is not a party to these terms has no rights to enforce any term of these terms and conditions.