

**UMC INTERNATIONAL PLC (“UMC”)
TERMS AND CONDITIONS OF BUSINESS**

General

1. These Terms and Conditions shall apply to every transaction for the supply of goods and services, including consultancy services, by UMC to a purchaser (“the Customer”), and shall prevail over any other documentation or communication from the Customer unless otherwise agreed in writing (the “Contract”). Only orders accepted in writing shall be binding upon UMC. An accepted order can only be cancelled or varied with UMC's consent.
2. Unless the context otherwise requires, any term or expression defined by the rules for the Interpretation of Trade Terms of the International Chamber of Commerce (“Incoterms”) in force at the time the Contract is made shall have the same meaning in the Contract.

The Contract

3. The Customer warrants to UMC that it is entering into the Contract as principal and not as agent on behalf of any person, firm or company.
4. The price of the Services or Goods shall be UMC’s quoted price (“the Price”) and shall be exclusive of VAT and disbursements. Quotations will be valid for 30 days from issue.
5. Unless otherwise agreed, the Customer shall pay the Price, VAT and disbursements without deduction or set off (whether or not formally demanded) within 30 days from the date of the invoice. The time of payment shall be of the essence to the Contract.
6. If The Customer fails to make any payment when due then, without prejudice to any other right or remedy available to UMC, UMC shall be entitled to:
 - 6.1 cancel the Contract or suspend any other further deliveries to the Customer;
 - 6.2 charge the Customer interest (both before and after any judgment) on the amount unpaid at the rate of 4% per annum above Barclays Bank PLC base rate from time to time until payment in full is made, such interest to be compounded in quarterly intervals;
 - 6.3 withdraw all credit facilities offered to the Customer and require immediate payment of any and all outstanding invoices issued by UMC to the Customer whether or not they are due for payment;
 - 6.4 cancel and withdraw any trade or other discount allowed to the Customer on the Price.
7. In any contract for the delivery of Goods or Services by installments, each and every installment shall constitute a separate Contract. Any breach of the Contract in respect of any installment by the Customer shall entitle UMC to treat the whole Contract as repudiated by the Customer.
8. UMC shall be entitled to charge at their prevailing hourly rate for personnel and equipment in respect of any delay in the commencement of maintenance or repair services to vessels where this delay arises from the non-availability of the vessel at the specified location, a change of berth before the completion of the work or lack of safe access to the work area.
9. Any increase in the cost of UMC supplying Goods or Services caused by any breach, default, delay or variation by the Customer of its obligations under the Contract, any factor beyond the control of UMC, any change in supply dates or to the scope of Services or Goods to be supplied which are required by the

Customer, any delays caused by instructions of the Customer or failure of the Customer to give UMC adequate information or instructions on acceptance of the quotation or at any point thereafter, or any inability on the part of UMC properly to perform the Services using normal proprietary equipment, shall be paid by the Customer and shall include the actual cost (including establishment charges) of additional work done and additional materials and Services necessary to complete the Contract.

10. The Customer and UMC shall be entitled to terminate the Contract at any time by giving no less than three months' written notice to the other party.
11. No third party shall acquire rights or benefits under the Contract.
12. Any notice given under the Contract shall be in writing addressed to the registered office or principal place of business of the addressee or such other address as may have been notified as the correct address.
13. This Contract may not be assigned by the Customer. UMC may assign or sub-contract all or any of its rights or obligations hereunder.
14. No waiver by UMC of any breach of any provision of the Contract by the Customer shall be considered as waiver of any subsequent breach of the same or any other provision.
15. These conditions and each Contract shall be governed by and construed in accordance with the laws of England and the Customer and UMC submit to the non-exclusive jurisdiction of the English Courts.

Information

16. The Customer must supply sufficient information to enable UMC to proceed immediately with the execution of the Contract. The Customer shall retain duplicate copies of all documents, drawings, designs, specifications or other materials, data or information provided by the Customer ("Input Material"). The Customer warrants that Input Material will not infringe the copyright or other rights of a third party and the Customer shall indemnify UMC against any loss, damage, costs, expenses or other claims arising from any such infringement. UMC shall have no liability for any such loss or damage, however caused. Where UMC is providing consultancy Services, the Customer shall inform UMC of any Input Material or Output Material (as defined below) it wishes to be considered confidential and UMC shall, if so requested, enter into a mutually acceptable confidentiality agreement to protect the Customer's interests.
17. All reports, descriptions, technical data, drawings, dimensions, illustrations, particulars of performance, specifications, videotapes, photographs, films, digitized information, statements and all information submitted to the Customer by UMC in connection with the supply of Goods and Services, ("Output Material") and the copyright in them, shall remain the property of UMC except Output Material that becomes the property of the Customer as part of consultancy Services.
18. Underwater surveys carried out in lieu of statutory hull surveys in dry dock, or to enable a statutory dry dock survey to be postponed, are carried out under the supervision of the relevant classification society which is entirely responsible for the final outcome of the surveys and for decisions based on the results of such a survey. If UMC renders a report the information is for guidance only.

Regulations and Safety

19. All quotations for work to be carried out at anchorages or berths are subject to permission being granted by the relevant authorities for such work to be carried out. The Customer warrants that performance of the Contract will not infringe any relevant laws, regulations or guidelines and will comply with relevant permissions or consents.
20. The Customer's site representative or, when UMC is supplying maintenance or repair Services on a vessel, the Master of the vessel or his Deputy, shall at all times cooperate fully with UMC's representative to safeguard the safety of all of UMC's personnel and subcontractors and shall ensure:
 - 20.1 unimpeded safe access to all work areas and to relevant records kept by the Customer to enable UMC to perform its duties;
 - 20.2 that the work areas are in good order and repair, that work can continue uninterrupted during normal hours and that all necessary facilities are provided on site;
 - 20.3 that any machinery likely to present a hazard to UMC's personnel is secured and made safe.

Insolvency

21. If the Customer makes any voluntary arrangement with its creditors, becomes subject to an administration order, or (being an individual or firm) becomes bankrupt, or (being a company) goes into liquidation (other than for the purposes of amalgamation or reconstruction), or any the beneficiary of any encumbrance takes possession, or a receiver is appointed over any of the property or assets of the Customer, or the Customer ceases or threatens to cease to carry on business or UMC reasonably apprehends that any events mentioned in this clause is about to occur (and notifies the Customer accordingly) then, without prejudice to any other right or remedy available to UMC, UMC shall be entitled to cancel the Contract without any liability on the part of UMC and the Price shall become immediately due and payable notwithstanding any previous Agreement or arrangement to the contrary.

Warranties and Liabilities

22. Subject as provided below UMC warrants that the Services will be performed with all reasonable skill and care and that Goods, at the time of delivery, will correspond to their specification and shall be free from defects in materials and workmanship. All other warranties, conditions or other terms implied by statute or common law are excluded to the fullest extent permitted by law.
23. UMC shall be under no liability whatsoever to the Customer for any loss, damage or expense of whatsoever nature and howsoever arising unless the same is proved to have resulted solely from the negligence, gross negligence or wilful default of UMC or its employees, agents or sub-contractors in which case (save where loss, damage or expense has resulted from UMC's personal act or omission committed with the intent to cause same or recklessly and with knowledge that such loss, damage or expense would probably result) UMC's liability for each incident or series of incidents giving rise to a claim or claims shall never exceed ten times the Price or USD1,000,000, whichever is the lower.;
24. Except in respect of death or personal injury caused by UMC's negligence, UMC shall not be liable to the Customer in respect of indirect, special or consequential loss or damage including (but not limited to costs, expenses,

- loss of profit, business, revenue, contract, goodwill, opportunity or demurrage or other claims which rise out of or in connection with the provision of the Services or the supply of the Goods.
- 25 All liability of every kind of UMC shall cease on the expiration of one year after the Services have been performed or the Goods delivered.
- 26 Any claim by the Customer which is based on any defect in the performance of the Services or Goods or their failure to correspond with any specification must be notified to UMC within 7 days from the date of completion of the Services or delivery of the Goods or (where the defect was not apparent on reasonable inspection) within a reasonable time after discovery of the defect or failure.
- 27 Where any valid claim is notified to UMC, UMC shall be entitled to remedy the defect free of charge to the Customer or, at UMC's sole discretion, grant credit to or refund the Customer the Price, or a proportionate part of the Price, but UMC shall have no further liability.
- 28 UMC shall not be liable to the Customer or be deemed to be in breach of contract where performance of its obligations is prevented, frustrated or impeded as a result of any act of God, war or civil disturbance, strikes or other industrial action, government or other authority, laws, regulations or orders, national emergencies, lockout, fire, flood, drought, tempest, import or export restrictions, power failure, blockade, difficulty in obtaining materials or any other cause beyond the control of UMC.
- 29 Trials or movements of a vessel shall be at the Customer's sole risk in every respect and neither UMC nor any sub-contractor shall be under liability whatsoever to the Customer for any act or default in or arising out of such trials and movements.
- 30 UMC shall be under no liability arising from any Input Material supplied by the Customer.
- 31 UMC shall be under no liability under clause 22 unless the Price for the Service or Goods has been paid in full.

Sale of Goods

- 32 UMC shall use its reasonable endeavors to meet any date quoted for delivery of Goods but time of delivery shall not be of the essence and UMC shall not be liable for any delay. Delivery shall be made to the address agreed with UMC but, unless otherwise agreed in writing between the Customer and UMC, the Price quoted shall be ex-works UMC's Chandlers Ford factory. Risk of damage to, or loss of, the Goods shall pass to the Customer upon delivery.
- 33 If the Customer fails to take delivery of the Goods or fails to give adequate delivery instructions to UMC then, without prejudice to any other right or remedy available to UMC, UMC may store the Goods until actual delivery and charge the Customer for the reasonable costs (including insurance) of storage and, after a period of 30 days sell the Goods at the best price readily obtainable and (after deducting reasonable storage and selling expenses) account to the Customer for the excess over the price or charge the Customer the amount of any shortfall.
- 34 The Customer shall be responsible for obtaining import licenses and for complying with all regulations governing the admission of the Goods into the

country of destination and for payment of all custom duties, port dues and other charges.

- 35 Property in the Goods shall not pass to the Customer until UMC has received payment in full of all sums due to UMC from the Customer. Until property in the Goods passes to the Customer, the Customer shall keep the Goods separate, properly stored, protected and insured and identified as UMC's property and the Customer shall not pledge or charge the Goods by way of security or otherwise. The Customer shall be entitled to resell or use the Goods in the ordinary course of its business but shall immediately account to UMC for the proceeds of sale of the Goods and shall keep all such proceeds separate from any monies of the Customer and third parties and, in the case of tangible proceeds, properly stored, protected and insured. UMC shall be entitled at any time to require the Customer to deliver up the Goods to UMC and if the Customer fails to do so, to enter upon any premises of the Customer or of any third party where the Goods are stored and repossess the Goods. Any breach of this clause by the Customer shall cause all monies owing to UMC to become immediately due and payable.
- 36 UMC reserves the right at all times to substitute other materials for materials specified where the specified materials are not readily available, provided that in UMC's view the substituted materials are fit for purpose.

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