



Vets Kloska Ship Supply N.V. - GENERAL TERMS AND CONDITIONS (BASED ON THE I.S.S.A. (International Ship Supplier's Association) Conditions (2003))

The following conditions apply to and are deemed to be incorporated in all Contracts made by Vets Kloska Ship Supply N.V. (referred to as the "Vendor") and the customer (referred to as the "Purchaser"). By concluding a Contract with the Vendor, the Purchaser agrees with the conditions mentioned hereunder.

Definitions

"Vendor"	Vets Kloska Ship Supply N.V.;
"Purchaser"	shall mean the person placing an order in respect of the Goods and where such person acts as agent of or otherwise for a third party (principal), such person and the principal and the vessel on whose behalf the Goods are ordered jointly and severally;
"Goods"	shall mean any and all items ordered by the Purchaser and/or supplied by the Vendor for use on board a vessel or vessels or an offshore oil rig or similar, or incidental to the operation of the aforesaid;
"Contract"	shall mean any agreement between the Vendor and a Purchaser pursuant to which Goods are supplied or are to be supplied;

General

1. Unless otherwise expressly agreed in writing the following conditions shall apply to all Contracts, orders and deliveries. Any conflicting purchasing conditions (or similar) of the Purchaser shall be deemed to have been rejected by the Vendor unless expressly accepted in writing.

Orders & Deliveries

2a. The Purchaser shall communicate as soon as reasonably practicable to the Vendor his order or orders.

2b. Any and all offers made by the Vendor only become binding upon express confirmation by the Vendor. The placing of an order by the Purchaser only will conclude the Contract after express acceptance by the Vendor. Before the said express acceptance by the Vendor, the Vendor is free to revoke the offer.

2c. Provided the prevailing circumstances reasonably permit, the Vendor shall supply and deliver to the Purchaser the Goods as ordered at the time and place stipulated by the Purchaser insofar as such Goods are available at the agreed port or port-area.

3a. The Vendor shall, unless otherwise agreed, deliver the Goods Free Alongside Ship by truck at the nearest point to the ship where the truck(s) / delivery vehicle(s) can be unloaded in a safe manner and/or where advised by local authorities in respect of safety, ISPS (International Ship & Port Safety Code) and/or local regulations (referred to as the "Point of delivery").

From the moment that the Goods have been delivered at the Point of delivery, the Purchaser bears all risks of loss of the Goods or damage to the Goods.



If deliveries are made offshore by barge or by any other type of vessel then all costs for the barging equipment as well as loading costs, unloading costs, etc, unless otherwise agreed in writing shall be for the account and risk of the Purchaser. All insurance for such transport by waterways shall be made by and for account of the Purchaser, including risk for Goods carried on deck. From the moment that the Goods have been loaded on board of the barge or any other type of vessel, the Goods shall be deemed to be delivered and the Purchaser bears all risks of loss of the Goods or damage to the Goods.

3b. Should the Vendor expressly agree to transport/handle the Goods beyond the Point of Delivery as defined in paragraph 3a the costs of such additional delivery/handling shall be agreed in advance, invoiced and payable by the Purchaser.

3c. If delivery is requested outside the normal hours of the agreed port or port-area or on Saturdays, Sundays or religious or national or legal holidays, expenses incidental to such delivery shall be payable by the Purchaser as additional costs.

3d. The Goods shall be deemed delivered on the arrival of the Goods at the stipulated time at the Point of Delivery. The responsibility, cost and risk of unloading the delivery vehicle(s) and delivering on board are for account of the Purchaser. Risk in the Goods (but not property therein) shall, in all respects, pass to the Purchaser upon delivery.

3e. The Purchaser shall pay to the Vendor any costs or expenses incidental to any waiting period beyond a reasonable time.

3f. All orders and receipt notes will be signed by the master or his authorised representative.

3g. Where the Vendor is ordered to deliver Goods other than to a ship responsibility rests with the Purchaser to ensure that the person responsible for accepting delivery gives a full and proper receipt for the Goods delivered. Signed receipt by that party shall constitute acceptance of delivery by and to the Purchaser.

Prices

4a. Subject to Condition 4b below, in respect of the Goods supplied by the Vendor, the Vendor shall charge to the Purchaser the prices current at the relative port or port-area at the time of delivery.

4b. The Vendor may, if requested by the Purchaser, send to the Purchaser a list stating the prices of Goods and the period for which such prices are to apply. If such a list has expired and not been renewed, Condition 4a shall apply. Goods which cannot be offered at a price fixed in advance shall be clearly so marked on any such list and in this case Condition 4a shall apply.

4c. Quoted prices are for the specified quantities only. Unless otherwise specified, prices are always exclusive of VAT, duties, levies, imposts and other taxes. All increases due to such taxes and charges shall be for the account of the Purchaser.

Quality and Packing

5a. The Goods shall be of standard or prime quality as rated at the time and place of delivery. The Goods shall be supplied in the packing customary at the time and place of delivery. At the time of placing his order, the Purchaser shall inform the Vendor of any special packing requirements in view of the destination of the ship and/or Goods. Any additional expenditure incurred in complying with such requirements shall be chargeable to and payable by the Purchaser.



5b. Information regarding quality, specification, handling and possible applications is only given by way of guidance, and only will constitute out of a guarantee if such is expressly stated by the Vendor.

6a. Returnable packing material and containers supplied by the Vendor shall be clearly marked as such on the receipt-note and shall be returned by the Purchaser to the Vendor as soon as reasonably practicable.

6b. Returnable packing material and containers shall be charged separately at the prices current at the time and place of delivery. The amounts so charged shall be refunded by the Vendor to the Purchaser, provided such packing material and containers are returned undamaged within a reasonable period.

Claims

7. By taking delivery of the Goods and signing the delivery note(s) accompanying the Goods, whether signed by the Purchaser or any representative such as Master, Officer, Crew Member, Agent or other Representative of Purchaser the Purchaser shall be deemed to have examined and accepted the Goods in every respect, including quantity and quality.

8. In order to be valid, reservations must be submitted in writing, specifying motivation and be accompanied by a sample to the Vendor, not later than the time of delivery in case of apparent loss, damage or non-conformity and within 5 days in the case of loss, damage or non-conformity which is not apparent. No protest concerning foodstuffs is acceptable without samples safeguarded in duly sealed recipients, appropriately stored. In absence of timely reservations, the Goods are deemed to have been received in good order and condition.

The Goods may not be returned to the Vendor without his prior written agreement.

9. In the event of a claim pursuant to paragraph 8 the Purchaser shall be required to prove that, since delivery, the Goods were continuously handled, treated and stored by the Purchaser as a prudent administrator in keeping with the nature of the Goods and their propensity to deteriorate and that any alleged deficiency is not attributable to the Purchaser's fault or negligence.

10. Any damages/compensation shall be strictly limited to a refund of the net sales price paid to the Vendor for the affected Goods and the Vendor shall in no circumstances whatsoever be liable for any claim for consequential loss, damage or injury arising out of the supply, or late supply or failure to supply, of any Goods.

Owner's Items

11a. In situations where the Vendor has agreed to store and transport supplies and items that are not supplied/provided by the Vendor (such items and goods are referred to as "Owner's Items"), the sole risk for such storage and transport remains with the Purchaser.

11b. Such Owner's Items are considered as received for transport and/or storage only. The Vendor will be deemed to have accepted to carry such Owner's Items to the receiving vessel as a courtesy to the Purchaser on the condition that the Vendor shall have no responsibility for loss, damage or delay to the said Owner's Items (in whole or in part) occurring during offloading, storage, loading and transport from storage ashore until landed on deck of the receiving vessel howsoever arising including but not limited to negligence on the part of the Vendor or its subContractors and the Purchaser shall indemnify the Vendor from any loss and/or liability arising out of the said transport.



11c. The Purchaser acknowledges and accepts that barge transport may be performed as deck cargo, and the Purchaser shall have the sole responsibility of proper and sufficient package of the supplied Owner's Items.

11d. The Vendor shall be deemed to have no knowledge of such supplied Owner's Items' weight, contents or quality and in no way whatsoever can such company be held responsible for same.

11e. The sole responsibility of the Vendor is to ensure that Owner's Items are stored, transported, exported and imported in accordance with all applicable law. All costs in connection with storage, transport, export and/or import of Owner's Items not in compliance with the preceding sentence will be fully reimbursed by the Purchaser, including delays on transporting trucks, vehicles and/or barges.

11f. It shall be the sole risk, cost and responsibility of the Purchaser to ensure that all risks insurance is arranged for such supplied Owner's Items from time of delivery to the Vendor until landed on deck of the receiving Vessel.

11g. Any possible liability of the Vendor for damage to and/or loss of the Owner's Items shall always and in any and all event limited to 8,33 S.D.R. per damaged or lost Kilo with a maximum of 750 EUR per incident or sequence of events with one and the same cause of damage.

Payment

12a. The invoices of the Vendor will be deemed to be accepted by the Purchaser unless written protest is made within eight days of the invoice date.

12b. All invoices shall be paid within thirty days after the delivery of the Goods unless expressly agreed otherwise without any discount and without any costs to the Vendor.

12c. The Belgian Act of August 2nd 2002 (Belgian Gazette August 7th 2002) on combating late payment in commercial transactions (adoption of EU Directive 2000/35/EG) is applicable on the obligation of the Purchaser to pay.

In the event of the non-payment of an invoice on the expiry date of the term of payment all other invoices will become payable.

12d. Without prejudice to Condition 12a and 12b and 12c, in the event that the Vendor has to arrest a ship for non-payment of debt, the Vendor shall be entitled to collect from the Purchaser all costs or expenses resulting from the arrest.

12e. The Goods remain the property of the Vendor until the whole of the Contract price, including all costs and charges has been paid by the Purchaser.

12f. The provisions of this Condition 12f apply when Goods are ordered by the Purchaser as agent (hereinafter called "the agent") for a ship owner (in this Condition called "the principal"), whether named or un-named. In consideration of the Vendor supplying Goods at the request of the agent, the agent irrevocably and unconditionally guarantees to the Vendor the due performance by the principal of the obligations of the Purchaser under these Conditions on the following terms:

(i) Whenever the principal makes default in the performance of any of those obligations, the agent shall, within 7 days of written notice being given to the agent by the Vendor, perform the same;

(ii) The agent shall not be exonerated by time being given or by any concessions being granted to the principal by or with the consent of the agent or by anything the agent may do or omit or neglect to do or



by any other dealing or thing which but for this provision would or might operate to exonerate the agent or by any modification to the conditions;

(iii) This guarantee is to be a continuing guarantee and accordingly, it is to remain in operation so long as the principal has or may have any obligation or liability under these Conditions;

12g. The period of limitation for the Vendor's claim for payment of the sales price shall be 4 years and begins to run from the date of the delivery of the Goods.

Force Majeure

13. If the Vendor is unable to make delivery, or to make delivery in good time, owing to force majeure (which shall include all or any circumstances or conditions for which the Vendor cannot be held responsible and as a consequence whereof it is not reasonably possible to make delivery in good time or at all) then the Vendor's obligation to deliver shall cease or if appropriate be suspended for the duration of such force majeure.

Law and Jurisdiction

14. Belgian Law is applicable on all Contracts between the Vendor and the Purchaser.

15. If one of the terms or clauses of the present Contract would be null and void, illegal, invalid or impossible to perform, only those terms or clauses will be considered not to be written, without having as a consequence that the entire present agreement is null and void. The Contract shall always be construed and applied in favour of the Vendor.

16. All possible disputes between the Vendor and the Purchaser must be submitted to the exclusive jurisdiction of the Court of Commerce of Antwerp.