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## General Terms and Conditions for the supply of services

Rev. date: 15.05.2013  
 Rev. no: 1  
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### 1. GENERAL PROVISIONS

- 1.1 These general terms and conditions for the supply of services (the "T&Cs") shall apply to the parties to the Service Order (as defined below). The Service Order in its entirety and these T&Cs together make up the "Contract" between the Supplier and the Customer.
- 1.2 In the event of conflict between the provisions of the Service Order and the T&Cs, the provisions contained in the Service Order shall prevail.
- 1.3 Once the Service Order has been agreed and signed, no amendment shall be made to it except in accordance with clause 8 and clause 15 hereto.

### 2. INTERPRETATION

- 2.1 The following definitions shall apply to the Contract.

Contract: shall have the meaning as defined in clause 1.1.

Customer: the party set out as being the "Customer" in the Service Order.

Document: includes, in addition to any document in writing, any drawing, map, plan, diagram, design, picture or other image, tape, disk or other device or record embodying information in any form.

In-put Material: all Documents, information and materials provided by the Customer relating to the Services, including but not limited to reports, specifications, certificates, archived service reports and service orders, archived statements of service and any other document, information, equipment or similar as reasonably requested by the Supplier.

LSA Equipment: all Documents, products and materials developed by the Supplier or its agents, subcontractors, consultants and employees, currently owned or used or otherwise in the Customer's possession and the subject-matter of the Services, usually including but not limited to all types of lifeboats, davits, winches, rescue boats and various tools etc. as specified in the Service Order.

LSA Spare Parts: all spare parts required in respect of, or as part of, the Services as set out in the Service Order.

Other Equipment: any materials or products, which is not LSA Equipment, required by the Supplier to undertake any part of the Services.

Quotation: the separate document deemed to be incorporated in the Service Order, setting out the proposed fee estimate by the Supplier for the provision of the Services.

Service Order: the separate document executed by the Customer and the Supplier containing details about the Services including, for example, the estimated timetable (including any milestones), the Services to be delivered by the Supplier, the responsibilities for the provision of the Services, and in which the Quotation shall be deemed to be incorporated.

Services: the services to be provided by the Supplier under this Contract as set out in the Service Order, usually consisting of one or more of the following: repair and maintenance of LSA Equipment, delivery and/or installation of LSA Spare Parts or Other Equipment, commissioning of LSA Equipment, annual or 5-year service inspections, general fleet service, certification, training of staff together with any other services which the Supplier provides or agrees to provide to the Customer pursuant to the Service Order.

Supplier: the Norsafe entity set out in the Service Order.

Supplier Engineer: fully trained and certified service engineer(s) or other individual(s) employed by or contracted in as representatives, advisers, agents, service partners or subcontractors by the Supplier to provide the Services to the Customer, the names of which are set out in the Service Order.

VAT: value added tax chargeable under Norwegian law for the time being and any similar additional tax.

### 3. COMMENCEMENT AND DURATION

- 3.1 The Supplier shall provide the Services to the Customer on the terms and conditions as specified in the Contract.
- 3.2 The Supplier shall provide the Services to the Customer during the period specified in the Service Order, subject always to clause 7.1 herein.

### 4. SUPPLIER'S GENERAL OBLIGATIONS

- 4.1 The Supplier shall use reasonable endeavours to provide the Services in accordance with the Contract in all material respects.
- 4.2 The Supplier shall use reasonable endeavours to observe all health and safety rules and regulations and any other reasonable security requirements that apply at the Customer's premises and that have been communicated to it under clause 5.1 (e), provided that it shall not be liable under the Contract if, as a result of such observation, it is in breach of any of its obligations under the Contract.
- 4.3 The Supplier shall ensure that any LSA Spare Parts or Other Equipment is in good working order, complies with the Contract, and is suitable for the purposes for which it is used in relation to the Services.
- 4.4 Performance of Services at Client's premises shall be carried out in compliance with the rules in force relating to safety and working conditions as applied by the Customer.
- 4.5 The Supplier shall at his own expense provide and maintain reasonable personnel insurance in respect of those of the Supplier Engineers that are employed directly by the Supplier, which shall cover losses connected to illness, personal injury or accidental death caused or suffered in the performance of the Services. The Supplier shall endeavour to procure that those of the Supplier Engineers that are not employed directly by the Supplier obtain similar insurance coverage from their direct employers.
- 4.6 The Supplier shall ensure that all Supplier Engineers are suitably trained and certified for the tasks they are to perform in respect of the Services.

### 5. CUSTOMER'S GENERAL OBLIGATIONS

- 5.1 The Customer shall:

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- (a) co-operate with the Supplier in all matters relating to the Services;
- (b) provide, for the Supplier Engineer, in a timely manner and at no charge, access to the Customer's premises, office accommodation, data and other facilities as reasonably required by the Supplier or the Supplier Engineer;
- (c) provide, in a timely manner, such In-put Material and other information as the Supplier may reasonably require, and ensure that it is accurate in all material respects;
- (d) be responsible (at its own cost) for preparing and maintaining the relevant premises for the supply of the Services;
- (e) inform the Supplier of all health and safety rules and regulations and any other reasonable security requirements that apply at the Customer's premises;
- (f) allow the Supplier Engineer to contact the Supplier by telephone or fax whenever so desired by the Supplier Engineer; and
- (g) ensure that all requests, whether oral or in writing, presented by the Supplier Engineer in respect of the Services, other practicalities or personal welfare is given due attention;

5.2 If the Supplier's performance of its obligations under the Contract is prevented or delayed by any act or omission of the Customer, its agents, subcontractors, consultants or employees, the Supplier shall not be liable for any costs, charges or losses sustained or incurred by the Customer that arise directly or indirectly from such prevention or delay.

5.3 The Supplier shall always be entitled to use advisers, agents, service partners and/or subcontractors to provide the Services on the Supplier's behalf.

### 6. DELIVERY, PASSING OF RISK

6.1 Delivery of any LSA Spare Parts or Other Equipment as part of the Services shall be Ex works in accordance with Incoterms 2010 at such premises to be notified to the Customer.

### 7. TIME FOR DELIVERY OF SERVICE

7.1 The Supplier shall use reasonable endeavours to meet any milestones specified in the Service Order, but any such dates shall be estimates only and time for performance by the Supplier shall not be of the essence under the Contract.

### 8. CHANGE CONTROL, VARIATIONS

8.1 If either party wishes to change the scope or execution of the Services, it shall submit details of the requested change to the other in writing.

8.2 If either party requests a change to the scope or execution of the Services, the Supplier shall, within a reasonable time, provide a written estimate to the Customer of: (i) the likely time required to implement the change; (ii) any necessary variations to the Supplier's charges arising from the change; (iii) the likely effect of the change on the Service Order; and (iv) any other impact of the change on the Contract.

8.3 If the Customer wishes the Supplier to proceed with the change, the Supplier has no obligation to do so unless and until the parties have agreed the necessary variations to its charges, the Services, the relevant Service Order and any other relevant terms of the Contract to take account of the change and the Contract has been varied in accordance with clause 15.

8.4 Notwithstanding clause 8.3, the Supplier may, from time to time and without notice, change the Services in order to

comply with any applicable safety or statutory requirements, provided that such changes do not materially affect the nature, scope of, or the charges for the Services, and shall provide immediate notice to the Customer in the event of such change of Services taking place.

8.5 The Supplier may charge for the time it spends assessing a request for change from the Customer on a time and materials basis in accordance with clause 9.

### 9. CHARGES AND PAYMENT

9.1 In consideration for the provision of the Services by the Supplier, the Customer shall pay the fees invoiced by the Supplier based on the hourly rates and charges as set out in the Quotation, which shall be on a time and materials basis. The figures provided in the Quotation shall, whether in respect of hourly rates or anticipated time required or otherwise, and unless otherwise stated in the Service Order, always be an estimation only.

9.2 In respect of Services provided:

- (a) the charges payable for the Services shall be calculated in accordance with the Supplier's daily fee rates, as set out in the Quotation and as amended from time to time by the Supplier upon giving written notice;
- (b) the Supplier will charge a minimum of 10 hours (offshore 12 hours) work per day in respect of each Supplier Engineer, regardless of the amount of work carried out;
- (c) unless otherwise agreed the Supplier shall be entitled to charge an overtime rate of 50% of the normal hourly rate on a pro-rata basis for each hour worked by a Supplier Engineer outside the hours referred to in clause 9.2(b);
- (d) reasonable time spent by the Supplier Engineer for mobilisation, demobilisation and reporting will be charged as normal working time;
- (e) the Supplier Engineer shall be entitled to work every day, including weekends and/or national holidays at the same hourly rates as specified in the Quotation. However, the Supplier Engineer shall not be obliged to work on weekends, and shall have at least every third weekend off. Local rules and regulations as applicable to the Supplier shall apply to the Supplier Engineer;
- (f) all charges quoted to the Customer shall be exclusive of VAT, which the Supplier shall add to its invoices at the appropriate rate;
- (g) the Supplier shall ensure that every Supplier Engineer completes time sheets recording time spent on the Services, and the Supplier shall use such time sheets to calculate the charges covered by each invoice referred to in clause 9.2(h); and
- (h) the Supplier shall invoice the Customer in arrears for its charges for time, expenses and materials including any relevant LSA Spare Parts or Other Equipment or other equipment delivered as part of the provision of the Services (together with VAT where appropriate), calculated as provided in this clause 9.2 and clause 9.3. Each invoice shall include a copy of the relevant time sheet and other expense statement by each Supplier Engineer and provide a detailed breakdown of any expenses and materials, accompanied by relevant receipts.

9.3 Unless expressly excluded the cost of hotel, subsistence, travel and any other ancillary expenses reasonably incurred by the Supplier Engineer in connection with the Services shall be invoiced in addition to the above by the Supplier. Such expenses shall be invoiced by the Supplier at cost price plus

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15 per cent to cover administrative expenses incurred by the Supplier.

- 9.4 Unless otherwise specified, the Customer shall pay each invoice submitted to it by the Supplier, in full and in cleared funds, within 15 days of receipt to a bank account nominated in writing by the Supplier.
- 9.5 Without prejudice to any other right or remedy that it may have, if the Customer fails to pay the Supplier on the due date, the Supplier may:
- (a) claim interest on all outstanding overdue amounts in accordance with, and at the applicable rate in force from time to time pursuant to, the Norwegian law on overdue payments (No: *forsinkelsesrenteloven*); and/or
  - (b) suspend all Services until payment has been made in full.
- 9.6 Each party may, without limiting any other rights or remedies it may have, set off any amounts owed to it by the other party in respect of the Contract against any amounts payable by it to the other party under the Contract.

### 10. DELAY, DEFECTS

- 10.1 Without prejudice to clause 7.1, in the event there is material delay to the delivery of Services and such delay is not:
- (a) communicated by the Supplier to the Customer as soon it becomes reasonably clear to the Supplier that such delay will occur; or
  - (b) caused in part by the Customer; or
  - (c) caused in part by a Force Majeure Event,
- the Customer shall, for each day the delivery is delayed, be entitled to liquidated damages accruing at a daily rate of 0.15% of the total Contract price estimation as set out in the Contract. Liquidated damages shall, however, not exceed a maximum of 7.5% of the total contract price.
- 10.2 The Customer shall, together with the Supplier, inspect the Services and any LSA Equipment upon completion of the Services, immediately upon which the parties shall sign the Service Order.:
- 10.3 Unless otherwise specified in the Service Order, and subject always to clause 10.4, the Supplier shall be obliged to remedy any defect at its own reasonable cost, which appear in the following period only:
- (a) in respect of LSA Spare Parts or LSA Equipment: 12 months from delivery in accordance with clause 6.1; and
  - (b) in respect of Services (excluding provision of LSA Spare Parts and LSA Equipment): 12 months from the date the Service Order is signed by the parties.
- 10.4 The obligation on the Supplier to remedy any defect as set out in clause 10.3 shall not apply if:
- (a) any such defect as results from the misuse, negligence or wilful misconduct on the part of the Customer or any other third party;
  - (b) notice of such defect is given by the Customer to the Supplier later than 20 days from such defect became, or should have become, known to the Customer;
  - (c) such defect arises out of materials provided, or a design stipulated or specified by the Customer; or
  - (d) any such item, whether LSA Spare Parts, LSA Equipment or otherwise to which the defect is being claimed has been serviced by a service provider that is not a Supplier-certified or approved service provider during the period set out in clause 10.3.
- 10.5 Subject to clause 12, in no event shall any delay or defect give the Customer a right to terminate the Contract.

### 11. LIMITATION OF LIABILITY AND INDEMNIFICATION

- 11.1 Except for as set out in clause 10 and subject to clause 11.2, the Supplier shall have no liability what so ever towards the Customer or any third party in respect of any losses, damages, claims, costs and/or expenses whatsoever arising from or in connection with the Contract, unless directly and solely caused by the gross negligence or wilful misconduct of the Supplier.
- 11.2 Any liability arising pursuant to clause 11.1 shall be upwards limited to an aggregate total amount equal to the total payment(s) actually paid by the Customer to the Supplier pursuant to the Contract.
- 11.3 The Supplier shall indemnify the Customer from and against any claim concerning (i) personal injury to or loss of life of any of the Supplier Engineers and (ii) loss of or damage to any property of the Supplier or the Supplier Engineer which might arise in connection with the Services. This applies regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of the Customer or its employees, officers, representatives, advisers, agents or subcontractors. The Supplier shall take all reasonable steps to ensure that its representatives, advisers, agents or subcontractors waive their right to make any claim against the Customer and its employees, officers, representatives, advisers, agents or subcontractors when such claims are covered by the Supplier's obligation to indemnify under the provision of this clause.
- 11.4 The Customer shall indemnify the Supplier from and against any claim concerning (i) personal injury to or loss of life of any of the Customer's employees, officers, representatives, advisers, agents or subcontractors and (ii) loss of or damage to any property of the Customer or its employees, officers, representatives, advisers, agents or subcontractors, and which might arise in connection with the Services. This applies regardless of any form of liability, whether strict or by negligence, in whatever form, on the part of the Supplier or its employees, officers, representatives, advisers, agents or subcontractors. The Customer shall take all reasonable steps to ensure that its representatives, advisers, agents or subcontractors waive their right to make any claim against the Supplier and its employees, officers, representatives, advisers, agents or subcontractors when such claims are covered by the Customer's obligation to indemnify under the provision of this clause.
- 11.5 The Customer shall indemnify the Supplier and the Supplier Engineer from the own indirect losses of the Customer and its employees, officers, representatives, advisers, agents or subcontractors, and the Supplier shall indemnify the Customer and its employees, officers, representatives, advisers, agents or subcontractors from the own indirect losses of the Supplier and the Supplier Engineer. This applies regardless of any liability, whether strict or by negligence, in whatever form, on the part of either the Customer or the Supplier or their respective employees, officers, representatives, advisers, agents or subcontractors and regardless of any other provision of the Contract. Indirect losses according to this provision include but are not limited to loss of earnings, loss of profit, loss due to pollution and loss of production.

### 12. TERMINATION

- 12.1 Without prejudice to any other rights or remedies which the parties may have, either party may terminate the Contract without liability to the other immediately on giving notice to the other if:

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- (a) the other party fails to pay any amount due under the Contract on the due date for payment and remains in default not less than 60 days after being notified in writing to make such payment; or
- (b) the other party commits a material breach of any of the material terms of the Contract and (if such a breach is remediable) fails to remedy that breach within 90 days of that party being notified in writing of the breach; or
- (c) the other party commences bankruptcy, insolvency and/or winding-up proceedings or appoints a receiver or administrator or commences negotiations with all, or any class of, its creditors with a view to rescheduling any of its debts, or makes a proposal for, or enters into any compromise or arrangement with, its creditors.
- 12.2 On termination of the Contract for any reason:
- (a) the Customer shall immediately pay to the Supplier all of the Supplier's outstanding unpaid invoices and interest and, in respect of Services supplied but for which no invoice has been submitted, the Supplier may submit an invoice, which shall be payable immediately on receipt;
- (b) the accrued rights, remedies, obligations and liabilities of the parties as at termination shall not be affected, including the right to claim damages in respect of any breach of the Contract which existed at or before the date of termination; and
- (c) clauses which expressly or by implication have effect after termination shall continue in full force and effect, including the following clauses: clause 14 (Proprietary Rights, Confidentiality), clause 11 (Limitation of liability), clause 17 (Notices), clause 18 (Dispute resolution and jurisdiction) and clause 19 (Governing law).
- 13. FORCE MAJEURE**
- 13.1 Force majeure means an occurrence beyond the control of the party affected, provided that such party could not reasonably have foreseen such occurrence at the time of entering into the Contract and could not reasonably have avoided it or overcome its consequences ("**Force Majeure Event**").
- 13.2 A party shall not be considered to be in breach of the Contract to the extent it is proven that such party was unable to fulfill its contractual obligations due to force majeure. Each party shall cover its own costs resulting from force majeure. The party invoking force majeure shall notify the other party thereof without undue delay. Such notice shall also include the cause of the delay and the presumed duration thereof.
- 13.3 If the Force Majeure Event prevails for a continuous period of more than 90 days, either party may terminate the Contract by giving 60 days' written notice to the other party. On the expiry of this notice period, this Contract will terminate. Such termination shall be without prejudice to the rights of the parties in respect of any breach of the Contract occurring prior to such termination.
- 14. PROPRIETARY RIGHTS, CONFIDENTIALITY**
- 14.1 Any LSA Spare Parts or other items manufactured specifically for the Customer as part of the Services shall become the Customer's sole property at the same time as the risk passes pursuant to clause 6.1.
- 14.2 All information exchanged or otherwise transferred between the parties shall be treated as confidential and shall not be disclosed to any third parties without the prior written consent of the other party. A party may nevertheless disclose such information:
- (a) to its employees, officers, representatives, advisers, agents or subcontractors who need to know such information for the purposes of carrying out the obligations under the Contract; and
- (b) as may be required by law, court order or any governmental or regulatory authority.
- 14.3 The parties shall ensure that their employees, officers, representatives, advisers, agents or subcontractors to whom they disclose such information comply with this clause 14.
- 15. VARIATION**
- 15.1 Subject to clause 8, no variation of the Contract or of any of the documents referred to in it shall be valid unless it is in writing and signed by or on behalf of each of the parties.
- 16. ASSIGNMENT**
- 16.1 The Customer shall not, without the prior written consent of the Supplier (such consent not to be unreasonably withheld), assign or transfer or deal in any other manner with all or any of its rights or obligations under the Contract.
- 16.2 The Supplier may at any time assign or transfer all or any of its rights or obligations under the Contract, subject to such assignment or transfer being in writing and ensuring that the rights and benefits of the Customer under the Contract shall, in the reasonable opinion of the Supplier, not be infringed in any way.
- 17. NOTICES**
- 17.1 A notice given to a party under the Contract:
- (a) shall be in writing and in English (or accompanied by a properly prepared translation into English);
- (b) shall be signed by or on behalf of the party giving it; and
- (c) shall be sent for the attention of the person, at the address or e-mail address specified in the Contract, unless otherwise separately agreed by the parties.
- 18. DISPUTE RESOLUTION AND JURISDICTION**
- 18.1 If any dispute arises in connection with the Contract, representatives for the Customer and Supplier shall, within 14 days of a written request from one party to the other, meet (either in person or by phone) in a good faith effort to resolve the dispute.
- 18.2 If the dispute cannot be settled amicably, the dispute shall be finally decided by arbitration according to the Norwegian Arbitration Act of 14 May 2004 no. 25. In any such arbitration the number of arbitrators shall be 3 (three), each party nominating 1 (one) arbitrator each and the third arbitrator nominated by the parties jointly. The arbitration shall be conducted in the English language and take place in Oslo, Norway. The governing law as set out in clause 19.1 shall apply to any such arbitration proceeding.
- 19. GOVERNING LAW**
- 19.1 This Contract as well as all other agreements resulting from it, any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by, construed and interpreted in accordance with the laws of Norway, including Norwegian rules concerning conflict of laws.