

General Purchase conditions Universal Shipping BV

Version: 20130514

1. Definitions

The terms and expressions used in these general purchase conditions are defined as follows:

Client:

The ship manager shall act as the representative of the owner of the ship indicated in the Order to which deliveries of goods and/or services are made, or of the party which is indicated as such in the order confirmation.

Supplier:

The Client's other party in the legal relationship referred to in Article 2.1 of these general purchase conditions.

Parties:

Client and Supplier

Order:

The Client's order to Supplier to deliver the goods or services specified at the price stated and on the delivery date and delivery location agreed.

Goods:

The goods or services specified in the Order.

Specification:

The (technical) specification of the Goods or the specified service needed, included directly or indirectly in the Order

Agreement:

The agreement between Client and Supplier, effected by means of Supplier's acceptance of the Order.

2. Scope

2.1. These general purchase conditions shall apply to all legal relations in whom Client acts as potential buyer or buyer of Goods.

2.2. Client shall expressly reject the application of any general conditions of Supplier to the aforesaid legal relationship.

2.3. In the event of contrariety between the general purchase conditions herein and any special obligations assumed, the latter shall prevail.

3. Placing and acceptance of Orders

3.1. Client shall place Orders in writing and shall confirm Orders placed verbally in writing.

3.2. Supplier accepts that Orders placed on the basis of an offer shall be deemed to be accepted immediately after such Orders have been placed. Supplier shall not revoke offers after Orders have been placed on the basis of such offers, not even if Seller made such offers without obligation.

3.3. Supplier shall accept Orders which have not been placed on the basis of an offer exclusively by means of a written confirmation within 5 calendar days from the placing of such Orders; in the event that an Order has been marked "urgent", it shall be confirmed in writing by return of post.

3.4. When the Order confirmation contains differences in compare with the original order Universal Shipping BV is only committed after she explicitly agrees by letter to agree with the variance.

4. Alterations and additions to the Agreement

4.1. Parties shall only deviate from an Agreement in writing.

4.2. Supplier shall accept Client's request to alter an Agreement, insofar as Client may reasonably expect this from Supplier.

4.3. If Supplier is of the opinion that the alterations requested should result in an alteration of the price, time of delivery or any other condition, Supplier shall notify Client prior to the execution or further execution of the Agreement in writing as soon as possible but at the latest within 5 calendar days; unless Client accepts such alterations of the price, time of delivery or any other condition in writing, the Agreement shall remain unaltered.

5. Quality and description

5.1. Subject to the provisions of Articles 12 and 13 herein Goods supplied under an Agreement shall

- comply with the description in the Order as to quantity, description and quality,
- be made of sound materials and be of sound construction,
- comply with the Specification and in all respects be equal to samples or models which Client has supplied to Supplier or Supplier has supplied to Client as examples,
- comply with the performance specified in the Order,
- be fully suitable for the intended use insofar as such is stated expressly or indirectly in the Order,
- where applicable all engine components to be supplied marked with IMO number according Marpol 73/78 Annex VI NOx Technical Code.
- all materials and packaging to be supplied needs to be asbestos free according Solas chapter II-1, Regulation 3-5

6. Verification and inspection

Prior to shipment of the Goods Supplier shall verify whether the said Goods are in compliance with what Client may expect on the basis of the Agreement. If Client so wishes, Supplier shall notify Client on time of such verification so that Client may be present during this verification if desired.

7. Time of delivery and delivery

7.1. The agreed time or period of delivery is of the essence. In the event of late delivery Supplier shall be in default without further notice of default being required.

7.2. Supplier shall notify Client of a threatening exceeding of the time of delivery in writing forthwith, without prejudice to any consequences of this exceeding pursuant to the Agreement or statutory provisions.

7.3. Delivery at a date earlier than agreed shall only be effected after consultation with Client. Delivery at an earlier date shall not give rise to alterations of the agreed time of payment.

7.4. Unless stated otherwise in the Order the Goods shall be delivered duty paid at the agreed location. The latest edition of the Incoterms shall apply to this provision.

7.5. If Supplier exceeds the agreed time of delivery, Client shall be entitled to cancel the Agreement, insofar as it has not yet been executed, without being liable to pay any damages, without further notice of default or judicial intervention being required and without prejudice to Client's other rights.

7.6. In case of an imperfection by the supplier in follow up of his obligations as described in the agreement or other agreements which are resulting of this agreement, as well as bankruptcy, chapter 11 and in case of quiescently, cancellation of allowance, batter of properties or goods identified for execution of the agreement, termination or take-over or any comparable situation of the company of the supplier, he is legal in omission.

7.7. The property of the supplied goods will be handed over after these goods are delivered.

7.8. In case Client supply to the supplier materials, like raw material, auxiliary matters, tools, drawings, specifications and software to accomplish his obligation they will keep client's property. Supplier will store them separately of the materials which belong to himself or to others. Supplier will mark them clearly as clients property.

7.9. On the moment that materials like raw materials, auxiliary materials and software of the client are processed into the materials of the supplier a new object has been created whereof the property belongs to the client.

7.10. The risk of goods will be handed over on the moment that the delivery according the approval of the goods as mentioned in article 13 of this general purchase conditions have been carried out on the agreed place.

8. Force majeure

If Supplier expects force majeure, he may only rely on this if he has sent Client a written notification together with the necessary proof immediately after the circumstances to which the alleged force majeure can be attributed, have occurred. In the event of force majeure Supplier shall not be entitled to dissolve the Agreement unilaterally without being liable to pay damages without judicial intervention. Force majeure shall not be pleaded in connection with non-performance of the Supplier's suppliers and machine or production failure.

9. Packing

9.1. The Goods shall be packed in such a manner that they arrive at their destination in good order by normal transport and in such a manner that they can be unloaded and stored by means of the usual facilities. Furthermore the packing shall at all times comply with the applicable (IMO) regulations, the European Agreement concerning the international transport of dangerous goods by road (ADR) and similar regulations concerning transport of goods by sea, inland waterways, road and air without repacking being required.

9.2. Without prejudice to the provisions of Article 9.1 the packing shall comply with the legal requirements in the country where the Goods are delivered.

10. Storage

If Client is unable to take delivery of the Goods at the agreed moment for whatever reason whereas the Goods are ready for shipment, Supplier shall store the Goods, if his storage facilities so permit, take all measures which should reasonably be taken to preserve the quality and protect the Goods until delivery. In the event that Supplier's storage facilities do not permit this, Supplier shall notify Client of this in writing on time.

11. Price and payment

11.1. The price shall be fixed and Supplier shall not be entitled to increase the price without Client's permission

11.2. Without prejudice to the following provisions relating to deferment of payments, payment shall be made 60 days from the date of the invoice relating to the goods or services taken delivery of, in the manner specified in the order confirmation and after the invoices have been received by Client. Client shall be entitled to defer payment of any amount payable to Supplier, if:

- Client and/or the Principal have/has declared the Goods unfit;
 - the Goods have not been delivered within the period stated in the order confirmation;
 - other obligations arising from the Agreement or any other obligations have not been fulfilled by the supplier.
- 11.3. Without prejudice to the provisions of Article 13.2 Client shall pay the price within the period agreed by the Parties or – if delivery is postponed at Client's request as provided for in Article 10 - within an equal period of delivery commencing on the date on which Supplier delivered the Goods to Client.
- 11.4. Client shall be entitled to set off any payments, costs, damage, and/or interest which is or will be payable to Client by Supplier, with any amounts payable to Supplier.
- 11.5. Any bank charges from a foreign bank shall be for Supplier's account and Supplier shall not charge Client for these costs.

12. Guarantee

12.1. Supplier shall guarantee that the Goods supplied are in accordance with the Specifications and the samples submitted, and that the Goods are of sound materials, of sound construction and suitable for the intended use.

12.2. Without prejudice to the provisions of Article 11 Supplier shall be obliged to repair and, if necessary, replace faulty Goods or parts and to execute activities which were performed defectively anew within 12 months from installation but in all cases within 18 months from delivery by Client. The cost of such repairs, replacements and/or new execution of activities shall be fully for Supplier's account, without prejudice to Client's other rights.

13. Classification

13.1. If classification is required, Client shall be entitled to await the positive result of a definitive inspection conducted by a classification bureau before accepting the Goods delivered. In addition Client shall be entitled to cancel the purchase and return the Goods within a reasonable period without further notice of default or judicial intervention being required, if such Goods do not comply with the requirements described in the Order or if they have hidden defects, without prejudice to the Client's other rights, including the right to demand replacement.

13.2. Client shall be entitled to defer payment as long as Supplier has not submitted proof of inspection to Client.

14. Delivery of services

14.1. Supplier guarantee that the supplied services shall be executed by trained, competent, qualified and authorised personnel with observant of the conditions of Arbo, safety and environment.

14.2. Supplier shall end it's legal or contractual rights on goods the Supplier in connection with an order has under his possession.

14.3. If the performance that Supplier has to deliver on account of Agreement shall be demonstrably increased or extended because of additional wishes of the Client, this shall be regarded as surplus work. If Supplier is of the opinion that it involves surplus work, he shall notify the Client about this in writing as soon as possible. Surplus work shall not include additional work that Supplier could or should have anticipated when concluding Agreement.

14.4. Before the surplus work is commenced, Supplier shall submit a written quotation with regard to the scope of the surplus work expected by Supplier as a result of this change and with regard to the related costs. Supplier shall not commence with the surplus work before he has received a commission in writing from the Client to do so. When submitting the quotation for surplus work, Supplier shall not introduce any more specific or stricter conditions in comparison with the original commission.

15. Contracting out

Supplier shall not assign or otherwise transfer the Agreement in full or in part without Client's written permission.

16. Applicable law and disputes

All legal relations with Supplier and the obligations arising from such legal relations shall be governed by Dutch law. Foreign law and agreements like the Vienna purchase alliance shall be excluded. Agreements and closer agreements shall be settled by the competent court in the District of Rotterdam.

17. Disclosing the relation

Supplier shall not be permitted to advertise or otherwise disclose the fact that he is Supplier of Client without having obtained Client's permission to do so.

18. Dutch text

The Dutch text of the general purchase conditions shall prevail above any translation of this.

