

**1. DEFINITIONS**

- 1.1 "BWFM" means BW Fleet Management AS or BW Fleet Management Pte. Ltd. as the case may be, and their respective offices and representatives. An inquiry to a Vendor from any of BWFM offices will be considered an inquiry from BWFM.
- 1.2 "Vendor" means the firm/company defined in the Agreement as "Vendor" who has entered into an agreement with BWFM for the supply of the Goods or performance of Services.
- 1.3 "Agreement" means the Purchase and/or Service Order issued by BWFM to Vendor, and shall include these General Terms and Conditions, any attachments, appendices, schedules, correspondence and documents as the parties may have expressly identified and agreed in writing as forming part of the Agreement. In the event of any inconsistency between the documents comprising the Agreement and ii/, the Purchase and/or Service Order or any specific contractual terms, the Purchase and / or Service Order or any specific contractual terms shall prevail over these General Terms and Conditions.
- 1.4 "Goods" means all goods covered by the Purchase Order.
- 1.5 "Service / Services" means all services covered by the Service Order.
- 1.6 "Party/Parties" means any party (Vendor and / or BWFM) to the Agreement.
- 1.7 "Price" means the specified and/or confirmed price from Vendor in accordance with the Agreement. Such price is firm and not subject to currency fluctuation or escalation.
- 1.8 "Purchase and/or Service Order" means the Purchase and/or Service Order issued by BWFM to Vendor.
- 1.9 "Sub-Vendor" means any firm or other entity which has entered into an agreement with Vendor for supply part of or all the Goods and/or Services in the Purchase or Service Order.

**2. VENDOR PERFORMANCE AND GENERAL INSTRUCTIONS**

- 2.1 The Vendor represents and warrants that it has the necessary expertise, capability, skill, know-how and resources to perform the delivery of Goods and/or Services in accordance with the Agreement.
- 2.2 Vendor shall comply with all applicable laws and regulations in connection with fulfillment of the Agreement. Vendor shall, at its own cost, obtain and maintain any and all registrations, permits, consents, authorizations, approvals and/or licenses necessary to perform delivery of Goods or Services as per the Agreement. Whenever requested by BWFM, Vendor shall produce documentation showing that necessary registrations, permits, consents, authorizations, approvals and/or licenses have been obtained.
- 2.3 Where requested by BWFM, Vendor shall furnish BWFM with a production or implementation plan and/or assist BWFM in the preparation of progress reports.
- 2.4 If Vendor considers discontinuing the Services or related support of any Goods supplied under the Agreement BWFM shall be notified in writing not less than six months prior to such discontinuation .
- 2.5 Vendor to confirm the Purchase and/or Service Order with NET prices and date (s) of delivery.
- 2.6 Partial deliveries are not accepted unless there is a prior written agreement for partial deliveries.
- 2.7 Vendor shall defend and save harmless BWFM from patent liability or claims of patent infringement of any nature or kind, infringement of any nature or kind of patent, trademark or copyright registered in any or all countries in connection with the Goods and / or Services provided by Vendor, including costs and expenses for, or on account of any patented, unpatented and patentable invention made or used in the performance of the Agreement and also including cost and expense of litigation, if any.

### **3. HSSE - HEALTH, SAFETY, SECURITY AND ENVIRONMENT**

- 3.1 Vendor shall comply with all local and international laws, regulations, rules and guidelines involving health, safety, security and environment.
- 3.2 Vendor shall confirm its commitment to monitoring, document and whenever possible, improving the environmental impact regarding design, manufacturing, packaging and delivery of the Goods and/or Services. Vendor will work with BWFM and any Sub-Vendor to minimize the environmental impact of the energy and materials used.
- 3.3 Vendor shall make best efforts to establish a formal environmental management system in accordance with the quality assurance system standard ISO 14001, or an equivalent auditable system.
- 3.4 Vendor warrants that the Goods and/or Services are in accordance with the quality assurance system standard ISO 9000, or an equivalent auditable system.
- 3.5 Vendor shall confirm that Goods and/or Services are in strict compliance with Vendor's and/or the original equipment manufacturer's specifications, drawings and quality standards, subject to any express modifications specified in the Agreement.
- 3.6 Vendor shall confirm that the original equipment manufacturer's certificate of conformity, where applicable, will be supplied to BWFM for all Goods.
- 3.7 Vendor warrants that Goods and/or Services are in compliance with all applicable requirements of any Vessel's classification society and all applicable laws and regulations, including but not limited to:
- a) If applicable, Vendor shall ensure that Goods comply with the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 (MARPOL 73/78) Annex VI: prevention of Air Pollution from Ships..
  - b) If applicable, Vendor shall ensure that the Goods comply with SOLAS Chapter II-1, Regulation 3-5 and MSC.1/Circ. 1374, MSC.1/Circ.1379 relating to the prohibition of supplying Goods containing asbestos and where Goods are required to be certified with an asbestos-free declaration.
- The Vendor shall indemnify BWFM and hold BWFM harmless for failure to comply with this sub-clause 3.7 and Vendor shall pay for and settle directly all costs including but not limited to the removal, cleaning, decontamination and re-installation of the Goods including costs for sampling, analysis, validation and re-validation. Furthermore Vendor shall compensate BWFM for any loss and / or damage due to the non-compliance with this clause.
- 3.8 If Vendor is aware of any defect or other quality issue related to Goods and/or Services provided to a third party similar to the Goods and /or Services, Vendor shall immediately notify BWFM in writing.
- 3.9 Vendor undertakes to refrain from using child labor as defined in the International Labor Organization (ILO) Convention No. 138 on minimum age for admission to employment, and from using slave labor in any activity related to performance of this Agreement. Vendor shall comply with all relevant laws and regulations relating to the employment of children and young persons in connection with the Work.

### **4. DELIVERY DATE AND CONSEQUENCES**

- 4.1 The Goods and or Services shall be delivered as per the delivery time and destination specified in the Purchase and/or Service Order, unless otherwise agreed in writing between BWFM and Vendor.
- 4.2 BWFM shall be promptly notified if Vendor anticipates that it will not be able to deliver the Goods and/or Services at the time stated in the Purchase and / or Service Order stating the reason and the new time when delivery can be expected.
- 4.3 If the Goods and /or Services are not delivered at the time of delivery specified, BWFM is entitled to cancel the Agreement, unless the Vendor can prove that the delay is caused by Force Majeure.
- 4.4 In the event of delay and BWFM does not elect to cancel the Agreement, BWFM shall be entitled to liquidated damages at a rate of zero point three five percent (0.35%) of the Price per each completed day of delay, however the aggregate of the liquidated damages shall not exceed 20 % of the Price.

### **5. PACKING, INCOTERMS AND PASSING TITLE AND RISK**

- 5.1 All packaging shall be designated to ensure sufficient protection of the Goods against damage in transit.

- 5.2 BWFM is ISO 14001 certified and actively working on initiatives aimed at reducing waste. Vendor shall also endeavor to reduce global warming by using environmentally friendly packing material where practical.
- 5.3 For delivery of spares and/or equipment in wooden crates, all wooden materials used must comply with ISPM 15 standard. If Goods are incorrectly packed, Vendor shall be responsible for any additional expense incurred in delivering such Goods to their correct/final destination. Any additional expense incurred by BWFM shall be for Vendor's account and to be deducted from the payment due by BWFM with supporting documents and against a proper credit note from Vendor.
- 5.4 All dangerous goods must be delivered separately and packed in accordance with all applicable ADR (formally, the European Agreement concerning the International Carriage of Dangerous Goods by Road), IMO (International Maritime Organization) or IATA (International Air Transport Association) packing instructions.
- 5.5 The use of asbestos in packing or products is strictly prohibited.
- 5.6 All Goods and Services must be delivered at the delivery point specified in the Purchase and/or Service Order.
- 5.7 If not otherwise agreed in writing between BWFM and the Vendor, terms of delivery shall be interpreted in accordance with the following INCOTERMS valid at the time of signing the Agreement:
- a) When delivering to BWFM named destination in same country Carriage Paid To (CPT) to apply up to the named place of destination.
  - b) When delivering cross border to BWFM named destination, Carriage Paid To (CPT) to apply up to the named place of destination.
  - c) When delivering onboard a BWFM Vessel Free On Board (FOB) to apply up to the named port (normally via the port agent).
- 5.8 It is Vendor's responsibility to arrange proper shipment declarations for each given delivery to destination specified in the Agreement to avoid any delay in customs clearance based on the local / national customs legislation. If Goods are incorrectly delivered, Vendor shall be responsible for any additional expenses incurred in delivering such Goods to the specified address/destination. Any additional expense incurred by BWFM shall be for Vendor's account and to be deducted from the payment due by BWFM with supporting documents and against a proper credit note from Vendor.
- 5.9 The title in the Goods shall pass to BWFM upon delivery in accordance with above INCOTERMS definitions. The title and risk of the Goods shall remain with Vendor until the Goods is deemed to be delivered in their entirety in accordance with the Agreement.

## **6. DELIVERY INSTRUCTION, SHIPMENT DOCUMENTS AND CARGO INSURANCE**

- 6.1 All deliveries must be clearly marked and have following information:
- a) Vendor's name;
  - b) Vessel's name;
  - c) Purchase and/or Service Order number;
  - d) Each package to be marked with Vessel's name and Purchase and/or Service Order number.
  - e) Proforma Invoice / Packing List with all necessary data like contents, number of packages, gross weight etc.
- 6.2 Proforma Invoice / Packing List should have 3 copies to follow the Goods; 1 copy inside and 2 copies outside the package.
- 6.3 Copy of AWB, Proforma Invoice / Packing List to be emailed to the consignee with copy to BWFM prior to flight / shipment arrival.
- 6.4 Vendor must indicate the Harmonized System (HS) code for each line item on the Delivery Note.
- 6.5 In the event Goods are not delivered with the above shipping documents, Vendor shall be responsible for any additional expenses incurred in delivering such Goods to the specified address/destination. Any additional expense incurred by BWFM shall be for Vendor's account and to be deducted from the payment due by BWFM with supporting documents and against a proper credit note from Vendor.

- 6.6 Unless otherwise agreed each Party to be responsible for their own Cargo Insurance before and after the delivery of the Goods respectively .

## **7. INVOICING INSTRUCTIONS AND PAYMENT**

- 7.1 Soft copy (hard copy not required) of the invoice including signed Delivery Note, AWB/BL, Time Sheet and other relevant supporting documents where applicable to be sent via email (in UNPROTECTED PDF format 300dpi) to [ap.sqp@bwmaritime.com](mailto:ap.sqp@bwmaritime.com).
- 7.2 There should be only ONE invoice with an unique invoice number per Purchase and/or Service Order
- 7.3 No extra items are to be added to the Purchase and/or Service Order.
- 7.4 The invoice currency must be the same as stated in the offer and/or order confirmation.
- 7.5 BWFM Purchase and/or Service Order and buyer name shall be stated on each invoice and supporting document.
- 7.6 Invoice to be issued not before time of delivery and payment shall be made within 30 calendar days from receipt date of invoice unless otherwise agreed.
- 7.7 In the case of consumable items that are delivered to a Vessel in port, a copy of the 'delivery note' signed by the Vessel's Master should accompany or follow the relevant invoice as a supporting document to enable BWFM to match items and invoice. Similarly, in the case of a Service Order relating to services to be performed onboard a Vessel, a 'service report' signed and stamped by the Vessel's Master or Chief Engineer should accompany or follow the relevant invoice as a supporting document to enable BWFM to match service and invoice. In these cases payment shall be made within 30 calendar days from the later of the date of receipt date of invoice or delivery note or service report as the case may be.
- 7.8 If advance payment is made and Vendor fails to deliver the Goods and / or Services as ordered, BWFM reserves the right to request for full refund of the advance payment plus interest charge.
- 7.9 Electronic invoices may be issued when agreed (in writing) between BWFM and Vendor.

## **8. VAT, TAX, ETC.**

- 8.1 BWFM confirms that:
- a) Goods are solely for use onboard an oceangoing vessel and should be zero-rated; or
  - b) Goods are for direct export and should be zero-rated; or
  - c) Goods being delivered to an export warehouse are for eventual export and should be zero-rated
- 8.2 Vendor shall make best effort to ensure Goods supplied are invoiced as zero- rated.

## **9. FORCE MAJEURE**

- 9.1 Neither Party shall be responsible for any loss, damage, delay, standby charge, or failure in performance under the Agreement resulting from conditions beyond a Party's reasonable control including, but not limited to, acts of God, government restrictions (including the denial or cancellation of any export or other necessary license) wars, terrorism, insurrections, general strikes, or any other similar cause (an event of "Force Majeure"). The Party claiming to be affected by a Force Majeure event shall notify the other Party in writing without delay on the intervention and of the cessation of such circumstances.

## **10. SERVICE ORDERS AND CONDUCT OF SERVICE PERSONEL**

- 10.1 If the Goods and/or Services require Vendor to be onboard a vessel under the management of BWFM, Vendor undertakes to take certain actions onboard including, without limitation, the following:

- a) For any Service person(s) going onboard the Vendor shall at its own cost arrange any and all personnel insurance cover. The Vendor expressly indemnifies BWFM and hold BWFM harmless and confirms that BWFM shall be under no liability whatsoever to the Vendor in respect of loss of life, illness, injury or loss of or damage to personal effects, luggage or other property, by reason of having allowed the Service person onboard..
- b) Sign the BWFM Safety Commitments Card on arrival onboard.
- c) Enter his personal details in the gangway logbook and comply with all BWFM security requirements.
- d) Outside the accommodation area, turn off any battery operated equipment which is not intrinsically safe, such as cell phones and cameras; familiarize itself with the vessel, including but not limited to the alarm signals and the location of muster stations.
- e) Smoke only in allowed smoking areas.
- f) Wear proper personal protection equipment including safety shoes, safety helmet, eye and ear protection, gloves and boiler suits as applicable.
- g) Ensure that one of the Master, Chief Officer or Chief Engineer is aware of and does not prohibit its actions, and obtain from one of them any necessary work permits for work in enclosed spaces, hot work, cold work and work afloat.

## **11. BUSINESS ETHICS, ANTI-BRIBERY AND ANTI-CORRUPTION**

- 11.1 Vendors and BWFM warrant and represent that they respectively operate strict anti-bribery, anti-corruption, sanctions and anti-money laundering policies ("Respective Policies") across their respective fleets and businesses across the wider group, which apply to all of their employees and to those of the wider group (each respectively known as "Vendor's Group" and "BWFM's Group"). Vendor and BWFM agree that in contemplation of, during and towards the performance of the Agreement, both parties and the respective Vendor's Group and the BWFM's Group will and continue to comply with all the applicable anti-bribery, anti-corruption, sanctions and anti-money laundering laws and regulations, including but not limited to all the sanctions in force at any time following implementation their by the United Nations, the United States and/or the European Union. Vendor and BWFM warrant, represent and undertake that neither party shall enter into any direct or indirect agreement, understanding, arrangement or conduct which purports to or actually benefits an entity or an individual that is prohibited pursuant to any of the sanction provisions of the United Nations, the United States and/or the European Union, or offer, give or agree to give any person, or solicit, accept or agree to accept from any person, either directly or indirectly, anything of value in order to obtain, influence, induce or reward any improper advantage (together the "Conduct Obligations").
- 11.2 Vendor and BWFM agree that both parties shall (i) in the event of any breach immediately report in writing to the other party with details of the nature of the breach of the Conduct Obligations; (ii) ensure and monitor compliance with the Conduct Obligations and their Respective Policies; (iii) make clear, in their dealings with third parties connected to the Agreement, that either party and any related third party is required to act, in accordance with the Conduct Obligations, and (iv) permit the other party to inspect, audit and make copies of any books and records relating to the Agreement and compliance with the Conduct Obligations.
- 11.3 Either party shall have the right to terminate the Agreement with immediate effect if they reasonably believe in good faith that the other party have breached in any material respect any of the requirements set out in this Clause.
- 11.4 For the avoidance of doubt, the Conduct Obligations includes the giving or receiving of Facilitation Payments. For the purposes of this clause, a Facilitation Payment means a payment of money, goods or other thing of material value to any public official or other individual in a similar position of authority or influence in any country for the purpose of expediting or securing the performance of a routine service or action which the public official ordinarily performs. This definition applies even where the payment or other benefit is nominal in amount.

## **12. LIABILITES AND INDEMNITIES**

- 12.1 Employees and Sub vendors of Vendor shall work for Vendor's account and risk at all locations and Vendor shall indemnify and hold harmless BWFM and its affiliates for any claims for loss howsoever resulting from any injury to, or death of Vendor's employees or employees of its Sub Vendors, except to the extent directly due to gross negligence or willful misconduct by BWFM. Property belonging to Vendor and its Sub Vendors is for Vendor's account and risk at all locations and Vendor shall indemnify and hold harmless BWFM and its affiliates for any claims for loss howsoever resulting from any property damage or loss of Vendor or its Sub vendors or suppliers, except to the extent directly due to gross negligence or willful misconduct by BWFM.

- 12.2 Employees of BWFM shall work for BWFM's account and risk at all locations and BWFM shall indemnify and hold harmless Vendor and its affiliates for any claims for loss howsoever resulting from any injury to, or death of BWFM's employees, except to the extent directly due to gross negligence or willful misconduct by Vendor. Property belonging to BWFM is for BWFM's account and risk at all locations and BWFM shall indemnify and hold harmless vendor and its affiliates for any claims for loss how so ever resulting from any property damage or loss of BWFM, except to the extent directly due to gross negligence or willful misconduct by Vendor.
- 12.3 Vendor shall defend, indemnify and hold harmless BWFM against all claims related to any injury or death caused or suffered to Third Party and in respect of loss of, damage to or loss of use of any property of any Third Party as a result of the Agreement and to the extent caused by Vendor, and against all costs incurred in connection with such claims.
- 12.4 Service boats may be placed at the service of BWFM and/or Vendor or otherwise used for the supply of material or equipment in connection with the work. In such event Vendor shall waive all rights of recourse and claims against the BWFM or owners or operators of said service boats.
- 12.5 Vendor shall indemnify and hold harmless BWFM and the owners or operators of said vessel regarding any loss or damage to property provided by Vendor to said vessel and regardless of any negligence by said indemnified Parties and against all costs of any kind incurred in connection with such claims.

### **13. WARRANTY**

- 13.1 Vendor warrants that the Goods are free of defects in material and workmanship. For all new Goods Vendor shall provide an enhanced product guarantee for 24 months from initial use or 30 months from delivery, whichever occurs first.
- 13.2 Vendor shall as soon as reasonably practicable re-perform deficient Services, and repair or replace all Goods which are or become defective during the period of twenty four (24) months from putting into service or thirty (30) months from delivery, whichever shall be the shorter, where such defects occur under proper usage are due to faulty design, Vendor's erroneous instructions as to use, erroneous use of data, inadequate or faulty materials or workmanship, or any other breach of Vendor's obligations, express or implied.
- 13.3 Repairs and replacement shall themselves be subject to the foregoing obligations for a further period of twelve (12) months from the date of new delivery, reinstallation or passing of test (if any), whichever is appropriate after repair or replacement.
- 13.4 Transport of Goods and/or part thereof to and from the Vendor in connection with the remedying of defects for which the Vendor is liable shall be at the risk and expense of the Vendor. BWFM shall follow the Vendor's instructions regarding such transport.
- 13.5 Vendor warrants that the Service provided will have a warranty period of 12 months from the completion of the Service.

### **14. GENERAL CONDITIONS OF VENDOR**

- 14.1 No conditions submitted or referred to by Vendor when tendering or otherwise referred to by Vendor in quotations or correspondence shall form part of the Agreement unless otherwise agreed to in writing by BWFM.

### **15. CONFIDENTIALITY**

- 15.1 Vendor shall, unless otherwise required by law, keep secret and confidential all information acquired or developed in the course of providing the Goods and/or Services. Vendor shall also ensure that its employees, agents and Sub vendors keep secret and confidential all such information acquired in the course of providing the Goods and/or Services.

### **16. DISPUTE RESOLUTION AND GOVERNING LAW**

- 16.1 This Agreement is governed by English law and all disputes arising under or in connection with it shall be referred exclusively to arbitration in London. Arbitration shall be conducted in accordance with one of the following LMAA procedures applicable at the date of the commencement of the arbitration proceedings:
- 16.2 Where the amount claimed by the claiming Party is less than US\$400,000.00, excluding interest, (or such other sum as the parties may agree and subject to paragraph 16.3 below), the reference shall be to a tribunal of three arbitrators and the arbitration shall be conducted in accordance with the LMAA Intermediate Claims Procedure.

- 16.3 Where the amount claimed by the claiming Party is less than US\$100,000.00, excluding interest (or such other sum as the parties may agree) the reference shall be to a sole arbitrator and the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure.
- 16.4 In any case where the LMAA procedures referred to above do not apply, the reference shall be to three arbitrators in accordance with the LMAA Terms current at the date of commencement of the arbitration proceedings.

**17. ENTIRE AGREEMENT**

- 17.1 The Agreement shall not be modified except by written consent of both Parties. Failure of either Party to insist upon strict performance by the other Party of any term or condition or right of the Agreement shall not be deemed or be construed as a waiver. Reference herein to time shall be in local time. Reference to "days" shall unless specified otherwise be reference to "calendar days". Reference to any particular statute or act of government shall mean and include any regulation issued pursuant thereto and any statutory replacement, modification and re-enactment thereof.
- 17.2 These General Terms and Conditions shall supersede any other terms and conditions referred to, offered or relied on by Vendor whether in negotiations or at any stage in the dealings between the Parties with reference to the Goods and/or Services to which the Agreement relates.
- 17.3 Without prejudice to the generality of Clause 17.2, BWFM will not be bound by other terms furnished by Vendor in any of its documents unless Vendor specifically propose in writing separately from such terms that such terms shall apply and BWFM thereafter accepts such proposal in writing.