

General Terms and Conditions of Contract of Hull Vane B.V.

1. Definitions

In these General Terms and Conditions of Contract (hereinafter referred to as the "Terms and Conditions"), the following terms shall have the following meaning:

- 1.1. "Agreement": The written agreement between Hull Vane and the Customer to which these Terms and Conditions form part.
- 1.2. "Contract Price": The price due to Hull Vane pursuant to the Agreement for the Execution and Delivery of the Hull Vane®.
- 1.3. "Customer": The contractual counterparty of Hull Vane.
- 1.4. "Delivery": The physical delivery of the Hull Vane®, as agreed upon between the parties in the Agreement.
- 1.5. "Execution": Undertaking of the Feasibility Study or the construction of the Hull Vane®, as performed by Hull Vane for the Customer in accordance with the Agreement.
- 1.6. "Feasibility Study": The study in assessing the potential resistance reductions provided by the Hull Vane®, as performed by Hull Vane for the Customer.
- 1.7. "Hull Vane": The private limited company Hull Vane B.V., registered in the trade register under number 61183199, being the supplier of the Hull Vane®.

2. General

- 2.1. These Terms and Conditions shall apply to all offers and agreements between Hull Vane and Customer, including those related to the Delivery of the Hull Vane®.
- 2.2. By entering into an Agreement the Customer shall be deemed to have waived the application of its own or other terms and conditions and deviating or supplementing terms, even if specifically declared applicable or if reference is made thereto. Terms and conditions of the Customer are hereby expressly repudiated by Hull Vane.
- 2.3. These Terms and Conditions are a translation of the Terms and Conditions in Dutch. In case of any inconsistencies, the Dutch text shall at all times prevail over this translation.
- 2.4. These Terms and Conditions can be amended and supplemented only if expressly agreed upon in writing by Hull Vane.
- 2.5. In case of any inconsistencies between the present Terms and Conditions and the Agreement, the Agreement prevails.

3. Offers, orders and agreements

- 3.1. Any offer made by Hull Vane shall be non-committal.
- 3.2. Orders and acceptances by the Customer are deemed irrevocable.
- 3.3. An Agreement is only concluded after a written confirmation from Hull Vane. The content of the Agreement is determined by the content of the written confirmation, unless the Customer objects within 7 days. Verbal commitments or arrangements made with its personnel are not binding upon Hull Vane in the absence of any written confirmation from the latter.
- 3.4. The Agreement replaces all prior oral and written arrangements with respect to the subject matter of the Agreement.
- 3.5. The Agreement is concluded under the suspensive condition that all relevant export licenses are obtained.

4. Information en particulars

- 4.1. The Customer shall provide to Hull Vane free of charge, in time and unsolicited all information and particulars required for the Execution by Hull Vane.
- 4.2. Should the Customer provide information and particulars to Hull Vane, Hull Vane may assume that these are accurate. The consequences of

errors and lacunae therein are at the Customer's own expense and risk.

- 4.3. All information and particulars provided remain in ownership of the provider of this information and particulars, and may not be provided to third parties or made public, except if necessary for the Execution and only after the provider of the information and particulars agreed thereto in writing.
- 4.4. The Customer cannot derive any rights from information, particulars and advice provided by Hull Vane insofar this is not related to the Agreement.

5. Prices and price amendments

- 5.1. The indicated Contract Price is exclusive of any in- and export charges, local charges, taxes or other duties or charges levied by any Governmental body or authority, including V.A.T.
- 5.2. The Contract Price is exclusive of costs for transportation, delivery, travel and accommodation.
- 5.3. An increase in factors which determine the cost price that occurred after the conclusion of the Agreement may be passed on by Hull Vane to the Customer.
- 5.4. For work not included in the original Agreement, but deemed necessary by Hull Vane for the Execution and as agreed upon by the Customer, as well as additional work performed upon the request of the Customer, Hull Vane shall be invoiced to the Customer based on the standard rates of Hull Vane applicable at the time of execution.
- 5.5. The surcharges mentioned in 5.3 and 5.4 may be invoiced at any of the following moments:
 - a. When the price increase occurs;
 - b. At the time the principal sum falls due;
 - c. At the time the next instalment falls due as agreed upon.

6. Execution (location, time, duration)

- 6.1. Hull Vane is entitled to assign third parties to the Execution of the Agreement.
- 6.2. Hull Vane is entitled to perform the Execution at a location of its preference.
- 6.3. The Execution commences at the time agreed upon. Hull Vane may suspend the Execution until:
 - a. Hull Vane is in possession of all goods, information and particulars to be supplied by the Customer which Hull Vane deems necessary for the Execution;
 - b. A possible advance payment is received, if agreed upon, or a security deposit has been provided to Hull Vane.
- 6.4. The term of Execution and the term of Delivery are estimated by Hull Vane and therefore do not constitute strict deadlines.
- 6.5. In estimating the term of Execution and the term of Delivery it is presumed that the Agreement can be executed under the circumstances known to it at the time of conclusion of the Agreement.
- 6.6. Hull Vane is, inter alia, entitled to extend the term of Execution and the term of Delivery in the event of:
 - a. Changed circumstances in comparison with those known to Hull Vane at the time of conclusion of the Agreement;
 - b. Additional work;
 - c. Suspension of obligations by the Customer;
 - d. Force Majeure, which includes, but is not limited to government limitations, fire, accidents, product malfunctioning, failed casting or forgings, extreme weather conditions, the (temporary) lack of delivery or provision of goods or services by third parties, transportation limitations, operational or labor disturbances and strikes.
- 6.7. Any costs incurred by Hull Vane arising from delays in the term of Execution or the term of Delivery as set out in clause 6 are at the expense of the Customer.

- 6.8. Under no circumstances shall an exceeded term of Execution or term of Delivery caused by force majeure entitle the Customer to terminate the Agreement and/or entitle the Customer to claim any form of damages.

- 6.9. In case of culpable shortcoming in relation to the term of Execution and/or the term of Delivery, the Customer has the right to collect liquidated damages insofar this has been agreed upon in writing. The amount of liquidated damages shall never exceed 5% of the Contract Price agreed upon before the work was delayed.

7. Delivery and testing

- 7.1. The Hull Vane shall be deemed delivered on one of the following moments:
 - a. The moment the Hull Vane is delivered to the Customer in accordance with the Agreement;
 - b. When Hull Vane notified the Customer that the product is ready to be delivered and the Customer has tested the product within the agreed upon term, and no shortcomings have come up, at the time the test was concluded;
 - c. When Hull Vane notified the Customer that the product is ready to be delivered and the Customer has tested the product within the agreed upon term and informed Hull Vane about shortcomings within 48 hours after the test, at the time the shortcomings are remedied;
 - d. When Hull Vane notified the Customer that the product is ready to be delivered and the Customer does not test the product within two weeks, at the time the above-mentioned two weeks passed.
- 7.2. The Customer is obliged to receive the Delivery at the time and location agreed upon in the Agreement. If the Customer rejects to receive the Delivery without valid reason, the Delivery will remain in custody of Hull Vane, at the Customer's own expense and risk.
- 7.3. The Customer must provide all cooperation that can reasonably be expected to enable the Delivery.

8. Force Majeure

- 8.1. Hull Vane is entitled to suspend the execution of the Agreement if execution thereof if it is temporarily prevented from executing its contractual obligations towards the Customer by Force Majeure.
- 8.2. Force Majeure shall include, but is not limited to, the circumstance that Hull Vane's suppliers, subcontractors or transportation companies hired by Hull Vane fail to comply with their obligations or fail to comply with them in due time, extreme weather conditions, earthquakes, fire, power outage, loss or theft of tools or materials, road blocks, strikes or walkouts, and import or trade restrictions for Hull Vane or third entities involved in the Execution.
- 8.3. Should the Execution of the Agreement become permanently impossible, the Agreement may be terminated with immediate effect by Hull Vane and the Customer, but only in respect of that part of the Agreement which remained unexecuted at the time.
- 8.4. In the event the Execution of the Agreement is postponed or dissolved in accordance with this provision, the parties are not entitled to compensation for any existing or future damages.

9. Risk and Title

- 9.1. The risk attached to the goods delivered by Hull Vane is for the Customer as soon as the products have been delivered in accordance with article 7.
- 9.2. Unless otherwise agreed upon in writing, all goods delivered by Hull Vane remain property of Hull Vane until the Customer complied with all its obligations towards Hull Vane.
- 9.3. The industrial and intellectual property rights to or associated with the goods delivered remain with

- Hull Vane or third parties entitled thereto, and are never transferred to the Customer.
- 9.4. Hull Vane retains ownership of any goods delivered as long as the Customer:
- Fails or will fail in the performance of its obligations towards Hull Vane on the basis of any agreement with Hull Vane;
 - Has not settled claims that arose due to the non-performance of the aforementioned agreements, such as damages, penalties, interest and costs.
- 10. Liability**
- 10.1. In the event of an attributable breach, Hull Vane's obligations are limited to fulfilment of its contractual obligations.
- 10.2. Hull Vane's liability to pay damages is limited to damage for which Hull Vane is insured under an insurance policy taken out by it or on its behalf, but will never exceed the amount paid out under this insurance in the relevant case. As such, if Hull Vane is liable to pay damages to a Customer, it is only required to compensate damages insofar these damages do not exceed the amount paid out by the insurance company to Hull Vane.
- 10.3. Hull Vane will provide insight in the policy conditions of its liability insurance at the Customer's first request.
- 10.4. If, for any reason whatsoever, Hull Vane is prevented from invoking the limitation in paragraph 2 of this article, the obligation to pay damages is limited to a maximum of 15% of the total Contract Price (excluding VAT).
- 10.5. The following does not qualify for compensation:
- Consequential damages; which include, but are not limited to stagnation losses, production losses, loss of profits, reputation damages, and costs of transportation, travel and accommodation. If possible, the Customer may insure itself against these damages;
 - Damage to goods in or under the Customer's care, custody, or control in the close proximity of the location where work is performed, caused by or because of the Execution. If possible, the Customer may insure itself against these damages;
 - Damage caused by intent or willfully acting recklessly of agents or employees of Hull Vane.
- 10.6. The Customer shall indemnify Hull Vane from and against all claims by third parties on account of product liability as a result of a defect in a product supplied by Hull Vane which the Customer sells or provides to a third party. The Customer is obliged to compensate all damage incurred by Hull Vane in this respect, including the full costs of defense.
- 11. Warranty and other claims**
- 11.1. Hull Vane warrants that the product complies with the product specifications agreed upon.
- 11.2. The warranty mentioned above is valid for 12 months, commencing on the date of Delivery.
- 11.3. The warranty mentioned above only applies to the structural integrity of delivered products and the materials used. The achieved performance enhancement, such as fuel savings or improved sailing performance, is not warranted.
- 11.4. Should the product delivered show defects before expiration of the warranty, Hull Vane will decide whether to take measures to achieve the proper execution or to credit the Customer for repair

- costs. If Hull Vane chooses to take additional measures it will do so in a manner and at a time of its choosing.
- 11.5. The warranty is limited to repair of the product delivered or crediting of the amount paid.
- 11.6. The Customer shall in all cases allow Hull Vane the opportunity to repair any possible defect or to conduct the Execution again.
- 11.7. The Customer may only invoke the warranty after having fulfilled all of its obligations towards Hull Vane.
- 11.8. Should a defect be repaired within the period the warranty is valid, the original period of warranty is extended with the period that was required to repair the defect.
- 11.9. No warranty is provided when any defect result from:
- Normal wear and tear;
 - Improper use;
 - Lack of maintenance or improper maintenance;
 - Installation, fitting, modification, or repair by the Customer or third parties;
 - Defects in or unsuitability of goods originating from, or prescribed by Customer;
 - Defects in or unsuitability of materials or auxiliary materials supplied by Customer.
- 11.10. No warranty is given in respect of:
- Goods supplied that were not new at the time of Delivery;
 - The inspection and repair of goods supplied by Customer;
- 11.11. Repair of the defects or crediting the amount paid shall be considered the sole and complete recuperation of the obligations under the warranty and as complete compensation of the damages incurred. When Hull Vane fulfilled its warranty obligations towards the Customer, the Customer is not entitled to any compensation of damages directly or indirectly related to the repaired shortcoming of the product.
- 12. Complaint requirement**
- 12.1. The Customer can no longer invoke a that there was a defect in the Execution if he did not inform Hull Vane of any complaint in writing within 14 days of the date of detecting such defect, or the date that such defect should reasonably have been discovered.
- 12.2. The Customer shall submit any complaint concerning an invoice of Hull Vane in writing to Hull Vane, within 14 days after the invoice was issued, or before the payment is due, whichever is earliest, in the absence of which the amount invoiced is deemed to have been accepted by the Customer and any dispute arising concerning said invoice shall no longer be admissible.
- 13. Payment**
- 13.1. Payment will take place in accordance with the terms as agreed upon in the Agreement between Hull Vane and Customer.
- 13.2. Payment shall take place within 14 days after the invoice date and, in any case, no later than on the date on which the Delivery took place (or is deemed to have taken place), unless another payment period is agreed upon in writing.
- 13.3. The Customer renounces any right to set off and/or compensate a payment with amounts due between the parties. Warranty claims do not suspend the payment obligations of the Customer.
- 13.4. Irrespective of whether Hull Vane has fully executed the agreed performance, everything

- that is or will be owed to it by the Customer in relation to the work performed at that time under the Agreement is immediately due and payable if:
- A deadline for payment has been exceeded with more than 30 days;
 - An application has been made for bankruptcy or suspension of payments by the Customer;
 - The Customer's goods or claims are seized;
 - The Customer (a company) is dissolved or wound up;
 - The Customer (a natural person) requests to be admitted to statutory debt rescheduling, is placed under guardianship, or dies.
- 13.5. If payment is not made within the agreed upon payment deadline, the Customer immediately owes default interest to Hull Vane as from the day on which Customer is in default, at the rate of 1.5% per month or part of a month during which the default continues.
- 14. Security**
- 14.1. If payment is not made within the agreed payment deadline, the Customer will owe Hull Vane any extrajudicial costs made to enforce such payment. These costs shall be deemed to amount to no less than 15% of the amount due.
- 14.2. Irrespective of the agreed payment conditions, the Customer is obliged to provide any demanded security deposit in lieu of a payment as deemed necessary by Hull Vane, and on the first demand thereof by Hull Vane. If the Customer does not comply with such demand within the period set, Hull Vane is entitled to terminate the Agreement and the Customer is required to recover any damages incurred by Hull Vane because of this.
- 14.3. As long as the goods delivered are subject to retention of title, the Customer may not encumber or alienate the same other than in the ordinary course of its business.
- 14.4. Once Hull Vane has invoked its retention of title, it may take undertake all action deemed necessary to obtain ownership of the goods delivered. The Customer will lend its full cooperation to this end. Should any extrajudicial costs be made, these are at the expense of the Customer.
- 15. Termination and rescission of the Agreement**
- 15.1. If the Customer wishes to terminate the Agreement without Hull Vane being in default, and Hull Vane agrees to this, the Agreement will be terminated by mutual consent. In that case, Hull Vane is entitled to compensation for all financial loss, such as losses suffered, loss of profit, and costs incurred.
- 15.2. Hull Vane has the right to unilaterally terminate the Agreement if any of the situations listed under article 13, clause 4 occur.
- 16. Applicable law and competent court**
- 16.1. Dutch law shall always apply.
- 16.2. The Vienna Sales Convention (C.I.S.G.) shall not apply, nor any other international regulations when the exclusion thereof is permitted.
- 16.3. Disputes will be heard exclusively by the Dutch civil court with jurisdiction over Hull Vane's place of establishment, unless this is contrary to mandatory law. Hull Vane may deviate from this rule of jurisdiction and apply the statutory rules of jurisdiction.