

Furuno addendum to Orgalime S2012

These General Conditions for Sale and Delivery shall apply in full unless otherwise agreed in Writing. Any other conditions of the Purchaser shall not be applicable, even if they were not explicitly rejected in any individual case. These General Conditions for Sale and Delivery incorporate Orgalime S2012 General Conditions for the SUPPLY OF MECHANICAL, ELECTRICAL AND ELECTRONIC PRODUCTS ("Orgalime S2012") as well as they contain certain amendments of and additions to the aforementioned Orgalime S2012. In all cases of inconsistency between these General Conditions for Sale and Delivery and Orgalime S2012, these General Conditions for Sale and Delivery shall prevail. The headings and numbering of clauses used below correspond wherever applicable to the headings and numbering of clauses of Orgalime S 2012

GOVERNING LAW:

The governing law of this Contract is the Norwegian law. The court of jurisdiction in the case of a dispute is Sunnmøre District Court.

ANTI-CORRUPTION

Each Party hereby undertakes that, at the date of the entering into force of the Contract, itself, its directors, officers or employees have not offered, promised, given, authorized, solicited or accepted any undue pecuniary or other advantage of any kind (or implied that they will or might do any such thing at any time in the future) in any way connected with the Contract.

1. SPECIAL CLAUSES **1.1 CONTACT**

Each Party shall appoint a contact that must be fluent in English and in charge of the performance of the contract (supply of Goods and/or Services). In case of change of contact by a Party, the other Party shall be immediately informed. Unless otherwise agreed in writing and unless another person is specifically appointed and accepted by both Parties, the contact shall have all the necessary powers of attorney and any decision made by the contact or any other person above him in the hierarchy of the company shall bind the company whose contact person he/she is.

1.2 SALE AND DELIVERY CONDITONS

All deliveries shall be in accordance with the latest version of Incoterms, FCA Sjømannsveien 19, Ålesund. Furthermore, sales and delivery conditions to the Partner and third parties shall be in accordance with the latest version of Orgalime. For Supply of Mechanical, Electrical and Electronic products Orgalime S2012 shall apply. For supply of services latest version of Orgalime R 17 shall apply.

1.3 INVOICING AND PAYMENT

Payment terms as specified on quotation/order confirmation. In case of split delivery, invoicing will be done per shipment. In the event of late payment, default interest is calculated at 1% per month.

1.4 TIME FOR DELIVERY. DELAY

The first paragraph of clause 14 of Orgalime S2012 shall be deleted and replaced by the following: If the Product is not delivered at the time for delivery proven by the Purchaser to be negligently caused by the Supplier, the Purchaser shall be entitled to liquidated damages, commencing 4 weeks after agreed time of delivery. Liquidated damages shall be reasonable and must be documented by Purchaser.

The second paragraph of clause 14 shall be deleted and replaced by the following: The liquidated damages shall be payable at a

rate of maximum 0.5 per cent of the purchase price of the part of the delivery that is delayed, for each week of delay, commencing 4 weeks after agreed time of delivery. The liquidated damages shall not exceed 7.5 per cent of the purchase price of the part of the delivery that is delayed.

1.5 LIABILITY FOR DEFECTS

The first sentence of clause 27 shall be deleted and replaced by the following: The warranty period for products supplied by Furuno Norge AS is 12 months from shipment, with exception for equipment of Furuno Brand or monitors of Hatteland brand. In such cases the warranty is 24 months from shipment date.

Clause 33 shall be deleted and replaced by the following: Unless otherwise agreed in writing, the Purchaser shall bear any additional costs which the Supplier incurs for remedying the defect caused by the Product being located in a place other than the Supplier (Sjømannsveien 19, Ålesund): including Shipping cost, travel and living expenses of the persons performing the repair/replacement and travel and waiting time according to the Supplier's "Rates and Conditions for Service Personnel". Purchaser must himself, or through any third-party.) having control over the vessel, position and prepare the vessel for warranty repair by or on behalf of the Supplier. In case of delay and waiting time for the service personnel the Purchaser shall cover all additional costs caused by the delay, including labor costs for waiting time.

Clause 34 shall be deleted and replaced by the following: Defective parts which have been replaced shall if requested, by the Supplier, be made available to the Supplier and shall then be his property.

Clause 36 shall be deleted
Clause 37 shall be deleted

The following clauses should be added:

- Warranty shall be claimed to Furuno Norge AS
- The warranty is only valid for products that are delivered and installed by Furuno or an approved Furuno dealer/partner
- The warranty work shall be carried out by Furuno Norge AS or an appointed Furuno dealer/partner. Each case to be approved by Furuno Norge AS before initiation of any work.
- Faults and defects that can be traced directly back to faulty installation shall be covered by the one responsible for the installation.
- Radar magnetrons are consumable products and are guaranteed for 12 months or 1000 hours from installation, whichever occurs first.
- Warranty period for transducers and microwave units is limited to 12 months after installation.
- Consumable materials such as fuses, lamps, drive belts and protective covers are excluded from the warranty.
- Products with the following defects are excluded from the warranty: missing serial numbers; damage caused by accidents; carelessness; wrong or destructive use; water incursion; transport damage, and damage due to Force Majeure.
- The warranty does not cover repair costs exceeding the purchasing price of the unit itself.
- The warranty work shall be carried out during normal working hours. Costs for warranty work outside normal working hours shall be covered by the customer.

- Costs for dismantling/opening of consoles etc. for access, and disassembling/assembling equipment for shipment to Furuno Norge AS, is not covered by the warranty and shall be covered by the customer.
- Costs for changes to mechanical/electrical infrastructure as a result of replacement of equipment under warranty is not covered by the warranty and shall be covered by the customer.

1.6 INDEMNIFICATION

If Products are to be manufactured or any process is to be applied to Products by FURUNO NORGE AS in accordance with a specification submitted by the Purchaser the Purchaser shall indemnify FURUNO NORGE AS against all losses, damages, costs (including legal costs), expenses, liabilities and claims suffered or incurred by FURUNO NORGE AS in connection with infringement of any intellectual property rights of any third party resulting from FURUNO NORGE AS's use of the Purchaser's specification.

1.7 LIMITATIONS OF LIABILITY

To the maximum extent permitted by law, and notwithstanding anything to the contrary in this Contract, other than the express provisions for liquidated damages, in no event shall FURUNO NORGE AS be liable to the Purchaser, whether as a result of breach of Contract, warranty, guarantee, indemnity, tort (including negligence), strict liability, statutory duty or otherwise, for any of the following damages or losses, in each case whether direct or indirect, such as, but not limited to:

(a) loss of revenue, (b) loss of profit, (c) loss of contract, (d) loss of business, (e) loss of use, (f) loss of production, (g) interruption of business, (h) loss of operation time, (i) costs of capital, (j) economic loss, (k) costs in connection with interruption of operation, or (l) any special, incidental or consequential loss or damage, howsoever caused even if FURUNO NORGE AS was advised of the possibility of them in advance.

To the maximum extent permitted by law, and notwithstanding anything to the contrary in this contract, FURUNO NORGE AS's total liability in respect of any and all claims for damages or losses, caused by breach of contract, warranty, guarantee, indemnity, tort (including negligence), strict liability, statutory duty or otherwise, which may arise in connection with its performance or non-performance under this contract shall not exceed in the aggregate the total purchase price.

The Purchaser has a duty to inform in due time the Supplier of any technical specifications required by the Purchaser, the end user, a public authority, a supervisory institution or a classification society. In case of breach of this obligation, no claim for lack of conformity with such specifications may be presented by the Purchaser and the Purchaser shall defend, indemnify and hold the Supplier harmless.

The Purchaser shall only use original spare parts i.e. parts provided by the Supplier. The Supplier shall have no liability for malfunction, damages, injury, death and/or loss due to use of non-original spare parts or late order of original spare parts. The Purchaser shall hold the Supplier harmless in case of use of non-original spare parts or late order of original spare parts.

The Supplier is only responsible when in charge of the Service and the Service is done by the Supplier or by service personnel appointed by the Supplier. The Supplier has no liability for damages, injury or death due to the Purchaser's and any other third party's act or passivity, including lack of maintenance, incorrect installation, and faulty repair.

1.8 INTELLECTUAL PROPERTY

The Supplier shall retain ownership to any and all Intellectual Property Rights in relation to all parts of the Works supplied pursuant to these T&C. Unless expressly set out in these T&C, the Supplier does not grant to the Purchaser any license to intellectual Property Rights. "Intellectual Property Rights" is in this Agreement defined to all i) patents, designs, trademarks, trade names and other distinctive brand features (whether registered or unregistered), copyright and related rights, database rights, moral rights, knowhow and confidential information; ii) any other intellectual property rights and similar or equivalent rights (whether registered or unregistered) throughout the world, which currently exists or are recognised in the future; and iii) all applications, extensions, developments and renewals in relation to any such right.

1.9 ACCESS TO EQUIPMENT DATA

The Purchaser consents to the use and agrees to make available to the Supplier all data generated by the Products to allow the Supplier to identify opportunities for improvement, measure the impact of improvement efforts and develop new products and services. To the extent permitted by applicable law, the Purchaser grants the Supplier a non-exclusive, irrevocable, transferable, sub-licensable, royalty-free, worldwide license to use all data generated by the Products.

1.10 CHANGE ORDER

The following provisions do not cover termination or cancellation of the Contract but the rights and obligations of the Parties related to the Purchaser's change order i.e. a requested partial modification of the order due to technical requirement improving the Products, the Purchaser is entitled to demand change of quality, quantity or characteristics of the Goods and change of the time schedule. A change shall be reasonable within the limitations of the product, i.e. not beyond the ability of the product as designed, and what could reasonably have been expected at the date of the signature of the Order Confirmation.

In case of an increase of the work/order to be done by the Supplier, the Purchaser shall pay the additional costs on demand upon presentation of the additional invoice. The prices shall be according to the prices and labor costs at the date of the performance of the change order.

If the Supplier cannot perform the increase within the requested time, he shall inform the Purchaser without delay and inform about the earliest possible vacancy of requested resources. A new date of delivery shall be deemed contracted unless the Parties agree in writing on another time limit or the Purchaser withdraws his change order with immediate notice to the Supplier.

In case of a reduction or suspension of the work/order, the Supplier shall immediately cease production of the part of the order which can be ceased, use his best endeavors to reduce his costs and inform the Purchaser of the new price without undue delay. The Purchaser shall pay for all the Supplier's costs which cannot be reduced. The Purchaser shall among other pay for all manufactured Goods on stock and performed Services, parts of Goods partly manufactured and all ordered components and materials. These costs include also the cost related to lay off and dismissal of personnel, cancellation of sub-contracts which are necessary because of the change order and the administrative costs for performing the change order.

In case of change order, the Purchaser shall hold the Supplier harmless.