

STANDARD TERMS AND CONDITIONS OF SALE

These standard terms and conditions of sale are accepted without reservation by the buyer (the “**Customer**”) and shall apply to all purchase orders for the products (the “**Products**”) or services (“**Services**”) described on the front of this document (together products and services, “**Goods**”) from SKANDIAVERKEN S.L. (the “**Supplier**”).

Possible general conditions of the Customer are herewith explicitly rejected.

Modification or cancellation to these conditions will not be enforceable unless Supplier agrees in writing. If a provision of these general conditions is a variation of a mandatory applicable law, they should be considered to be modified so that they can comply with that applicable law. These conditions replace all previous or simultaneous oral and written agreements related to the Goods described in this document.

Translations of these general conditions in other languages are only informative and in case of discrepancy between English and Spanish version, Spanish language will prevail.

ONE. - PURCHASE ORDERS

Any purchase orders for the Goods under this document, shall represent a binding purchase commitment by the Customer, although the orders shall not be deemed accepted by the Supplier and the agreement shall not be deemed perfected until: (1) the Supplier notifies the Customer in writing of its acceptance, and (2) the Supplier receives an advance payment from the Customer equal to 100 % of the amount of the purchase order, unless that is, Customer is responsible for arranging pick-up of the Products from the factory).

otherwise agreed between parties. In this regard, acceptance of any order is subject to verification of the Customer's legal and financial status and the nature of the order, such that the Supplier may require such security for payment as it deems fit or not accept the order, without the Customer being entitled by virtue of this fact to any indemnification whatsoever. Catalogues, leaflets, price lists, and any other document advertising the Goods of the Supplier do not constitute binding offers.

TWO. - ORDER VARIATIONS

The Customer may increase or decrease the amount of the purchase order by a maximum of 10% giving the Supplier a minimum of one (1) week notice only if a) Supplier determines that the variation is reasonably capable of being incorporated considering the stage of the order; and b) the effect of the variation on the price and delivery is agreed in writing by the Supplier. When this variation does not meet these conditions or exceeds from 10% maximum, the Supplier reserves the right to cancel the order or, to invoice the full amount of the initial purchase order in the event of decrease.

If modifications of the purchase order, as a result of any amendments to governing rules and regulations after the purchase order is received, impose additional or more burdensome obligations on the Supplier, the latter shall be entitled to make an equitable adjustment to the contractual terms and conditions in order to fully reflect the consequences of the new or amended rules or regulations.

THREE. - PRICE

The price of the Goods shall be as stated on the front of this document (the ex-factory price,

Unless otherwise stated in the purchase order or agreed by the parties based on their commercial relationship, the prices do not include a) packaging, freight, handling or insurance; b) VAT or any other applicable taxes pursuant to current tax legislation which will be included in the invoice.

In case the sale of Products is exempt from VAT according to law in force, the Customer obliges to provide immediately to the Supplier with all the necessary documentation for the legal application of said VAT exemption. The Customer shall deliver said documentation immediately upon Supplier's request which should be done with sufficient advance.

FOUR. - PAYMENT OF THE PRICE

The price of the Goods shall, unless otherwise agreed between parties, be payable: (1) in the form of advance payment of thirty (30) % of the amount of the order; and the rest (2) in cash within seventy (70) % as from delivery of Products or finalization of Services.

In the event of any delay in payment, the Customer must pay the Supplier late-payment interest at an annual rate of 5 % calculated from the due date and without a demand letter. Payment of such interest shall not release the Customer from the obligation to make remaining payments as agreed.

If Customer payments become overdue, the Supplier may provisionally or definitively, at its choice, suspend further deliveries of Products or rendering of Services, without prejudice to its right to claim payment of all outstanding debts at that time (which are understood to be due and payable on the date of the breach) and without prejudice to the right to claim additional compensation from the Customer as a result of the suspension of Goods delivery.

In the event of failure or delay of payment from the Customer, all and any discount provided in the order or in the invoice of the Supplier shall be cancelled automatically and without notice.

FIVE. – DELIVERY

The Products shall, but for special terms and conditions, be delivered ex works, i.e., delivery shall be deemed completed when the Products are made available at the Supplier's premises. If the Customer requests the Supplier to arrange shipment of the Products, a separate contract or written confirmation will be subscribed between the parties and the Customer will insure at his own cost its transit.

Performance of Services shall be at the site specified on the front of the order and shall be deemed completed when either the Supplier notifies the completion of the Services to the Customer and acceptance by the Customer has been signed; or seven (7) calendar days have elapsed after this notification and Customer has neglected to inspect the Services and/or failed to notify its acceptance or rejection. The Customer shall have no right to reject the delivery due to minor defects which do not prevent the normal operation of the Products, provided the Supplier agrees to remedy the same in compliance with these general terms and conditions.

The Supplier shall endeavour to process orders with the utmost care and keep to the delivery date provided on the front of this document. Notwithstanding the same, such delivery date is purely indicative and not essential, and any delay in delivery by the Supplier shall not imply a breach or cancellation/termination of the order, in whole or in part, nor shall it entitle the Customer to any compensation for the same.

For these purposes, the Supplier shall notify the Customer that the Products are ready for delivery and the Customer shall undertake to collect them within no more than seven (7) calendar days from receipt of the notice. If the Customer requests and the Supplier accepts a delay in delivery, the Supplier reserves the right to include in the price of the Products any additional expenses incurred as a result of the same (warehousing, deposit and others).

If the Customer does not collect the Products after fifteen (15) calendar days from receipt of the notice of the Supplier, the latter will be entitled to sell the Products thereupon to any other Customer.

Risk will transfer to the Customer immediately upon delivery, but not necessarily the title over the Goods.

Regarding Services provided by the Supplier, the risk will be transferred to the Customer at the moment the Supplier communicates to the Customer the completion of the Services. If a trial run is agreed between the parties, the transfer of risk shall take place upon completion of successful trial run.

SIX. - FORCE MAJEURE

The parties shall not be liable for any failure or delay to fulfil their obligations resulting from the order due to force majeure.

Any delay in delivery caused by a force majeure event lasting more than thirty (30) calendar days shall entitle the Supplier to terminate the purchase order without incurring any obligation to compensate. The following, among others, shall be regarded as force majeure events: strikes, lack of transportation, accidents at factories, fire, non or untimely supply of good and services by third parties and, in general, any cause beyond the Supplier's control.

All expenses and costs in case of delay of delivery of the Products or rendering of the Services due to force majeure, will be at the Customer's cost including without limitation maintenance employees' costs when applicable (accommodation, salaries and repatriation trips). The Supplier may repatriate its employees back to his country when the delay for the render of service exceeds of three (3) calendar days due to force majeure.

SEVEN. - CLAIMS AND WARRANTY

The Supplier's warranty is limited exclusively to the supply of Goods of due quality to conform to the order and shall not exceed the total order price, unless the amount paid by the Supplier's insurance policy is less, in which case, the latter amount will be the Supplier's warranty.

Claims regarding defective Goods, must be indicated on the dispatch note or CMR and be notified to the Supplier within five (5) calendar days of receipt of the Products or Services provided. Nevertheless, no claims regarding quantity or quality or claims of any other kind attachable to the Supplier will be accepted after the fourth day following receipt of the Products or finalization of the supplied Services by the Customer.

The warranty does not cover any defect due to or connected to: a) any materials, components, design or specification provided by or on behalf of the Customer and in general, factors of outside Supplier's control; b) negligence or other improper acts or omissions of the Customer and/or third parties; c) improper installations and alterations carried out by the Customer and/or third parties without Supplier's consent; d) any use, normal wear and tear, maintenance or service of the Goods not in conformity with Supplier's manuals/instructions or not in accordance with good engineering practice or misuse of the Goods;

e) the carriage of the Products from the Supplier's premises;

The warranty obligation does not include any damage, losses, claims, injuries or expenses whatsoever of a) any kind of paralization (total or partial) of the engines and/or of the ship when repaired; b) the dismantling or reassembly work involved in connection with defective parts; c) any contractual loss arising as a result of accident, breach of contract, late delivery or otherwise; d) lack of material or labour force; e) incorrect loading of the Products to the ship; f) the spare parts of the repaired Products or that functionally depend on them; and g) indirect, consequential and accidental damage occurred in any way (without limits) and for any loss of profit.

No warranty obligation will be enforceable by the Customer until the Supplier has received payment of the price in full.

The warranty period for the Products will end twelve (12) months after the date on which have been available to the Customer, and in case the Products have been replaced or repaired, six (6) months after the date on which have been replaced or repaired.

The warranty period for the Services provided by the Supplier, shall start from the final date of work and terminate six (6) months, after the last day of work. The warranty period for Services provided under warranty, shall be subject to the same conditions, terms and limits as the ones applicable to the originally supplied ones.

The present clause is the only and whole warranty which shall be applied to the Goods and the Customer releases all other remedies, warranties, insurances and responsibilities whether express or implied coming from laws or others, to the fullest extent permitted by law

By virtue of this warranty, the Supplier shall be obliged at its option to: a) credit the price of the Goods; or b) repair, replace or rectify the faulty Goods. Repair of Goods shall be carried out at the location where the Supplier deems it more appropriate. The Supplier will be entitled to ask the Customer to return the defective Product to its premises for examination and to decide which option applies.

If the Supplier concludes that the delivered Product claimed is faulty and that should be replaced, the Customer will have to pay a 15% of the price of the Product.

In case of the sales for complete engines and rendering of services for **YANMAR**: *Supplier's liability shall be subject to the same terms, limits and conditions as YANMAR's liability before the Supplier with respect to the delivered Products, which you may see at Yanmar Operation manual / Warranty Handbook attached hereto. Parties agree that in case of discrepancy in Supplier's liability between Yanmar Operation manual / Warranty Handbook, and present conditions, Yanmar Operation manual / Warranty Handbook will prevail.*

EIGHT. - RETENTION OF TITLE

The Supplier shall retain title of the Products until full payment has been made by the Customer and until all outstanding claims arising in connection with the Products have been paid in full. Accordingly, the Customer shall hold the Products on a fiduciary basis as the Supplier's bailee and may not dispose of, pledge or provide the Products as security without the written and express duly authenticated consent of the Supplier.

Until the property is transferred pursuant to previous paragraph, the Customer shall not

take any action that could jeopardise the execution of the Supplier's property right and title and furthermore, shall take all actions reasonably required to protect this right.

In case the ownership of the Products was not transferred to the Customer according to the present terms and conditions, the latter shall allow the Supplier to take all necessary actions to retrieve the Products by virtue of this retention title. If the Products may not be removed without causing substantial damages to another piece of equipment/engine, the Customer shall be obliged to pledge the new Products of which those delivered are part of, in favor of the Supplier.

NINE. - ASSIGNMENT OF THE ORDER

The order is personal and, as such, may not be assigned or otherwise transferred by the Customer without the written and express consent of the Supplier. Any attempt to assign or transfer without such consent shall be null and void, and lack validity and effect in general, and particularly, against the respective Customer.

TEN. - DATA PROTECTION

Personal data processing

In the event that personal data are processed in accordance with the provisions of these standard terms and conditions, the Customer and the Supplier state that they are aware of the obligations arising from data protection legislation as in force from time to time, particularly with respect to the duty to inform and to obtain consent for the processing of such personal data.

Both parties undertake to adopt the technical and organizational security measures that

may be necessary to ensure the security, confidentiality and integrity of personal data in accordance with the provisions of data protection legislation. Likewise, they will prevent any unauthorized data alteration, loss, processing or access, taking into account at all times the state of the art, the nature of the data and the risks to which such data are exposed.

The Customer and the Supplier shall be liable for any breach of their respective obligations.

Signatories' data

The Customer and the Supplier are informed as to and give permission to their personal data being processed for the purpose of being used in connection with the fulfilment of the orders, as well as for the management and filing of the documentation related thereto. The legal basis for the processing of the data is the specific consent given in this document for the purposes of performance and monitoring of the contractual relationship and the provision of any relevant documentation, as well as to keep records of previous commercial relationships. Data provided will be kept for as long as is necessary to ensure compliance with the parties' legal obligations.

Personal data will not be communicated to third parties nor transferred outside Spain.

The parties agree that any communications regarding data protection matters may be sent to the address indicated by the Supplier.

The parties may, in the terms provided in current data protection legislation, withdraw their consent for the processing of their data at any time and exercise their rights of access, rectification, erasure and objection, the right to request the restriction of personal data processing, the right to data portability and the right to lodge a complaint with a

supervisory authority. The foregoing can be done in writing by e-mail addressed to gdpr@skvbermeo.com or post addressed to Poligono Industrial Torrelarragoiti P7M Pab 1 and 2, 48170, Zamudio, Vizcaya, Spain.

ELEVEN. - EXPORT CONTROL

The Customer acknowledges that the Products being sold by the Supplier may be subject to local or international export control requirements and that without the necessary export or re-export authorization from the competent authorities, the Products in question may not be sold, leased, assigned, transferred, etc., nor may they be used for any purpose other than the one agreed. The Customer is responsible for complying with such requirements. The Products may not be used, directly or indirectly, in the design, production or use of nuclear, chemical or biological weapons or systems for their transport or for military applications.

The Customer expressly declares that the Products shall be used exclusively with peaceful intentions.

TWELVE. - POLICY

The Supplier and the Customer shall be provided for and maintain a complete insurance cover at their own cost in order to safeguard their properties and employees. Both parties shall obtain from their insurers a waiver of all recourse and subrogation rights against the other party and relieve and indemnify the other party of all warranty claims or of the insurers of the other party.

THIRTEEN. - CUSTOMER'S OBLIGATION

The Customer shall follow all laws, rules and regulations applicable in the workplace, coming from the execution.

The Customer shall guarantee that all the following structures and service are of good quality.

- Support workforce equipped with appropriate tools (like drills and headlights), lifts and means of transport for heavy duty, which must be equipped with the necessary combustibles, lubricating oils, water, electricity, compressed air and washing devices, necessary for the Supplier to carry out the work;

- All necessary conditions for the Supplier's employees to perform their work in a duly manner according to the present conditions and applicable regulations. The Customer shall subscribe and maintain in force an insurance policy covering all Supplier's employees during their performance. At Supplier's request, the Customer will show enough evidence of the insurance payments.

FOURTEEN. - TERMINATION

Either party may seek to terminate a purchase order issued pursuant to these standard terms and conditions for reasons other than those provided above where any of the following circumstances arise: (1) by mutual agreement between the parties; (2) where the other party is wholly or partly in breach of any legal or contractual obligations; or (3) where the other party admits in writing its inability to pay its debts or has entered into insolvency proceedings. In all these cases, if the Customer elects to terminate the agreement, fifteen (15) % of the amount of the order shall be kept by, and belong to, the Supplier as a penalty, without prejudice to any other legally applicable compensation.

FIFTEEN. - NOTICES

All notices and notifications that may or must

be given with respect to the provisions of this document shall be given in writing and sent by duly stamped registered mail or by any other means that evidences due service, to the addresses appearing on the front of this document. Parties shall give notice as provided herein of any change of address, and will not be considered as the new address for the purposes of these conditions, until said notice meets the requirements of this provision.

SIXTEEN. - EXPENSES

All expenses, taxes, charges and brokerage fees arising from the execution, performance or termination of this agreement shall be determined and allocated between the parties by the governing law.

SEVENTEEN. - GOVERNING LAW AND JURISDICTION

These conditions shall be governed by and construed in accordance with the laws of Spain. The parties expressly waive personal jurisdiction and submit to the authority of the Courts of the city of Bilbao to adjudicate on any dispute arising from the interpretation or performance of this agreement.