

**OVE WRIST & CO A/S
WORLDWIDE
INTERNATIONAL GROUP**

**GENERAL TERMS AND
CONDITIONS**

EDITION JUNE 1, 2006

STANDARD TERMS AND CONDITIONS

FOR

SALE AND SUPPLY OF SHIPS STORES, ACCESSORIES AND PROVISIONS FOR THE
WORLDWIDE INTERNATIONAL GROUP OF COMPANIES OF **OVE WRIST & CO A/S**

A. GENERAL INTRODUCTION

A.1 This is a statement of the General Terms and Conditions according to which the Ove Wrist Group (defined in Article B below) worldwide will quote for, offer, sell and deliver ships stores, accessories, provisions and other equipment.

A.2 Unless expressly otherwise agreed in writing by a member of the Ove Wrist Group these terms shall apply for all inquiries, sales and deliveries by Ove Wrist Group. Any general trading conditions of another party, including sub-suppliers, shall not apply nor be deemed valid unless accepted in writing by the relevant member of the Ove Wrist Group.

A.3 In the event that any one or more of the provisions of these General Terms and Conditions may be invalid or unenforceable in any jurisdiction, these General Terms and Conditions shall be deemed automatically amended to omit such provisions and the remaining provisions herein shall remain fully valid and in force as is.

B. DEFINITIONS

Throughout this document the following definitions shall be applied and referred to:

B.1 "Seller" means Ove Wrist & Co A/S, Aalborg, Denmark, or any associated or daughter companies or affiliates, or registered or nominated partners worldwide, collectively the Ove Wrist Group), hereinafter referred to as "OW".

B.2 "Buyer" shall mean any party asking for offers or quotations, or any party ordering or purchasing, whether or not being Ship Owners, Charter Operators (B/B or T/C), Agents, Managers, Voyage Charterers, Master/Command/Officers or Crew of Vessel(s), Brokers or any other third party ordering or purchasing from any member company of OW.

B.3 "Vessel" means the Vessel, Ship, Barge, On- or Off Shore Facility that receives the supply, either as end user or as transfer unit to third party.

B.4 "I.S.S.A." means the International Ship Suppliers' Association.

B.5 "NSAB" means Nordisk Speditoerforbunds Almindelige Betingelser (Standard Terms of Nordic Association of Freight Forwarders).

C. OFFERS, QUOTATIONS AND PRICES

C.1 An agreement shall only be binding upon the Seller upon written confirmation thereof by Seller, by surface mail, telex, telefax or electronic mail.

C.2 Agreements entered into by brokers, agencies or any other representative on behalf of the Seller will only be binding on the Seller upon written confirmation by the Seller.

C.3 The Seller's prices are based on taxes, duties, costs and charges as known and on the price level of components and parts as known at the time of concluding the agreement. Any later or extra tax, assessment, duty or other charge of whatever nature and however named, or any price increase thereon or any price increase on components and/or parts or additional costs borne by Seller whatsoever caused by any change in the Seller's contemplated source of supply or otherwise, occurring after the agreement has been concluded, shall be added to the agreed purchase price, provided the Seller shall give the Buyer prior notice to this effect within a reasonable time after the Seller becomes aware of the relevant circumstances.

C.4 All prices and/or tariffs are exclusive of VAT, sales taxes, Export or Import taxes and duties, etc, unless specified otherwise in writing.

D. SPECIFICATIONS – QUALITY/QUANTITY

D.1 The quality and quantity of an order shall be agreed between the Seller and the Buyer and confirmed by Seller in writing.

D.2 In all cases the written order confirmation as issued by Seller shall be the valid documentation for qualities and quantities ordered. It is Buyer's sole responsibility to address eventual variances from their forwarded orders, should Seller's confirmation not reflect Buyer's expectation.

D.3 Should, for whatever reason, the quantity ordered not be available at time of supply the Seller shall be responsible for the difference, but shall have the right to deliver the remainder as soon as such quantity is available for delivery at a convenient port/place in Seller's reasonable discretion.

E MEASUREMENT AND VERIFICATION OF SUPPLIED ITEMS

E.1 The Vessel's Master, Chief Officer or Chief Engineer, or any other officer and/or crew member as appointed and nominated by any of the said officers, shall upon receipt ensure that the delivered quantity and quality is in accordance with the accompanying delivery notes issued by the Seller.

E.2 Any eventual differences in quantity and/or or differences in quantity or agreed quality shall be notified immediately in writing to the Seller or its local representative.

E.3 Should, for any reason whatsoever, such delivery site verification not be made by the Vessel, the figures and qualities as stated on Seller's delivery notes shall be deemed correct and the goods undamaged and accepted by Buyer/Vessel.

F DELIVERY

F.1 All delivery times quoted by Seller shall be deemed approximate delivery times only unless otherwise explicitly agreed in writing.

F.2 In all cases the Buyer or the Vessel must give not less than 72 hours notice of approximate delivery time, followed by 48 and 24 hours notice, where last notice must be final and exact. Such notices shall be given to the Seller or the Seller's agents or representatives.

F.3 The Seller shall have the option to deliver in one or more lot(s), in which case each lot delivered shall be construed as a separate agreement with separate delivery notices.

F.4 The Seller shall not be required to deliver any items for the export of which any government permits are required and have not been obtained. Should Seller unknowingly deliver an item that it later determines is subject to permit requirements, such item shall be deemed obtained by and for Buyer's account and risk. Seller shall not be deemed the exporter of any item and Buyer shall indemnify Seller from all responsibility, loss or costs thereof.

F.5 The Seller shall, unless otherwise agreed, deliver the goods free alongside by truck, or so near thereto as a truck can be unloaded in a safe manner and where advised by local authorities in respect of safety, ISPS (International Ship & Port Safety Code) and/or local regulations. Unloading from the truck to be done by the Seller or his designee, unless Seller shall request assistance from the Vessel. All assistance provided by the Vessel shall be free of costs for the Seller. After unloading, Vessel and/or Buyer shall be responsible for taking the goods onboard the Vessel or to other place of storage at Buyer's sole risk.

F.6 Title from Seller to Buyer and/or Vessel passes as soon as the goods have been unloaded from the truck and placed on the ground.

F.7 If storage is arranged as provided in Article F.5 above then the Buyer and/or the Vessel shall be fully responsible for any loss of or deterioration in quality and quantity of the goods arising between the time of delivery and completion of storage time. Transport from storage to the Vessel shall be arranged by and for the risk and account of Buyer and/or the Vessel.

F.8 If delivery is required outside normal working hours or on a Saturday, Sunday or legal local Holiday then expenses incidental to such delivery shall be reimbursed by the Buyer as additional costs.

F.9 Any taxes, dues, quay dues or charges related to the goods, if so charged, to be paid by Buyers unless otherwise agreed in writing prior to the delivery.

F.10 The Seller, the Seller's representative, driver and any person representing the Seller shall in no case whatsoever be held responsible for any delay or damage to the receiving Vessel.

F.11 Should the receiving Vessel for whatever reason not be able to receive or to arrange unloading of the Seller's truck immediately, and no storage facility has been arranged by the Buyer, causing the Seller's truck to standby, then Buyer shall reimburse Seller a reasonable demurrage covering all costs including wages, fuel consumed, eventual accommodation, etc.

F.12 If deliveries are made offshore by barge or other vehicle then all costs for the barging equipment as well as loading costs, unloading costs, etc, unless otherwise agreed in writing shall be for the account and risk of the Buyer. All risks insurance for such barge/vehicle transport shall be made by and for the account of Buyer, including risk for goods carried on deck. Title and risk passes as per Article F.6 above, and any damage to and/or loss of the goods in whole or in part after risk and title pass shall be for the Buyer's account and to be settled directly between the barge operator and the Buyer.

G PAYMENT

G.1 Payment shall be made by the Buyer or the Vessel as directed by the Seller within the time stipulated and agreed as per written confirmation or as stated in the invoice(s) issued.

G.2 Payment shall, unless otherwise agreed in writing, be made in the currency stated on the invoice(s), and all payments to be made free of bank charges or other costs into Seller's nominated bank account.

G.3 Payment shall be made in full, without set-off, counterclaim, deduction and/or discount (unless agreed in writing prior to payment being made).

G.4 Payments not made by the due date shall entitle Seller to charge, and shall bind Buyer to pay, interest at the rate of 1.5 percent per month or pro rata without prejudice to any other rights or remedies available to the Seller.

G.5 All costs borne by the Seller in connection with the collection of overdue payments, including interest charges, whether made in or out of court and in general all costs incurred in connection with breach of this Agreement by the Buyer, shall be for Buyer's sole account.

G.6 All amounts received by Seller for charges bearing interest or costs under Art. G.4 or Art. G.5 above shall be applied first to interest or costs, and then to invoiced charges.

G.7 Notwithstanding any agreement to the contrary, payment will be due immediately in case of bankruptcy, insolvency, moratorium, reorganization and other laws relating

to or affecting the creditor's rights generally, or any other situation which, in the sole discretion of the Seller, adversely affects the financial position of the Buyer.

G.8 The Seller shall at all times be entitled to require that the Buyer shall give, in such manner as shall be deemed sufficient by the Seller, security for the proper performance of all its obligations under orders placed with the Seller. Failure to immediately on request provide such security shall entitle Seller, inter alia, to suspend further performance of the order until such time as the Buyer shall have provided the security.

H TITLE AND CLAIMS

H.1 Notwithstanding passage of title to the Buyer under Article F.6 and subsequent articles above, in case of breach of this Agreement by the Buyer, the Seller is entitled to take back and remove goods delivered or other items and/or articles belonging to the Vessel and/or Owners and/or Operators/Charterers without prior juridical action and without prejudice to all other rights or remedies available to the Seller.

H.2 Should Seller not be able to exercise its rights under Article H.1 above, Seller shall have the right to attach the Vessel and/or sister vessels and/or any other assets of the Buyer wherever situated in the world without prior notice to the extent permitted by law, including vessels on Time-, Voyage- or Bareboat Charter to Buyer.

H.3 Buyer agreed that all supplies made by Seller under this Agreement shall be entitled to the full protection of maritime liens available in any port in the world where the Vessel may be found.

H.4 By taking delivery of the goods and signing the delivery note(s) accompanying the goods, whether signed by Buyer or any representative such as Master, Officer, Crew Member, Agent or other Representative of Buyer, the Buyer shall be deemed to have examined and accepted the goods in every respect, including quantity and quality. See also Article E.2 above.

H.5 The Buyer may however, with reference also to Article E.2 above, be entitled to any repayment or credit if Buyer, within 30 calendar days from offloading date (as per Article F.6 above), proves that whilst still in custody of the Seller the goods have been handled, treated and stored in a manner that causes damage to or deterioration of the goods. Proof must be accompanied by a statement of a representative of I.S.S.A., or, if such not available at the actual place, by a Lloyd's report; any of these or both to be arranged by the Buyer.

H.6 No complaint or claim of whatever nature given by Buyer or Vessel or any representative of Buyer/Vessel after 30 days from offloading will be considered by Seller, and all parties agree that any claims or complaints received after this day are deemed forever barred.

H.7 All claims or complaints must be in writing, and only written complaints or claims received within the time limit as stipulated in Article H.6 above will be considered.

I OWNER'S ITEMS

I.1 In situations where a member company of OW have agreed to store and transport items or goods not supplied/provided by OW (such items referred to as "Owner's items or supplies"), the sole risk for the storage and transport remains with Buyer.

I.2 Only Owner's items or supplies agreed in advance can be considered, and in general only such items/supplies that may be stored and transported in ordinary temperature can be accepted (neither refrigerated nor frozen goods accepted).

I.3 Such supplies and items are considered as received for transport and/or storage only. The OW member company will be deemed to have accepted to carry such goods to the receiving Vessel as a courtesy to the Buyer on the condition that OW shall have

no responsibility for loss, damage or delay to the said goods (in whole or in part) occurring during offloading, storage, loading and transport from storage ashore until landed on deck of the receiving Vessel howsoever arising including but not limited to negligence on the part of the OW member company or subcontractors/representatives, and the Buyer shall indemnify OW from any loss and/or liability arising out of the said transport.

I.4 Buyer acknowledges and accepts that barge transport may be performed as deck cargo, and Buyer shall have the sole responsibility of proper and sufficient package of the supplied items.

I.5 The OW member company performing the service shall be deemed to have no knowledge of such supplied items' weight, contents or quality and in no way whatsoever can such company be held responsible for same.

I.6 With reference to Article I.5 above it remains the sole responsibility of Buyer to ensure that Owner supplied items are stored, transported, exported and imported in accordance with all applicable law. All costs to any member company of OW in connection with storage, transport, export and/or import of items not in compliance with the preceding sentence will be fully reimbursed by Buyer, including delays on transporting trucks, vehicles and/or barges.

I.7 It shall be the sole risk, cost and responsibility of Buyer to ensure that all risks insurance is arranged for such supplied items from time of delivery to the OW member company until landed on deck of the receiving Vessel.

I.8 Notwithstanding any articles herein all storage and transport to be in accordance with the NSAB General Terms and Conditions, latest issue.

J FORCE MAJEURE

J.1 If the Seller is unable to make timely delivery caused by Force Majeure, which shall include any and all circumstances for which the Seller has no reasonable control, including but not limited to weather, strikes or lock outs, unavailability from manufacturers, etc, and as a consequence it is not reasonably possible to make delivery in good time or timely, then Seller's obligation to supply and deliver shall cease or be suspended for the duration of such Force Majeure.

J.2 Should an event of Force Majeure cause the Buyer, the Vessel or any of their representatives to order the Seller to deliver at an alternative place or port, then extra costs arising as a consequence thereof (including waiting time and extra transport costs) shall be borne by the Buyer.

K ARREST OF THE VESSEL

K.1 Notwithstanding anything to the contrary herein and without prejudice to any rights or remedies otherwise available to the Seller, the Buyer by its acceptance of these conditions expressly authorizes the Seller to arrest the Vessel in question, or any other Vessels owned or operated, chartered or managed by the Buyer, in any jurisdiction where such vessel may be found, as security for the obligations of the Buyer vis-à-vis the Seller in every respect should the Buyer fail to make payment to the Seller immediately when due.

K.2 The Seller may dispose of such arrested vessel whether by sale or otherwise as applicable under the law of the jurisdiction where the vessel was seized. Any costs or expenses of whatever kind incurred by the Seller in respect of such arrest shall be for the sole account of the Buyer and/or vessel arrested and shall be added to the claim for which the arrest was made.

K.3 If the Buyer is not the registered nor beneficial Owner of the Vessel supplied, the Master (or any other Officer or Representative) by signing the delivery notes or other

document shall be deemed to have full authority to accept these General Terms and Conditions and to unconditionally and irrevocably confirm that the goods supplied are for the use and benefit of the Vessel and her registered and/or beneficial Owners with the effect inter alia that the Seller may proceed against the Vessel as set forth in Article K.1 above should the Buyer fail to make timely payment of any amount due to the Seller.

L LAW AND ARBITRATION

L.1 This agreement shall in Seller's sole option and discretion be governed in all matters by the laws of Denmark or United Kingdom or U.S.A. or, in a case where a dispute arises in another country, by the laws of the country in which the Seller's associated and/or related daughter company or affiliate or registered/nominated partner as defined in Article B.1 above is located.

L.2 At the sole discretion of the Seller all disputes may be finally settled by binding arbitration in accordance with the I.S.S.A. Arbitration Rules then in force by one arbitrator appointed by the I.S.S.A. If the parties cannot agree on the arbitrator appointed by the I.S.S.A. each party shall, within 14 days of their failure to agree, appoint an arbitrator of its choosing and the I.S.S.A. shall appoint a third, whom the parties hereby agree they will accept. All expenses of the arbitration shall be as awarded by the arbitrator(s).

L.3 It is further agreed that the Seller may proceed against the Buyer, any third party or the Vessel in any jurisdiction where they or any of them may be found for the purpose of securing payment of any amount due to the Seller from the Buyer.

L.4 Should the Seller choose to bring an action in court against the Buyer in Buyer's home jurisdiction, Buyer agrees that Seller shall have the right to select the court in which the dispute shall be resolved.

M VALIDITY DATE

M.1 These General Terms and Conditions shall be in force and valid for all offers, quotations, prices and supplies given and made by Wrist Group, as defined in Article B.1 above, with effect from 00.00 hours GMT on June 1, 2006.