

In providing Services, information, or advice, the LR Group does not warrant the accuracy of any information or advice supplied. Except as set out in these Terms and Conditions, LR will not be liable for any loss, damage, or expense sustained by any person and caused by any act, omission, error, negligence, or strict liability of any of the LR Group or caused by any inaccuracy in any information or advice given in any way by or on behalf of the LR Group even if held to amount to a breach of warranty. Nevertheless, if the Client uses the Services or relies on any information or advice given by or on behalf of the LR Group and as a result suffers loss, damage, or expense that is proved to have been caused by any negligent act, omission, or error of the LR Group or any negligent inaccuracy in information or advice given by or on behalf of the LR Group, then LR will pay compensation to the Client for its proved loss up to but not exceeding the amount of the fee (if any) charged by LR for that particular service, information, or advice.

Notwithstanding the previous clause, the LR Group will not be liable for any loss of profit, loss of contract, loss of user, or any indirect or consequential loss, damage, or expense sustained by any person caused by any act, omission, or error or caused by any inaccuracy in any information or advice given in any way by or on behalf of the LR Group

SECTION 4 LEGAL PROVISIONS

A. Liability and Jurisdiction

A 100 Limited liability

101 If any person suffers loss or damage which is proved to have been caused by any negligent act or omission of Det Norske Veritas, then Det Norske Veritas shall pay compensation to such person for his proved direct loss or damage. However, the compensation shall not exceed an amount equal to ten times the fee charged for the service in question, provided that the maximum compensation shall never exceed USD 2 million.

In this provision "Det Norske Veritas" shall mean the Foundation Det Norske Veritas as well as all its subsidiaries, directors,

officers, employees, agents and any other acting on behalf of Det Norske Veritas.

A 200 Governing law

201 These Rules, the classification of the ship or unit and the relationship between the Society and other parties shall be governed by Norwegian law.

A 300 Venue

301 Any dispute arising in relation to or as a consequence of these Rules shall only be resolved by the courts of Norway, the Municipal Court of Oslo being the proper venue.



MARINE DIVISION GENERAL CONDITIONS

ARTICLE 1

1.1 - BUREAU VERITAS is a Society the purpose of whose Marine Division (the "Society") is the classification ("Classification") of any ship or vessel or structure of any type or part of it or system therein collectively hereinafter referred to as a "Unit" whether linked to shore, river bed or sea bed or not whether operated or located at sea or in inland waters or partly on land, including submarines, hovercrafts, drilling rigs, offshore installations of any type and of any purpose, their related and ancillary equipment, subsea or not, such as well head and pipelines, mooring legs and mooring points or otherwise as decided by the Society.

The Society:

- prepares and publishes Rules for classification, Guidance Notes and other documents ("Rules");
- issues Certificates, Attestations and Reports following its interventions ("Certificates");
- publishes Registers.

1.2 - The Society also participates in the application of National and International Regulations or Standards, in particular by delegation from different Governments. Those activities are hereafter collectively referred to as "Certification".

1.3 - The Society can also provide services related to Classification and Certification such as ship and company safety management certification; ship and port security certification; training activities; all activities and duties incidental thereto such as documentation on any supporting means, software, instrumentation, measurements, tests and trials on board.

1.4 - The interventions mentioned in 1.1, 1.2 and 1.3 are referred to as "Services". The party and/or its representative requesting the services is hereinafter referred to as the "Client". The Services are prepared and carried out on the assumption that the Clients are aware of the International Maritime and/or Offshore Industry (the "Industry") practices.

1.5 - The Society is neither and may not be considered as an Underwriter, Broker in ship's sale or chartering, Expert in Unit's valuation, Consulting Engineer, Controller, Naval Architect, Manufacturer, Shipbuilder, Repair yard, Charterer or Shipowner who are not relieved of any of their expressed or implied obligations by the interventions of the Society.

ARTICLE 2

2.1 - Classification is the appraisalment given by the Society for its Client, at a certain date, following surveys by its Surveyors along the lines specified in Articles 3 and 4 hereafter on the level of compliance of a Unit to its Rules or part of them. This appraisalment is represented by a class entered on the Certificates and periodically transcribed in the Society's Register.

2.2 - Certification is carried out by the Society along the same lines as set out in Articles 3 and 4 hereafter and with reference to the applicable National and International Regulations or Standards.

2.3 - It is incumbent upon the Client to maintain the condition of the Unit after surveys, to present the Unit for surveys and to inform the Society without delay of circumstances which may affect the given appraisalment or cause to modify its scope.

2.4 - The Client is to give to the Society all access and information necessary for the performance of the requested Services.

ARTICLE 3

3.1 - The Rules, procedures and instructions of the Society take into account at the date of their preparation the state of currently available and proven technical knowledge of the Industry. They are not a code of construction neither a guide for maintenance or a safety handbook.

Committees consisting of personalities from the Industry contribute to the development of those documents.

3.2 - The Society only is qualified to apply its Rules and to interpret them. Any reference to them has no effect unless it involves the Society's intervention.

3.3 - The Services of the Society are carried out by professional Surveyors according to the Code of Ethics of the Members of the International Association of Classification Societies (IACS).

3.4 - The operations of the Society in providing its Services are exclusively conducted by way of random inspections and do not in any circumstances involve monitoring or exhaustive verification.

ARTICLE 4

4.1 - The Society, acting by reference to its Rules:

- reviews the construction arrangements of the Units as shown on the documents presented by the Client;
- conducts surveys at the place of their construction;
- classes Units and enters their class in its Register;
- surveys periodically the Units in service to note that the requirements for the maintenance of class are met.

The Client is to inform the Society without delay of circumstances which may cause the date or the extent of the surveys to be changed.

ARTICLE 5

5.1 - The Society acts as a provider of services. This cannot be construed as an obligation bearing on the Society to obtain a result or as a warranty.

5.2 - The certificates issued by the Society pursuant to 5.1 here above are a statement on the level of compliance of the Unit to its Rules or to the documents of reference for the Services provided for.

In particular, the Society does not engage in any work relating to the design, building, production or repair checks, neither in the operation of the Units or in their trade, neither in any advisory services, and cannot be held liable on those accounts. Its certificates cannot be construed as an implied or express warranty of safety, fitness for the purpose, seaworthiness of the Unit or of its value for sale, insurance or chartering.

5.3 - The Society does not declare the acceptance or commissioning of a Unit, nor of its construction in conformity with its design, that being the exclusive responsibility of its owner or builder, respectively.

5.4 - The Services of the Society cannot create any obligation bearing on the Society or constitute any warranty of proper operation beyond any representation set forth in the Rules, of any Unit, equipment or machinery, computer software of any sort or other comparable concepts that has been subject to any survey by the Society.

ARTICLE 6

6.1 - The Society accepts no responsibility for the use of information related to its Services which was not provided for the purpose by the Society or with its assistance.

6.2 - If the Services of the Society cause to the Client a damage which is proved to be the direct and reasonably foreseeable consequence of an error or omission of the Society, its liability towards the Client is limited to ten times the amount of fee paid for the Service having caused the damage, provided however that this limit shall be subject to a minimum of eight thousand (8,000) Euro, and to a maximum which is the greater of eight hundred thousand (800,000) Euro and one and a half times the above mentioned fee.

The Society bears no liability for indirect or consequential loss such as e.g. loss of revenue, loss of profit, loss of production, loss relative to other contracts and indemnities for termination of other agreements.

6.3 - All claims are to be presented to the Society in writing within three months of the date when the Services were supplied or (if later) the date when the events which are relied on or were first known to the Client, and any claim which is not so presented shall be deemed waived and absolutely barred.

ARTICLE 7

7.1 - Requests for Services are to be in writing.

7.2 - Either the Client or the Society can terminate as of right the requested Services after giving the other party thirty days' written notice, for convenience, and without prejudice to the provisions in Article 8 hereunder.

7.3 - The class granted to the concerned Units and the previously issued certificates remain valid until the date of effect of the notice issued according to 7.2 hereabove subject to compliance with 2.3, 8 hereabove and Article 8 hereunder.

ARTICLE 8

8.1 - The Services of the Society, whether completed or not, involve the payment of fee upon receipt of the invoice and the reimbursement of the expenses incurred.

8.2 - Overdue amounts are increased as of right by interest in accordance with the applicable legislation.

8.3 - The class of a Unit may be suspended in the event of non-payment of fee after a first unfruitful notification to pay.

ARTICLE 9

9.1 - The documents and data provided to or prepared by the Society for its Services, and the information available to the Society are treated as confidential. However:

- Clients have access to the data they have provided to the Society and, during the period of classification of the Unit for them, to the classification file consisting of survey reports and certificates which have been prepared at any time by the Society for the classification of the Unit;
- copy of the documents made available for the classification of the Unit and of available survey reports can be handed over to another Classification Society Member of the International Association of Classification Societies (IACS) in case of the Unit's transfer of class;
- the data relative to the evolution of the Register, to the class suspension and to the survey status of the Units are passed on to IACS according to the association working rules;
- the certificates, documents and information relative to the Units classed with the Society may be reviewed during IACS audits and are disclosed upon order of the concerned governmental or inter-governmental authorities or of a Court having jurisdiction.

The documents and data are subject to a file management plan.

ARTICLE 10

10.1 - Any delay or shortcoming in the performance of its Services by the Society arising from an event not reasonably foreseeable by or beyond the control of the Society shall be deemed not to be a breach of contract.

ARTICLE 11

11.1 - In case of diverging opinions during surveys between the Client and the Society's surveyor, the Society may designate another of its surveyors at the request of the Client.

11.2 - Disagreements of a technical nature between the Client and the Society can be submitted by the Society to the advice of its Marine Advisory Committee.

ARTICLE 12

12.1 - Disputes over the Services carried out by delegation of Governments are assessed within the framework of the applicable agreements with the States, international Conventions and national rules.

12.2 - Disputes arising out of the payment of the Society's invoices by the Client are submitted to the Court of Nanterre, France.

12.3 - Other disputes over the present General Conditions or over the Services of the Society are exclusively submitted to arbitration, by three arbitrators, in London according to the Arbitration Act 1996 or any statutory modification or re-enactment thereof. The contract between the Society and the Client shall be governed by English law.

ARTICLE 13

13.1 - These General Conditions constitute the sole contractual obligations binding together the Society and the Client, to the exclusion of all other representation, statements, terms, conditions whether express or implied. They may be varied in writing by mutual agreement.

13.2 - The invalidity of one or more stipulations of the present General Conditions does not affect the validity of the remaining provisions.

13.3 - The definitions herein take precedence over any definitions serving the same purpose which may appear in other documents issued by the Society.

Section 1

General Terms and Conditions

A. General

Germanischer Lloyd (GL) is an independent organisation of technical experts.

GL act impartially and objectively

The right of interpretation of their technical Rules rests with GL alone.

The respective latest version of the General Terms and Conditions as well as the pertinent technical Rules are applicable to all services rendered by GL, including those rendered within the scope of their statutory functions, even if no separate agreement has from case to case been reached regarding their applicability. Where contractual relations are established between GL and any persons other than the client, the relevant technical Rules and the provisions of G 1 to 7 below will also apply to such third parties

B. Reservation Clause

No confirmation or certification (certificates) with regard to compliance of technical facts or products with the technical Rules issued by GL must be given or issued by anybody other than GL.

A confirmation given or certificate issued will not release the client from his contractual obligations towards third parties.

Certificates are issued by GL subject to withdrawal at any time. The right of withdrawal may, for instance, be exercised in the event of adaptations of the technical Rules to the state of the art or of the client failing to comply in due time with conditions or instructions issued by GL.

Without relevant certificates being issued by GL, no statements must be made to the effect that the product in question was manufactured in accordance with the Rules of GL.

The technical Rules of GL will be applied without prejudice to any protective rights of third parties.

C. Scope and Performance

The kind and scope of services rendered by GL are based on the relevant agreements concluded and always, in the absence of an express special agreement,

on the Rules for Classification and Surveys applicable at the time of class inspections and/or surveys and, with respect to the review of construction documents, on the Rules for Construction of GL applicable at the time the contract was made between the shipyard and the ordering party of the vessel.

Safety-relevant changes to the Rules for Construction made after the date of the contract between the shipyard and the ordering party shall be taken into consideration

In addition, the rules of the flag-State shall be applied to flag-State-relevant services performed by GL

It is the client's obligation to ensure that the services of GL can be rendered smoothly and without delay. GL will, to the extent requested, be granted unrestricted access and the right of inspection

Any information, drawings, etc. required for performance of the functions and activities of GL must be made available in due time.

D. Confidentiality

GL maintains confidentiality with respect to all documents and other kinds of information received in connection with the orders entrusted to the Society. Documents and information can only be made available to third parties with the approval of the client or the person authorized by the client to permit such disclosure. However, this shall not apply to the obligations GL has towards the administrations of flag states and other international organisations as well as legal requirements and international conventions.

E. Remuneration

For services rendered by GL fees are to be paid in accordance with the tariffs of GL or on the basis of the price quoted in the offer. In addition thereto, GL will charge any extra expenses incurred in connection with the services rendered (e.g. travelling or other expenses and, where applicable, any value added / turnover tax).

Additional expenses, which are incurred, for instance, as a result of poor organisation on the part of the client or of repetition of tests and for which GL are not responsible, will be charged separately at the respective current cost rates.

F. Payment of Invoices

1. The fees for all services rendered by GL are due for payment without deduction two weeks after the date of invoice. On default GL are - without prejudice to any other rights - entitled to charge default interest, to withhold certificates and other documents and/or to suspend or revoke the validity of certificates.

2. Any rights of lien or retention in favour of the client, statutory or otherwise, are hereby excluded. Likewise excluded are any rights of set-off with client's counter-claims, unless such counter-claim is undisputed or finally adjudicated upon by the courts.

G. Liability

1. Liability of GL for defects as to quality shall in the context of a contract for work and services ("Werkvertrag") be limited to remedying such defects. In the event that this is unsuccessful, the client shall have the right in accordance with § 637 of the German civil code to claim a reduction in the contractual price or to withdraw from the contract.

2. Claims of the client for defects as to quality shall become time barred one year after acceptance by the client of the performance by GL of its obligations, in so far as such defects shall not have been wrongfully concealed by GL or caused by the wilful misconduct of GL.

3. Furthermore, except in case of breach by GL of an essential contractual obligation, liability of GL for negligent performance of its obligations towards the client shall be limited to five times the remuneration of the individual obligation to which the breach relates. This limitation of liability shall also apply to claims for damages by the client based on the tortious negligence of GL. In the event of a negligent breach by GL of one of its cardinal contractual obligations, the liability of GL shall be limited to typical contractual foreseeable damage.

In the event of wilful misconduct or gross negligence on the part of GL, the liability of GL shall be determined as provided for by law.

4. Personal liability of the organs of GL or persons to whom GL resorts to perform its obligations is excluded except in case of their wilful misconduct or gross negligence.

5. The attention of the client is expressly drawn to the fact that it has the possibility of agreeing with GL that the liability of GL be extended beyond what is provided for in these General Terms and Conditions. However, such extension of liability is subject to the client demanding this of GL, to the insurer of GL, accepting to take on such additional risk and to the client bearing any additional insurance cost associated with such increase in liability.

6. Claims for damages which are not claims for defects pursuant to paragraph 1 hereof, with the exception of tortious claims and/or claims brought under the German law on product liability, shall be time barred one year after acceptance by the client of the performance by GL of the obligation in question, in so far as there was no wilful misconduct or fraudulent intent on the part of GL.

7. The provisions of clause G above regarding limitation of liability and time bar shall not apply to claims for death, personal injury or damage to health.

II. Place of Performance - Jurisdiction - Governing Law

1. The place of performance for all obligations resulting from or in connection with the respective order is Hamburg, unless otherwise provided in the order.

2. The exclusive place of jurisdiction for any legal action against GL is Hamburg, provided the client is a merchant in the legal sense.

3. German law will govern the performance of the order and all claims resulting from or in connection with the order.

I. Severability Clause

In the event that individual provisions of the contract between GL and the client or these General Terms and Conditions are or become partly or as a whole ineffective, this will not affect the effectiveness of the remaining terms.

In the event of doubts as to the interpretation of the present General Terms and Conditions, the German text will be authoritative.

PART

1

CHAPTER **1 Scope and Conditions of Classification**

SECTION **11 Limitation of Liability (1 Nov. 2004)**

The combined liability of American Bureau of Shipping, its committees, officers, employees, agents or subcontractors for any loss, claim or damage arising from its negligent performance or nonperformance of any of its services or from breach of any implied or express warranty of workmanlike performance in connection with those services, or from any other reason, to any person, corporation, partnership, business entity, sovereign, country or nation, will be limited to the greater of a) \$100,000 or b) an amount equal to ten times the sum actually paid for the services alleged to be deficient.

The limitation of liability may be increased up to an amount twenty-five times that sum paid for services upon receipt of Client's written request at or before the time of performance of services and upon payment by Client of an additional fee of \$10.00 for every \$1,000.00 increase in the limitation.

Under no circumstances shall American Bureau of Shipping be liable for indirect or consequential loss or damage (including, but without limitation, loss of profit, loss of contract, or loss of use) suffered by any person as a result of any failure by the Bureau in the performance of its obligations under these Rules. Under no circumstances whatsoever shall any individual who may have personally caused the loss, damage or expense be held personally liable.

PART

1

CHAPTER **1** **Scope and Conditions of
Classification**

SECTION **12** **Hold Harmless (1 Nov. 2004)**

The party requesting services hereunder, or his assignee or successor in interest, agrees to release the Bureau and to indemnify and hold harmless the Bureau from and against any and all claims, demands, lawsuits or actions for damages, including legal fees, to persons and/or property, tangible, intangible or otherwise which may be brought against the Bureau incidental to, arising out of or in connection with this Agreement, the work to be done, services to be performed or material to be furnished hereunder, except for those claims caused solely and completely by the negligence of the Bureau, its agents, employees, officers, directors or subcontractors. The parties agree that for the purposes of the Convention on Limitation of Liability for Maritime Claims, 1976, ABS is a person for whose acts the shipowner is responsible.

Any other individual, corporation, partnership or other entity who is a party hereto or who in any way participates in, is engaged in connection with or is a beneficiary of, any portion of the services described herein shall also release the Bureau and shall indemnify and hold the Bureau harmless from and against all claims, demands, lawsuits or actions for damages, including legal fees, to persons and/or property, tangible, intangible or otherwise, which may be brought against the Bureau by any person or entity as a result of the services performed pursuant to this Agreement, except for those claims caused solely and completely by the negligence of the Bureau, its agents, employees, officers, directors or subcontractors.