

MSR Project Management in Offshore & Shipping

MSR Maritime Shipcleaning Rotterdam B.V.

General Terms and Conditions

General Terms and Conditions of Maritime Shipcleaning Rotterdam B.V., a private company with limited liability registered in the Netherlands, hereinafter referred to as 'MSR', filed with the Chamber of Trade and Industry for Rotterdam and the Beneden-Maas in Rotterdam on the first day of October 2006.

GENERAL

Article 1 Scope

1. These general terms and conditions apply to all offers, instructions, agreements and obligations, howsoever named, between MSR and the other party, client or offeror – as well as the performance thereof. Terms may only differ from these general terms and conditions if there is a written confirmation signed by the Board of MSR to that effect, in which case the remainder of these terms and conditions continue to apply and the differing terms apply only to the particular instruction for which such agreement has been reached.
2. Agreements with members of the staff of MSR only bind MSR if they have been confirmed in writing by the Board of MSR. A 'member of staff' includes here all employees who are not on the Board of MSR.

Article 2 Definitions

- a. MSR: Maritime Shipcleaning Rotterdam B.V. and her subsidiaries, with registered office in Rotterdam (Chamber of Commerce number 24428078).
- b. Other party or client: party that instructs MSR orally or in writing to perform activities or party that receives an offer from MSR or the other party in an agreement with MSR.
- c. Offeror: party that instructs MSR to reprocess chemical and other waste.
- d. Tasks: all acts performed by MSR on the instructions of the client including services and undertaking of work related to ship cleaning and industrial cleaning, the tank transport of products and waste, waste logistics including the rental of storage

facilities and reprocessing of waste streams, in the broadest interpretation of these words;

- e. Items: all materials, items, tools, machinery, vehicles and containers to be used, reprocessed, rented or made available by MSR for the performance of its tasks in the broadest sense of the words, howsoever named or described, whether or not brought by MSR under the control of the client;
- f. Products: all items to be transported by MSR on the instructions of the client for the use by the client or any third party designated by the client;
- g. Waste materials; all materials offered to MSR by the client either for transporting to a reprocessor or processing facility or for reprocessing by MSR itself or a third party designated by MSR, including chemical waste;
- h. Chemical waste: all waste materials consisting entirely or in part of chemical materials specified in the Chemical waste (Designation) Decree (21 May 1991, stb. 1991, 247), as amended, and all waste materials created entirely or in part from the chemical reprocesses designated therein, as well as all used oils and materials which combine such oils. 'Chemical waste' shall also include all other products that at any time in the future are regulated by the Chemical Waste Act.
- i. Implementation term: the term indicated by MSR within which the instructions given by the other party shall be complied with, having regard to the provisions of Article 4 of these general terms and conditions.

Article 3 Offers

- 1. All offers made by or on behalf of MSR are non-binding. Any agreement only comes into force when, and on the date that, MSR has confirmed this in writing to the client and the client has not given immediate notice in writing that it does not agree. Any subsequent additional agreements or amendments shall only be valid if MSR has confirmed this in writing to the client and the client has not given immediate notice in writing that it does not agree.
- 2. MSR retains copyright upon the images, drawings, designs, prototypes, models, calculations and estimates supplied with offers or otherwise, which may not be copied by the other party or shown or handed to any third part or otherwise utilised without the prior specific consent in writing of MSR. Such items shall be returned immediately to MSR on demand. No size, weight, capacity or results given by MSR in conjunction with images, drawings, designs, prototypes, models, calculations and estimates or otherwise shall bind MSR unless they are expressly guaranteed by MSR in writing; such data are deemed to be estimates only.

3. MSR reserves the right, if it is not engaged to carry out the job or tasks, to charge to the other party all the costs it has incurred (including wages) in drawing up the offer, unless expressly agreed otherwise in writing. In such a case, the provisions in Article 11 shall apply mutatis mutandis.

Article 4 Performance, timescale for performance and force majeure

1. The timescale for performance indicated by MSR starts to run from the date of the written confirmation referred to in Article 3 (1) above. This timescale is approximate only and is never a deadline.
2. In the event of force majeure and such other circumstances the nature of which make it unreasonable to expect MSR to comply with its tasks temporarily or at all – including where MSR is unable to perform its tasks due to the involvement of third parties involved in the contract, irrespective of the reason – the timescale for performance shall be extended by a period equal to the duration of such circumstances if, after acceptance of the instructions, it appears that these cannot be complied as a result of circumstances not already known to MSR, and MSR has the right to require that the contract is amended in such a way that its performance is made possible. If in the opinion of MSR the extension of the timescale for performance will exceed three months, or compliance is entirely impossible, then MSR is entitled to terminate that part of the transaction not already performed. In the case of part performance, the client shall be liable for the proportionate part of the total price.
3. Even if the timescale for performance is exceeded – for whatever reason – MSR is under no obligation to compensate the client for any loss suffered by the client or any third party, unless this is caused by the deliberate act or gross negligence of the directors or managerial staff of MSR. Furthermore, the client shall not be entitled to terminate the agreement or to ignore compliance of any of its obligations under this agreement or any other agreement it has entered into in the event that this timescale is exceeded. In the event of any very significant exceeding of the timescale, once MSR has been served notice of default and failed to remedy this breach within a reasonable period, MSR is entitled to terminate the agreement. Such termination shall not entitle the client to compensation from MSR, nor the right to ignore compliance of any of its obligations under any other agreement it has entered into.
4. MSR may instruct any number of third parties, or employees or staff of such third parties to carry out the work or use materials belonging to such third parties. All stipulations that exclude the liability of MSR and concern indemnity granted by the client for third party claims, such as those contained in these general terms and conditions also bind the said third parties, their management organs and those

5. working for them as well as those of MSR, and MSR has irrevocable authority on behalf of the client as against all those referred to above to waive all rights to claim compensation for loss accruing to the client, or to therefore release them of their liability.

Article 5 Guarantee

1. MSR shall take all due care in ensuring the quality, safety and continuity of its work and more particularly use its best efforts to ensure that in respect of all its work it has obtained all necessary permits and meets all environmental rules and regulations, that its personnel is properly trained and qualified, that all its materials meet all safety and other regulations and that it has the proper liability and other insurance to cover its work as is usual in the sectors in which the various tasks may be allocated. MSR must use its best endeavours to ensure that in respect of the Chemical Waste Act that waste taken from the client shall only be delivered to a reprocessor specified under the said Act.
2. This guarantee only applies if the client has complied with all its obligations to MSR and the client has immediately upon, or at least within 48 hours of, discovering any defect in the performance of the work by MSR reported this in writing to MSR and MSR has been given the opportunity to return the site to such state as existed at the time of discovering the defect.
3. If work of the same nature that is/has been carried out by MSR, has also been carried out for the client by others than by MSR, and without the prior written consent of MSR, then this work shall not be covered by the guarantee.
4. In complying with its obligations under the guarantee, MSR is entitled and obliged to do no more than to redo the relevant work or parts thereof.
5. If by virtue of its written obligations under the guarantee MSR must resume or redo the agreed work, the client must fully cooperate by, in particular, making workplace freely accessible and/or available. Following the prior consent of MSR, the client must arrange at its own expense for the dismantling of anything that is to be reprocessed. MSR is under no obligation to carry out installation work under the guarantee, unless agreed otherwise in writing.
6. The guarantee only covers the lease of storage facilities by MSR to the client insofar as the relevant items are used for their intended purpose and in what may be deemed the normal way and under the normal circumstances, in accordance with any regulations or instructions given by MSR.

7. The guarantee only covers the transportation and reprocessing of waste streams by MSR insofar as the materials offered by the client for reprocessing comply with the information supplied by the client concerning the nature, characteristics and origins of the materials and meet the specifications set out by MSR in its offer.

Article 6 Liability

1. MSR accepts no liability damages arising out of its work, unless this has been guaranteed in writing. Compliance with any obligation under a guarantee constitutes full and final compensation.
2. Accordingly, MSR is not liable for any indirect loss such as personal injury loss or damage to items, machines, installations and buildings, or cessation of business, delay or breakdown, or delay of the building stream, harm to the environment or any other business or other loss whatsoever, unless such loss is the result of any deliberate act or gross negligence of the directors or management of MSR and unless there is any product liability within the meaning of Book 6 Article 185 et seq. of the Dutch Civil Code.
3. MSR is not liable for any direct or indirect loss caused to any property or any person at all by the effects of the work it has carried out or by non-management personnel in its employment.
4. MSR is not liable for the aforesaid loss if, after completion of the work, property of the client remains under the supervision of MSR, either because the client so requests, or because MSR is exercising a retention of title thereon, or for any other reason.
5. If the client has provided incorrect, unclear, incomplete or insufficient information regarding the nature, characteristics and origins of the waste material, it is liable for all consequential loss caused to persons and property. Insofar as any third party holds MSR liable for such loss, the client must indemnify MSR accordingly.
6. If loss is caused in any way to property belonging to, or under the supervision of, MSR by materials of the client in respect of which MSR is to carry out the agreed work, the client must compensate for this loss on demand by MSR.

Article 7 Complaints

1. MSR guarantees that complaints shall be recorded and carefully dealt with in line with its usual complaints procedure.

2. Complaints about the work performed by MSR must be reported by the client to MSR immediately upon, or at any rate within 8 days of discovering any defect in the performance of the work. The burden of proving that the work has not been carried out in accordance with the agreement lies with the client.
3. The client must enable MSR to inspect the situation on site in the same condition it was in when the defect in the performance of the work was discovered, so that it is possible to determine if the complaint is justified or not. No complaint shall entitle the client to suspend payment of the price or additional costs and any claim for
4. compensation is specifically excluded. No complaint shall release the client from its obligation to permit MSR to carry out other agreed work.

Article 8 Price

1. Prices stated by MSR are net, excluding Dutch VAT, unless otherwise agreed, and are valid for the period stated in the offer. Information provided by MSR in printed matter is subject to change without prior notice and do not bind MSR.

Article 9 Price increases

If, during the period between the date of offer and completion of the work, there is any increase in the cost of materials, equipment and raw materials, electricity, external reprocessing costs of waste materials, or fuels, or parts used by MSR belonging to third parties, as well as wages, salaries, national insurance contributions, government burdens, haulage costs or insurance premiums, including any increase in price of materials and parts resulting from currency exchange risks, or if new government measures produce results that cannot be regarded as normal business risks, or if any other factor involved in the price calculation undergoes any significant increase, then MSR is accordingly entitled to increase the price agreed at the time the job was accepted, in accordance with any relevant statutory provisions, and having first notified the other party accordingly.

Article 10 Payment

1. All costs related to payment, including exchange and bank costs, shall be paid by the client.
2. Payment of MSR's invoice must be made within the period stipulated by MSR on the job confirmation or invoice. In the absence of such written stipulation, the payment term is 30 days. In appropriate cases, especially urgent cases, MSR is entitled to require an advance payment.

3. If payment has not been made either in accordance with the agreed term referred to in the previous section or in the absence thereof the term of 30 days following invoice date, the client is in breach and MSR is entitled to charge interest at 2% on the invoiced amount for each period of 30 days or part thereof that payment remains outstanding after the end of the said payment term.
4. The payment of the invoiced amount must be in full, without discount or set off. No complaint by the client shall entitle it to refuse or delay payment.
5. Payments made by the client are applied firstly to cover any interest and costs, and then such invoice as is longest outstanding, even if the client specifies the payment to relate to a later invoice.
6. If MSR deems it necessary to pass any unpaid invoice to a third party to enforce payment, the costs thereby incurred shall be paid by the client. MSR may choose to require the client to pay either the actual costs incurred by MSR or a sum equal to 15% of the principal sum owed to MSR plus interest for delayed payment being a minimum of EUR 1,000. The fact alone that MSR instructs such a third party gives rise to liability for collection costs.
7. MSR reserves the right to require at any time security for prompt payment in respect of completed and future work.
8. As further security for full payment of all existing and future sums owed to MSR by the client, MSR is entitled to require a right of undisclosed pledge upon all existing and future claims of the client against its debtors.
9. The client undertakes to disclose on demand to MSR all its existing and future claims against its debtors, as specified in the previous section of this article, and to sign a deed drawn up by MSR in this regard, as well as to assist in creating the undisclosed pledge. MSR has authority to give notice of the pledge to the debtor in question.
10. MSR is entitled, if it believes justified, to suspend or not commence all the work assigned to it or agreed with it until such time as the client has provided sufficient security for payment.
11. MSR is also entitled to suspend its obligation to return property it holds belonging to the client until such time as the client has met its payment obligations in full.

Article 11 Termination

1. In the event that the client is in breach of contract, including failure to make payment within the agreed time, then MSR always has the option either to terminate all or

part of the contract, or to enforce compliance, without prejudice to its claim for compensation, and is also entitled to terminate under the same conditions other current transactions with the client that have not yet been carried out. Any such termination shall result in the sums owed to MSR becoming due and payable.

Article 12 Severability

Should any portion of these terms and conditions be declared invalid or un-enforceable, then such a portion shall be deemed to be severable from these terms and conditions but shall not effect the remainder thereof.

Article 13 Disputes

1. All agreements between MSR and the client, as well as all offers, and any dispute arising thereunder shall be governed by the law of the Netherlands.
2. Any dispute arising under any agreement entered into with MSR, or any offer by MSR, shall be brought exclusively before the District Court of Rotterdam unless under the rules of absolute jurisdiction the dispute must be heard by the subdistrict court.

SPECIAL TERMS AND CONDITIONS

Article 14 Scope

Without prejudice to the scope of the above general terms and conditions the work by MSR specified under Parts II, III and IV below are subject to the following terms and conditions, with the provision that in the event of any conflict between the general and special terms and conditions these special terms and conditions shall prevail.

II Ship cleaning / Industrial cleaning

Article 15 Obligations upon the client

1. Before, during or shortly after entering into the agreement, but no later than at the commencement of work by MSR, the client shall provide MSR with all necessary information and specifications in respect of the cleaning work to be undertaken, specifically with regard to possible risks and dangers, so that MSR can assess which materials and personnel it should deploy or what safety regulations it needs to conform to, in order that the work can be performed properly and safely. If the client fails to supply such information on time or at all, then all guarantees given by MSR are revoked.
2. The client shall ensure at its own risk and expense that:

- A. Work that is not itself part of the agreement has been carried out properly and on time, such that the work to be carried out by MSR is not disadvantaged or delayed.
- B. The personnel of MSR are at all times able to perform their work properly, both during and outside normal working hours.
- C. The assistance of manpower, tools and other facilities that MSR considers necessary, such as compressed air, power supply, heating and lighting, shall be provided free of charge, on time and in the right place for use by MSR.
3. The client and all persons on its behalf who find themselves on, in or in the immediate vicinity of the property that MSR is to carry out the agreed work undertake to comply with all regulations concerning the safety, fire safety and discipline that govern the personnel of MSR and to comply with any instructions given by MSR.
4. If time is lost through failure to comply with the terms set out in sections 2 and 3 of this article, the timescale for completing the work will be extended for such period as is reasonable having regard to all the circumstances of the case.
5. Costs incurred as a result of any conditions in sections 2 and 3 of this article not being complied with on time or at all, shall be paid by the client.
6. If it is necessary to work outside normal working hours, or the client requests this, a supplement shall be charged in accordance with the rates currently charged in the business.

Article 16 Residues or waste

1. If cleaning work results in the release of chemical and other waste, then only after instructions given by the client, MSR shall transport this waste elsewhere or reprocess it, in which case the provisions of article 8, 9, 12, 13 and 14 of these general terms and conditions shall apply mutatis mutandis.
2. If cleaning work results in materials or residues in tanks or other storage facilities belonging to MSR, then MSR shall remove them or otherwise use them without being liable to pay the client any compensation.

III TANK TRANSPORTATION

Article 17 Relevant terms and conditions

Agreements whereby MSR transports products such as chemical and other waste by tank are governed, except where expressly agreed otherwise in writing, by these general terms and conditions and the general terms and conditions of the *Stichting Vervoeradres (Algemene Vervoers Conditie, latest version)*, as filed with the District Courts of Amsterdam and Rotterdam. In the event of any conflict between the two, these general terms and conditions shall prevail.

The aforementioned terms and conditions are the normal, applicable standard terms and conditions in the transport sector and the client is therefore deemed to have knowledge of these terms and conditions. However, if the client so requests, MSR shall supply it with a copy thereof free of charge.

Article 18 Transportation of waste

1. The transport by MSR of chemical and other waste shall comply with all statutory regulations and other safety regulations, in particular, but not restricted to, the regulations of the Stichting *MILOBA* and the *VLG/ADR*.
2. MSR guarantees that its materials are suitable and meet the requirements for the transportation of the waste offered for transportation by the client, except where the client has provided MSR with incorrect information and specifications regarding the nature, characteristics and origins of such waste before, during or shortly after the entering into of the agreement.
3. MSR has an obligation to take all possible care in its transportation of waste with regard to the environmental aspects.
4. MSR shall preserve the complete confidentiality of everything it learns about the client through performance of the agreement, unless it is required to disclose such information by statute or governmental decree.
5. The client shall not offer to MSR for transportation any other waste than that which has been agreed. MSR is entitled to require samples of the waste at the time of receipt of the waste. If it appears that the client has supplied to MSR materials for transportation that differ in part or completely from those agreed, then MSR is entitled either to refuse to undertake the agreed transportation or to undertake the transportation subject to agreeing a revised price and/or revised conditions with the client.

6. After receipt of the waste and throughout the period that MSR is in possession of this waste as part of the agreement for its transportation, the materials remain the property and at the risk of the client until such time as the recipient / reprocessor has accepted the waste.
7. MSR shall ensure that all materials shall arrive at the agreed destination. If materials are transported to a place that has not been agreed, including soil and/or ground water or other water, MSR is only liable for its removal to protect the environment if the contamination is attributable to the deliberate act, recklessness or gross negligence of MSR.
8. MSR has appropriate insurance with the cover that is standard in the waste transportation sector. The liability of MSR is limited to the amount of this cover.

IV WASTE LOGISTICS

A. Hire of storage facilities

Article 19 Obligations of the client

In its instructions to MSR for the hire of storage facilities such as, for example, storage tanks and bins – hereinafter referred to as ‘the hired equipment’ – the client should explicitly and truthfully indicate the purposes of, and materials pertaining to, the facilities the client wishes to hire from MSR.

Article 20 Obligation of MSR

MSR shall do everything possible to ensure the fitness for purpose of the hired equipment and that this meets all statutory and other rules and internal regulations, unless the client has failed to meet its obligations specified in section 1 of the previous article, in which case the obligation is entirely revoked.

Article 21 Implementation

1. Unless otherwise agreed in writing, the hired equipment shall be delivered by MSR to the client. Upon receipt of the hired equipment, the client must sign the hire documents from MSR to confirm the agreement. The client must immediately notify MSR of any complaints or defects concerning the hired equipment and record these on the hire documents. If the client fails to do both these things, it is deemed to have received the hired equipment in good condition.
2. If MSR deems it necessary, it may require the client to pay a deposit prior to taking receipt of the hired equipment, in a sum to be determined by MSR.

3. Without prejudice to the provisions of Article 5 (6), the client must use and properly handle the hired equipment in the normal manner, taking into regard any instructions provided by MSR. After use or after the expiry of the hire period, the client should return the hired equipment to MSR in a clean state. Should the client fail to do this, MSR is entitled to charge the client for the cleaning costs.
4. The hired equipment remains at all times the property of MSR and may only be provided for the use of a third party and/or removed with the prior written consent of MSR.

Article 22 Liability of the client

The client is liable for all damage caused to the hired equipment during the hire period irrespective of through whose conduct or blame the damage has occurred.

Article 23 Liability of MSR

MSR cannot be held liable for any loss, of whatever nature and however caused, by the hired equipment to the client or any third party. The client undertakes to indemnify MSR against any third party so arising.

Article 24 Repairs

Any repair to the hired equipment may only be carried out by or on the instructions of MSR. Any repairs during the hire period, other than the usual or for normal wear and tear shall be paid by the client.

B. Reprocessing of waste streams

Article 25 Obligations upon the client

Before MSR issues any offer concerning the reprocessing of waste and before any agreement becomes binding, the client should inform MSR about the nature, characteristics and origins of the waste materials to be reprocessed. If MSR so requires, the client must supply further specific information. MSR shall assess whether it is necessary to sample the materials and if so, who should undertake this. The costs of sampling shall be paid by the client, unless agreed otherwise.

Article 26 Offer from MSR

Once MSR has received all relevant information concerning the materials to be reprocessed and, where relevant, the results of the sample analysis, then it shall send to the client in writing either an offer or information to the effect that it cannot / will not accept the waste materials offered.

If MSR does issue an offer, it shall indicate therein the conditions of acceptance and the specifications that the waste products must satisfy.

Article 27 Implementation

1. Once the agreement has become binding MSR shall take receipt of the waste materials at the agreed place. The client shall ensure that the materials are packed and labelled as required by statute or in the agreed manner. At the moment the materials are received by MSR, the risk relating to these materials and ownership thereof passes to MSR. If, however, the waste materials differ in whole or in part from the information supplied by the client or from the sample analyses referred to in Article 12 (1) and (2), or from the labelling, or if it appears that the client has not complied with the statutory or contractual obligations governing the packaging or labelling, or has failed to comply with any other contractual or statutory obligation, then the risk and ownership of the waste materials is deemed not to have transferred to MSR.
2. Even after MSR has taken receipt of the waste materials, the client is obliged to provide MSR on request with further information concerning the nature, characteristics and origins and the waste materials.
3. If after receipt it appears that the waste materials differ in full or in part from the information provided by the client or from sample analyses, or if the client has failed to comply with any statutory or contractual obligation regarding packaging or labelling, or the client has not complied with the statutory or contractual obligations, then MSR is entitled either to return the relevant waste materials to the client at the expense and risk of the client and to terminate the agreement, or to retain and reprocess the waste materials, on condition that the client has agreed with MSR a revised price and any new conditions of acceptance.