

# MAERSK LINE, LIMITED

## APPENDIX A – COMMERCIAL SUPPLIES AND SERVICES TERMS AND CONDITIONS OF PURCHASE ORDERS

Acceptance of this order is limited to the terms and conditions stated herein. Any additions, deletions, or differences in the terms proposed by Seller are objected to and hereby rejected unless Buyer otherwise agrees in writing.

### Section A: Definitions

A-1 The following definitions apply unless otherwise specifically stated:

- ° “Buyer” or “Purchaser” - Maersk Line, Limited
- ° “Seller” and “Subcontractor” - The legal entity

which contracts with the Buyer.

### Section B: Applicable Clauses

B-1 Packing, Marking, and Shipping. Seller shall pack, mark, and ship all goods and supplies as to be in compliance with transportation regulations and good commercial practice and shall secure the most cost effective service and rates consistent therewith. No separate or additional charge is payable by buyer for crating, storage, dunnage or drayage, boxing, or bundling unless specifically stated in the order.

B-2 Changes. The buyer may, by written order, make such changes in the specifications for the work required as are within the general scope of this contract. If any such change causes an increase or decrease in the cost of, or time required for performance of, an equitable adjustment shall be made in the price or time of performance. The seller must assert its right to an equitable adjustment within 20 days from the date of a written change order from the buyer.

B-3 Termination for Convenience. The order may be terminated for the Buyer’s convenience, without liability to the buyer for any uncompleted work by the seller.

B-4 Default. If the subcontractor fails to perform the work within the time specified in the contract or any extension thereof, or otherwise fails to perform the contract in accordance with the terms, or so fails to make progress as to endanger the performance of this order, the buyer may terminate the contract in whole or in part by means of a written notice of default. If the buyer terminates the work in whole or in part as provided by this paragraph, the buyer may arrange for the completion of the work so terminated, and the seller shall be responsible for the cover costs incurred therein, in addition to Buyer’s other rights and remedies at law or in equity.

B-5 Warranty of Supplies and Services. In the event that any work done or material furnished by the seller on or for the vessel or the equipment thereof shall, after completion of all work and within 90 days thereafter, prove defective, deficient, or not in conformity with the specifications, such defects or deficiencies shall be corrected and repaired by the seller or at his expense to the satisfaction of the buyer.

B-6 Disputes. Any disputes arising under or related to this order which cannot be settled via mutual agreement shall be submitted to the United States District Court for the Eastern District of Virginia, Norfolk Division, or the Circuit Court for the City of Norfolk, Virginia. The buyer and seller consent to venue and jurisdiction in either of these Courts. To the extent that the federal common law of Government contracts is not dispositive, the laws of the Commonwealth of Virginia, with the exception of its conflict of laws provisions, apply. No litigation which concerns a dispute arising under this order may be commenced by the seller more than one year after the last delivery or furnishing of materials and services by the seller. The seller agrees, pending resolution of any dispute, to proceed diligently with performance, including any change orders.

B-7 Payments. Payment terms are net 30, unless otherwise specified. No invoices shall be paid unless the supplies or services have been inspected and accepted by the buyer. All invoices must be an original invoice and cite the purchase order number.

B-8 Waiver of Maritime Liens. If work is done on Maersk Line, Limited vessels, neither the seller nor any of its subcontractors shall be entitled to a maritime lien upon the vessel. The subcontractor agrees that nothing in or contemplated by this contract creates or shall be construed to create any right to assert a maritime lien on the vessel.

B-9 Order of Precedence. Any inconsistencies in this purchase order shall be resolved in the following order: (1) Purchase Order exclusive of appendices, drawings, specifications and other plans and documents, (2) appendices, (3) drawings and specifications, (4) other plans or documents referenced in the Purchase Order. Seller shall immediately bring any inconsistencies to the attention of the purchaser in writing.

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B-10 Site Conditions. If seller is required to install or supervise the installation of equipment or to perform services at Purchaser's or its customer's site, Seller shall inspect the location of the work at Purchaser's or its customer's site and be familiar with its condition at the time of award of this Purchase Order. In no event shall either Seller's failure to inspect the site prior to the award of this Purchase Order, or any circumstance that seller should reasonably have discovered through such site inspection constitute a basis for any claim for increased cost or additional time for performance.

B-11 Loss or Damages to Goods. Unless otherwise specified in the Purchase Order, risk of loss or damage to the goods furnished by seller under this Purchase Order shall remain with the seller until delivery to the Purchaser at the address specified in the Purchase Order (i.e. "FOB Destination").

B-12 Third Party Indemnification. Seller shall indemnify and hold harmless and, if requested, defend Purchaser, Purchaser's parent and affiliates and each of their officers, directors, and employees against any claims, losses or expenses (to include reasonable attorney's fees) for: (i) property loss or damage and personal injury or death which may be sustained by seller or by any of its employees, agents, or subcontractors, at any tier, and (ii) all risk of loss or damage to property and personal injury, disease, or death which may be sustained by third parties, Purchaser, Purchaser's parent and affiliates, or each of their agents, employees or subcontractors, as a result of Seller's performing this Purchase Order.

B-13 Late Delivery. Except as otherwise provided in this Purchase Order, Seller shall, at all times, proceed diligently to properly perform this Purchase Order. Seller shall provide Purchaser prompt written notice of any events that could cause a delay in delivery under the Purchase Order. This notice shall be informational only, and shall in no way affect the legal rights or remedies available to Purchaser.

B-14 Independent Contractor. Seller is an independent contractor, and this Purchase Order does not create an agency, partnership, or joint venture relationship between Seller and Purchaser. Seller shall: (i) have exclusive control and direction over its employees' performance of the work; and (ii) be responsible for all payroll functions for its employees. No persons employed by Seller or Seller's subcontractors shall be deemed to be an employee or agent of Purchaser for any purpose. Purchaser assumes no liability for Seller's personnel or those of Seller's subcontractors.

B-15 Inspection and Test. Purchaser or its customer or both may inspect work in progress at all times and places. Seller, at its own expense, shall promptly rectify any defects discovered during any inspection or test. If

inspection is on Seller's or Seller's suppliers' premises, Seller shall provide and require its suppliers to provide, without additional charge, reasonable facilities and assistance for the safety and convenience of the inspectors in performing their duties. Neither Purchaser's in-process inspection nor Purchaser's approval of any of Seller's drawings, procedures or other submittals shall: (i) constitute acceptance of any work or (ii) relieve Seller of complying fully with all of the requirements of this Purchase Order.

B-16 Proprietary Information. For the purposes of this paragraph, the term "Proprietary Information" shall mean all information provided by Purchaser to Seller during the performance of this Purchase Order and all improvements, modifications, and derivations thereto, except to the extent such information is clearly in the public domain. Seller agrees: (i) to hold the Proprietary Information in confidence and to protect it from release to third parties; (ii) to disclose the Proprietary Information only to Seller's employees who have a need-to-know and only after they have been made aware of the proprietary nature of the information; and (iii) to use the Proprietary Information solely for the purposes of performing this Purchase Order. The restriction on release to third parties contained in this paragraph will not apply to release by Seller to subcontractors that Seller uses in performing this Purchase Order, provided the Seller includes in such subcontracts a provision substantially the same as this paragraph.

B-17 Bankruptcy. In the event the Seller enters into proceedings relating to bankruptcy or insolvency, whether voluntary or involuntary, the Seller agrees to furnish to Purchaser, by certified mail, written notification of the bankruptcy or insolvency proceeding. This notification shall be furnished within five days of the initiation of such proceedings and shall identify the court in which the petition was filed and a listing of all the Purchaser's orders against which final payment has not been made. This obligation remains in effect until final payment under this purchase order.

B-18 Continuing Terms and Survivability. The Proprietary Information and indemnity clauses contained herein shall survive termination or cancellation of this Purchase Order. If any part, term or provision of this Purchase Order contravenes any law of a federal, state or local government having jurisdiction over this Purchase Order, that part, term, or provision shall be inoperative in that jurisdiction, and the validity of the remaining portions or provisions shall not be affected thereby.