



CARNEGIE OCEANIC INC. - TERMS & CONDITIONS

1. VALIDITY

These general terms and conditions for sale and delivery shall apply to the sale of spare parts and service by Carnegie Oceanic Inc. (henceforth referenced as "Carnegie Oceanic") to the buyer, unless otherwise agreed in writing between Carnegie Oceanic and the buyer. The terms and conditions may be amended by Carnegie Oceanic without notice.

2. OFFER

All offers/quotes submitted by Carnegie Oceanic shall be valid for two weeks, unless otherwise explicitly stated in the offer. An agreement is not final until the buyer has received a written order confirmation from Carnegie Oceanic.

3. SPECIFICATIONS AND DRAWINGS

Illustrations, specifications and technical data such as weight, dimensions, volume, performance, power requirements, etc. in brochures and other promotional materials are for information only and should only be used as guidance. The drawings included with offers and deliveries must not be reproduced.

4. DELIVERY TIME AND DISPATCH

All delivery times shall be guiding and stated with reservation for the delivery times applicable to Carnegie Oceanic's suppliers and subject to prior sale.

5. FORCE MAJEURE

No party shall be liable for delays or non-performance of its obligations under the agreement (except for payment), provided that the delay or non-performance was caused by an event which (i) makes performance of the agreement impossible; (ii) is beyond the control of the affected parties; (iii) could not have been avoided or prevented by the party, including, but not limited to, and provided that the above conditions are fulfilled; strike, lockout, work stoppage, industrial dispute, scarcity of goods, shutdown, transport delay, fire, flooding, earthquake, rough weather, natural disaster, accident, trade sanction, embargo, war, epidemic/pandemic, national state of emergency, new or amended legislation, and non-delivery or delayed delivery from sub-suppliers caused by any of the above-mentioned circumstances (a "Force Majeure event").

6. DELIVERY AND TRANSFER OF RISK FCA (Free Carrier)

6.1. Terms of delivery are Free Carrier (Incoterms®2020) ("FCA").

6.2. Unless otherwise agreed in writing, loading and dispatch shall take place at the buyer's risk and expense, and Carnegie Oceanic shall not in any event be held liable for any irregularities in this connection, including delays, loss or damage to the shipment. Upon written request, Carnegie Oceanic will be able to help arrange transport and insurance on behalf of the buyer, which, however, will still take place at the buyer's expense and risk.

7. OWNERSHIP RESERVATION

The ownership of the delivered products shall remain with Carnegie Oceanic until the purchase price including interest and delivery costs have been paid in full into Carnegie Oceanic's account. The buyer must not actually or legally dispose of the sold products in a way that may be detrimental to Carnegie Oceanic's security.

8. DEFECTS & WARRANTY

Original manufacturer's limited warranty policies and restrictions apply on all items sold by Carnegie Oceanic. Carnegie Oceanic does not provide any additional third-party warranty on items sold.

Unless otherwise expressly agreed, right to complain for defects proved to arise from material or assembly defects is within the following period of time as from the date of shipment or completion of work if performed by Carnegie Oceanic Inc:

- The right of complaint for new genuine spare parts shall be valid for six (6) months from date of shipping from the makers factories.
- The right of complaint for reconditioned (or repaired) components or serviced performed by Carnegie Oceanic Inc and its manufacturing partners shall be valid for three (3) months from the date of shipping from the makers factories or 1000 operating hours or the specified warranty term period in the quote, whichever comes first.

- The right of complaint for new aftermarket spare parts shall be valid for eight (8) calendar days from date of shipping from the makers factories.

The buyer undertakes to examine the sold products immediately upon delivery and/or inspect the work as soon as it is completed. Any complaint relating to the delivery shall be submitted in writing and no later than two (2) weeks after the lack of conformity giving rise to the complaint was discovered or ought to have been discovered. A filled notification form with documentation and description of the defect must be enclosed with the complaint. The buyer shall prove the existence of the defect. If the complaint is not submitted as indicated above, the buyer shall forfeit any right to claim remedy for breach, including the possibility of remedial work.

9. PRICES

9.1 Unless otherwise agreed in writing, the price shall not be final until the confirmation of order. Unless otherwise expressly stated, all prices are FCA from Carnegie Oceanic's warehouses. The prices shall be subject to alterations in prices from Carnegie Oceanic's suppliers or factory and forwarding expenses as well as duties imposed by the authorities.

9.2 The minimum invoice amount shall be \$550 per order. If the order amount is below \$550, Carnegie Oceanic will charge a fee to increase the order value to \$550.

10. TERMS OF PAYMENT

10.1 Unless otherwise agreed in writing, the term of payment is PREPAID.

10.2. In the event of overdue payment, A 5% finance charge per month will apply for payment delays beyond the original payment terms

11. DELAY

11.1. In the event that a Force Majeure event should arise, cf. clause 5, the delivery time will be prolonged by the time of duration of the Force Majeure event.

11.2. If the agreed delivery time - suggested or guaranteed - is exceeded by twelve months or more, the buyer shall be entitled to terminate the agreement and claim a refund of any prepayments.

11.3. If Carnegie Oceanic cannot make delivery within the delivery time suggested to the buyer, Carnegie Oceanic shall be entitled to terminate the agreement with the buyer without any financial consequences for Carnegie Oceanic except for repayment of any advance payment of the purchase price.

11.4. Carnegie Oceanic shall not assume any liability in case of delayed delivery. Consequently, the buyer shall not be entitled to claim compensation from Carnegie Oceanic for any direct and/or indirect loss suffered as a result of delayed delivery or consequential termination of agreement (by either Carnegie Oceanic or the buyer).

12. CANCELLATION

Cancellation of an order becomes untenable once production has commenced. In such circumstances, a cancellation will be subject to a fee equal to 100% of the total order cost. This fee reflects expenses incurred and commitments made in preparation for fulfilling the order. Therefore, it is imperative to ensure the decision to proceed with an order is firm prior to the initiation of production.

13. LIMITATION OF LIABILITY

13.1 With the exception of the duty to remedy defects arising out of warranty claims against the original manufacturer, as stated in clause 8, Carnegie Oceanic shall not be liable for any compensation, price reductions or other direct, special, incidental or indirect losses, including, but not limited to, loss of income, loss of actual or anticipated profits, lack of funds, loss of anticipated savings, loss of sales, loss of sales opportunities, loss of goodwill or any other consequential loss, including loss resulting from damage to equipment or property, as well as any costs for repair of such damage or loss, irrespective of whether the claim is based on a complaint, liability relating to the law on the sale of goods, or any other legal basis.

13.2. Any claim for compensation arising out of an agreement with Carnegie Oceanic shall in any circumstances be limited to the direct documented loss, however, never exceeding the invoice value of the work or the equipment comprised by the agreement, provided that no express agreement has been entered into in writing. The buyer shall in every case document the loss suffered and that Carnegie Oceanic is directly responsible for this. These terms and conditions shall limit Carnegie Oceanic's liability for delays,



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defects, faults, and product damage compared to the general rules of Delaware, USA law.

13.3. Carnegie Oceanic shall under no circumstances be liable for any operational loss, loss of time, loss of profit, loss of use, or any financial consequential loss, consequential damage or indirect loss, which the buyer or the buyer's customers or other users of the delivered products may suffer.

14. APPLICABLE LAW

If not expressly otherwise stipulated by law, these General Terms and Conditions shall be exclusively subject to Delaware, US law; the UN sales convention (United Nations Convention on Contracts of International Sale of Goods) as well as any reference provisions shall be excluded.

15. APPLICABLE RULES; INCLUDING EXPORT CONTROL AND SANCTIONS

The buyer shall comply with all applicable laws, rules and regulations including export controls, sanctions, embargoes, and other restrictions in connection with products delivered by Carnegie Oceanic under these terms and conditions. The buyer warrants that any products delivered by Carnegie Oceanic will not be re-exported, sold, transferred, or used contrary to the aforesaid laws, rules and regulations. The buyer shall secure, defend and indemnify Carnegie Oceanic and its affiliates/business partners against all claims, losses, damage, costs, penalties, and/or duties suffered by or imposed on Carnegie Oceanic due to non-compliance of the above warranty.