

# General Terms and Conditions Parts (2021)

## 1. INTRODUCTION

These General Terms and Conditions – Parts (2021) (the “GTC”) shall, unless otherwise agreed in writing, apply to all sales of parts (the “Parts”) by either Hyundai Global Service Co., Ltd. or its subsidiary or affiliate as named on the relevant acknowledgment as the case may be (the “Supplier”), to a customer (the “Buyer”). Supplier’s offers are non-binding until accepted and confirmed by a purchase order issued by Buyer in compliance with this GTC and acknowledged by Supplier (any such acknowledged purchase order, a “Contract”). This GTC shall form an integral part of the Contract. Buyer may not change or cancel any purchase order after it has been received by Supplier unless Supplier has agreed in writing to such change or cancellation.

## 2. INTELLECTUAL PROPERTY RIGHTS AND CONFIDENTIALITY

Neither party shall copy or disclose to a third party any document or data provided by the other party without the prior written consent of the other party or use them for purposes other than those for which they were provided. Intellectual property rights associated with the Parts or any document or data provided by Supplier in connection therewith shall remain Supplier’s property. Buyer shall defend, indemnify and hold harmless Supplier against all claims, losses and damages, including reasonable attorney’s fees, arising out of or resulting from any use, reuse, misuse, modification, reproduction, disclosure or publication of Supplier’s documents or data, or intellectual property in violation of this Clause 2.

## 3. FORMATION

All tenders are made and purchase orders are accepted by Supplier subject to the GTC which shall apply to all Contracts to the exclusion of any other terms and conditions including without limitation those which the Buyer purports to apply under any purchase order. Variations to the terms of any Contract will only be effective if agreed in writing by Supplier. If any such agreed variation increases the time or cost to Supplier of performing the Contract then the Contract price and delivery time will be adjusted accordingly. Purchase orders from Buyer are only binding on Supplier after a written order acknowledgement has been issued by Supplier and only on the terms and conditions stated in the order acknowledgement.

## 4. DELIVERY, ACCEPTANCE, PAYMENT AND OWNERSHIP

4.1 All references to trade terms shall be interpreted in accordance with Incoterms® 2010. Unless otherwise mentioned in writing, the Parts shall be delivered under the “EXW” condition and the named place of delivery shall be agreed by the parties through the purchase order issued by Buyer and acknowledgement issued by Supplier. Any date or period for delivery stipulated or quoted shall be deemed to be an estimate only. Packing materials shall not be returned to the Supplier. The Buyer shall be deemed to have accepted the quantity and quality of the Parts delivered by the Supplier as being in accordance with the Contract unless the Buyer notifies the Supplier of any shortages or damage within three (3) days following delivery of the Parts. Upon acceptance of the Parts, no returns or rejection of Parts shall be permitted and any defects shall be dealt with in accordance with Clause 8 (Warranty).

4.2 If the Buyer anticipates that it will be unable to accept the delivery of Parts at the time set forth in the Contract, the Buyer shall notify the Supplier in writing stating the reason and the time when the Buyer anticipates being able to accept the delivery. The Buyer shall pay the part of the Contract price by the date it would have been due if the delivery had taken place at the time set forth in the Contract. The Supplier may by notice require the Buyer to accept the delivery within a final reasonable time. Any additional costs related to such delay shall be borne by the Buyer.

4.3 The Supplier has the right to suspend the performance of its obligations under the Contract or terminate the Contract if it is reasonably anticipated from the circumstances that the Buyer will not be able to perform its obligations under the Contract.

4.4 Unless otherwise agreed, payment shall be made by bank remittance in the currency and to the bank account set forth in the invoice within thirty (30) days following the date of the invoice. Payment shall be made in full without any set off, counterclaim or deduction. Buyer shall pay interest on overdue payments from the due date until the actual date of payment at the rate of one point five percent (1.5%) per month, compounded annually. Buyer shall pay Supplier all costs related to the collection of overdue amounts, including reasonable attorneys’ fees. In the event any payment is more than thirty (30) days late, Supplier shall be entitled to immediately suspend or terminate the Contract by written notice to Buyer, and such remedies shall not prevent the exercise of any other rights or remedies of Supplier under contract or at law. Title to Parts shall pass to Buyer only when payment of Contract price in full has been received by Supplier. In case of any Contract price due and remaining unpaid prior to delivery, Supplier may as a precondition for delivery of Parts, require that Buyer provides Supplier with security acceptable to Supplier covering all or any portion (at the Supplier’s discretion) of the Contract price.

4.5 Any assistance or work performed by Supplier outside the scope of Contract shall be charged as extra work in accordance with Supplier’s Field Service Rates with General Terms and Conditions – Service Work (latest version then in effect).

## 5. SUPPLIER’S LIABILITY

5.1 In no event shall Supplier be liable for any indirect, contingent, special, consequential or incidental damages, however caused or arising, and for any loss of actual or anticipated profits, revenue or savings, loss of contract, loss of reputation, loss of production, punitive or exemplary damages, demurrage, the cost of substituted equipment, or replacement, removal or reinstallation service work not arising from the warranty provided herein, towage charges, pollution remediation costs, costs of docking, diving or sub-sea work, damage to any vessel, engine room or power plant site, yard or other property (including damage to goods owned by Buyer), damage to any equipment or property other than damage to the Parts supplied hereunder, costs for any additional test (including, without limitation, sea trials), debris removal, or for loss of time or use of any equipment, installation system, operation or service. This limitation on Supplier’s liability shall apply to any liability for breach of the Supplier’s obligation, negligence or any other fault under or in connection with the Contract, including without limitation based on warranty, failure of or delay in delivery or otherwise.

5.2 Notwithstanding any other provision of the Contract, Supplier’s total aggregate liability on any claim whether by reason of breach of the Contract or of statutory duty or by reason of tort or whatever reason (including negligence) shall not exceed ten percent (10%) of the Contract price.

5.3 Supplier shall not be liable for any harm, injury or damages to Buyer or any third party, if such is due to or arising in connection with non-genuine parts, i.e. parts which are counterfeit or have not been supplied through Supplier or through Supplier’s official distributor (“Non-Genuine Parts”), used or provided by Buyer or by any third party.

## 6. EXPORT CONTROLS AND TRADE SANCTIONS

6.1 The parties agree that the Parts shall be delivered subject to all applicable export controls, sanctions or restrictions imposed on technology and products by any country or organization or nation which are enforceable in the jurisdiction of the Supplier, its affiliates or parent company. The Buyer acknowledges that the Parts and all related technical information, documents and materials may not be imported or exported, re-exported, transshipped, traded, diverted or transferred,

# General Terms and Conditions Parts (2021)

directly or indirectly, contrary to such controls, sanctions or restrictions.

6.2 The Buyer confirms that the Parts supplied will be used solely for peaceful purposes. The Buyer further confirms that the Parts will not be used in connection with, or for purposes associated with any chemical, biological or nuclear weapons, missiles or any other vehicles or vessels capable of delivering such weapons, or in support of any terrorist activity, or in connection with any other military end use. Nor will the Parts be re-sold if it is known or suspected by the Buyer that it is intended to be used for such purposes. Upon request by the Supplier, the Buyer shall furnish the Supplier with all the relevant certificates relating to export control laws, regulations, sanctions and restrictions, such as, but not limited to, end-user certificates, in form and substance specified by the Supplier.

6.3 The Supplier shall have no liability resulting from delay, cancellation or amendment of the Contract resulting from export controls, sanctions or other applicable restrictive measures.

## 7. COMPLIANCE

7.1 Supplier and Buyer represent and warrant that both parties are presently in and shall remain in full compliance with any and all applicable laws and regulations relevant to execution and implementation of this Contract, which include without limitation any applicable anti-bribery laws and economic sanctions laws.

7.2 If one party reasonably believes that it has breached or is likely considered to have breached any of the representations, warranties or undertakings in Clause 7.1 or Clause 6 by a relevant authority, such party shall as soon as reasonably possible, but within seven (7) business days after becoming aware of such breach, notify the other party in writing of such breach and must include complete and accurate details in such notice.

7.3 In the event of the breach of any of the representations, warranties or undertakings in Clause 7.1 or Clause 6, the breaching party shall immediately cure the breach and defend, indemnify and hold harmless the non-breaching party from and against any and all claims, losses, liabilities, costs, and expenses (including reasonable fees and disbursements to attorneys which have been reasonably incurred) arising directly out of or relating to such a breach.

7.4 The non-breaching party may, in its sole and absolute discretion, by written notice immediately terminate this Contract and obligations arising from it without liability if the non-breaching party reasonably believes that the other party is in imminent or actual breach of any of its representations, warranties or undertakings in Clause 6 or Clause 7.

## 8. WARRANTY

8.1 Supplier shall repair or replace, at its sole discretion, any defective Parts which is discovered and notified by the Buyer during the warranty period (as defined in Clause 8.2) as a result of defective material or manufacturing, provided that any replaced Parts shall upon Supplier's request be returned to Supplier at the Supplier's cost, which cost responsibility of Supplier shall be limited to the shipping cost. Buyer shall immediately take appropriate steps to prevent any defect from becoming more serious, and all warranty claims with respect to this warranty shall be made in writing without delay and not later than fourteen (14) days following discovery of such defect during the warranty period. Buyer shall have the responsibility to establish that its claim is covered by this warranty. Replaced parts shall become Supplier's property. Delivery of items for repairs or replacement under this warranty will be made in accordance with the original Contract delivery terms.

8.2 The standard warranty period is six (6) months from the date of delivery of Parts. Supplier specifically disclaims any express or implied warranties to the second retail purchaser and/or to any other

subsequent buyer.

8.3 The warranty period in respect of the applicable part of the Parts which have been repaired or replaced under the warranty shall be six (6) months from either the date of completion of repair works or the date of delivery of the replacement parts, whichever comes earlier. The warranty for repaired or replacement Parts shall be subject to the same terms, conditions and limitations of liability, as those applicable to the originally-supplied Parts. Under no circumstances shall the warranty period of any Part (whether original or as repaired or replaced) extend beyond the date that is twelve (12) months following the date of commencement of the standard warranty period as stated in Clause 8.2. In case the Parts or replacement parts are ready for delivery, or repair works are ready to be performed, but Supplier is not able to deliver Parts or replacement parts or complete repair works due to any reason attributable to Buyer, the standard warranty period as stated in Clause 8.2 or the extended warranty period as stated in this Clause 8.3, as the case may be, shall commence from the date the delivery or repair works should have taken place according to the Contract.

8.4 All conditions, warranties or other terms whether express or implied, statutory or otherwise, inconsistent with this Clause 8 are hereby expressly excluded to the fullest extent permitted by law.

8.5 Supplier shall not be responsible for any defect or for any other liability due to or arising in connection with: (1) any materials, components, tools, designs or software provided by Buyer; (2) Buyer's negligence, willful misconduct, improper service work, or installation or alterations or repairs without Supplier's approval or any failure to follow Supplier's advice (whether oral or in writing or whether relating without limit to the fabrication, operation, use or maintenance of the Parts); (3) any good, product or equipment in which the Buyer has also used Non-Genuine Parts; (4) normal wear and tear; (5) use of unsuitable material or consumables by Buyer (6) fluctuation in the grid; or (7) any use, service or operation of Parts which is not in conformity with manuals, instructions or specifications provided by Supplier or which is otherwise not in accordance with normal industry practice. Supplier's warranty obligation does not include any cramage, electricity, scaffolding, docking, diving, sub-sea work, towage costs, wharfage, demounting or mounting costs, customs, loading or unloading costs, expenses of Supplier's personnel or representatives, taxes and duties, and all such costs and expenses shall be reimbursed by Buyer to Supplier when applicable. If after Supplier's warranty investigation it is found that Buyer does not have a warranty claim within the scope of this Clause 8, then Buyer shall be responsible for all applicable costs and expenses for such inspection, repaired or replaced parts or other service work.

8.6 This Clause 8 sets forth the only warranty applicable to the Parts and is in lieu of any other warranties, representations, conditions, guarantees, obligations and liabilities, express or implied, either in fact or by operation of law, statutory or otherwise, including warranties, representations, conditions, guarantees, obligations or liabilities in relation to fitness for a particular purpose, merchantability or satisfactory quality.

8.7 The parties agree that all of Supplier's warranty obligations and liabilities under this Clause 8 shall be invalidated and be no longer in effect if any repairs are performed by persons not authorized by Supplier to take such action, or with any Non-Genuine Parts, or with any non-genuine extras or accessories.

## 9. INSURANCE

Each of Supplier and Buyer shall at its own cost provide for and maintain comprehensive insurance coverage to protect its own property and personnel.

## 10. DUTIES, TAXES AND FEES

Buyer shall pay, where applicable, all duties, withholding and other

taxes, customs fees and charges and fees by a classification or inspection society. All such documentation or approvals which are required by applicable laws, and any applicable modifications of such laws, shall be the responsibility of and paid by Buyer.

### 11. FORCE MAJEURE

11.1 If the performance by either party of any of its obligations shall be in any way prevented, interrupted or hindered in consequence of an event including without limitation Act of God, plague, epidemic, quarantine, travel restriction, fire, accident, earthquake, tornado or other natural event, war, labour dispute, civil commotion, strike, lockout, governmental or official action, restriction or legislation, or any other event which could not have reasonably been foreseen or outside the reasonable control of the party affected, the party affected shall be temporarily relieved from its obligations during the period of time such event continues and to the extent its obligations are affected. The above shall also be applicable to Supplier if any subcontractor of Supplier is affected by such event. For avoidance of doubt, any payment obligations of Buyer shall not be suspended due to a force majeure event.

11.2 The parties shall provide each other the necessary information which may reasonably be expected without delay, and take all reasonable measures in good faith to the changed circumstances in order to remove or otherwise mitigate the consequences of the force majeure event.

### 12. GOVERNING LAW AND ARBITRATION

The Contract shall be governed by and interpreted in accordance with the laws of England, excluding the conflict of law rules applicable in such jurisdiction. Any controversy, claim or dispute between the parties hereto arising out of or related to this Contract shall be finally settled by binding arbitration under the London Maritime Arbitrators Association Terms current at the time when the arbitration proceedings are commenced and the seat of arbitral proceeding shall be London, UK. The number of arbitrators shall be three (3) who shall be appointed in accordance with the said Terms. The arbitration proceeding shall be in the English language and the venue shall be Singapore.

### 13. GENERAL

Buyer shall not assign or transfer any of its rights or obligations under the Contract without the prior written consent of Supplier. Supplier may, at its sole discretion and without the requirement of Buyer's consent, sub-contract the performance of any of its duties or obligations. Any service work to be provided by the Supplier to the Buyer shall be in accordance with the Supplier's Field Service Rates with General Terms and Conditions – Service Work (latest version then in effect).