GENERAL CONDITIONS OF CONTRACTING
(June 2018)

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TITLE I – EXECUTION AND PERFORMANCE OF THE CONTRACT

1. INTRODUCTION AND DEFINITIONS

1.1. The general conditions of contracting set forth hereunder are an integral part of the orders awarded by FINCANTIERI SERVICES USA to the Service Provider and apply to the relevant relationships unless otherwise provided in the specific conditions of the order.

1.2. For the purpose of these conditions and the specific conditions of the order, the terms hereunder, regardless of whether in singular or plural form, shall have the following meaning:

a) “Classification Society and/or Register”: the classification society that surveys the construction, repair and/or refurbishing projects, tests the materials and issues the seaworthiness certificates.

b) “Confidential Information”: any information of any kind (commercial, financial, technical, operational, managerial, administrative, legal, etc.) and in any form (written or oral, in visual or
electronic form, on paper, or on magnetic or digital media, without any exception), including by way of
mere example data, know-how, designs, models, plans, formulas, designs, procedures or processes,
images, files, archives, databases, software and source codes, materials, samples of materials, products,
equipment and all the relevant technical and functional specifications, which the Service Provider should
have access to before or after the date of execution of the order, directly or indirectly, including by
accessing the documentation and/or Material of any kind provided, following commercial discussions or
during the execution of activities related, connected or consequent to the order, regardless of whether
they were specifically identified as “confidential”, “classified”, “privileged” or “price-sensitive.”

c) "Department in Charge": the Production Unit indicated as final recipient of the Works or, if no such
indication exists, the Purchasing Department.

d) "FINCANTIERI SERVICES USA": FINCANTIERI SERVICES USA LLC.

e) “Master Services Contract”: that certain agreement between FINCANTIERI SERVICES USA and Service
Provider wherein Service Provider agrees to perform certain services as defined thereunder.

f) “Materials”: those consumables and items used in the construction, overhauls, modification and
repair of Vessels.

g) “Production Unit”: headquarters, departments, offices, plants and other production sites of
FINCANTIERI SERVICES USA;

h) “Purchasing Department”: the purchasing department of FINCANTIERI SERVICES USA which has
issued the Purchase Order.

i) “Purchase Order”: the confirmation of an order for services provided by Service Provider to
FINCANTIERI SERVICES USA and issued by FINCANTIERI SERVICES USA to Service Provider indicating
types, quantities and agreed prices for those certain services provided thereunder.

j) “Services”: the services to be performed by the Service Provider under the Purchase Orders issued by
FINCANTIERI SERVICES USA pursuant to the Master Services Contract and the terms and conditions
therein and governed by these conditions and by the specific conditions in such orders.

k) “Vessel”: the ship, boat or related watercraft on which Services will be performed.

1.3. References to laws and regulations of any type referred to in these conditions shall be deemed to refer to
the provisions of such laws and regulations in force at the time of their application.

2. CONTRACT PROCEDURES AND EXECUTION
2.1. FINCANTIERI SERVICES USA shall, solely through the Purchasing Department, send the technical documentation necessary for the performance of the order along with such order.

2.2. Unless otherwise specified, the order must be accepted by the Service Provider within twenty (20) days from the date of the order itself by returning to the Purchasing Department a copy of the order (or of the acceptance form) and of the technical documentation duly signed on each page or signing the electronic order by digital signature. The agreement between FINCANTIERI SERVICES USA and the Service Provider will be deemed as executed only upon receipt by FINCANTIERI SERVICES USA of such documents. The Service Provider shall not start performing the contract before having returned to FINCANTIERI SERVICES USA the duly signed order according to the procedures and terms set forth in these conditions or specified in the order itself.

2.3. Unless otherwise agreed to in a writing signed by FINCANTIERI SERVICES USA, an term or condition contained in any sales order, sales confirmation, acknowledgment or other form, correspondence or communication of the Service Provider that adds to or is in any way inconsistent with the order shall be inapplicable and of no force or effect whatsoever and only the order shall govern.

2.4. All the quantities, measures, types, prices or considerations and information of any kind listed by the Service Provider in the offer, and all the relevant technical and economic information acquired by the Service Provider during negotiations, either in writing or verbally, shall have the sole purpose of allowing the parties to attain a better understanding of the technical and operating characteristics of the Works. The above information shall not be taken in any way as parameters or reference values for future and possible requests or monetary claims.

2.5. The Service Provider acknowledges that within FINCANTIERI SERVICES USA any modifications and/or changes to and/or issuance of orders shall be the exclusive responsibility of the Purchasing Department. The Service Provider shall never enter into negotiations or undertake binding engagements with parties other than the Purchasing Department.

2.6. Any negotiation whatsoever entered into in breach of Article 2.5 hereof shall not be binding on FINCANTIERI SERVICES USA; any obligations assumed and any resultant loss shall be borne by the Service Provider.

2.7. In any case FINCANTIERI SERVICES USA shall not acknowledge or execute payment requests for Works not ordered directly by the Purchasing Department.

2.8. The Service Provider must promptly communicate to the Department in Charge all changes made to its corporate details, including e.g. if the tax position used for performance of the order is different from that of the registered office of the Service Provider or that communicated at the time of the order (e.g. permanent establishment in USA).

2.9. The Service Provider shall bear exclusive responsibility for the performance of obligations towards Federal, State and local authorities associated with its direct or indirect presence and/or with the performance of activities within the State or territory where the works are to be carried out.

2.10. Approval of drawings and other technical data by FINCANTIERI SERVICES USA shall not relieve the Service Provider of its responsibility to complete the requirements of the Purchase Order in strict accordance with the technical specification, requirement and provisions of the order. No waiver by FINCANTIERI SERVICES USA of any breach by the Service Provider shall constitute a waiver of any subsequent breach of the same or of any other obligation. No payment made as well as no Statement of Progress of Work (“S.P.W.”) approved by
FINCANTIERI SERVICES USA shall constitute an acceptance or approval of any defective or unsatisfactory material, workmanship or service performed by the Service Provider, nor shall it affect the rights of FINCANTIERI SERVICES USA later to reject the same or enforce its rights under the guarantee clause.

2.11. No waiver by FINCANTIERI SERVICES USA of any of the provisions of the Purchase Order is effective unless explicitly set forth in writing and signed by FINCANTIERI SERVICES USA. No failure to exercise or delay in exercising, any right, remedy, power or privilege arising from the order operates, or may be construed, as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

3. INSPECTIONS

In view of the Works implementation, the Service Provider shall perform, and shall declare to have performed, all ascertainments necessary for the definition of the price offered and for the proper Works implementation. Therefore, the Service Provider shall not request price adjustments due to hindrances or troubles during the execution of the Works caused by failure in the performance of inspections or surveys.

4. CHANGES IN SERVICES

4.1. The Purchasing Department may modify, amend or supplement the Purchase Order even during the performance of the Works. The Service Provider shall not take into consideration Purchase Order modifications not requested by the Purchasing Department which issued the order subject to modifications. Any Purchase Order modifications which are not made by the Purchasing Department which issued the order subject to modifications shall not be enforceable against FINCANTIERI SERVICES USA, even if the Service Provider has accepted them.

4.2. Whenever the modifications entail additional costs, the Service Provider shall be entitled to an increase in the Purchase Order price, provided that such increase is specified in the Purchase Order modification.

4.3. The request for changes in the Works shall be notified in writing to the Service Provider by the Purchasing Department in compliance with Article 2.1 hereof, together with an indication of the amount variation, if any. If the Service Provider does not accept the changes in Works or the different order amount, the Service Provider may withdraw from the contract, except only for the reimbursement of the costs already borne.

4.4. In addition to issuing changes pursuant to this Article 4, FINCANTIERI SERVICES USA, may, from time to time, request to the Service Provider to evaluate the technical and cost impact of proposed changes. Within five (5) days from the date of receipt of any such request, the Service Provider shall confirm its intent to provide a firm proposal. Time frame to submit the proposed scope of work, plans, sketches, and a firm proposal, will vary on a case-by-case basis and as agreed to between with FINCANTIERI SERVICES USA and Service Provider. Proposal shall be good for at least one hundred twenty (120) days upon submission. The proposal shall include, among other things, (i) the cost with the breakdown structure required in the request received, (ii) technical characteristic changes to the works, and if required also change in configuration and weight, (iii) impact on delivery and on any other service being provided if any, (iv) status of work on the works as projected for a one hundred twenty (120) days. The Service Provider acknowledges that it is not entitled to any adjustment in the Purchase Order price resulting from the effort required to prepare the estimate. Pending execution of
modification to the Purchase Order, the Service Provider shall proceed diligently with performance without
regard to the proposed change except if it is determined or anticipated that the performance of the Services in
accordance with the change generates will generate cost for FINCANTIERI SERVICES USA is Ten percent (10%)
over and above the Purchase Order price. The Service Provider shall not be entitled to delay in delivery or
amendment of any terms of the order as a consequence of preparing proposals which are subsequently rejected
or not.

4.5. FINCANTIERI SERVICES USA is always entitled to define, without prejudice to any other of its rights, who will
perform the work related to the deviation/change between the Service Provider, FINCANTIERI SERVICES USA or
a third party and/or to charge back the Service Provider if it is determined that the deviation was caused by the
Service Provider.

4.6. Without prejudice to the above, the Service Provider acknowledges and agrees that any requests for
reimbursement of the additional costs may be made exclusively before delivery of the Works by FINCANTIERI
SERVICES USA to its customer or will otherwise be void.

5. TECHNICAL AND PROFESSIONAL SUITABILITY OF SERVICE PROVIDER

5.1. The Service Provider acknowledges and agrees that FINCANTIERI SERVICES USA shall award the Purchase
Order at its sole discretion, after a positive assessment of the professionalism, the organizational characteristics
and technical and professional suitability of the Service Providers, based on the documentation provided or on
the requirements needed for registration to the company’s “List of Approved Suppliers” (FINCANTIERI SERVICES
USA Vendor List), if required.

5.2. FINCANTIERI SERVICES USA reserves the right to request documentation from the Service Providers in
addition to that provided for by the regulations for initial registration, continuation of registration and
cancellation from the “List of Approved Suppliers”.

5.3. Where the Contract is agreed to with temporary associations of enterprises, consortia, syndicates, joint
ventures or companies involved in a network contract, the documents referred to in the previous paragraph
shall be presented by each entity participating in such forms of association.

5.4. FINCANTIERI SERVICES USA shall be entitled to withdraw from the contracts relating to the Services, even if
not started yet, in the event of a deterioration, for any reason, of the standards of professionalism, the
organizational characteristics and the technical/professional suitability of the Service Provider.

5.5. FINCANTIERI SERVICES USA shall also be entitled to terminate the Contract and Purchase Order(s) related
to the Services whenever the ownership of the Service Provider’s going concern (in the case of an independent
Service Provider or a partnership) should be subject to changes or in the event of a change of control (in the
case of a corporation or limited liability company), merger or acquisition or in case of transfer by the Service
Provider of the company or business division in charge of performing the order.

5.6 The Service Provider shall inform the Purchasing Department about any change in ownership, corporate
control, merger or acquisition and shareholding of the Service Provider. In the case of Purchase Order issued to
temporary associations of enterprises, consortia, syndicates, joint ventures or companies involved in a network
contract, any change of the subjects involved in such forms of association must be notified in advance to FINCANTIERI SERVICES USA with at least fifteen (15) days’ notice.

5.7. Notwithstanding the aforementioned, FINCANTIERI SERVICES USA may terminate the Contract and Purchase Order(s) in accordance with the termination provision in the Contract without any cost or penalty, without prejudice in any case to FINCANTIERI SERVICES USA's right to seek compensation for any damage suffered by it. The aforementioned right of termination may be exercised by FINCANTIERI SERVICES USA by notifying the Service Provider by registered mail or certified e-mail, and the termination shall take effect, without prejudice to any other agreements for completion of the services not yet performed.

6. PROHIBITION AGAINST SUBCONTRACTING AND ASSIGNMENT

6.1. The Service Provider may not assign or transfer the Contract or Purchase Order(s), unless FINCANTIERI SERVICES USA consents in writing to such assignment or transfer hereof.

6.2. The Services shall be carried out under the full responsibility of the Service Provider and by its duly trained, informed and experienced personnel.

6.3. The Services may in no event be subcontracted, unless expressly authorized in writing by FINCANTIERI SERVICES USA.

6.4. Any authorization to subcontracting shall be issued only by the lead FINCANTIERI SERVICES USA program manager before commencement of any work. In order to obtain such a preliminary authorization, the Service Provider shall highlight to the managers of FINCANTIERI SERVICES USA the technical reasons which lead it to use subcontractors. The Service Provider shall also provide the name of the subcontractor and all further data for its identification, the list of the personnel employed, all documentation necessary for evaluating the technical/professional suitability of the subcontractor, all documentation necessary to demonstrate compliance with the regulations governing the employment relationship, including social security regulations. The Service Provider will also carry out the preliminary surveys with the subcontractor under these general conditions and the ship-owner and/or shipyard regulations and perform with the subcontractor any other action – including the delivery of the work area. The authorization shall not relieve the Service Provider from any responsibilities arising from applicable laws and from the contract between the parties. The Service Provider will continue to be FINCANTIERI SERVICES USA's only contractual counterpart and single point of contact for all matters related to the Works so the Supervisor of the Service Provider will continue to be the only contact person for FINCANTIERI SERVICES USA. The authorization to subcontracting will be formally sent to the Service Provider.

6.5. All the provisions herein shall be deemed to be valid and effective also applicable to any subcontractor; the Service Provider therefore undertakes to obtain its subcontractors’ acceptance of these conditions. The Service Provider also undertakes to ensure that all the provisions applicable to its own employees will fully apply to employees of its subcontractors, including the provisions herein and those of the ship-owner and/or shipyard regulations, referred to in Article 20. The Service Provider will therefore be jointly liable with its subcontractors for their compliance with the aforementioned provisions.

7. INDEPENDENT ORGANISATION OF THE SERVICE PROVIDER – PAYMENT OF PERSONNEL – COMPLIANCE AND INDEMNITY
7.1. The Service Provider will perform the order using its own independent organization, its own means and own personnel, taking on full and complete responsibility. Nothing contained in the Contract and Purchase Order and/or these general conditions of contracting shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither the party shall have authority to contract for or bind the other party in any manner whatsoever. Finally the employees of the Service Provider shall not be deemed employees of FINCANTIERI SERVICES USA for any purpose and the Service Provider shall not be considered the agent of FINCANTIERI SERVICES USA for any purpose except as expressly stated herein.

7.2. In case of a contract with temporary associations of enterprises, consortia, syndicate, joint venture or companies involved in a network contract – for the purpose of health and safety at work regulations and of the identification of a contact person for the operational aspects of the contract – “Service Provider” will mean (without prejudice to the joint liability of each company participating to the temporary association/consortium/network for all the obligations under the order) the company representing the association, the consortium or the parent company, which will in any case remain fully liable for all the obligations under the order, including those taken directly or indirectly by the subcontractors (or associated or consortium companies).

7.3. The Service Provider shall provide all requested information about the personnel involved in the works prior start of the project. In case of contract with consortia, with companies involved in a network contract and with temporary associations of enterprises, the Service Provider shall provide such information in relation to the staff of each company participating to the temporary association/consortium/network.

7.4 All relationship regarding the performance of the Contract and Purchase Order(s) will only be between the contact persons of FINCANTIERI SERVICES USA for the Contract and Purchase Order(s) and the contact person of the subcontractor. The contact person of the Service Provider is appointed as supervisor and shall always be present and shall have all the necessary authorization to act on behalf of the Service Provider. The name of the supervisors (and of his possible substitutes), his/her relationship (and the relationship of his/her possible substitutes) with the Service Provider and his/her authorizations (and the powers of his/her possible substitutes) to perform the contract shall be specified in the “Supervisor Appointment” form and in the form for delivery of the work area. In case of contract with temporary associations of enterprises, consortia or companies involved in a network contract, in the “Supervisor Appointment” form and in the form for delivery of the work area, the relationships and the powers of the Supervisor (and his/her possible substitutes) must be indicated, not only in relation to the consortium, the agent company and the parent company, but also to each company participating to the temporary association/consortium/network.

7.5 The Service Provider guarantees to FINCANTIERI SERVICES USA the due payment to its employees of all the salaries and other ancillary items, and of any amount due as salaries for any self-employed worker, also in relation to the applicable collective labor agreement for the sector and the relevant applicable legislation. A similar guarantee shall be given in relation to the proper and due payment of social security, welfare and insurance contributions provided for by applicable laws to both employees and self-employed workers. The Service Provider further warrants and represents that at all times during the performance of the Contract and Purchase Order (s), it shall comply with all federal, state and local laws, regulations and ordinances, including
without limitation, the Fair Labor Standard Act of 1938, as amended from time to time, and any regulations adopted thereunder.

8. PLACE OF PERFORMANCE AND/OR DELIVERY AND DISPATCH

8.1. The place of construction and/or delivery of the Services shall be the Production Unit or other place specified in the Purchase Order.

8.2. Whenever the Purchase Order foresees the dispatch of materials, this shall be performed at the place of execution and/or delivery of the Services under the care and at the expense of the Service Provider and under its responsibility in order to guarantee the full integrity of the Material and full compliance with the delivery terms mentioned in the Purchase Order. The dispatch risks shall be borne by the Service Provider. Particular conditions, if any, included in the order shall have to be complied with. In the absence of particular conditions, the most suitable means shall be used, upon preliminary notification to the Department in Charge.

8.3. The Service Provider shall give prompt notice of the dispatch to the Department in Charge. Every dispatch shall be accompanied by one copy of the dispatch note, including the references of the Purchase Order (vendor code, number and position of order), and the package note, with the list of the Material contained (including the FINCANTIERI SERVICES USA material part number) and the related quantity and weight (according to the unit of measure provided for in the order) and all additional information provided by the order (ex. Country of origin of the supply delivered according to the order, expiration date of products delivered if applicable). If the dispatch note should have certain shortcomings, errors or omissions that do not allow to uniquely/precisely identify the Material or to attribute them to a specific order, FINCANTIERI SERVICES USA reserves, at its sole discretion, the right not to take charge of such Material.

8.4. FINCANTIERI SERVICES USA will not take charge of the Material that is delivered earlier than agreed or in a quantity exceeding that specified in the order.

8.5. FINCANTIERI SERVICES USA reserves, at its sole discretion, the faculty to take charge of the Material which has been delivered earlier or in excess. In such case, the expenses for storage and for the proper preservation of the Material shall be charged to the Service Provider, along with the risk of their deterioration and/or destruction.

8.6. All Material could be subject to FINCANTIERI SERVICES USA’s inspection prior to acceptance. FINCANTIERI SERVICES USA, at its sole option, may inspect all, a sample or none of the Material, and may reject all or any portion of the Material if it determines the Material are nonconforming or defective. FINCANTIERI SERVICES USA shall have a reasonable period of time to inspect the Material after delivery if needed. Payment of Material shall not constitute acceptance thereof and shall be made without prejudice to any claim FINCANTIERI SERVICES USA may have against the Service Provider. In the event the Material must be installed, tested or assembled prior to commercial use and/or to be considered the order executed, they shall not be deemed finally accepted until such installation, testing or assembly indicates the Material is in accordance with their specifications and are operating properly. If any Material are defective in material or workmanship or otherwise not in conformity with the requirement of the order, FINCANTIERI SERVICES USA shall have the right to reject them (with or without the instructions as to their disposition) requiring their replacement or correction, if possible, and to cancel any unshipped or unperformed portion of the order without prejudice to its right to seek compensation for any
Material rejected will be returned to the Service Provider at Service Provider’s expense and risk of loss and damage.

8.7. The delivery of Material shall be in accordance with the person the terms set forth in Purchase Order. Deliveries from countries other than the country of the Service Provider, as indicated in the order heading, must be preceded by a notice of at least ten (10) days to be sent by fax to the place where the Material is to be delivered specified in the order, to FINCANTIERI SERVICES USA and to the dispatch address of the invoices indicated in the order, containing the information necessary for the proper logistical management and any customs compliance; any additional expenses incurred by FINCANTIERI SERVICES USA due to the fact that the deliveries in question originate in countries different from the country of the Service Provider shall be borne by the latter.

8.8. The delivery of the Material and Services must comply with applicable Federal, State and local laws and regulations.

8.9. The delivery of Material by Service Provider does not imply acceptance by FSU. Acceptance will occur after positive verification of the completion of the Services in a workmanlike manner, conformity of the Material and Services with the Purchase Order, and absence of defects.

8.10. FINCANTIERI SERVICES USA is entitled to report to the Service Provider, also after reception and regardless of whether the invoices have been paid, the presence of defects or the non-conformity of the Material with the order, in accordance with Article 15. In such case, the Service Provider must promptly remedy the non-conformity and replace the Material with flaws or defects, having regard to the programming needs of the FINCANTIERI SERVICES USA’s work.

8.11. In all cases where FINCANTIERI SERVICES USA does not take charge of the Material, they will be rejected and the associated risks, charges and expenses will remain the sole responsibility of the Service Provider. Any expenses incurred by FINCANTIERI SERVICES USA for the return of such Material will be charged to the Service Provider.

8.12. In case of Material invoiced by weight, the weight recorded on the instruments at the place of delivery upon receipt will be the basis for the consideration, unless otherwise specified in the order.

8.13. The additional expense which FINCANTIERI SERVICES USA may incur as a consequence of non-compliance with the provisions of this Article 8 shall be charged to the Service Provider.

9. TECHNICAL DOCUMENTATION

9.1. The Service Provider undertakes to deliver to the Department in Charge all the technical documentation relating to the Services within the terms provided in the Purchase Order. Such documentation supplied by, or prepared at the request of FINCANTIERI SERVICES USA or pursuant to the Purchase Order, shall at all times be and remain the property of FINCANTIERI SERVICES USA and shall be delivered to FINCANTIERI SERVICES USA on demand. All drawing, data, designs and other technical information and documentation (collectively, “Technical
Information”): (i) if furnished by FINCANTIERI SERVICES USA shall remain property of FINCANTIERI SERVICES USA and shall be held by the Service Provider in confidence; (ii) if prepared by the Service Provider or incorporated into Technical Information supplied by FINCANTIERI SERVICES USA or others, shall be a work made for hire, and the Service Provider agrees to secure for, and assign to, FINCANTIERI SERVICES USA all ownership rights, including intellectual property rights, relating to such Technical Information. In the event such Technical Information provided by Service Provider shall not be deemed work made for hire by law, Service provider shall grant to FINCANTIERI SERVICES USA a world-wide, irrevocable and exclusive license with the unlimited right to make, have made, use, reconstruct, repair, modify, reproduce, publish, distribute and sell the Technical Information, in whole or in part, as FINCANTIERI SERVICES USA sees fit.

9.2. In the event of non-delivery of the relevant technical documentation within the terms provided in the order, the Service Provider shall be liable to liquidated damages equal to 0.05% of the total consideration provided in the order for every day of delay up to a maximum of 4%.

10. LIABILITY FOR DAMAGES

10.1. Service Provider represents, warrants and covenants that Service Provider has complied and shall continue to comply with all third party licenses (including all open source licenses) associated with any software components, technical data or other Technical Information that will be included in the Services or any other materials supplied by SUBCONTRACTOR. SUBCONTRACTOR shall indemnify FINCANTIERI SERVICES USA against any losses and liability incurred by FINCANTIERI SERVICES USA and any FINCANTIERI SERVICES USA customer due to failure of Service Provider to meet any of the requirements in any of the third party licenses.

10.2. The Service Provider is liable for all the damages to things or persons that may occur during implementation of the Services.

10.3. Service Provider shall defend, indemnify, and hold harmless FINCANTIERI SERVICES USA and its affiliated companies including its parent and subsidiaries and the directors, officers, employees, and agents of each of them, from and against any and all claims, losses, damages, suits, fees, judgments, costs and expenses (including attorneys’ fees) which FINCANTIERI SERVICES USA may suffer or incur arising out of or in connection with (a) injuries to persons (including death) or loss of, or damage to, property, occasioned by gross negligence, unlawful act, or willful misconduct of Service Provider, or of Service Provider’s personnel, subcontractors, or agents, as well as any claim for payment of compensation or salary asserted by any employee, agent or subcontractor of Vendor; (b) any claim that FINCANTIERI SERVICES USA’s use of the Services, Service Provider’s Property or any portion thereof infringes or violates any patent, copyright, trade secret, trademark, or other third party intellectual property right; and c) product defects or a failure of the Material to be fit for the particular purpose for which they were purchased, including, without limitation, product liability claims. In the event that FINCANTIERI SERVICES USA is in any way enjoined from using the Services or any portion thereof, Service Provider shall promptly, at its expense (including, but not limited to the payment of any royalties occasioned by the following) either (i) provide to FINCANTIERI SERVICES USA noninfringing means of using the Services, or (ii) negotiate and procure for FINCANTIERI SERVICES USA the right to use the Services without restriction.

10.4. In relation to the liabilities borne by the Service Provider, the Service Provider shall on entry to the place of performance and/or delivery of the Works, deliver to FINCANTIERI SERVICES USA a suitable insurance policy taken out with a leading insurance company to cover civil liability for damage to third parties and/or workmen,
and to installations, machinery, works and personnel associated with or otherwise relating to the implementation of Works. This insurance must be taken out at least with the following insurance cover: (i) Worker's Compensation to cover liability under statutes of the state in which the work is performed, including liability for occupational diseases and Employer's Liability with minimum limits of USD 1,000,000, (ii) Comprehensive General Liability insurance with minimum limits of USD 5,000,000 annual aggregate and per occurrence of USD 5,000,000 combined single limit for bodily injury, death or property damage, which policy shall include completed operations coverage, independent Service Providers coverage and broad form property damage coverage; (iii) Comprehensive Automobile Liability insurance covering owned, non-owned and hired automotive equipment with minimum limits per occurrence of USD 2,000,000 combined single limit for bodily injury (including passenger hazard), death or property damage. In the event that the Service Provider is providing Material to FINCANTIERI SERVICES USA pursuant to the Purchase Order, the Service Provider shall maintain Comprehensive General Liability Broad Form insurance including products liability, with minimum limits of USD 1,000,000. A minimum Best's Guide Rating of “B” or better is required for all insurance carriers. Each such policy shall provide an endorsement for waiver of subrogation rights against FINCANTIERI SERVICES USA, its subsidiaries and affiliated companies, and their employees, officers and agents. Each such policy shall provide that no cancellation or change in coverage adverse to FINCANTIERI SERVICES USA shall be valid except upon at least thirty- (30) day’s prior written notice to FINCANTIERI SERVICES USA. The policy taken out by the Service Provider herein must cover the entire duration of the effectiveness of the order and must, without reservation, also cover any damage caused by its subcontractors (or associated/consortium companies) or suppliers. The insurance shall expressly cover gross negligence of the insured party and gross negligence or willful misconduct of individuals which the Service Provider is liable for, pursuant to the law, or to the terms of these conditions or of the order.

Such policies shall name FINCANTIERI SERVICES USA and its affiliates, and their respective officers, directors, employees and agents as additional insureds, and the insurance afforded to FINCANTIERI SERVICES USA and its affiliates thereunder shall be primary for all purposes. Upon FINCANTIERI SERVICES USA’s request, Service Provider will furnish to FINCANTIERI SERVICES USA, or its designated agent, a certificate of insurance evidencing compliance with this Article 10.4. Failure of FINCANTIERI SERVICES USA to demand such certificates or other evidence of full compliance with these insurance requirements, or failure of FINCANTIERI SERVICES USA to identify a deficiency from evidence that is provided, shall not be construed as a waiver of obligation to maintain such insurance.

**11. OWNERSHIP OF MATERIALS**

11.1. Any of FINCANTIERI SERVICES USA’s materials delivered to the Service Provider for processing or for the execution of the Services will remain the exclusive property of FINCANTIERI SERVICES USA even if transformed and/or processed by the Service Provider. In the case of tools and/or equipment it shall be marked by the Service Provider as FINCANTIERI SERVICES USA’s property and shall be used only to as expressly authorized by FINCANTIERI SERVICES USA to execute its orders.

11.2. The Service Provider will be obliged to take the utmost care in the custody of the materials received for processing so it become responsible for any material loss and damage from the time the Service Provider accept the material till the related final approval and in case of damage or loss the Service Provider will have the opportunity to procure a replacement part at its expense and responsibility or to be charged back on cost incurred by FINCANTIERI SERVICES USA to replace the part.
11.3. FINCANTIERI SERVICES USA reserves the right to be returned its own materials stored by the Service Provider. For such purpose, the Service Provider undertakes to provide, and ensures that its own subcontractors (or associated/consortium companies), if any, will provide any necessary assistance.

12. DELIVERY TERMS – LIQUIDATED DAMAGES

12.1. Time is of the essence in the performance of the order, so delivery terms of the Services, both final and intermediate, which have been agreed and specified in the order and in any other contractual documents, are to be considered mandatory. The Service Provider agrees that it shall, at its own expense, exert every possible effort necessary to meet the delivery dates for any deliverable items specified in the order and performance required by FINCANTIERI SERVICES USA. It includes, but not limited to, a strong and efficient communication with the Department in Charge by the Service Provider, in order to avoid as possible any kind of disruption, rework and/or cost increase or delay for both parties. The Service Provider agrees to notify the Department in Charge immediately if, at any time, it appears that the delivery schedule set forth herein may not be met. Such notifications shall include the reasons for any possible delays, steps being taken to remedy any such problems, and a proposed revised delivery date. Further, this notification shall be in addition to any reporting requirements specified elsewhere in the Purchase Order. The requirement for notification set forth above is not to be construed as a waiver of the delivery schedule set forth in the order and shall not prejudice FINCANTIERI SERVICES USA’s rights under any other clause of the order and these general conditions of contracting at law even if the revised schedule has been accepted by FINCANTIERI SERVICES USA.

12.2. In case of a breach of the aforesaid terms that is not justified by force majeure, liquidated damages shall be applied for an amount of 5% of the total consideration provided in the order for each week, or portion thereof of delay up to a maximum of 20% of the above consideration, unless otherwise agreed in the order itself. If the delay exceeded four weeks from the date agreed for delivery or the other contractual obligations, FINCANTIERI SERVICES USA may declare the contract terminated in accordance with Article 23 below and will be entitled to the liquidated damages already accrued and to compensation for any further damages suffered.

13. SURVEILLANCE – ASSESSMENT DURING CONSTRUCTION

13.1. Also in order to verify compliance with the provisions of the Classification Society and/or Register or other relevant bodies, FINCANTIERI SERVICES USA may investigate the activities of the Service Provider at all stages of the Services implementation, including those of organization, engineering, procurement, production at its workshops and/or plants and at those of its suppliers and subcontractors, (or associated/consortium companies) warehouse stocking, installation (even if on board) and testing at all times and places prior to expiration of guarantee period.

13.2. For orders providing for subsequent stages of progress of the Works, the Service Provider shall send a detailed schedule of the progress of the Works to the Department in Charge. It is understood that performance will only occur with the full execution of all the obligations under the order itself. For individual delivery terms the procedure set forth in Article 12 shall apply.

13.3. In order to assess the progress and quality of the Services required to perform the order, the Service Provider shall – without prejudice to its responsibilities therein – allow FINCANTIERI SERVICES USA’s and the client’s representatives free access to its premises and/or plants.
13.4. The representatives referred to in Article 13.3 shall have the right to carry out the tests which they may in good faith consider appropriate, with the purpose of ascertaining compliance of the Works with the order conditions.

13.5. All costs incurred for the tests referred to in the preceding paragraph shall be borne by the Service Provider.

13.6. Any inspection or other action by FINCANTIERI SERVICES USA under this Article shall not reduce or otherwise affect Service Provider’s obligations under the order as well as responsibility regarding defects or other failures to meet the order requirements which may be discovered prior to expiration of guarantee period, and FINCANTIERI SERVICES USA shall have the right to conduct further inspections after the Service Provider has carried out its remedial actions.

13.7. FINCANTIERI SERVICES USA may terminate the contract if it concludes that the execution of the Works is not proceeding according to the terms and conditions of the contract according to the best professional standards.

**14. TESTING**

14.1. Testing shall be performed by the Service Provider through the entities mentioned in the order or required by law, in compliance with all applicable rules, regulations and procedures. Where permitted, testing shall be performed by representatives of the Service Provider appointed for this purpose, who will then issue the related certificate.

14.2. The Service Provider shall bear all the expenses related to the tests, including those due to any test repetitions, the fee due to the entity in charge of the tests performed in the Service Provider’s premises and/or plants and, if required, for testing at FINCANTIERI SERVICES USA or where otherwise specified in the order.

14.3. FINCANTIERI SERVICES USA’s and the client’s representatives may attend the tests and access the Service Provider’s premises and plants.

14.4. The test run will be proven by a relevant certificate to be sent by the Service Provider to FINCANTIERI SERVICES USA.

14.5. Regardless of the prescribed test, FINCANTIERI SERVICES USA reserves the right to verify, at any time and with the methods it deems most appropriate, the activities of the Service Provider in all phases of execution of the Works and the compliance of the Works performed with the conditions of the Purchase Order. In this context, the Service Provider will have – without prejudice to any of its responsibilities – give to the delegates of FINCANTIERI SERVICES USA and of any of its customers free access to its premises and plants and to those of its subcontractors (or associated/consortium companies) and suppliers.

14.6. The delegates referred to in Article 14.5 may perform all tests deemed appropriate in order to verify compliance with the conditions of the Purchase Order.

14.7. The costs incurred for the tests will be borne by the Service Provider.
14.8. FINCANTIERI SERVICES USA may terminate the contract if it concludes that the execution of the Services is not proceeding according to the terms and conditions of the contract and according to the best professional standards.

15. GUARANTEE

15.1. The Service Provider guarantees to FINCANTIERI SERVICES USA that it will perform the Services to the best professional standards, as for both compliance with technical data and operation requirements, and for the quality of the materials used, processing and operation of each of its parts and of the whole set.

15.2. The above guarantee shall expire after twelve (12) months of delivery of the product (ship, engine or any other Material) in relation to which the Services have been performed, by FINCANTIERI SERVICES USA to the customer.

15.3. For the purpose of the foregoing guarantee and upon specific request by FINCANTIERI SERVICES USA or by the FINCANTIERI SERVICES USA customer, the Service Provider shall be obliged to intervene, immediately or in any case after no later than ten (10) working days, in the Production Units or elsewhere and at its own cost, to repair or replace as quickly as possible any part of the Works already performed with any defects or deviations, provided that the same are reported within 60 days from the moment of their discovery.

15.4. The parts repaired or replaced shall be guaranteed at the same conditions as for the Services in Article 15.1, for a period equal to that under Article 15.2 and starting from delivery of the repaired or replaced part.

15.5. If the Service Provider fails to eliminate the defects or deviations within the stipulated terms, FINCANTIERI SERVICES USA shall be entitled, without prejudice to any other of its rights, to take action in this regard directly or through third parties, without further notifications, and charging the related expenses to the Service Provider in default.

15.6. Where it is necessary to take prompt action, even before having notified defects or deviations, FINCANTIERI SERVICES USA shall have the same rights and powers mentioned above.

15.7. If FINCANTIERI SERVICES USA were held accountable for the defects, regardless of when they become apparent, of a product assembled by the Service Provider or by its suppliers, FINCANTIERI SERVICES USA will have a right of recourse against the Service Provider to which the defective component assembled is attributable.

16. PRICES

16.1. Except as provided in Article 4.3, the prices mentioned in the Purchase Order are to be considered as fixed and all-inclusive on the whole, that is comprehensive of all expenses arising from the performance and the materials required by the content of the Purchase Order, even if not indicated but necessary to a perfect execution of the Services and not subject to adjustment until complete execution of the Purchase. It means also that the Service Provider must be committed to FINCANTIERI SERVICES USA schedule, so variation of the effort required to the Service Provider by FINCANTIERI SERVICES USA to meet in terms of people and/or labor hours and/or other criteria cannot be taken as parameter or reference for future and possible checking or economics
claims. Finally prices are agreed to be inclusive of packing, hauling, storage, insurance, dispatch, transport and any other charges, costs or expenses, sales, fee, use or other taxes and custom duties that may be levied upon the Services or the parties hereto by reason of the sale, delivery or use thereof.

16.2. Without any prejudice to Article 16.1 for Material invoiced by weight, the price to be paid shall be based on the weight recorded on receipt of such Material by the balance of the place of delivery, unless otherwise provided in the Purchase Order.

17. PAYMENT

17.1. The payments shall be made by bank transfer upon presentation of the invoice. The Service Provider undertakes to promptly communicate to the Department in Charge its current account number as well as the data of the bank where the account is open, and to timely notify any relevant variation.

17.2. All notices required under and for the purposes of Article 17.1, including any payment instructions, will be made by written notice on the Service Provider’s letterhead, signed in original by its legal representative. The notice will clearly indicate the stamped or written name and surname of the signatory close to the signature and his/her qualification as legal representative. Any notice made other as herein provided will be without any effect; therefore, it will be considered as not given and, as such, not enforceable against FINCANTIERI SERVICES USA, which is not required to give any communication about it.

17.3. In no event can the Service Provider make any claim for a delayed payment if such delay is caused by the fact that the notice of its bank details has not been given, or was incorrect or late.

17.4. If it is agreed that the Works shall be performed in different phases, their payment shall be subject to the procedure provided for under Articles 17.5 and 17.6. If it is agreed that the Works shall be performed and delivered on a single fixed date, their payment shall be subject to the procedure provided for under Articles 17.7 and 17.8.

17.5. The Services progress stages shall be considered as reached only after the presentation of the "State of Progress of Works" report (S.P.W.) by the Service Provider (to be prepared on a regular basis starting from the date of initiation of the Works), subject to ratification by the Department in Charge and its full acceptance by FINCANTIERI SERVICES USA and, whenever required, by the Classification Society and/or Register, by other relevant bodies and by FINCANTIERI SERVICES USA’s customer.

17.6. Unless otherwise provided in the order, the consideration for the execution of the Services shall be made ninety (90) days from the submission of the invoice, subject to ratification of the document referred to in Article 17.5.

17.7. The Services shall be considered completed only after acceptance of the S.P.W. presented by the Service Provider which certifies the full completion of the Works, by the Department in Charge and, whenever required, by the Classification Society and/or Register, by other relevant bodies and by FINCANTIERI SERVICES USA’s customer.
17.8. The payment of the amount set forth in the contract for the Services shall be made, unless otherwise provided in the order, ninety (90) days from the submission of the relative invoice, subject to ratification of the document referred to in Article 17.7 above.

17.9. Any delay in payment due to irregularities and/or non-compliance of invoices (also with reference to the requirements set forth in Article 18.8) or to delays in issuing or sending them by the Service Provider will in no event be attributable to FINCANTIERI SERVICES USA.

17.10. Any adjustment in the Service Provider invoices due to shortages, late delivery, rejections and penalties, pending claims or other failure to comply with the requirements of the order may be made by FINCANTIERI SERVICES USA before payment. It means that the Service Provider hereby authorizes FINCANTIERI SERVICES USA, for example in the event of claims, to withhold from payments due to it, the amount estimated for those claims suffered by FINCANTIERI SERVICES USA, corresponding to the sums owed and not paid.

18. INVOICING AND TAX DOCUMENTS

18.1. The invoices should be addressed to:

FINCANTIERI SERVICES USA LLC
7300 Corporate Center Drive,
Suite 711
Miami FL 33126 USA
Attention: Accounting Team

18.2. Tax documents must be sent, with the respective attachments, to the e-mail address indicated in the order. The files must be submitted in PDF format and all PDF files can contain only one tax document with all its attachments, if any. Within the individual PDF file, the tax document must be located before any attachments.

18.3. If it is not possible to send them in electronic form, invoices, credit notes and their attachments can be sent in hard copy by post to the address indicated in the order.

18.4. The Service Provider shall issue separate invoices for any Material delivered with a DAP clause and for whose import FINCANTIERI SERVICES USA is responsible.

18.5. Each invoice should, in addition to the other data required by law, include the following information:
   a) order number
   b) number of construction or order (shown on the first page of the order)
   c) order position (only for invoices that do not fully cover the order)
   d) clear and intelligible description of the services
   e) Service Provider code number (shown on the first page of the order)
   f) invoice code (shown on the first page of the order)
   g) number of S.P.W. (if any) signed by the Department in Charge

18.6. The Service Provider acknowledges that if the tax documents were incomplete or incorrect, including in relation to the information required by Article 18.5, or did not comply with the provisions of Article 18.2, such
documents cannot be automatically processed.

18.7. The Service Provider acknowledges that, unless otherwise provided in the order, it will not be entitled to demand advance payments on compensation provided by the contract; consequently the Service Provider may issue invoices only after the physical delivery of Material or completing the Services in accordance to the best professional standards and after obtaining the full and unconditional acceptance by the Department in Charge as per the terms and procedures in these conditions and in the orders.

18.8. In case of grossly incomplete or incorrect invoices, not corrected by the Service Provider, FINCANTIERI SERVICES USA may at its sole discretion reject such invoices. In no event the failure to formally reject an invoice can be deemed as an acceptance of such invoice or of the Services.

19. INCORRECT OR INCOMPLETE DOCUMENTATION

19.1 Any costs which FINCANTIERI SERVICES USA may incur as a consequence of defects, errors and omissions in relation to the documentation submitted by the Service Provider (invoices, transport documents, certificates of origin, etc.) shall be borne by the Service Provider.

19.2. A lump sum of USD $50.00 (fifty dollars/00) may be charged as a reimbursement of the related management costs for each transport document which is incomplete or that has been filled out incorrectly.

20. ACCEPTANCE OF AND COMPLIANCE WITH PURCHASE ORDERS

20.1 Acceptance of the Purchase Order by the Service Provider certifies that the Service Provider has received a copy of all related documents, including ship-owner regulations and requirements, carefully read, fully and unconditionally accepted, and at the same time signed them separately.

20.2. In the event of Service Provider’s non-compliance of the Purchase Order, FINCANTIERI SERVICES USA shall be entitled to declare the Purchase Order terminated following the procedures under Article 23.2 below, without prejudice to its right to receive compensation for damages incurred by it.

21. ANTI-BRIBERY AND CORRUPTION

21.1. FINCANTIERI SERVICES USA and Service Provider acknowledges that the Anti-Bribery Laws (as such term is defined below) shall apply to the actions of each party and its respective officers, directors, partners, principals, employees, staff members, agents, representatives, owners, shareholders, related and affiliated companies ("Related Persons"). "Anti-Bribery Laws" means any bribery, fraud, kickback or other similar anti-corruption law or regulation of any country wherein FINCANTIERI SERVICES USA or its Related Persons conduct(s) its or their business, including, without limitation, the UK Bribery Act 2010 and U.S. Foreign Corrupt Practices Act of 1977.

21.2. Each party represents and warrants that (i) it is familiar with the Anti-Bribery Laws and their purposes, (ii) neither it nor any of its Related Persons are officials, officers or representatives of any government, any government-owned or government-controlled entity, or any political party, or candidates for political office and (iii) no payments have been made, directly or indirectly, by or on behalf of either party to or for the benefit of
any employee or agent of any other party who may reasonably be expected to influence such party’s decision to enter into the order, and that it is in compliance with the requirements of the Anti-Bribery Laws.

21.3. In the event that the Service Provider receives, directly or indirectly, a request which it reasonably believes will or might constitute a violation of any Anti-Bribery Law relating to its performance of the order, it shall immediately notify the Department in Charge in writing of such incident including providing reasonably sufficient detail of same.

21.4. In the event FINCANTIERI SERVICES USA reasonably believes the Service Provider has breached (i) any Anti-Bribery Law relating to Service Provider’s performance of the Contract and the Purchase Order or (ii) the provisions of this Article 21, FINCANTIERI SERVICES USA may immediately terminate the Contract and Purchase Order without further liability.

22. FORCE MAJEURE

22.1. In any case of force majeure whatsoever which the parties are not able to foresee using due diligence, the parties shall be entitled to request the discontinuance and the resumption of the contract execution within a term to be determined by mutual agreement.

22.2. Events of force majeure include wars, revolutions, sabotage, epidemics, explosions, fires, natural disasters, restriction in the use of energy, general lack of raw materials or other essential elements for production, embargoes, countrywide strikes called by trade unions to which the parties belong, requirements of civil and military authorities and any other element that may not be predicted using due diligence.

22.3 In the cases referred to in the preceding paragraph, delivery terms shall be extended for a period corresponding to the working days lost due to occurrence of the aforementioned force majeure events.

22.4. The party who cannot perform its obligations or who may not benefit from the other party’s performance due to a force majeure event undertakes to notify to the other party (for the Service Provider, notification should be made to the Purchasing Department and the relevant Production Unit), within seven (7) days from the occurrence of said event, the date on which it has occurred and the date on which it presumably shall cease its effects.

22.5. Should the occurrence of force majeure events delay the progress of other works already scheduled in close association with the Works affected by such events, the Service Provider shall take all action and apply all remedies necessary in order to minimize such delay to any extent possible. In the event of negligent omissions by the Service Provider, any additional costs which FINCANTIERI SERVICES USA may incur shall be entirely charged to the Service Provider, without prejudice to the right to compensation for any damages suffered by FINCANTIERI SERVICES USA.

22.6. Should the events of force majeure continue for more than thirty (30) days, the Contract and/or the Purchase Order may be terminated in accordance with the procedures set forth in Article 23.2 hereof.

23. EXPRESS TERMINATION CLAUSE
23.1. The parties agree that the Purchase Order related to the Services will automatically be terminated in case of default or breach by the Service Provider of the obligations set forth in the provisions below, in any case without prejudice to FINCANTIERI SERVICES USA’s right to claim compensation for all the related, connected and consequential damages it incurred:

- Article 5.6 (Failure to notify in advance any change in the entities involved in forms of association such as temporary associations of enterprises, consortia or companies involved in a network contract);
- Article 6.1. (Prohibition against assignment of the contract);
- Article 6.3. (Prohibition against subcontracting);
- Article 7. (Independent organization of the Service Provider – payment of personnel – compliance and indemnity);
- Article 12.2. (Termination for delay of more than four weeks);
- Article 20.2. (Non-compliance with regulations);
- Article 21. (Non-compliance with the provisions related to anti-bribery and corruption laws);
- Article 22.6 (Force majeure for a period longer than thirty days);
- Article 33. (Non-compliance with the provisions related to the “Supplier’s declaration of non-conflict of interest”);
- Article 34. (Non-compliance with the provisions related to Italian Legislative Decree no. 231/2001).

The parties also agree that the adoption against the Service Provider of suspension of working activities measures under Federal, State and local law that can find applicability to preserve the rights, health and safety of Service Provider’s employee working on-site to execute the Works shall lead to automatic termination of the order, in any case without prejudice to FINCANTIERI SERVICES USA’s right to claim compensation for all the related, connected and consequent damages it incurred.

23.2. In order to declare the contract terminated, FINCANTIERI SERVICES USA shall notify the Service Provider by registered mail or certified e-mail of its intention to terminate. Termination of the contract shall become effective as of receipt of the notice.

24. FINANCIAL GUARANTEES

24.1. The Service Provider shall provide to FINCANTIERI SERVICES USA suitable guarantees from third parties to cover any advance payments the performance of the Services (the “Guaranteed Obligations”) to which the Service Provider is bound and the obligations set forth in article 7.5.

24.2. The Service Provider acknowledges that all guarantees issued by third parties covering the Guaranteed Obligations provided for by the Purchase Order must indicate “FINCANTIERI SERVICES USA LLC, 7300 Corporate Center Drive, Suite 711, Miami FL 33126 - USA” as beneficiary.

24.3. To secure Service Provider’s obligation to FINCANTIERI SERVICES USA under the Contract and Purchase Order, Service Provider hereby grants to FINCANTIERI SERVICES USA a first priority lien on and a security interest in the Contract and Purchase Order Services and work, and all material, inventory and equipment to be installed and used in the performance of the Services. As such, Service Provider authorizes FINCANTIERI SERVICES USA to file any financing statements or other documents necessary to perfect its security interest including, without limitation, amendments, and continuation of financing statements.
25. CREDIT ASSIGNMENT AND FACTORING

25.1. The Service Provider shall not assign, including under a factoring contract, the credits accrued and that may accrue against FINCANTIERI SERVICES USA, and ensuing from contracts relating to the Works. Any exception to this prohibition must be agreed in writing with FINCANTIERI SERVICES USA from time to time.

26. PROHIBITION OF PUBLICITY

26.1. The Service Provider shall not engage in any form of publicity making reference to the Services.

26.2. Notwithstanding the foregoing prohibition and at its sole discretion FINCANTIERI SERVICES USA may from time to time authorize special forms of publicity to be made in a manner to be indicated by FINCANTIERI SERVICES USA.

27. CONFIDENTIALITY

27.1. The Service Provider agrees to keep the Confidential Information strictly confidential, to ensure its secrecy and to use it for the sole purpose of performing its obligations under the Purchase Order. The Service Provider undertakes not to disclose, circulate or communicate Confidential Information, even after completion of the order, for any reason or in any manner to any third party and to take all necessary and appropriate measures and precautions to prevent unauthorized access, disclosure and unauthorized use of Confidential Information. In light of the above, the Service Provider, among other things, shall not sell to third parties the materials that it may have produced on the basis or making use of Confidential Information and shall limit such production, if any, to the quantities required by the order, destroying any and all waste and/or surplus.

27.2 Proprietary Information. All specifications, drawings, designs, manufacturing data and other information transmitted to the Service Provider by FINCANTIERI SERVICES USA in connection with the performance of the Contract and the Purchase Order are the property of FINCANTIERI SERVICES USA and are disclosed in confidence upon the condition that they are not to be reproduced or copied or used for furnishing information or equipment to others, or for any other purpose detrimental to the interest of FINCANTIERI SERVICES USA.

27.3 During the term of the Contract and Purchase Order and for two years thereafter, Confidential and Proprietary Information shall not be used by either party (or by any of its subsidiaries or affiliates) except to perform the obligations under the Contract and Purchase Order, and shall not be disclosed in any way to any third party. During the term of Contract and Purchase Order and at all times thereafter, Trade Secrets shall not be used by either party (or by any of its subsidiaries or affiliates) except to perform their respective obligations under the Contract and Purchase Order or as otherwise permitted, and shall not be disclosed in any way to any third party. Subject to the provisions of this Agreement, Either party may disclose Confidential Information and Proprietary Information to only those employees, consultants and independent contractors who must have access thereto to accomplish their respective obligations under Contract and Purchase Order. The parties shall take all precautions to ensure that the secrecy of Confidential Information and Proprietary is preserved among its employees. The obligations in this Article 27.3 shall apply during the term of this Contract and Purchase Order and for two years after its termination.

28. INFRINGEMENT INDEMNITY
28.1. The Service Provider fully guarantees to FINCANTIERI SERVICES USA that the Material supplied and service provided have not been and shall not be produced in violation of patent, intellectual property, copyright, trademark, trade secret or other proprietary right of any kind and belonging to anyone. If a claim related to the alleged violation of such proprietary rights on the subject matter of the order were brought against FINCANTIERI SERVICES USA before a court, the Service Provider shall appear before such court, and hold FINCANTIERI SERVICES USA, its subsidiary, parent company, affiliates and respective officers, directors, shareholders, agent and customers harmless from any further consequences, both financial and non-financial.

28.2. The Service Provider guarantees also to FINCANTIERI SERVICES USA that it has the right to use and trade the subject matter of the Works, both in the United States of America and abroad.

TITLE II – PROTECTION OF HEALTH AND SAFETY AT THE WORKPLACE

29. COMPLIANCE WITH RELATED LAWS AND CONTRACTUAL OBLIGATIONS

29.1. FINCANTIERI SERVICES USA considers its primary duty to protect health and safety at the workplace and to protect the environment. In light of the above the Service Provider, by accepting the order, undertakes to strictly comply with the regulations in force governing work activities.

29.2. Without prejudice to the provisions of the foregoing paragraph, the Service Provider further undertakes to comply with all the provisions contained in this title and in the ship-owner and/or shipyard regulations that FINCANTIERI SERVICES USA has provided for pursuant to the specific relevant laws or otherwise in connection with specific choices made by FINCANTIERI SERVICES USA in order to protect health and safety at the workplace.

29.3. The Service Provider certifies that the services and/or materials supplied hereunder shall comply with all applicable requirements of the Occupational Health and Safety Act of 1970 and the Safety and Health Standard for Shipbuilding promulgated thereunder by the Secretary of Labor (29 C.F.R.1, Part 1910), as amended from time to time, and any regulations adopted thereunder. These regulations apply to all shipbuilding and related work as defined in the regulation. The supplies and Works ordered under the order are considered such related work. Nothing contained in the order shall be construed as relieving the Service Provider from any obligations which it may have for compliance with the aforesaid regulations.

29.4 The Service Provider further certifies and agrees to comply with all applicable Federal, State, and local laws, ordinances, rules, regulation, and orders including, but not limited to, laws governing hours, wages, employment and equal employment opportunity, Fair Labor Standards Act and Title VII of the Civil Rights Act of 1964, as amended, and Executive Order 11246 as implemented by 41 CFR, Part 60 [Regulations related to OFCCP Compliance] and certifies that it is in compliance with said laws. Without limiting the foregoing, Service Provider expressly agrees to comply with the provisions of the Immigration Reform and Control Act of 1986 (“IRCA”), as amended, including the verification requirements thereof and hereby certifies that it will not supply any employees pursuant to this Contract unless Service Provider has first established the eligibility of the employees to work in the United States according to the provisions of IRCA and has performed all legally required Social Security verifications. Service Provider further agrees to maintain accurate books and records and to implement sufficient internal controls necessary to prevent and detect bribery. Service Provider also warrants that neither it nor any of its employees,
officers or directors has knowingly committed a violation of the U.S. Foreign Corrupt Practices Act ("FCPA"), the UK Bribery Act or any other related anti-corruption laws.

29.5. The above provisions are without prejudice to FINCANTIERI SERVICES USA’s right to take action against Service Providers breaching the provisions of this title and of the documents mentioned herein.

30. OBLIGATIONS FOR DESIGNERS, MANUFACTURERS AND SUPPLIERS

30.1. The Service Provider undertakes to comply and to ensure compliance with federal and local regulations and laws related to health and safety work condition and conduct, so the designers of workplaces, work facilities and plants are required to comply with the general principles of prevention relating to health and safety at work at the time when the relevant design and technical choices are first made, and to select equipment, including personal and collective protective equipment and components, that comply with all relevant legislative and regulatory provisions in force.

30.2. When renting or being granted the use of equipment, protective devices and installations, the Service Provider is required to record the extent to which the said equipment and installations comply with relevant legislative and regulatory provisions in force.

31. SAFETY OF SUBSTANCES / MIXTURES / PRODUCTS / MATERIALS

31.1. The Service Provider expressly warrants to FINCANTIERI SERVICES USA that the materials provided directly or through subcontractors (if any) comply with all applicable Federal, State, and local laws, codes, ordinances and regulations (including the obtaining of licenses and permits if necessary) on product safety especially in connection with hazardous material.

31.2. "Hazardous material", as used in this clause, includes any material defined as hazardous under the latest version of Federal Standard No. 313 (including revisions adopted during the term of the order).

31.3. For the Service Provider is mandatory to submit in electronic form to FINCANTIERI SERVICES USA prior to award or at least 60 days prior to deliver the Material and start the Works a Material Safety Data Sheet ("MSDS") meeting the requirement of 29 CFR §1910.1200 and the latest version of Federal Standard No. 313 for all hazardous material if applicable. These documentation required for Hazardous material mainly include a bill of landing with the proper shipping name, hazard class, identification number, packing group (i.e., Paint, 3, Un1263 PG1), the 1(800) phone number for emergencies and “current” MSDS forms. Any hazardous shipment not properly packaged and labeled or documented will not be accepted.

31.4. If, after award/shipment, there is a change in the composition of the item or a revision to Federal Standard No. 313, which renders incomplete or inaccurate the data submitted under article 31.3 of this clause, the Service Provider shall promptly notify FINCANTIERI SERVICES USA and resubmit the proper documentation updated.

31.5. By signing the Purchase Order, the Service Provider represents and warrants that all the activities required, connected or associated with such order, including any warranty services, will be carried out using ready-to-use materials that are not classified as carcinogens and mutagens with “Hazard Statements” H340 (ex R46; ex R47), H350 (ex R45) and H350 (ex R49) and in any case in compliance with all applicable Federal, State, and local laws, codes, ordinances and regulations.
TITLE III – FINAL PROVISIONS

32. CONTRACT AMENDMENTS

Any amendment to these conditions and to the specific order conditions must be in writing and signed both by FINCANTIERI SERVICES USA and by the Service Provider, or will otherwise be null and void.

33. CONFLICTS OF INTEREST

33.1. The Service Provider will provide the “Supplier’s declaration on conflict of interest” (the “Declaration”) and update it in case it were incomplete or required changes due to supervening events. FINCANTIERI SERVICES USA may request, at any time and at its sole discretion, that the Service Provider updates such declaration within twenty (20) days from the request. All communications concerning the declaration shall be sent in original to the address indicated in the order and anticipated to the e-mail address indicated in the order.

33.2. The Service Provider acknowledges and recognizes that FINCANTIERI SERVICES USA, without prejudice to the right to compensation for damages suffered by the latter, shall be entitled to declare the orders terminated, pursuant to Article 23 of these conditions, if:

- the Declaration and the updates referred to in Article 33.1 are incomplete or incorrect;
- the Service Provider fails to promptly communicate any mandatory updates to the Declaration;
- the Service Provider fails to comply with FINCANTIERI SERVICES USA’s request to update the Declaration within twenty (20) days.

34. CODE OF CONDUCT AND ORGANIZATIONAL, MANAGEMENT AND CONTROL MODEL

34.1. The Service Provider undertakes to comply with the principles set forth in the Code of Conduct and the Organizational, Management and Control Model adopted by FINCANTIERI SERVICES USA, published and publicly available on the website www.fincantieri.com/en/group/subsidiaries-and-associates/fincantieri-services-usa

In case of breach of the above by the Service Provider, FINCANTIERI SERVICES USA may declare the Purchase Order as terminated pursuant to Article 23.2, without prejudice to any other action that FINCANTIERI SERVICES USA may take before any judicial authorities.

35. APPLICABLE LAW – JURISDICTION

35.1. These conditions and the particular conditions of the order shall be governed by the laws of the State of Florida, without regards to the conflicts of law principles. Any action or proceeding with respect to a dispute arising out of the Contract or Purchase Order shall be brought only in the United States District Court for the Southern District of Florida in Miami, and each of the parties consents to the jurisdiction of such court and hereby waives any objection based upon inconvenience of the forum or otherwise, provided, however, that, if such court should lack jurisdiction over the matter in dispute, then such action or proceeding shall be brought in any Florida state court in Miami having jurisdiction.
35.2. The Service Provider agrees to comply with all applicable laws, orders, rules, regulations and ordinances. The Service Provider shall procure all licenses and permits and shall pay all fees and other required charges. The Service Provider shall comply with all applicable guidelines and directives of any local, state, and/or federal government authority as well as all regulation pertaining to labor, wages, hours and other conditions of employment and all applicable safety and health provisions. The Service Provider agrees to indemnify, defend and hold harmless FINCANTIERI SERVICES USA for any costs or damages incurred as a result of any violation of applicable laws, orders, rules, regulations or ordinances by the Service Provider, its officers, employees, agents, suppliers or subcontractors at any tier.

35.3. Severability. If any provision of the terms and conditions of this general condition of contracting and/or of the order shall be determined by a court of competent jurisdiction to be invalid, illegal unenforceable, such determination shall not affect or impair the validity, legality, or enforceability of the remaining provisions.

36. NOTICES.

36.1. Unless otherwise specified, notices addressed to FINCANTIERI SERVICES USA must be sent to Purchasing Department. Notices must be on the official letterhead and signed by the legal representative, or by another person with the necessary powers to represent the Service Provider, or digitally signed. The name, surname and title of the signatory must appear clearly, either stamped or printed, close to the signature.

36.2. Any notice made other than in compliance with Article 36.1, or without the information requested therein, will be without any effect. Consequently, any such notice will be deemed as not given and, as such, not enforceable against FINCANTIERI SERVICES USA, which will not be required to give any communication about it.