

GENERAL TERMS AND CONDITIONS OF SALE AND OF WARRANTIES ON SPARE PARTS



1. PURPOSE AND FORMATION OF AGREEMENT: The purpose of these general terms and conditions is to set forth the general provisions governing the sale and warranty by MASSON MARINE and its subsidiaries (hereinafter, the “*Seller*”) of spare parts (designed and manufactured for a specific use and leaving the Customer solely responsible for assembly and the effect on the gearbox).

The term “*Merchandise*” means, collectively, reconditioned equipment and spare parts.

Binding nature: These general terms and conditions are systematically sent or delivered to customers prior to entering into an agreement. Placement of an order thus is deemed to constitute (i) agreement to the general terms and conditions as in effect at that time, and (ii) a representation of full knowledge of the content thereof.

Any provision to the contrary presented by the customer (hereinafter, the “*Customer*”) shall therefore, in the absence of express acceptance, be unenforceable against the Seller, irrespective of when the contrary term was brought to the Seller’s attention.

Where a quote is provided, it constitutes specific terms and conditions that modify or supplement these general terms and conditions. Any order received from the Customer shall be deemed confirmed only after written acceptance by the Seller. Such written acceptance shall constitute the specific terms and conditions, if applicable.

ARTICLE 2. PROPOSALS - ORDERS

2.1 In the absence of an agreement to the contrary, every order must be the subject of a **written proposal** prepared by the Seller. Proposals are valid for 30 days following their issuance (unless stated otherwise). After expiration of this period, the Seller is no longer bound by the proposal.

2.2 Every order must be sent to the Seller in writing. It is not binding on the Seller until it has been confirmed in writing, and, if applicable, the agreed-upon advance has been deposited.

2.3 Any change that the Customer requests after the Seller has confirmed the order must be in writing and will be either invoiced for the costs generated by the change or refused.

2.4 The benefit of the order is personal to the Customer and may not be assigned without the prior written agreement of the Seller.

2.5 The dimensions, illustrations, plans, indications of weight or capacity, and, more generally, all descriptions included in the Seller’s notices and estimates are provided for informational purposes only and have no contractual value. The Seller reserves the right to modify the characteristics of the Merchandise ordered to the extent that such modifications do not alter its purpose or operation and that they either contribute to improving the Merchandise or are justified by the Seller’s duty to comply with applicable standards. Such modifications do not create an obligation on the part of the Seller to make the same modifications to products supplied earlier. Therefore, the Customer may not assert such modifications as a basis for a claim relating to parts or equipment manufactured prior to the modification.

2.6 In the event that the Customer cancels the order after the Seller has commenced production, the full price of the Merchandise will be invoiced to the Customer and will be payable immediately.

ARTICLE 3 GUARANTEE AND BUYER’S SOLVENCY

The Seller will agree to fill orders placed only to the extent that the Customer provides sufficient financial guarantees, ensuring that it will make payment when due. Therefore, unless the Customer has full credit-insurance coverage, if the Seller has specific reasons for concern as to the Customer’s ability to pay either on the date of the order or thereafter, or if the Customer no longer provides the same guarantees as on the date on which the order was accepted, the Seller may condition acceptance of the order or continued performance thereof on the payment of an advance or the Customer’s provision of guarantees for the Seller’s benefit.

Such guarantees shall be obtained at the Customer’s sole expense.

Either prior to acceptance of any order or during performance, the Seller will also have the right to require the Customer to provide its accounting documentation, including its income statement or forecast income statement, in order to assess its solvency. In the event that the Customer fails to make a payment when due, and in the absence of a sufficient guarantee offered to the Seller, the Seller may decline to honour the order(s) placed or to deliver the Merchandise in question, and the Customer may make no claim of unjustified refusal to sell or any claim whatsoever for indemnification.

ARTICLE 4. DELIVERY - TRANSPORT

4.1 Delivery periods

The delivery periods indicated in the contractual documentation are given for informational purposes only. The delivery period begins to run only when the Seller is in possession of all information necessary for proper performance of the order, including the equipment’s serial number, plans, technical specifications, or order confirmation, and after deposit of the agreed-upon advance, if applicable. Delivery later than the indicated delivery period shall in no event give rise to a right to damages, to the withholding of payment, or to cancellation of orders in progress. In no event shall the Customer have the right to refuse the Merchandise.

In any event, on-time delivery can only occur if the Customer is current in its obligations.

Transport time is in addition to any delivery period that may have been indicated, as the Merchandise is deemed delivered as soon as it leaves the Seller’s factories. If the delivery date is pushed back at the Customer’s request, the

Merchandise shall be deemed delivered on the date stated in the order confirmation, and the invoice shall be sent on the initially planned date. In that event, the Merchandise will be stored in a location chosen by the Customer, at its expense.

4.2 Transport - Transfer of risk of loss

Unless the parties have agreed to the contrary, delivery is deemed to have occurred at the Seller's premises, as soon as the Customer has been notified that the goods are available, or, if applicable, by delivery to a shipper or transporter. The Customer undertakes to take delivery within 10 days following the notice of availability. After such period, the Seller may invoice the Customer for storage costs, or the Merchandise may be removed and stored at an external location chosen by the Customer at its full discretion and at the Customer's expense.

As a result, the risk of loss is transferred on the date on which the goods become available, and the warranty period also begins to run on that date.

All prices indicated by the Seller are as of departure from the factory. The Customer is solely responsible for entering into the necessary transport arrangements from the Seller's premises. Transport costs shall be borne exclusively by the Customer, which retains its legal status as the shipper even in the event that the Seller, in order to assist the Customer, has chosen the transporter, has transmitted the transport order, and has advanced the costs of such transport.

As from the moment that the Merchandise becomes available, the risk of loss or deterioration of the Merchandise sold is transferred to the Customer, as is liability for any harm that it may cause. To that end, the Customer must obtain insurance covering the risks that arise as from the moment of delivery.

4.3 Acceptance and return of merchandise

Because the Merchandise travels at the Customer's risk and peril, in the event of damaged, lost, or missing Merchandise it is the Customer's responsibility to make any necessary findings and to inform the Seller within the legal time limit, by registered letter with return receipt requested.

Without prejudice to the foregoing provisions concerning the transporter, the Customer must ensure, upon receipt and before beginning to use the equipment, that the Merchandise delivered complies with its order and with the delivery slip included in the shipment, and that it has no apparent defects or problems.

Claims relating to apparent defects or problems, or to non-compliance with an order, must be made in writing on the delivery slip and confirmed to the Seller by registered letter with return receipt requested within 8 days following receipt. The delivery slip shall be conclusive evidence of the date of receipt. It shall be the Customer's responsibility to provide proof of the defects that it asserts. Any claim relating to the functioning of the Merchandise delivered must be duly supported. After this 8-day period, the claim will be considered late and will no longer be enforceable against the Seller. In any event, the Customer must take all measures necessary to preserve its recourse against the transporter.

The Merchandise must be returned Carriage Paid. Individual and careful packaging, suitable for the weight and volume of each component, will enable transportation without risk.

Returned parts will be accepted only when the parts have been approved upon receipt by the Seller's Quality Control Department. The costs of reviewing unjustified or insufficiently supported claims shall be borne by the Customer. The Customer may not conduct such review itself or contract with a third party for that purpose. Rather, it must give the Seller full latitude to make its findings as to the problems, defects, or missing parts, and to remedy the issue. In the event of an acknowledged defect, the Seller's liability shall be limited to the replacement or repair of the purchased goods, to the exclusion of any indemnification. If the Customer does not notify the Seller of any apparent defects within the time limit and in accordance with the procedures set forth above, it shall have no recourse.

Merchandise may be returned only pursuant to a prior written agreement between the Seller and the Customer. In the absence of such an agreement, returned Merchandise shall be held for the Customer and shall not give rise to any refund, exchange, or credit. In the absence of the Seller's written agreement to the contrary, the costs and risks of returns shall be borne solely by the Customer.

4.4 Consequences of returns

In the event of an apparent defect or non-compliance of the Merchandise delivered, duly recorded as provided for above, the Customer may obtain, at the Seller's option, either the pure and simple replacement of the defective or non-conforming Merchandise or its repair, to the exclusion of any indemnification or damages.

If the claim proves to be unfounded, the Seller may invoice the Customer for all the costs that it has incurred, such as shipping and handling, travel, review of the situation, etc.

ARTICLE 5. PRICE AND PAYMENT

5.1 Price

Merchandise is delivered at the price in effect at the time the order is confirmed, subject to variations resulting from the application of specific indices stipulated in such confirmation.

Prices are net, on departure from the factory, and packaging, insurance, and shipping are not included.

Taxes, duties, fees, and other amounts due pursuant to applicable regulations shall be borne exclusively by the Customer. Where the basis for invoicing is the weight of the delivered Merchandise, it shall be calculated based on the theoretical calculated weight, which may differ from the real weight as shipped, within the legal and customary limits.

5.2 General terms and conditions of payment - Invoices - Objections

5.2.1 Unless agreed to the contrary, 30% of the price shall be paid upon signature of the order, with the balance due within 30 days after the date of the order. Invoices are payable by wire transfer, without discount.

5.2.2 In the absence of the Seller's prior written consent to the contrary, the Customer may not set off an invoice issued by the Seller against a claim held by the Customer against the Seller.

5.2.3 Where the Customer is domiciled outside of France, payments must be made exclusively by SWIFT transfer, where necessary guaranteed by the issuance of a stand-by letter of credit in accordance with the terms set forth in the Seller's contractual documentation. In the absence of a contrary provision agreed to by the Seller, all sales are payable in euros.

5.2.4 Invoices issued by the Seller shall be paid at the Seller's registered office for the amount stated on the invoice. Any objection relating to an invoice and resulting in a total or partial refusal to pay the amounts invoiced must be brought to the Seller's attention in a reasoned document within 15 days following the Customer's receipt of the invoice. Any invoice that is not contested within such 15-day period shall be deemed definitively accepted by the Customer. No claim regarding the quality of the Merchandise shall suspend the payment obligation unless the defect has been acknowledged prior to the payment date. In that event, any suspension of payment will apply only to the portion of the invoice relating specifically to the disputed Merchandise, and not to the entirety of the relevant invoice.

5.2.5 The Seller reserves the right, at any time and based on the risks incurred, to set a maximum amount that the Customer may owe and to seek guarantees or obtain early payment of invoices not yet due or orders in progress prior to filling any new orders. Any deterioration in the Customer's credit quality may result in a requirement to provide a guarantee or to make payment prior to fulfilment of the orders received.

5.3 Late payments

5.3.1 If payment has not been made by the day after the payment date stated on the invoice, late penalties will be applied at the legal interest rate plus 10 points, in addition to the legal lump-sum fee for collection costs. Penalty interest shall be payable without any need for a reminder.

5.3.2 Furthermore, in the event of a late payment or non-payment of a single agreed-upon instalment, all amounts due by the Customer to the Seller shall become immediately payable, and the Seller may suspend fulfilment of all orders in progress and not yet delivered or may refuse any new orders.

5.3.3 A Customer with payments in arrears shall automatically owe the Seller the legal lump-sum collection fee, without any need for a reminder. Where the procedural costs incurred by the Seller in an effort to collect its claim are greater than the amount of such lump-sum fee, those costs shall be borne entirely by the Customer, including the costs of any legal action, such as fees for lawyers and bailiffs.

5.3.4 Any delay in payment may result in the Customer being charged a fixed penalty fee of 20% of the unpaid amount.

5.3.5 In the event of late payment, the cancellation clause provided for in Article 7 may be asserted.

5.4 Retention of title

The Seller retains title to the Merchandise until effective payment of the full price, including principal and accessories. The delivery of an instrument creating an obligation to pay (such as a bank draft) shall not constitute payment within the meaning of this provision. The failure to pay any instalment may result in repossession of the Merchandise. This right shall extend to any Merchandise delivered by the Seller and in stock at the Customer's premises. The Customer is obligated to preserve such Merchandise in perfect condition and in such a way as to enable it to be identified individually. The Customer is also obligated to insure the goods pursuant to customary terms against the usual risks and to notify the Seller immediately if any event occurs that could damage the Merchandise or make it impossible to identify it individually. Any modification, transformation, or alteration of the Merchandise is prohibited. If the Customer violates that prohibition, the Seller shall be authorized, following formal notice by registered letter with return receipt requested, to repossess the Merchandise that remains in the Customer's possession. The Customer is obligated to inform the Seller without delay in the event of any safeguard (*sauvegarde*), bankruptcy (*redressement*), or judicial liquidation (*liquidation judiciaire*) proceedings, or of any seizure, attempted seizure, or any other measure by a third party that could infringe the Seller's rights.

The Customer is prohibited from selling, pledging, or assigning the Merchandise as a guarantee or granting any surety on Merchandise that has been delivered but not yet paid for, and, more generally, from taking any action that could infringe the Seller's rights.

In the event that the Merchandise is resold prior to full payment of the price, the Seller shall benefit from a resale right (*droit de suite*) on the Merchandise. Moreover, the Customer undertakes, at the Seller's option, either to pay the remaining outstanding balance immediately, subject to incurring liability, or to assign the receivable resulting from the sale to the subsequent purchaser to the Seller.

The Customer undertakes to inform third parties that the Seller has retained title and to defend against all claims that such third parties may assert to Merchandise that has not been paid in full. The Seller may exercise its right to repossess the merchandise to which it retains title in the event that the Customer breaches any of its obligations, including in the event that a bank draft is not honoured, as well as in any situation in which the Seller has legitimate concerns as to the Customer's ability to comply with its obligations, including on-time payment of amounts due. The Seller may repossess the Merchandise to which it retains title by sending a registered letter with return receipt requested to the Customer, ordering it to return possession of the merchandise to the Seller. If the Customer does not comply with the order, the Seller may seek a court order for the return of the Merchandise to which it retains title, if necessary subject to a recurring penalty. Costs incurred by the Seller to repossess Merchandise or to collect its price shall be borne solely by the Customer.

The Seller's exercise of its right to repossession results in neither the cancellation nor the termination of the sale agreement.

ARTICLE 6. WARRANTY

6.1 Description and duration of the warranty

The warranty runs from the time the Merchandise becomes available for a duration of six months, subject to any specific agreement to the contrary.

The Seller's warranty is limited to the provisions of this Article and shall not extend to indemnification for any other damages or costs whatsoever resulting directly or indirectly from an operational defect.

6.2 Warranty exclusions

The warranty excludes, and the Seller may not be held liable:

- For ordinary maintenance work;
- For reconditioned gearboxes on which a power take-off has been installed in "as is" condition.
- If the Merchandise was not installed in accordance with the rules approved by the Seller, or if the installer was not approved by the Seller;
- In the event of non-compliance with the instructions contained in the documentation provided by the Seller or on the Merchandise;
- In the event of negligent maintenance, improper use, or accident;
- If the oil used does not comply with the Seller's instructions;
- If the Merchandise was not transported, stored, and protected with the necessary precautions between the time of delivery and commencement of its use;
- If notification of apparent defects or damage was not provided in accordance with Article 4.3;
- If a functional defect is discovered after a third party has performed work on the Merchandise without the Seller's authorization;
- If the defective functioning is the result of force majeure;
- If the Merchandise displays abnormal wear and tear;
- If the Merchandise was not used in accordance with the Seller's instructions or was modified by the Customer without the Seller's approval;
- If the Merchandise is attached to a different engine or has different settings from those indicated by the Customer at the time of the order;
- If the Merchandise is subject to abnormal vibrations due to inadequate or destroyed elastic coupling;
- If a disturbance to one of the components of the propulsion line is due to inadequate elastic coupling, to the extent that the Seller is the supplier of only one component of the propulsion chain and therefore is unable to perform the calculations to verify the couplings as vibration dampeners.
- If the failure is subsequent to an engine malfunction or defect in alignment, engine gearbox or propeller shaft gearbox;
- If the connection does not comply with industry rules, safety and protection standards, or applicable regulations, or results from incorrect assembly or from third-party or unauthorized modification of the product, defective maintenance, or unreasonable use;
- In the event of a propeller blockage;
- If the warranty is expressly excluded in the order or the quote, with respect to used merchandise sold "as is."
- In the event of the Merchandise's resale;
- For the failure of equipment reconditioned by a third party to whom the Seller shall have provided one or more preassembled components (in which case only the project manager for the repair has control over its final presentation)

6.3 Warranty limitations

The Seller is not liable for any loss of profits that the Customer may incur due to late delivery or any type of consequential damages that it may have incurred. The Seller, based on its own evaluation, is required to replace or repair Merchandise if and only if it is acknowledged to be defective by its service department. All other costs, such as disassembly, transport, packaging, reassembly, etc., are not covered by the warranty and shall be borne by the Customer. The benefit of the warranty is subject to the Customer's compliance with all of its contractual obligations, including its payment obligations.

6.4 Implementation of the warranty

Any request to implement the contractual warranty must be made in writing and must contain a precise and documented description of the difficulties encountered by the Customer, in particular detailing the damage and the circumstances under which it occurred.

The warranty will not be deemed applicable until the Seller's technical service department has agreed in writing.

In the event of any doubt or uncertainty, the Seller reserves the right to require the Customer to pay an advance on the estimated real cost of the repairs. The advance will be refunded as soon as the warranty's applicability is acknowledged.

ARTICLE 7. INTELLECTUAL/INDUSTRIAL PROPERTY AND CONFIDENTIALITY

The purchase of the Merchandise in no way grants the Customer (i) any right of reproduction as to all or part of the Merchandise or (ii) the right to use the attached intellectual or industrial property rights. In particular, the Seller retains full and complete ownership of all Industrial and Intellectual Property rights to the Merchandise, including ownership, relating to the work produced pursuant to the agreement (such as studies, designs, prototypes, and plans). All technical

documents delivered to the Customer by the Seller (including studies, estimates, plans, designs, models, sketches, etc.) remain the exclusive property of the Seller, which is the sole holder of the intellectual property rights to such documents. Such documentation must be returned to the Seller upon its first request.

The Customer undertakes not to use such documents in any way that could infringe the Seller's industrial or intellectual property rights, and further undertakes not to disclose them to any third party during the term of the agreement and for a period of 5 years following its termination. The Customer is responsible for compliance with this confidentiality obligation by its own employees and subcontractors.

ARTICLE 8. AUTOMATIC CANCELLATION CLAUSE

In the event that the Customer breaches any of its obligations, and in particular in the event that it fails to make payment, the Seller may terminate the agreement as of right, at its discretion, without prejudice to any damages that it may also claim. The cancellation shall take effect automatically if the breach has not been cured within 8 days after the Seller sends formal notice. In that event, the merchandise must be returned to the Seller at the Customer's expense, without prejudice to any damages that the Seller may claim for the losses it has incurred.

ARTICLE 9. SUBCONTRACTING

During performance of the agreement, the Seller may use the subcontractors of its choice.

ARTICLE 10. FORCE MAJEURE

The obligations under this agreement shall be suspended and the Seller shall not be held liable if any event of force majeure (as customarily defined, including war, fire, machinery accident, riot, strike, transport and/or supply disruption, inclement weather, delivery delays that are the fault of its suppliers, and any other event outside of its control) occurs that prevents it from performing its obligations. This list is not exhaustive. Any event outside of the Seller's control and that may delay or suspend performance of the agreement shall be deemed an event of force majeure.

In the event of force majeure, the Seller shall be released from its delivery obligation. It shall keep the Customer informed and notify it of its decision to either extend the delivery period or cancel the agreement.

ARTICLE 11. NO WAIVER

The Seller's failure to assert any of the clauses herein at a given time shall not be deemed a waiver of the right to assert such clauses in the future.

ARTICLE 12. GOVERNING LAW AND JURISDICTION

In the event of a dispute concerning the entry into or fulfilment of an order, or concerning the interpretation or application of this agreement, the Commercial Court of Paris (*tribunal de commerce de Paris*) shall have sole jurisdiction, even in the event of multiple defendants, the introduction of third parties, or an indivisible or connected claim, and whatever the method of payment.

All questions relating to these general terms and conditions or to the sales subject thereto shall be governed exclusively by French law.

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[This is an English translation of these general terms and conditions. The English version has been provided to you. The French version prevails over any translation.]