

Standard Purchase Order Terms

Supplier terms updated provisions

PART I CONTROLLING REVISED PROVISIONS

1 Priority and acceptance

These Part I provisions override conflicting Part II supplier terms for purchase orders formed on or after 18 October 2026 where this edition is supplied and accepted. Mandatory law prevails; a separate signed contract retains its expressly agreed lawful priority. The Buyer is the entity expressly named on the purchase order; an affiliate is not a co-buyer or guarantor merely by definition. A binding agreement may arise by authorised acceptance, commencement or delivery as stated in Part II. A purchase order cannot be unilaterally revoked or amended under Clause 2.3 after such acceptance.

2 Delay compensation

The agreed delay compensation of 2% per commenced week up to 10% of purchase-order value applies only to attributable supplier delay, subject to valid extensions, buyer-caused delay and mandatory law including judicial control of agreed compensation. Substantiated cover-purchase, demurrage or other loss requires causation and reasonable mitigation. Credit recovery for the same loss against any other award or recovery; no double recovery is permitted.

3 Rejection and advance payments

Upon valid rejection notice, rejected goods are at the supplier's risk and expense, except loss caused by the Buyer's failure to exercise reasonable care pending collection; title reverts as provided in Part II. Arrange prompt lawful collection and safe custody; no unlawful disposal is authorised. If an order permits advance payment, the parties record the corresponding milestone, refund obligation, identifiable work in progress and any agreed bank or other payment security.

4 Warranties and insurance

The supplier warranty, inspection and remedies in Part II remain. Record acceptance and commissioning dates. Recoverable warranty costs include reasonable transport, removal, access, reinstallation and re-performance as agreed and lawful. Supplier insurance must suit the actual scope; any required limits and evidence are stated on the purchase order. Insurance does not itself limit contractual liability or guarantee payment of a claim.

Standard Purchase Order Terms

Security termination privacy and jurisdiction

PART I CONTROLLING REVISED PROVISIONS

5 Client vessels and indemnities

The supplier's no-lien/security undertaking operates only to the extent lawful and must be supported by equivalent written commitments from relevant subcontractors before attendance. It does not eliminate independent third-party statutory rights or prevent a court order. The supplier must promptly procure lawful discharge or replacement security as required by the agreement and indemnify substantiated loss to the extent legally recoverable.

Mandatory non-excludable liabilities remain; fines, defence costs and indemnities are recoverable only where lawful and without duplicate recovery.

6 Cancellation and force majeure

Read convenience cancellation and force-majeure termination consistently. Account for accepted supplies and any documented, unavoidable special-order commitments lawfully recoverable under the agreement, less mitigation, savings, refunds and resale proceeds; transfer corresponding paid-for work or materials. No term overrides mandatory termination or insolvency rules. Market changes or ordinary subcontractor delay alone do not excuse performance. Preserve prompt notice, evidence and mitigation.

7 Privacy and compliance

Use personal information only for specified lawful contracting, supplier verification, payment, safety, compliance and claims purposes, with an appropriate lawful basis, necessary recipients, safeguards and lawful transfers. Retain it only for justified statutory, contractual or claims periods subject to legal holds. Privacy requests may be sent to info@custommarine.ae. No blanket group-sharing consent overrides applicable data rights. Compliance and sanctions obligations are applied according to applicable law and valid contractual commitments.

8 Governing law and contact

UAE law as applied in Dubai governs, subject to mandatory jurisdiction. The competent Dubai courts are the default forum. Interim relief, attachment or vessel arrest is available only where its legal requirements are met; the wording does not authorise arrest of any asset automatically. English prevails between the parties to the extent law permits, without changing UAE court-language requirements. The correspondence showroom address is Ground Floor Showroom, MBC-1 Building, Dubai Maritime City, Sheikh Rashid Rd, Dubai, UAE; it does not assert a registered-office location. Business Day means Monday to Friday excluding UAE public holidays in Dubai. The Company's third-party liability insurance does not guarantee cover for supplier or client claims.

Standard Purchase Order Terms and Conditions

Applicable to every purchase order issued by Custom Marine LLC

GOVERNING LAW

United Arab Emirates,
as applied in the Emirate of Dubai

Each purchase order issued by Custom Marine LLC for the supply of goods and/or services is subject to, and incorporates, these Standard Purchase Order Terms and Conditions (the “**Terms**”). The Supplier shall be deemed to have unconditionally accepted these Terms upon the earliest of: (a) written acceptance of the Purchase Order; (b) commencement of performance; or (c) delivery of any Goods or Services. Any terms proposed by the Supplier in any quotation, proposal, acknowledgment, invoice, delivery note or other document which add to, vary or conflict with these Terms are expressly rejected and shall have no effect, unless expressly accepted in writing by an authorised signatory of the Buyer.

1 Definitions and Interpretation

1.1 In these Terms: “**Acceptance**” means the Buyer’s acceptance of Goods or Services in accordance with Clause 6; “**Affiliate**” means any entity that directly or indirectly controls, is controlled by, or is under common control with a party; “**Buyer**” means Custom Marine LLC and, where the context permits, its Affiliates; “**Deliverables**” means any work product, report, drawing, design, data, documentation or other output created by the Supplier specifically for the Buyer pursuant to a Purchase Order; “**Delivery Date**” and “**Delivery Point**” mean the date and location for delivery of Goods or performance of Services stated in the Purchase Order; “**Goods**” means the goods described in the Purchase Order, including all materials, components, packaging and labelling; “**Purchase Order**” or “**PO**” means the Buyer’s purchase order to which these Terms are attached or incorporated by reference; “**Services**” means the services described in the Purchase Order; “**Specifications**” means the requirements, specifications, drawings,

samples and descriptions set out or referenced in the Purchase Order, together with the Supplier's published documentation for the Goods or Services; and "Supplier" means the party named in the Purchase Order as supplier or vendor.

- 1.2** Headings are for convenience only. References to clauses are to clauses of these Terms. Words importing the singular include the plural and vice versa. "Including" means including without limitation. Incoterms® rules referred to in these Terms are the Incoterms® 2020 rules published by the International Chamber of Commerce.

2 The Agreement; Order of Precedence

- 2.1** The agreement between the parties (the "Agreement") consists solely of: (a) the Purchase Order; (b) these Terms; and (c) any Specifications or documents expressly referenced in the Purchase Order. Any reference in a Purchase Order to a Supplier quotation or proposal incorporates only the technical description and pricing of the Goods or Services, and no commercial or legal terms of the Supplier.
- 2.2** In the event of conflict, the documents shall rank in the order listed in Clause 2.1, unless the Purchase Order expressly provides otherwise. Where a separate signed contract exists between the parties for the same scope, that contract shall prevail over these Terms to the extent of any conflict.
- 2.3** The Buyer may revoke or amend a Purchase Order at any time prior to the Supplier's written acceptance. No amendment to the Agreement is binding on the Buyer unless made in writing and signed by an authorised signatory of the Buyer.

3 Delivery

- 3.1** Time is of the essence with respect to delivery of the Goods and performance of the Services. The Supplier shall deliver the Goods and perform the Services by the Delivery Date at the Delivery Point. The Supplier shall immediately notify the Buyer in writing if it becomes aware that it is likely to miss a Delivery Date, without prejudice to the Buyer's rights under this Clause 3.
- 3.2** Unless otherwise stated in the Purchase Order, Goods shall be delivered DDP (Delivery Point) Incoterms® 2020, and the price includes packing, freight, insurance, customs clearance and all charges to the Delivery Point. No freight, transportation, storage, handling, demurrage, packaging or similar charge shall be payable unless expressly stated in the Purchase Order.

- 3.3** If the Supplier fails to deliver by the Delivery Date (as extended by the Buyer in writing, if at all), the Buyer may, without prejudice to its other rights and remedies:
- (a) apply delay compensation of two per cent (2%) of the Purchase Order value for each commenced week of delay, up to a maximum of ten per cent (10%) of the Purchase Order value, which the Supplier acknowledges is a genuine and reasonable pre-estimate of the Buyer's loss and may be deducted from any amounts due to the Supplier;
 - (b) cancel the Purchase Order in whole or in part and procure substitute goods or services from a third party, in which case the Supplier shall reimburse the Buyer for any excess of the substitute price over the Purchase Order price, together with reasonable incidental costs; and/or
 - (c) recover demurrage, berth, storage and other expenses incurred as a result of the Supplier's failure to comply with the Buyer's delivery instructions.
- 3.4** Each consignment shall be accompanied by a packing list in English identifying the Purchase Order number, item numbers, quantities, dimensions and weights. Packing materials are non-returnable and non-chargeable unless agreed in writing.

4 Title and Risk

- 4.1** Title to and risk in the Goods shall pass to the Buyer upon delivery of the Goods at the Delivery Point, without prejudice to the Buyer's rights of inspection and rejection under Clause 6. The Buyer has no obligation to insure Goods in transit. Title to Goods rejected under Clause 6 shall revert to the Supplier upon notice of rejection.
- 4.2** The Supplier warrants that it will convey to the Buyer good and marketable title to the Goods, free and clear of all liens, charges, retention-of-title claims, security interests and encumbrances whatsoever.

5 Price, Invoicing and Payment

- 5.1** Prices stated in the Purchase Order are fixed and firm, not subject to escalation, indexation or currency adjustment, and are exclusive of VAT, which shall be separately itemised on each invoice together with the Supplier's tax registration number. All other taxes, duties and levies applicable to the Supplier are for the Supplier's account.

- 5.2** The Supplier may invoice only after delivery of the Goods or completion of the Services. Each invoice must reference the Purchase Order number and comply with the Buyer's invoicing requirements and applicable UAE VAT legislation; non-conforming invoices may be returned unpaid without the payment period commencing.
- 5.3** The Buyer shall pay the undisputed portion of each properly rendered invoice within thirty (30) days of the later of receipt of a valid invoice and Acceptance of the relevant Goods or Services, unless a different period is stated in the Purchase Order.
- 5.4** The Buyer may withhold payment of amounts disputed in good faith pending resolution, and may set off against any amount payable to the Supplier any substantiated amount owed by the Supplier to the Buyer under the Agreement (including delay compensation and remediation costs under Clauses 3 and 7). Such withholding or set-off shall not constitute breach, and no interest shall accrue on amounts properly withheld. The Buyer shall pay the undisputed balance of any partially disputed invoice within the period in Clause 5.3.

6 Inspection, Acceptance and Rejection

- 6.1** All Goods and Services are subject to the Buyer's inspection and testing. The Buyer shall have thirty (30) days following delivery or performance (the "**Inspection Period**") to inspect and either accept or reject. The Buyer may reject any Goods or Services that are damaged, defective, delivered in excess of the ordered quantity, or not in conformance with the Specifications or the Agreement, by written notice stating the grounds of rejection.
- 6.2** If the Buyer does not issue a notice of rejection within the Inspection Period, the Goods or Services shall be deemed accepted in respect of patent (visually apparent) defects only. Deemed or actual Acceptance, inspection, testing, use

of or payment for Goods or Services shall not limit or waive the Supplier's warranty obligations, nor the Buyer's rights in respect of latent defects, non-conformities not reasonably discoverable on inspection, or fraud.

- 6.3** Rejected Goods shall be returned or held at the Supplier's risk and expense (including transportation and handling). In respect of rejected Goods or Services

the Buyer may, at its option, require: (a) a full refund or credit of all amounts paid; or (b) replacement or re-performance within the period specified by the Buyer. Previously rejected Goods may not be re-tendered without the Buyer's prior written approval accompanied by written disclosure of the prior rejection.

7 Warranties

- 7.1** The Supplier warrants that throughout the Warranty Period all Goods shall: (a) be new and of first quality, merchantable and free from defects in design, materials and workmanship; (b) conform strictly to the Specifications and any samples provided; (c) be fit for any purpose made known to the Supplier or reasonably inferable from the Purchase Order (except where the Buyer furnished the complete design); (d) be free from liens and encumbrances; and (e) comply with all applicable laws, regulations, standards, classification and flag-state requirements. The Supplier warrants that all Services shall be performed with the professionalism, skill, diligence and care reasonably expected of a skilled and experienced provider of similar services, using suitably qualified personnel and in accordance with the Specifications.
- 7.2** “**Warranty Period**” means, for each item of Goods or Services, the longest of: (a) the manufacturer's or Supplier's express warranty period; (b) eighteen (18) months from Acceptance; and (c) twelve (12) months from the date the Goods are put into service.
- 7.3** The Supplier shall, at the Buyer's option and the Supplier's expense (including transport, removal, re-installation and access costs), repair, replace, re-perform or refund the price of any Goods or Services found within the Warranty Period to be defective or non-conforming, commencing remediation within seven (7) business days of written notice (or such shorter period as the circumstances of a vessel in service reasonably require and the Buyer notifies). If the Supplier fails to do so, the Buyer may remedy or procure remediation of the defect at the Supplier's cost and recover or set off such cost under Clause 5.4. Repaired or replaced Goods carry a new Warranty Period from re-acceptance. Warranties survive inspection, delivery, Acceptance and payment.
- 7.4** The Supplier shall assign to the Buyer, or hold on trust for the Buyer and enforce at the Buyer's request, all third-party manufacturer warranties for Goods not manufactured by the Supplier.

8 Intellectual Property

8.1 All intellectual property rights in the Deliverables shall vest in the Buyer upon creation, free of encumbrances, and the Supplier shall execute all documents reasonably required to perfect such vesting. The Supplier's pre-existing intellectual property ("**Background IP**") remains the Supplier's; the Supplier grants the Buyer an irrevocable, perpetual, royalty-free, transferable

licence to use Background IP embedded in the Goods or Deliverables to the extent necessary for the use, operation, maintenance, repair, modification and resale of the Goods and Deliverables.

8.2 The Supplier warrants that the Goods, Services and Deliverables, and the Buyer's use of them, do not and will not infringe the intellectual property rights of any third party. If any infringement claim is made, the Supplier shall, at its expense and the Buyer's option, procure the right for the Buyer to continue use, replace or modify the affected item without loss of functionality, or refund the price, in each case without prejudice to the indemnity in Clause 10.

8.3 All drawings, specifications, data and documents supplied by the Buyer remain the Buyer's property, shall be used solely for performance of the Agreement, shall not be used to manufacture, sell or supply items to any third party, and shall be returned or destroyed on request.

9 Insurance

9.1 The Supplier shall maintain, with reputable insurers, insurance appropriate to a prudent supplier of comparable goods and services, including commercial general liability (with product liability extension), workmen's compensation/employer's liability, and, where applicable to the scope, professional indemnity, marine/transit and ship-repairers' liability cover. The Supplier shall provide certificates of insurance on request. Insurance shall not limit the Supplier's liability.

10 Indemnities; No Liens on Third-Party Vessels

10.1 The Supplier shall indemnify, defend and hold harmless the Buyer, its Affiliates and their respective officers, directors, employees and agents from and against all claims, losses, damages, fines, penalties, costs and expenses (including

reasonable legal costs) arising out of or in connection with: (a) death, personal injury or damage to real or tangible property (including any vessel, its machinery and equipment) caused by the Goods, the Services or any defect therein, or by the negligence or wilful misconduct of the Supplier, its personnel or subcontractors; (b) any claim that the Goods, Services or Deliverables infringe third-party intellectual property rights; (c) the Supplier's breach of the Agreement or of applicable law; and (d) liens or encumbrances asserted over the Goods, the Deliverables or any vessel arising from the Supplier's acts or omissions, including any maritime lien or arrest.

- 10.2 No liens on third-party vessels.** The Supplier shall not assert, and shall procure that its subcontractors and suppliers do not assert, any lien, right of retention, maritime lien or arrest against any vessel owned, operated or managed by the Buyer or the Buyer's clients in respect of amounts owed or alleged to be owed by the Buyer, and shall look solely to the Buyer for payment. If any such lien, retention or arrest is asserted, the Supplier shall procure its discharge or release (including by posting security) within five (5) business days of notice, failing which the Buyer may procure such discharge or release at the Supplier's cost and recover or set off such cost under Clause 5.4, without prejudice to the indemnity in Clause 10.1(d).

11 Limitation of Liability

- 11.1** The Buyer's total aggregate liability arising out of or in connection with a Purchase Order, howsoever arising, shall not exceed the price payable under that Purchase Order, and the Buyer shall in no event be liable for any indirect, incidental or consequential loss, loss of profit, loss of revenue, loss of business or loss of opportunity.
- 11.2** Nothing in the Agreement excludes or limits either party's liability for death or personal injury, fraud, gross negligence or wilful misconduct, or any other liability that cannot be excluded or limited under UAE law. The limitations in Clause 11.1 do not apply to the Supplier's payment, indemnity, confidentiality or intellectual-property obligations.

12 Confidentiality and Data Protection

- 12.1** The Supplier shall keep confidential the Agreement, its terms and all non-public information of the Buyer or its clients (including vessel particulars, owners' details, technical data and pricing) obtained in connection with the Agreement,

shall use such information solely to perform the Agreement, and shall not disclose it except to personnel and subcontractors who need to know and are bound by equivalent obligations, or as required by law. This obligation continues for five (5) years after completion or termination of the last Purchase Order, save that trade secrets and personal data shall be protected for as long as they retain such status.

- 12.2** The Supplier shall comply with applicable UAE data protection legislation, including Federal Decree-Law No. 45 of 2021, implement appropriate technical and organisational security measures, and notify the Buyer without undue delay of any actual or suspected breach affecting the Buyer's data.

13 Compliance with Laws; Anti-Bribery; Sanctions

- 13.1** The Supplier shall, and shall procure that its personnel and subcontractors shall, comply with all applicable laws, regulations, codes and standards of the UAE and any other applicable jurisdiction, including UAE Federal Decree-Law No. 43 of 2023 on Maritime Law where applicable, labour, immigration, health and safety, environmental, customs and trade-control laws, and shall hold all licences and permits required to supply the Goods and perform the Services.
- 13.2** The Supplier represents, warrants and undertakes that it complies with all applicable anti-bribery, anti-corruption, anti-money-laundering and counter-terrorism-financing laws; that it has not offered and will not offer any bribe, facilitation payment, gift or improper advantage in connection with the Agreement; and that neither it nor its owners, directors, officers or key personnel: (a) appear on any sanctions, terrorist or restricted-party list issued by the United Nations, the United Arab Emirates, the United States (including the OFAC SDN List), the European Union or the United Kingdom; or (b) are located, organised or resident in a country or territory that is itself the subject of comprehensive sanctions. The Supplier shall not supply Goods originating from, or routed through, any such comprehensively sanctioned country or territory. Breach of this Clause 13 is a material breach entitling the Buyer to terminate immediately without liability.

14 Representations and Authority

- 14.1** The Supplier represents and warrants that: (a) it is duly organised and validly existing, and the person accepting the Purchase Order is duly authorised to bind the Supplier; (b) no consent or approval of any third party or authority

is required for its performance; and (c) its performance does not conflict with any law, order or agreement binding on it.

15 Subcontracting and Assignment

- 15.1** The Supplier shall not assign, novate or subcontract the Agreement in whole or in part without the Buyer's prior written consent. Permitted subcontracting shall not release the Supplier, which remains jointly and severally liable with its subcontractors for their acts and omissions. The Buyer may assign the Agreement to an Affiliate or to a purchaser of the relevant business on written notice.

16 Suspension and Termination

- 16.1** **For convenience.** The Buyer may cancel or suspend a Purchase Order, in whole or in part, at any time by written notice. Upon cancellation for convenience, the Buyer's sole liability shall be to pay for: (a) Goods delivered and Services performed and accepted up to the effective date of notice; and (b) in the case of Goods manufactured or procured specifically for the Buyer and not reasonably resaleable, the Supplier's reasonable, documented and unmitigable direct costs incurred up to the date of notice, against transfer to the Buyer of the relevant work-in-progress and materials. The Supplier shall mitigate all costs on receipt of a suspension or cancellation notice.
- 16.2** **For cause.** The Buyer may terminate the Agreement or any Purchase Order immediately on written notice, without liability except for Goods and Services already delivered and accepted, if the Supplier: (a) commits a material breach which is irremediable or is not remedied within seven (7) days of written notice; (b) becomes insolvent, enters bankruptcy, liquidation or restructuring proceedings, or suffers an event analogous to any of the foregoing; (c) undergoes a change of control which the Buyer reasonably considers prejudicial; or (d) breaches Clause 13.
- 16.3** The Supplier may cancel an accepted Purchase Order only with the Buyer's prior written consent and on terms compensating the Buyer for resulting costs, losses and expenses.

17 Force Majeure

- 17.1** Neither party shall be liable for failure or delay in performance (other than payment of amounts already due) caused by events beyond its reasonable control, including acts of God, war, terrorism, civil unrest, government action, embargo, epidemic, or natural disaster (a “**Force Majeure Event**”), provided the affected party promptly notifies the other in writing, uses reasonable endeavours to mitigate, and resumes performance as soon as practicable. Shortage of materials or labour, subcontractor default and market price movements are not Force Majeure Events. If a Force Majeure Event affecting the Supplier continues for more than thirty (30) consecutive days, the Buyer may terminate the affected Purchase Order without liability except for Goods and Services already delivered and accepted.

18 General

- 18.1 Independent contractor.** The Supplier performs as an independent contractor. Nothing in the Agreement creates any employment, agency, partnership, fiduciary or joint-venture relationship, and the Supplier has no authority to bind the Buyer.
- 18.2 Notices.** Notices shall be in writing in English and delivered by hand, courier or email to the addresses stated in the Purchase Order, and are effective on receipt (or, for email, on transmission absent a delivery failure, if sent on a business day in Dubai).
- 18.3 Cumulative remedies; waiver.** The Buyer’s rights and remedies are cumulative and in addition to those available at law. No waiver is effective unless in writing and signed by the waiving party, and no waiver of one breach waives any other.
- 18.4 Severability.** If any provision is held invalid or unenforceable, it shall be modified to the minimum extent necessary or severed, and the remainder shall continue in full force.
- 18.5 Survival.** Provisions which by their nature are intended to survive (including Clauses 4.2, 5, 7, 8, 10, 11, 12, 13, 19 and 20) survive completion, expiry or termination.
- 18.6 Entire agreement.** The Agreement constitutes the entire agreement between the parties in respect of its subject matter and supersedes all prior discussions and documents relating to it, without prejudice to any signed framework

or distribution agreement in force between the parties.

19 Governing Law and Jurisdiction

- 19.1** The Agreement is governed by the federal laws of the United Arab Emirates as applied in the Emirate of Dubai. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.
- 19.2** The courts of Dubai (onshore) shall have exclusive jurisdiction over any dispute arising out of or in connection with the Agreement, save that the Buyer may seek interim, precautionary or conservatory relief – including attachment, and arrest of any vessel or asset under UAE Federal Decree-Law No. 43 of 2023 – and enforce any judgment, in any competent jurisdiction.

20 Language

- 20.1** These Terms are drawn up in English. If translated into Arabic or any other language, the English text shall prevail as between the parties to the fullest extent permitted by law.

Supplier Acceptance

We hereby accept the Purchase Order and the Standard Purchase Order Terms and Conditions stated above, for and on behalf of the Supplier:

Purchase order terms & conditions

Supplier Name

Authorised Signatory (Name & Designation)

Signature

Date

Company Stamp