1 Definitions and General

"Affiliate" – shall mean any subsidiary, parent, ultimate holding company or a subsidiary of such parent or ultimate holding company. For the purpose of this definition, "subsidiary" and "holding company" shall have the meaning assigned to them under the Companies Act relevant to the applicable law set out in Clause 17 herein;

"Contract" – shall mean the contract entered into between the Customer and DNV GL including these General Terms and Conditions and the DNV GL Rules. The above listed documents shall be interpreted as one agreement and in case of any ambiguities or contradictions between the various documents, the documents shall take precedence in the order they are listed above;

"Claim" or "Claims" - shall mean any and all claims, losses (including pure economical losses), demands, taxes, liens, liabilities, judgments, awards, provisional injunctions, remedies, debts, damages, injuries, costs, legal and other expenses, or causes of action of whatsoever nature, and in whatever jurisdiction the foregoing may arise;

"Consequential Loss" - shall mean loss and/or deferral of production, lost productivity (disruptions), loss of product, loss of use, loss of time to any vessel or loss of hire, loss of business opportunities and contracts, loss of goodwill, loss of data, loss of revenue, profit or anticipated profit (if any), losses arising from liabilities or indemnities under other contracts, recall or rectification costs, in each case whether direct or indirect and whether or not foreseeable at the commencement of the Work;

"Customer" – shall mean the person and/or company which has requested DNV GL’s service and has entered into a contract/agreement for services;

"Customer Group" – shall mean (i) the Customer and its Affiliate; (ii) the Customer’s other contractors (other than DNV GL), suppliers and subcontractors (of any tier) and their respective Affiliates; and (iii) the respective directors, officers, agents, employees (including agency personnel) and representatives of the persons and entities mentioned under (i) and (ii) above as well as any other person or entity acting on its/their behalf;

"Deliverable" – the deliverable(s) which is/are to be provided to the Customer by DNV GL according to the Contract;

"DNV GL" – shall mean for the purposes of these General Terms and Conditions, the company with which the Customer has entered into the Contract being DNV GL AS or any of its branches and subsidiaries (as the case may be);

"DNV GL Group" – shall mean (i) DNV GL, all its direct and indirect owners and its Affiliates; (ii) DNV GL’s subcontractors (of any tier) and their Affiliates; and (iii) the respective directors, officers, managers, agents, employees (including agency personnel) and representatives of the persons and entities mentioned under (i) and (ii) above as well as any other person or entity acting on its/their behalf;

"DNV GL Rules" – shall mean all provisions and/or requirements adopted by DNV GL as the basis for Classification at any point in time;

"Variation" – additional work to the Work originally agreed in the Contract;

"Work" – the services provided to Customer by DNV GL which are expressly set out in the Contract including any Variation and any Deliverable.

These General Terms and Conditions shall be incorporated in the Contract and shall override and exclude any terms and conditions sought to be imposed by the Customer. No amendment and/or variation to these General Terms and Conditions and no additional terms put forward by the Customer shall be considered binding or valid unless set out in writing and duly signed by the authorised representatives of both parties.

The respective latest version of the General Terms and Conditions as well as the applicable DNV GL Rules, as made available on www.dnvgl.com shall apply to all work rendered by DNV GL, including those rendered within the scope of DNV GL’s statutory functions as the recognised organisation or similar, even if no written Contract was concluded.

2 The Work and execution of Work

2.1 The Work shall be carried out in accordance with the Contract, the provisions of these General Terms and Conditions, the DNV GL Rules, the international conventions and/or EU regulations applicable to the relevant Work and/or flag administration requirements. The same shall apply in the absence of a written agreement between the parties. The Work performed by DNV GL is performed under the basic assumption that other parties involved, including but not limited to the Customer’s other contractors and suppliers, fulfil their individual obligations and provide correct and complete information. DNV GL shall, upon completion of the relevant certification process and the Work, but subject to any relevant findings from its assessment or inspections, issue the Deliverable, provided always that DNV GL in its sole professional discretion finds that the applicable requirements are fulfilled.

2.2 When providing services DNV GL does not assess compliance with any other than the applicable DNV GL Rules, international conventions, EU Regulations and/or flag administration requirements and other standards, to the extent agreed in writing.

2.3 Any terms, conditions, duties or warranties otherwise incorporated or implied by law are hereby expressly excluded in full or to the fullest extent permitted by the applicable law. The remedies set forth in Clause 6 shall therefore be the sole remedies for any discrepancies, errors or omissions whatsoever regarding the Work.

2.4 DNV GL will provide suitably qualified personnel to carry out the Work. Unless otherwise agreed, DNV GL may at any time substitute personnel assigned to the Work, provided that any replacement personnel are suitably qualified.

2.5 A confirmation given or certificate issued by DNV GL shall not substitute the role of and/or release the Customer Group or any other parties involved from its contractual or legal obligations towards any third parties and/or the Customer (as the case may be). Maintenance of the validity of such confirmation or certificate, for example through the process of regular surveys in the case of ship classification, is the responsibility of the Customer.

2.6 DNV GL may, without prejudice to any other rights available to DNV GL, at any time recall, suspend, withhold, withdraw and/or reissue any Deliverable with immediate effect, suspend or withdraw any vessel from class and/or suspend further performance of any services if in DNV GL’s sole and unfettered opinion: (i) Customer fails to provide any necessary information or documentation for the purpose of maintaining the Deliverable and/or class; or (ii) Customer fails to comply in due time with conditions or instructions issued by DNV GL; or (iii) Customer fails to pay any fees or other sums due to DNV GL; or (iv) any relevant discrepancies, errors or omissions in the basis for the Deliverable is detected; or (v) Customer misrepresents DNV GL’s business name, trademark or Deliverable on which such name or trademark is used.

2.7 DNV GL may retain or withhold any service, certificate or other deliverable to the Customer in respect of any and all outstanding payments (whether related or not) arising out of the entire business relationship with the Customer, regardless of whether one or more vessels owned or managed by the Customer are affected.
3 General Obligations

3.1 Customer agrees that DNV GL’s performance of the Work requires DNV GL to be granted access to and the right to inspect all relevant sites, equipment, machinery and facilities and all relevant, correct and complete documents and information. For this purpose, Customer shall in a timely manner, without conditions, make all necessary arrangements and provide DNV GL with all reasonably necessary access to the above mentioned information and sites. Unless it is explicitly agreed as part of the Work to identify discrepancies, errors, inconsistencies or omissions in the information provided by the Customer Group, Customer shall be responsible for the correctness of the information it provides and DNV GL is entitled to rely on the accuracy and completeness of such information for the performance of the Work.

All Deliverables provided by DNV GL are based on the information, documentation and/or physical items made available by Customer to DNV GL up to the date of issuance of the Deliverable, and Customer acknowledges and agrees that any statement made by DNV GL in the Deliverable is a statement reflecting the situation at the time of issuance only.

3.2 Should the Customer fail to provide DNV GL with the required access or information at the agreed times, DNV GL may suspend the performance of the Work pending receipt of the Customer’s instructions for and/or necessary information. DNV GL shall have no liability as a consequence of any such suspension and the Customer will be responsible for DNV GL’s fees and other wasted costs and expenses incurred by DNV GL.

3.3 Customer acknowledges and agrees that it has read and understood the requirements in the applicable DNV GL Rules, international conventions, EU Regulations and/or flag administration requirements and other standards applicable to the Contract and agrees to abide by them.

3.4 Any failure by Customer in fulfilling the obligations set out in this Section 3 is to be considered a material breach of this Contract.

4 Health, Safety and Environment (HSE)

4.1 Both DNV GL and the Customer shall employ reasonable measures to mitigate or control relevant risks that Customer requires DNV GL’s personnel to adhere to.

4.2 Customer shall inform DNV GL without undue delay of: (i) any actual or potential HSE risk which Customer is aware of and which is reasonably relevant to the performance of the Work; and (ii) any of Customer’s implemented or planned measures against such risks that Customer requires DNV GL or its personnel is entitled to refuse to carry out any activity, or visit any area or site, if DNV GL or its personnel in their sole discretion consider that relevant risks are unacceptable or not adequately addressed, contained or otherwise mitigated. Any such decision shall suspend both parties’ obligations under the Contract without any liability or penalties until the parties have agreed on how to proceed.

5 Variations to the Work

Customer may in writing request DNV GL to perform a Variation. DNV GL shall not be obliged to execute any Variations until a written agreement with the Customer regarding the remuneration and the potential schedule impact of the Variation has been signed, which shall be an integral part of this Contract.

6 Re-performance

Any documented error or defect in the Work will be rectified by DNV GL within a reasonable period of time at DNV GL’s sole cost, provided said error or defect is not attributable to Customer or Customer Group and DNV GL is duly notified of said errors or defects within twelve (12) months after delivery or completion of the Work, whichever occurs first.

7 Taxes and Remuneration

7.1 Each party is solely responsible for paying any and all taxes, duties or similar government charges to the competent public authority whatever such charges are levied and/or imposed on the activities of the party.

Any and all prices, fees, rates or remuneration are agreed as stated exclusive of any form of sales taxes, value added tax, goods and services tax and/or any other similar taxes including any surcharges levied thereon which may be applicable.

7.2 Customer shall effect payment as agreed in the Contract to DNV GL, for the Work, including any Variations, to the bank account stated on the invoice within thirty (30) days of the date of the invoice.

Work performed by DNV GL shall be invoiced in accordance with the tariffs of DNV GL or on the basis of the price quoted in the offer or in the Contract. In addition thereto, DNV GL GL will charge for all reasonable measures against such risks that Customer requires DNV GL to be granted access to and the right to inspect all relevant sites, equipment, machinery and facilities and any surcharges levied thereon which may be applicable.

Additional expenses which are incurred by DNV GL in connection with the performance of the Work, and for which DNV GL is not responsible, for instance, as a result of poor organisation on the part of the Customer or of repetition of tests and extra time spent, will be charged separately at the respective current cost rates.

7.3 In case of late payments, DNV GL is, in addition to the remedies set forth in Clause 2.6, entitled to charge a late payment interest according to the applicable law of this Contract, or 8% per annum pro rata, whichever is the higher.

7.4 All payments shall, subject to Clause 7.5, be made in cleared funds, without any deduction or set-off and free and clear of and without deduction for or on account of any taxes, levies, imports, duties, charges, fees and withholdings of any nature now or hereafter imposed by any governmental, fiscal or other authority as required by law.

7.5 If and to the extent Customer has to withhold taxes or other government charges according to mandatory laws, Customer shall withhold and deduct such amounts from payments to DNV GL and pay the amount to the competent tax authority or any other relevant governmental body, as the case may be, within the time allowed and in the minimum amount required by law. Customer shall indemnify and hold DNV GL harmless from any and all financial responsibility or sums found to be due arising out of the non-payment, late-payment or payment to the non-competent tax authority or any relevant governmental body.

Customer shall inform DNV GL about such withholding, any change in the rate or the basis of the withholding and the availability of any formal procedure resulting in an authorisation to make a payment without a withholding prior to making the payment. Customer and DNV GL shall cooperate in completing any procedural formalities necessary for the Customer to obtain authorisation to make payment without a withholding.

Within ten days of making either the withholding or any payment required in connection with that withholding, the Customer shall deliver to DNV GL a withholding tax certificate, official receipt or evidence reasonably satisfactory to DNV GL that payment has been made to the competent tax authority or any other competent governmental body. Customer shall cooperate with DNV GL and shall use reasonable efforts, at no cost to DNV GL, in seeking any double tax treaty relief, other exemptions and refunds available following from such withholdings.

7.6 Section 7.1 to 7.5 shall apply accordingly in case an Affiliate of the Customer provides the Work.

7.7 No disputes arising between DNV GL and the Customer shall interfere with prompt payment of invoices by the Customer. Any rights of lien or retention in favour of the Customer, statutory or otherwise, are hereby excluded. The Customer shall have no right to set-off any sums including sums in respect of counter-claims, unless such counter-claim is undisputed or has been finally adjudicated upon by the courts.

8 Confidentiality

8.1 Each party as recipient agrees to keep confidential any information it receives from the other party as disclosing
party in the course of the Contract which, by denotation or reasonable circumstances, is considered confidential to the disclosing party. The recipient shall treat such received information with reasonable care and diligence, not disseminating or disclosing it to third parties without the disclosing party's prior written consent, provided however that each party may share such information with its officers, employees, affiliates, subsidiaries, subcontractors, suppliers or professional advisors who are subject to confidentiality obligations herein.

8.2 The obligations set forth in Clause 8.1 shall not apply to any information which: (i) is or becomes known to the recipient from a third party without any confidentiality obligation to the disclosing party; (ii) is or becomes generally available in the public domain through no act or failure to act on the part of the recipient; (iii) has demonstrably been developed by the recipient independently from this Contract; (iv) is requested to be disclosed by any competent court, governmental agency, flag state administration, other relevant public authority in accordance with applicable law, court order or other public regulation; (v) is disclosed to the registered owner and/or ultimate owning company of a vessel without changing the general nature of confidentiality of such information if such information is vessel-related and/or (vi) is required to be disclosed by the applicable stipulations of the International Association of Classification Societies (IACS).

8.3 Customer acknowledges that DNV GL is bound by an obligation to give the EU Commission and the International Maritime Organization (IMO) unrestricted access to information, in whatever form, for its own competence building, research or business purposes.

8.4 The obligations in this section shall survive the completion or termination of this Contract and shall continue for as long as the relevant information remains confidential.

9 Assignment and Subcontracting

9.1 This Contract, including any Deliverable issued as a result hereof, is specifically related to the Customer and no rights, obligations, interest, claim, benefit or Deliverable deriving herefrom shall extend to any other (third) party without the prior written consent of DNV GL. The Contracts (Rights of Third Parties) Act 1999 shall not apply to this Contract.

9.2 DNV GL may at its discretion subcontract parts of or the whole of the Work to any other party, whether or not a member of the DNV GL Group. The DNV GL Group shall have the right to subcontract parts of or the whole of the Work to any other party, whether or not a member of the DNV GL Group. The DNV GL Group shall have the right to subcontract parts of or the whole of the Work to any other party, whether or not a member of the DNV GL Group.

9.3 DNV GL is only responsible for the Work it has performed directly or through its subcontractors.

10 Intellectual Property Rights

10.1 For the purpose of this Contract, each party shall remain the sole owner of any of its intellectual property and rights thereto. It is understood and agreed that nothing expressed herein is intended or shall be construed to give any person, firm or corporation, other than the signatories hereto any right, remedy or claim hereunder or under any provisions herein contained. The Customer shall indemnify and hold harmless the DNV GL Group from and against all Claims arising while carrying out the Work in respect of: (i) bodily injury, sickness, disease, or death of any of its employees or other representatives, and (ii) loss of or damage to the party’s property. This provision shall apply whether or not the Claim is caused or contributed to by the negligence of the other party. Both parties shall maintain insurances for such liabilities, of the Customer Group (other than the Customer), in connection with the Work or any advice and information, in whatever form it may be given, which has been provided by DNV GL to the Customer.

10.2 Customer shall indemnify and hold harmless the DNV GL Group from and against all Claims arising while carrying out the Work in respect of: (i) any breach, other than the Customer’s breach of Section 3 (General Obligations); and (ii) any breach of the Deliverable issued under this Contract.

10.3 Subject to the confidentiality obligations set out in Clause 8 above, all intellectual property rights in the information and data created in connection with this Contract shall vest in DNV GL. In particular, DNV GL shall hold the copyright to all Deliverables and similar documents issued by the recipient and associated with the work to be performed under this Contract. Nothing herein shall be deemed to limit DNV GL Group rights according to Clause 8.4.

10.4 The Customer warrants that it holds all necessary rights to material and information submitted for the purpose of the Work. The Customer shall indemnify and hold harmless DNV GL from any Claim DNV GL might suffer or receive as a consequence of any infringement of third party rights.

10.5 DNV GL is continuously improving its services to the industry to safeguard life, property and the environment. The Customer acknowledges that DNV GL shall hold a right to use and process any information, data or databases generated or collected throughout the Work in an anonymized form, for its own competence building, research or business purposes.

11 Force Majeure

11.1 Neither party shall be in breach of this Contract, nor liable for any failure or delay in performance hereunder if the cause of such failure or delay is attributable to events beyond the reasonable control of the affected party, including but not limited to armed conflict, terrorist attack, civil war, riots, toxic hazards, epidemics, natural disasters, extreme weather, fire, explosion, failure of utility service, strike, breakdown of infrastructure, transport delays, or any public restrictions following any of the incidents above, or any other force majeure occurrence.

11.2 In the event of a force majeure occurrence, the affected party shall notify the other party of the particulars of the situation and the estimated duration. Either party shall be entitled to terminate the Contract with immediate effect if it would be impossible for the force majeure occurrence to continue for more than thirty (30) days.

12 Indemnifications

12.1 Each party shall indemnify and hold harmless the other party from and against all Claims arising while carrying out the Work in respect of: (i) bodily injury, sickness, disease, or death of any of its employees or other representatives, and (ii) loss of or damage to the party’s property. This provision shall apply whether or not the Claim is caused or contributed to by the negligence of the other party. Both parties shall maintain insurances for such liabilities, if Clause 14, to make this knock-for-knock provision effective.

12.2 The Work including any advice and information provided by DNV GL to the Customer as a part of the Work, shall be for the Customer only. The Customer shall ensure that any other member of the Customer Group and/or any third party is aware that the Work is intended for the Customer only and it is understood and agreed that nothing expressed herein is intended or shall be construed to give any person, firm or corporation, other than the signatories hereto any right, remedy or claim hereunder or under any provisions herein contained. The Customer shall indemnify and hold harmless the DNV GL Group from and against Claims brought by the Customer Group (other than the Customer) in connection with the Work or any advice and information, in whatever form it may be given, which has been provided by DNV GL to the Customer.

12.3 The Customer shall be responsible for and shall save, indemnify, defend and hold harmless the DNV GL Group from and against all Claims in respect of pollution or contamination emanating from the assets, equipment, facilities or property of Customer Group whether owned, hired, leased or otherwise provided by the Customer Group and arising from, relating to or in connection with the performance or non-performance of the Work, irrespective of cause and whether or not resulting from or contributed to by any negligence, breach of duty (statutory or otherwise), breach of contract, breach of warranty and/or strict liability of any member of the DNV GL Group.

12.4 Customer shall indemnify and hold harmless DNV GL Group from and against all Claims in respect of: (i) Customer’s breach of Section 3 (General Obligations); (ii) any abuse of the Deliverable issued under this Contract.

12.5 The Customer’s obligations to indemnify DNV GL Group set out above in Clause 12.2, 12.3 and 12.4, shall apply in respect of any Claims regardless whether such Claims against DNV GL Group are based on breach of contract, direct action, breach of duty (statutory or otherwise), tort (including negligence), "information liability," statutory liability and/or strict liability, except if and to the extent such Claims are caused by DNV GL’s (i) act or omission with the intent to cause damage or injury; (ii) act or omission in gross disregard of a
13 Limitation of Liability
13.1 Except for the re-performance of the Work as provided in Clause 6 and DNV GL’s indemnification obligations set out in Clause 12.1 above, DNV GL shall not be liable for any Claim incurred by Customer and/or Customer Group arising from, relating to or in connection with the performance or non-performance of the Work by DNV GL, whether or not resulting from or contributed to by any negligence (in whatever form on whatever organisation level), breach of duty (statutory or otherwise), breach of contract, breach of warranty and/or strict liability of any member of the DNV GL Group, except to the extent set out below.

DNV GL’s liability for all Claims arising out of or in connection with this Contract shall be limited to an aggregate total of 10 (ten) times the net fee and disbursements (payable to DNV GL for the Work, never exceeding a maximum aggregate sum of USD 4 (four) million.

In case the Customer pays the fees periodically, e.g. under a Periodical Service Agreement or similar fee arrangement, DNV GL’s liability for all Claims arising out of or in connection with this Contract shall be limited to an aggregate total of 10 (ten) times the annual net fee, never exceeding a maximum aggregate sum of USD 4 (four) million.

13.2 Any limitations and exclusions of DNV GL’s liability shall extend to:
(i) the other members of the DNV GL Group; and
(ii) the relevant maritime administration of a vessel’s country of registry (the “Flag Administration”) for any services provided hereunder on behalf of such Flag Administration, and the Customer accepts that the other members of the DNV GL Group and the Flag Administration shall be entitled to invoke such limitations and exclusions of liability directly towards any Claim from the Customer Group.

13.3 Notwithstanding any provision to the contrary elsewhere in these General Terms and Conditions and irrespective of cause and whether or not resulting from or contributed to by any negligence (whatsoever degree and whatsoever organisational level), breach of duty (statutory or otherwise), breach of contract, breach of warranty and/or strict liability, the Customer shall be responsible for and shall save, indemnify, defend and hold harmless the DNV GL Group from the Customer Group’s own Consequential Loss and DNV GL shall be responsible for and shall save, indemnify, defend and hold harmless the Customer Group from any Claim incurred by Customer and/or Customer Group arising from, relating to or in connection with the performance or non-performance of the Work provided hereunder, or if a breach of Clause 15.1.

15.1 The parties shall conduct their respective business activities in a fair, ethical, and lawful manner in accordance with all applicable laws and generally accepted codes of conduct (including but not limited to the DNV GL code of conduct), avoiding any unacceptable activities, including but not limited to acceptance of or acquiescence in extortion, bribery, use of child labour, breach of human rights, or the imposition of unreasonable work conditions.

15.2 Customer shall indemnify and hold harmless DNV GL from any breach of Clause 15.1.

16 Term and Termination
16.1 This Contract shall remain in full force and effect until all Deliverables are delivered, or the Work is otherwise completed and paid for in full unless terminated earlier by mutual agreement or in accordance with Clause 15.3 or Clause 16.2 below.

16.2 Each party may terminate this Contract by written notice to the other party under the following circumstances:
(i) if the other party commits a material breach of this Contract and fails to rectify such breach within 10 (ten) working days after receipt of the other party’s written notice.
(ii) if the other party becomes insolvent, is unable to pay its debts as they fall due, or is subject to bankruptcy proceedings, administration, receivership, dissolution, liquidation, winding-up or otherwise discontinues its business; or
(iii) for convenience after serving the other party a written notice 30 (thirty) days prior to termination.

16.3 In the event the Contract is terminated by the Customer in accordance with 16.2 (iii) prior to completion of the Work, irrespective of cause, DNV GL shall be entitled to: (i) the agreed remuneration for the Work rendered up to the date of termination; (ii) all costs incurred by DNV GL up to and including the termination date; and (iii) 10% of the remuneration agreed in respect of Work which has not been provided. In the event of termination, DNV GL shall be entitled to retain any payment, deposit or advance of any fees made by the Customer prior to the date of termination up to the amount to which DNV GL is entitled.

16.4 In the event of termination of the Contract, the rights and obligations of DNV GL and the Customer included in Clauses 1, 2, 3, 6, 7, 8, 10, 11, 12, 13, 17 and 18 shall remain in full force and effect.

17 Law and Jurisdiction
17.1 This Contract shall be governed by and construed exclusively in accordance with the applicable laws and regulations of the People’s Republic of China, which, solely for the purpose of this Contract, excludes Hong Kong Special Administrative Region and Macau Special Administrative Region.

17.2 The parties shall use their reasonable efforts to resolve any claim or dispute arising in relation to this Contract by negotiations within a reasonable time. Should the parties fail to resolve any claim or dispute by negotiations, the dispute shall be finally and exclusively brought for arbitration before China International Economic and Trade Arbitration Commission (CIETAC) in accordance with the generally accepted arbitration rules of CIETAC in effect at the time of applying for arbitration. The place of arbitration shall be Shanghai and the language of arbitration shall be English. The arbitration tribunal shall consist of three arbitrators to be selected according to the prevailing arbitration rules of CIETAC.

17.3 The arbitral award shall be final and binding on the Parties. The losing Party/Parties shall bear the expenses of the arbitration, if not otherwise decided by the arbitration tribunal.

18 Severability
Should any provision of these General Terms and Conditions be held to be invalid or unenforceable, such shall not affect
the validity or enforceability of any other part or provision of these General Terms and Conditions. Such provision shall be amended to the extent necessary to make the provision valid and enforceable, while keeping as strictly and closely as possible to the original wording and purpose of the provision.