

GENERAL TERMS AND CONDITIONS

GENERAL: These General Terms and Conditions represent the final and complete agreement of the parties, and no modification shall be binding upon Teakdecking Systems, Inc. ("TDS") unless made in writing and signed and approved by an officer of TDS. The term "Buyer" shall mean the individual, corporation, or other legal entity submitting an order to TDS as identified on the Order Confirmation. The term "Terms" shall mean these Terms and Conditions as written herein. The term "Purchase Order" or "Order" means Buyer's expressed desire, whether written or oral, to purchase goods from TDS. The term "Order Confirmation" shall mean the document issued by TDS acknowledging any order made by Buyer, and fully executed by both parties, serving as the contractual agreement of work. The term "Product" is understood to mean all goods, as well as services, such as maintenance, installation, advice, inspection and all other related services that the Buyer desires to purchase from TDS. Deviations from these Terms or from the Order Confirmation will only be valid if TDS has confirmed these deviations in writing and will only apply one time to that specific matter.

ACCEPTANCE: These Terms and the Order Confirmation are the only terms which govern the sale of the Product by TDS to Buyer and such terms comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, representations and warranties, and communications, both written and oral. These Terms prevail over any Buyer's General Terms and Conditions or any such documentation alike. The applicability of the Buyer's General Terms and Conditions is expressly rejected. Fulfillment of the Buyer's order does not constitute acceptance of any of Buyer's terms and conditions and does not serve to modify or amend these Terms. Receipt of goods or services by the Buyer shall be deemed conclusive proof of irrevocable acceptance of these terms and conditions; similarly, these Terms shall be deemed accepted irrevocably upon commencement of work by TDS whether at TDS' facility(s) or at any other locations.

OFFERS AND CONCLUSION OF AGREEMENT: All offers by TDS are without obligation. Any Quotation or documentation alike is of a purely informative nature and no obligation can be derived from it. If Buyer places an Order, the agreement will only be concluded if TDS accepts and in turn provides Buyer with an Order Confirmation. The Buyer will be bound to TDS' Order Confirmation if the Order Confirmation is not contested in writing within (8) eight working days of the receipt of the Order Confirmation. In the event an Order has been placed on the basis of a drawing, sample, model or otherwise, and TDS has provided an Order Confirmation, TDS will be entitled, without being obliged to pay compensation, to cancel the agreement if it appears that the execution of the order cannot be achieved in accordance with the originally intended method, or that the product cannot be manufactured in accordance with the originally intended method of production, unless Buyer is prepared and in agreeance to bear the necessary additional costs.

INDEMNITY & LIABILITY: The Buyer agrees and will release, hold harmless, indemnify and defend TDS from any liability, claims, losses, suits and costs resulting from the design of Products supplied under the Order Confirmation. TDS' contracts for furnishing repairs, parts and services are solely on the basis of the insured limited liabilities and specific warranties set forth below. TDS does not agree to the accident, indemnity, and insurance provisions, if any, contained in the Buyer's or customer's invitation or specifications, and in such cases, TDS accepts only such liability as is imposed upon TDS by law and as limited by this contract. TDS shall not be liable for any injury or death resulting from its provision of repairs, parts or services, and the Buyer agrees to indemnify, defend and hold TDS harmless for any such claims brought against TDS by or on behalf of any person other than a TDS employee. When TDS provides parts, repairs or services to any vessel, TDS shall not be liable, directly or indirectly, in contract, tort or otherwise, to the vessel's owners, charterers, underwriters, lienholders or other party in interest for any damages to such vessel or to its appurtenances, cargo, equipment or moveable stores, or for any consequence thereof, unless such damage is caused solely by TDS' gross negligence or intentional tort. In the event of TDS' gross negligence or intentional tort, TDS' aggregate liability under this contract shall not exceed the amount paid to TDS under this contract. In no event shall TDS be liable for any consequential or special damages including but without limitation: delay, loss or revenue, detention, wharfage, demurrage, tug expense, pilotage, crew wages, salvage or loss of use. For all sales or services provided, whether vessel related or non- vessel related, TDS shall not be liable for incidental, special or consequential damages or losses arising directly or indirectly from the purchase and sale of goods or provision of services, or for any other cause, and TDS' sole liability shall be as set forth under "warranty" below.

FORCE MAJEURE: TDS shall not be liable in any event for any loss, damages and/or delays in filling this Order or failure in the performance of any of its obligations caused by strikes, labor disputes/difficulties, shortages of labor or materials, accidents, delays in delivery of materials, acts or omissions of Buyer, any acts of God (including, but not limited to, tropical storms, hurricanes, tornadoes, lightning or rain), war, restraint of princes, including, but not limited to, restraint by local, state or federal authorities, or any cause, whether similar or dissimilar to those enumerated in this section, including without limitation cease of production/operation by a company due to economic or other hardships or any other kind of cause beyond TDS' control.

LIMITED WARRANTY: TDS warrants that the products supplied by TDS conform to technical specifications and that the teak battens or composite deck panels will be affixed in their positions to the backing indefinitely, subject to normal wear and tear and proper care. **For teak decking,** TDS assumes liability to repair or replace such merchandise that is proven substandard. In the case of teak, the primary ingredient in our decks and floors, wood, is a natural, organic material, which behaves according to its own rules. Although we carefully select the highest quality, good grain kiln dried wood available; and then cull the best of that for our deck and floors, occasionally a plank will crack. Even though we cannot control the internal structure of the wood, TDS will provide the materials to repair or replace the plank for up to one year. If a deck cannot be serviced at one of our three TDS locations, we will charge for TSL&L (transport, subsistence, lodging and logistics) required to make the repair. **For composite decking,** TDS warrants that products supplied by TDS conform to our technical specifications. TDS assumes liability to repair and replace Composite decking that is proven substandard. TDS will provide the materials to repair or replace the composite deck for up to two years at no charge. If deck cannot be serviced at one of our three TDS locations, we will charge for TSL&L (transport, subsistence, lodging and logistics) required to make the repair. **For cork decking,** the cork supplier will provide a one-year warranty for the material, and TDS will provide a one-year warranty for installation. If a deck cannot be serviced at one of our three TDS locations, we will charge for TSL&L (transport, subsistence, lodging and logistics) required to make the repair. TDS does not assume any responsibility to replace a teak, composite or cork deck that has been worn out due to improper maintenance. Please read thoroughly our website for information about proper care and maintenance of your new deck. If installation of a deck has been performed or supervised by TDS, then TDS warrants the installation for a period of one year. Should a warranty problem arise, and it is not possible to perform the work in the Tampa Bay or Ft. Lauderdale area of Florida, or Valencia, Spain, the customer will be responsible for TSL&L (transport, subsistence, lodging and logistics) for the TDS technician to travel to the vessel. TDS shall not be responsible for any consequential economic damages, damages to property, damages for loss of use, or any other incidental damages. TDS reserves the right to charge for any TDS technician labor time associated with warranty repairs. This warranty is transferable and shall be enforced according to the laws of the State of Florida.

FORUM AND CHOICE OF LAW: This contract shall be deemed to have been executed and fully performed within in the State of Florida, and shall be interpreted and construed in accordance with and subject to the federal maritime law of the United States or, should no such law exist on any particular issue, the laws of the State of Florida, to the exclusion of the laws of any other state or country. The prevailing party in any legal action shall be awarded reasonable attorney's fees and cost. Moreover: (1) for U.S. buyers or customers: any dispute arising under, in connection with or incident to this contract shall be litigated before a court of competent jurisdiction located in the State of Florida, Counties of Manatee or Hillsborough, to the exclusion of the courts of any other state or country, and buyer or customer hereby irrevocably consent to the jurisdiction of such court; (2) for non-U.S. buyers or customers: any dispute arising under, in connection with or incident to this contract shall be referred to three persons at New York, New York, one to be appointed by each of the parties hereto, and the third by the two so chosen; their decision or that of any two of them shall be final and, for the purpose of enforcing any award, this contract may be made a rule of the court. Should the two arbitrators be unable to agree on the appointment of a third within (14) days after appointment of the second arbitrator, the President of the Society of Maritime Arbitrators, Inc. shall make the appointment upon the request of either party without further notice. The proceedings shall be conducted in accordance with the Rules of the Society of Maritime Arbitrators, Inc. The arbitrators shall be commercial persons and shall not be practicing lawyers.

PRICE(S) AND PAYMENT: Unless specified otherwise in writing, all prices reflected on a partially executed TDS Quotation form are valid for (30) thirty days from the date the Quotation is sent. Quoted prices are subject to change and may not include the costs associated travel, installation, crating, shipping, storage, etc. TDS will make every effort to notify Buyer at the earliest opportunity of any additional fees that may arise associated with the agreement(s) that are not set forth, in full, at the time of the Quotation and/or Order Confirmation. TDS will inform Buyer in writing of any general or annual price increases. Payment in all cases is net upon receipt of invoice, or as agreed upon separately in writing. An interest rate of 1.5%, per month, will be added to the invoice amount if full payment is not received by TDS within (30) thirty days of presentation of the invoice. If not paid within (30) thirty days or the otherwise written agreed upon terms, TDS may place an account into the hands of attorneys for collection. Buyer agrees to pay the reasonable fees and costs of the attorneys, without regard to whether suit is filed, or arbitration commenced. All payments must be made in Florida. For payment for work done on or materials furnished to any vessel, whether authorized orally, or by letter or written contract, and whether TDS is the general contractor or a subcontractor, TDS looks to both vessel and owner.

SHIPPING AND TDS ON-SITE STORAGE: TDS operates solely on an Ex-Works basis with FOB TDS's place(s) of business. TDS shall take reasonable precautions in the application of standard commercial practice to prevent damage or loss prior to shipment. Freight charges may be pre-paid and charged at the time of invoice, shipped on Buyer's freight accounts as requested on Purchase Order so long as account information is provided in full, or estimated with payment requested in advance. Buyer shall not be allowed to delay scheduled delivery of Product within a (30) thirty-day window from the established date agreed in the Order Confirmation or (30) thirty days or other date as agreed upon in writing. In the event the Buyer requests delaying shipment of a completed Order, and is agreed upon by TDS in writing, Product may be stored on-site at TDS' facility with the following provisions:

- i. Order and any associated fees must be paid in full prior to any agreement of storage.
- ii. The Buyer is fully aware and will retain all financial responsibility for the Product and any damages that may occur during the period of storage. TDS shall not be held liable for any loss or damages incurred during the storage period or shipment pertaining to such. Buyer may seek out their own independent insurance for coverage during the storage period.
- iii. Storage after (30) thirty days of completion will begin incurring monthly fees based on the square footage of the parts, and at TDS' discretion, but no less than \$5/per sqft. After (90) ninety days of storage post-completion, monthly fees based on part square footage, no less than \$5/per sqft. plus 1.5%, unless otherwise agreed upon in writing.

VESSEL WARRANTIES: The vessel, its owners, charterers, underwriters, lienholders, and all parties in interest, shall indemnify and hold TDS harmless from all liability arising under any state or federal air or water quality statute or regulation unless the liability shall arise solely from the gross negligence or intentional tort of TDS's own employees. Owners, or other parties in interest, warrant that a valid and current U.S. Coast Guard Certificate of Financial Responsibility (Water Pollution) (Form CG-5358-10) shall be kept in force at all times while TDS is furnishing repairs, parts or services. The vessel, its owners, charterers, underwriters, lienholders, and all parties in interest warrant that the vessel is in all respects staunch, seaworthy and structurally suitable for the product or services the buyer or customer is purchasing from TDS, and further warrant that they are not relying on TDS for any services other than the delivery of parts or the installation of a teak deck system on the existing surface.

BUYER AND CUSTOMER'S RIGHT TO PURCHASE FURTHER WARRANTIES: Different or more extensive liabilities will be accepted if an agreement in writing stating the nature and extent thereof is entered into before work is commenced by TDS, and if the price is adjusted to include the cost of appropriate additional insurance. The terms contained in this contract or as set forth by an addendum thereto shall in no way be interpreted to hold TDS as an insurer.

MISCELLANEOUS: Nothing herein shall be deemed to constitute a waiver of TDS's maritime lien. Invalidity of any one or more provisions of this contract shall not affect nor impair the remaining provisions. This contract may not be changed orally.

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