

TERMS AND CONDITIONS

1. DEFINITIONS

In these conditions:

"SELLER" means Oceanic Systems (UK) Ltd whose registered office is at Units 10-11 Milton Business Centre, Wick Drive, New Milton, Hampshire, BH25 6RH, UK.

"CUSTOMER" means the person or corporate body who accepts a quotation from the Seller for the sale of goods services and offers or whose order is accepted by the Seller.

2. BASIS OF THE SALE

2.1 The Seller shall sell and the Customer shall purchase all equipment, services and offers based on these terms and conditions. These Terms are an integral component of all agreements the Seller enters into with the Customer concerning the deliveries or services offered by them. They are also effective for all future deliveries, services, or offers to the Customer, even if they are not again agreed separately.

2.2 The General Terms and Conditions of the Customer or a third party do not apply. Even if the Seller refers to a written document containing the Customer's General Terms and Conditions, or those of a third party, or referring to them, this does not imply the Seller's agreement to those General Terms and Conditions.

3. OFFER AND CONCLUSION OF PURCHASING CONTRACT

3.1 All offers by the Seller are subject to change and non-binding, unless they are expressly marked as binding, or they include a certain acceptance period.

3.2 The sole authoritative document for the legal relationships between the Seller and the Customer is the Sales Order acceptance which refers to and is conditional on these Terms and Conditions. It reflects all agreements between the contractual parties concerning the sale in their entirety and supersedes any Customer purchase conditions.

3.3 No order which has been accepted by the Seller may be cancelled by the Customer except with the agreement in writing of the Seller and on terms that the Customer shall indemnify the Seller in full against all loss (including loss of profit), costs (including the cost of all labour and materials used), damages, charges and expenses incurred by the Seller as a result of the cancellation.

3.4 The Seller's information about the object of the delivery or service (e.g. weights, dimensions, utility values, load bearing capacity, tolerances, and technical data) as well as any depictions thereof (e.g. drawings and illustrations) are only approximations, unless the use for the contractually intended purpose requires exact conformity. Such information given by the Seller does not constitute guaranteed characteristics, but describes or designates the delivery or service. Customary variances, or variances based on legal regulations or technical improvements, as well as substitutions of components with parts of equal value are permissible as long as they do not impair their use for the contractually intended purpose.

3.5 The Seller retains ownership or copyright for all proposals and cost estimates made as well as any drawings, illustrations, calculations, brochures, catalogs, models, tools, and other documents and resources provided to the Customer. Without written permission by the Seller, the Customer is not permitted to make these items accessible to third parties, neither physically or their contents, nor is he allowed to publish, copy, or use them, on his own or via third parties. At the Seller's request, the Customer must return these items to him in full and destroy any copies he may have made, if he no longer needs them in the ordinary course of business, or if negotiations do not result in the conclusion of a purchasing agreement.

4. PRICES, PAYMENT AND DEFAULT

4.1 The prices apply to the scope of service and delivery stated in the order confirmations. The prices are quoted in GB Pounds unless otherwise indicated on the quotation and invoice, ex works, and plus packaging, statutory Value Added Tax, and in case of exports, tariffs as well as fees and any other public dues.

4.2 As far as the agreed prices are based on the Seller's list prices, and the delivery is to occur more than six months after the contract has been concluded, the Seller's list prices current at the time of delivery are applicable.

4.3 Invoice amounts must be paid without any deduction within thirty days, unless other terms have been agreed in writing. After expiration of the above payment period, the Customer is in default. While in arrears, any outstanding amounts are subject to default interest at a rate of seven percentage points above the three-month LIBOR rate. We reserve the right to assert our claims for any additional damages caused by default. The relevant date of payment is the date payment is received by the Seller. Checks are considered payment only after they have cleared.

4.4 The setoff with counter claims by the Customer or withholding of payments because of such claims is only permissible, if these counter claims are not disputed or have been determined by a final and legally binding decision.

4.5 The Seller is entitled to execute any outstanding deliveries or services only against payment in advance or after securities have been executed or provided, if he learns after conclusion of the contract of circumstances that would favor conditions which may significantly impair the Customer's credit worthiness and which would jeopardise the Seller's outstanding demands for payment from the Customer in the respective contractual relationship (including other individual orders subject to the same master agreement).

5. SHIPMENTS, DELIVERY TIME AND FORCE MAJEURE

5.1 All deliveries are ex works unless stated differently.

5.2 Deadlines and delivery dates for shipments and services stated by the Seller must always be understood as approximate, unless a fixed deadline or date has been agreed in writing. Insofar as shipment was agreed, the shipping periods and delivery deadlines refer to the date the goods were advised to be ready for customer collection or handed over to the freight forwarder, carrier, shipper or any other third party hired to ship them.

5.3 Without prejudice to its rights resulting from the default by the Customer, the Seller may demand an extension or postponement of the period for the delivery of goods and services for the time during which the Customer does not meet his contractual obligations towards the Seller. This applies, without limitation, if the Customer does not deliver plans to be provided by him or other documents, permits, or approvals.

5.4 The Seller is not liable if the delivery is not possible or for delays in delivery, if they are caused by force majeure or other events that were not foreseeable at the time of conclusion of contract (e.g. operational interruptions of any kind, difficulties during the procurement of materials or energy, transport delays, strikes, legal lockouts, lack of workforce, energy or raw materials, difficulties in the procurement of the necessary official permissions, official and legal measures, or non-delivery or incorrect or late delivery by suppliers) that are not within the Seller's responsibility. If such events make the delivery or services impossible for the Seller or significantly impede the performance of services or the delivery, and this impediment is not of a temporary nature, the Seller is entitled to withdraw from the agreement. In case of temporary impediments, the periods for deliveries and services are extended, or the delivery and service deadlines are postponed for a period equal to time of the impediment plus a reasonable start-up period.

5.5 If the Seller is in default with a delivery or service or if it becomes impossible for them to execute a delivery or service, whatever the reason may be, the Seller's liability for damages is limited as stated in these Terms and Conditions.

6. PLACE OF FULFILLMENT, SHIPPING, PACKAGING, TRANSFER OF RISK, INSTALLATION AND ACCEPTANCE

6.1 The place of fulfillment for all obligations arising from this contractual relationship is New Milton, United Kingdom, unless stated otherwise.

6.2 The method of shipping and packaging are subject to the duly exercised discretion of the Seller.

6.3 The risk passes to the Customer when the Seller has advised the Customer they are ready for collection or no later than the transfer of the shipped goods (here the beginning of the loading procedure is the determining factor) to the freight forwarder, shipper, carrier, or other third party hired to ship the goods.

6.4 After the transfer of risk, the Customer is responsible for any storage costs. For storage by the Seller, the storage costs are 0.25% of the amount invoiced for the stored shipping goods per completed week. The right to claim and furnish proof of additional or lower storage costs remains reserved.

6.5 The Seller insures the shipment for theft, breakage, transport, fire, and water damages or other insurable risks only at the Customer's express instructions and at the Customer's expense.

6.6 If any commissioning is delayed due to circumstances for which the Seller is not responsible, the Customer will bear the costs of the waiting times and any additional travel expenses of the Seller or their personnel within a reasonable scope.

7. LIMITED WARRANTY

7.1 Seller warrants its products to be free from defects in materials or workmanship for 12 months from the date of commissioning, but no more than 18 months after delivery.

7.2 Customer's exclusive remedy and Seller's sole obligation hereunder, providing product is returned pursuant to the RMA procedure, shall be limited to the repair or replacement at Seller's option, of any product not meeting the above limited warranty. If Seller is unable to deliver a replacement that is free from defects in materials or workmanship, Customer's payment for such product will be refunded.

7.3 Seller assumes no liability whatsoever for expenses of removing any defective product or part or for installing the repaired product or part or a replacement therefore or for any loss or damage to equipment in connection with which Seller's products or parts shall be used.

7.4 At the Seller's request, a delivered item which the Customers claim to have a defect must be sent back to the Seller freight paid. The Seller will provide the Customer with a return authorisation number (RMA No.) for this purpose. The return shipment shall include the RMA No. as well as a completed return form. Within a reasonable period after receiving the delivery item with the alleged defect, the Seller will examine whether or not the defect complaint is justified or not. If the defect complaint regarding the delivered items is justified, the Seller will offer rectification or replacement as he determines in his sole discretion within a reasonable period of time. If the defect complaint is justified, the Seller will bear the costs of shipping the replacement unit.

7.5 Defects or apparent deficiencies caused by improper storage, installation, mounting, commissioning, use, maintenance, repairs, modifications, or any other handling of the delivered items do not constitute defects and do not constitute grounds for warranty claims

7.6 In the event that the Customer wishes to return non warranty items the Seller may, at their sole discretion, accept items for restocking providing they are currently stocked in the normal course of business, are at current hardware and software revision levels, are in saleable condition in original packaging and are not tailored or modified in any way. In this event a restocking fee of 15% will be applicable.

8. LIABILITY FOR DAMAGES

8.1 In no case will the Seller be liable for incidental or consequential damages, damages for loss of use, loss of anticipated profits or savings, or any other loss incurred because of interruption of service.

8.2 In no event will Seller's aggregate liability exceed the purchase price of the products or services involved. Seller will not be subject to any other obligations or liabilities, whether arising out of breach of contract or warranty, tort (including negligence), or other theories of law with respect to products sold or services rendered by Seller, or any undertakings, acts or omissions relating thereto.

8.3 The above stated exclusions and limitations of liability also apply to the same extent for the benefit of the Supplier's directors, legal representatives and employees.

8.4 The limitations to the Seller's liability pursuant to this section do not apply in case of loss of life or limb, injury to body and health, or in case of liability stipulated by product liability law.

8.5 Seller does not warrant that the functions contained in any software programs or products will meet Customer's requirements or that the operation of the software programs or products will be uninterrupted or error free. Customer assumes responsibility for the selection of the software programs or products to achieve the intended results, and for the installation, use and

results obtained from said programs or products. No specifications, samples, descriptions, or illustrations provided by Seller to Customer, whether directly, in trade literature, brochures or other documentation shall be construed as warranties of any kind, and any failure to conform with such specifications, samples, descriptions, or illustrations shall not constitute any breach of Seller's limited warranty.

9. RETENTION OF TITLE

9.1 The Seller retains title to the goods delivered by the Seller to the Customer until all secured claims have been satisfied in full. Such goods, as well as all goods that may be included into the retention of title pursuant to the following provisions in lieu of them, are known hereafter as "Reserved Goods." The Customer will store the Reserved Goods for the Seller free of charge. They are required to handle the Reserved Goods with care and adequately insure them at their expense. The Customer is not permitted to pledge or assign Reserved Goods as security.

9.2 Should third parties claim possession of the reserved goods, especially in the event of seizure, the Customer must immediately indicate the Seller's ownership and inform the Seller, so that he can assert his rights of ownership. The Customer is liable to the Seller for any ensuing legal and out of court costs that occur in this event.

10. FINAL TERMS

10.1 Any notice required or permitted to be given by either party to the other under these Conditions shall be in Writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.

10.2 No waiver by the Seller of any breach of the contract by the buyer shall be considered as a waiver of any subsequent breach of the same or any other provision.

10.3 If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions of these Conditions and the remainder of the provision in question shall not be affected thereby.

10.4 The relationships between the Seller and Customer are exclusively subject to the laws of England and Wales.