

Baltic Spares Service Sp. z o.o.  
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Baltic Spares Service Sp. z o.o. – Terms & Conditions  
(General Terms of Contract Implementation)  
Applicable from 01.07.2025

## **I. General Provisions**

1. The hereby presented Baltic Spares Service Sp. z o.o. – Terms & Conditions (General Terms of Contract Implementation - GTC) shall be applied if the contracting parties did not stipulated expressly otherwise in the relation to the specific contract.
2. In case of disputes between the content of the GTC and the Contract the regulations of the Contract shall be applied.
3. No Client's general terms and conditions of services or any other general terms and conditions shall apply and become the part of the contract irrespective of whether Client refers to them (even if such gt&c are expressly referred in any document, communication) and irrespective of the time when Client's terms where presented to Baltic Spares Service.
4. Unless agreed otherwise, the superintendent, fleet/veseel manager, chief engineer shall be deemed to be the Client representative. The Client representative shall be deemed to be authorized to act on behalf of the Client in respect of any matters relating to the Contract, including but not limited to approving scope of work, cost estimates, all documents including timesheet, invoice, agreeing upon and signing Contract and amendments thereto.

## **II. Awarding the Contract, subject of the Contract, necessary extension of the scope of the Contract, changing the subject of the Contract**

1. The scope of services rendered by Baltic Spares Service is defined by the Contract, in particular the Contract (including the Client's order accepted by Baltic Spares Service specifying in detail the scope of work) along with Annexes to the Contract and GTC. The Client's order is deemed accepted if Baltic Spares Service confirms acceptance of the order in electronic or written form.
2. Baltic Spares Service commences the execution of the Contract at the time and place specified in the Contract.
3. Baltic Spares Service shall perform the works being the subject of the Contract within the timeframe specified in the Contract, provided that the Client performs all the necessary actions to ensure that the work is performed within the timeframe specified in the Contract. In particular, the Client shall be responsible for supplying Baltic Spares Service with the relevant equipment, making the subject of the Contract available, obtaining the required permits and licences, providing technical documentation, information, as well as all materials, spare parts, tools paints or other equipment in appropriate quantity and quality necessary to perform the commissioned type of work on time and at its own expense. The Client guarantees that the documentation is correct.

4. The costs of transport to/from the place where the work specified in Contract is to be carried out, local transport costs, utilities - including electricity, gas, ventilation, internal communication; accommodation, meals or the costs of accommodation and meals for the persons performing the Contract who are necessary for the performance of the work under the Contract shall be borne by the Client. The costs of accommodation and meals shall also be borne by the Client in the event of inability to carry out the work which is the subject of the Contract for reasons beyond the control of Baltic Spares Service (including inability to perform the work which is the subject of the Contract confirmed by a medical certificate).
5. A delay on the part of the Customer in the performance of obligations that enable Baltic Spares Service to commence and complete the agreed work shall not relieve the Customer from paying to Baltic Spares Service the remuneration for readiness to perform the Contract in the amount specified in the Contract for the entire period of delay. In addition to the aforementioned right to remuneration, in the event of a delay on the part of the Customer in excess of 7 days, Baltic Spares Service reserves the right to withdraw from the Contract and to exercise any other rights specified in the Contract or by law.
6. Baltic Spares Service is entitled to extend the term of performance at least:
  - a) by the period of the Client's delay in performing the obligation(s);
  - b) by the period during which Baltic Spares Service is entitled to suspend performance of the work;
  - c) by the duration of the circumstances indicated in the Contract or provisions of law.
7. In the event that, for the proper execution of the Contract, it becomes necessary to carry out additional work not provided for in the Contract (necessary extension of the scope of the Contract), Baltic Spares Service shall provide the Client with a list of the necessary additional work. By accepting the additional work, the Client agrees to appropriate remuneration. In the event that the Client does not accept the additional work or does not agree to appropriate remuneration immediately, Baltic Spares Service shall be entitled to renounce (withdraw) from the Contract with retention of the right to remuneration specified in the Contract.
8. In the event that the provision of services requires supervision, including quality audits during and after the completion of all or part of the work which is the subject of the Contract, the costs of supervision, audits conducted by classification societies or other authorised bodies and institutions, as well as the preparation of the relevant technical documentation shall be borne by the Client.
9. Baltic Spares Service reserves the right to entrust the execution of the work which is the subject of the Contract to a third party.
10. The Client may at any time request a change to the subject of the Contract. In such a case, in addition to the agreed remuneration, the Client is obliged to pay a remuneration increased in accordance with the extended scope of work and to cover any additional costs associated with the change in the subject of the Contract. In the case of a change to the subject of the Contract resulting in a decrease in the value of the works or no increase in the value of the works, the Client shall be obliged to pay the agreed remuneration and cover any additional costs associated with the change to the subject of the Contract.
11. The date of completion/partial completion of the Contract and acceptance of the subject matter of the Contract by the Client shall be deemed to be the date of signing the final time sheet or the partial (weekly) time sheet used by Baltic Spares Service during the execution of the Contract.
12. Completion/partial completion of the Contract and acceptance of the subject matter of the Contract by the Client:
  - a) if the Client does not cooperate in the acceptance of the works;
  - b) unlawfully or without due justification refuses to accept the work;- shall be the date on which BSS signs the final or partial time records used by Baltic Spares Service.

### **III Remuneration**

1. The amount of remuneration and the rules for its payment shall be governed by the Contract in all aspects not regulated in the GTC.
2. The hourly rates specified in the Contract shall also apply when travelling to/from the place of work. Travel pay is calculated as 50% of the hourly rate multiplied by the number of hours of travel, but not more than 12 hours per day (in 24-hour increments).
3. If the duration of the service exceeds (or approaches) 20 days, the Baltic Spares Service team on board is entitled to 1 day off at the client's expense.
4. Meal and coffee breaks are included in working time and are not deductible from pay. For each day of travel commenced, Baltic Spares Service persons are entitled to an allowance of EUR 40 per day (travel outside Poland's border), and 45 PLN (polish zloty) - in case of rendering service in Poland.
5. Baltic Spares Service shall be entitled to the remuneration specified in the Contract for the readiness to perform the work subject to the Contract by the person(s) that Baltic Spares Service uses in the performance of the Contract in the event that Baltic Spares Service's inability to provide the services was caused by circumstances beyond Baltic Spares control or by the Client or persons for whom the Client is responsible, who are his subordinates or who are related to him.
6. The invoice for the execution of the work that is the subject of the Contract shall be issued on the basis of the timesheet (time records) used by Baltic Spares Service for the execution of the Contract and signed by the Client (Chief Engineer).
7. The amount due shall be payable within the period specified in the Contract.
8. All bank transfer costs shall be paid by the Client.
9. If the contract period exceeds 30 days, advance invoices may be issued on terms agreed upon by both parties.
10. Notwithstanding any other rights or entitlements of Baltic Spares Service under the provisions of the Contract or the law, if payment is not made on time, Baltic Spares Service will charge interest at the rate of 5% per month.
11. The Client may not set off any of its receivables against Baltic Spares Service's remuneration with the exception of the Client receivables adjudged by a valid court judgement.
12. Unless otherwise agreed, the Remuneration shall be payable by the Client, without any deductions for taxes, bank charges etc.

### **IV Safety, environment**

1. The Client shall ensure that the Contract is carried out in accordance with applicable environmental legislation. The Client shall specify the method of collection of waste generated during the work performed under the Contract, the way in which they are disposed of.
2. The client guarantees safe working conditions and undertakes to comply with health and safety regulations at all times. Baltic Spares Service shall be entitled to stop the execution of the work if it has reasonable doubts about safe working conditions or compliance with these regulations.
3. The Client shall insure the subject matter of the contract against risks associated with the performance of the contracted work. The Client is obliged to hold adequate insurance for Vessel under the relevant policies covering H&M and the relevant policies covering P&I risks and other customarily insured risks.

### **V Warranty**

1. Baltic Spares Service is responsible for the quality of the work carried out. Defects confirmed in writing by both parties shall be repaired by Baltic Spares Service at its expense within the time agreed with the Client. If it is not possible to agree on a date, Baltic Spares Service will carry out the repair within an appropriate time period set by Baltic Spares Service.

2. The warranty period shall be specified in the Contract and shall commence on the date indicated in point II, item 11 or 12.
  3. The warranty applies to defects resulting directly from faulty workmanship. Accordingly, Baltic Spares Service is obliged to repair or replace only the defective part that has been damaged as a direct result of the defect.
  4. The complaint shall be submitted in writing immediately and no later than 3 calendar days from the date on which the defect occurred or from the date on which the defect should have been noticed.
  5. The Client is obliged to provide Baltic Spares Service with all documents, data necessary for the assessment of the warranty claim. Baltic Spares Service is entitled to have the reported defect inspected by its expert and/or the insurer's representative.
  6. Complaints that are received by Baltic Spares Service after the date specified in item 4 will not be taken into account.
  7. If BSS is responsible for defects, the Client has the right to have the warranty work carried out by another contractor after the following conditions have been met together:
    - a) after obtaining the written consent of Baltic Spares Service and
    - b) if, in the reasonable opinion of Baltic Spares Service, it is impracticable and uneconomic for Baltic Spares Service to perform the warranty work
- In this case, Baltic Spares Service's obligation shall consist solely of direct payment or reimbursement of costs incurred for work and repairs carried out by a third party, subject to item 11.
8. In each case (whether the claim is accepted or rejected), the travel and accommodation costs of Baltic Spares Service employees or employees of the entity performing warranty work on behalf of Baltic Sparks Service shall be paid by the Client.
  9. This warranty shall not apply if:
    - a) defects are caused by normal wear and tear, normal ageing or deterioration;
    - b) defects are caused by physical damage;
    - c) defects are caused by use, handling, operation by the Client not in accordance with the intended use, documentation, instructions, technical knowledge;
    - d) lack of, insufficient or incorrect maintenance or use;
    - e) incorrect use;
    - f) defects caused by force majeure, fire or other accidents;
    - g) the defective component has in the meantime been altered, repaired or overhauled by a person/company other than Baltic Spares Service;
    - h) complaints made after the specified time limit for making a complaint;
    - i) complaints for which it cannot be definitively determined whether the guarantee applies, due to an inadequate or insufficient description of the case.
  10. In the event that the Client supplies Baltic Spares with used, non-genuine or refurbished materials, the liability of Baltic Spares Service under warranty is excluded.
  11. The limitation of liability referred to in point VI applies.
  12. In the event of repair or replacement of any parts, the original warranty period will not be extended.
  13. The parties agree that, before any claims other than warranty claims can be made, the Client is obliged to make a claim under the granted warranty according to the terms and conditions of this clause.
  14. Fulfilment of the warranty obligations on time relieves Baltic Spares Service of liability in excess of the value of the warranty repairs.
  15. Baltic Spares Service shall be entitled to refrain from commencement or fulfilment of the warranty service in the event of the Client's delay in payment within the period specified in the Contract. Refraining does not and will not be treated as a non-performance or improper performance of the warranty obligation. The period for remedying defects referred to in item 1 shall be calculated from the day following receipt of payment.
  16. The warranty shall expire in the case specified in item 7, i.e. in the event that Baltic Spares Service gives the Client permission for the warranty work to be carried out by another contractor.

## **VI. Liability**

1. Baltic Spares Service is only liable for actual damage resulting from the direct consequences of the actions or omissions that led to the damage. Baltic Spares Service is not liable for indirect damage or loss, consequential damage, loss of profit (e.g. loss of clean property, loss of revenue, business interruption).
2. The contractual liability of Baltic Spares Service, liability for tort, substitute performance (enforcement), warranty liability is limited to the limit of liability under the Baltic Spares Service insurance contract. The limitation does not apply to personal injury and damage caused by wilful misconduct.
3. In the event of personal injury to a person used by Baltic Spares Service to perform work that is the subject of the Contract, arising during the performance of work on a facility belonging to the Client, the Client shall be obliged to provide that person with appropriate care, including medical care. If personal injury is caused by action or omission of the Client or other persons for whom Baltic Spares Service is not responsible, the Client shall be obliged to pay compensation to the injured person.
4. Baltic Spares Service shall not be held liable for damage arising as a result of the use of materials, equipment or documentation supplied by the Client which are inappropriate or inadequate for the proper performance of the work being the subject of the Contract.
5. In the event that the Client provides Baltic Spares Service with used, non-original or refurbished materials, the liability of Baltic Spares Service under warranty is excluded.
6. The Client is responsible for the fitness, legality, validation of the control and measurement equipment supplied to Baltic Spares Service staff.
7. In connection with the warranty liability set out in point V, Baltic Spares Service liability under statutory warranty is excluded.

## **VII. Renouncing (withdraw)**

1. Until the completion of the work which is the subject of the Contract, the Client may renounce (withdraw) from the Contract at any time by paying Baltic Spares Service. full remuneration.
2. In the event of a breach of any of the terms and conditions of the Contract, Baltic Spares Service may at any time:
  - a) suspend the performance of all or part of the works constituting the subject of the Contract, however the above situation does not release the Client from the obligation to provide the services specified in the Contract to the persons used by Baltic Spares Service in the performance of the Contract or;
  - b) renounce (withdraw) from the Contract with retention of the right to remuneration after the Client has been given a deadline to remedy the breach and the deadline set has expired ineffectively.
3. The Parties may terminate or withdraw from the Contract in other cases specified by law or the Contract.
4. BSS shall be entitled to renounce (withdraw) the Contract in whole or in part without prejudice to any rights:
  - a) if the Client is at risk of insolvency or is insolvent;
  - b) if any of its assets are seized in any security or enforcement proceedings against the Client.

## **VIII. Force Majeure**

1. For the time of occurrence of the force majeure, the obligations of the Party unable to perform its obligations in a timely manner as a result of such force shall be suspended.
2. A delay by either of the Contracting Parties in the execution of the Contract due to force majeure shall not render the Contract improperly executed.
3. Force majeure denotes an event whose occurrence is beyond the contracting Parties' control and whose occurrence they cannot prevent even if they proceed with caution, in particular: war, states



of emergency, natural disasters, epidemics, restrictions connected with quarantine, embargo, revolution, riots and strikes, climatic conditions (including the sea condition) restricting or making it impossible to provide services on time.

4. Each of the Parties is obliged to inform the other Party about the occurrence of a force majeure forthwith. Lack of such information in due time shall be understood as non-occurrence of force majeure. Unless the other Party indicates otherwise in writing, the Party informing about the force majeure shall continue to perform its obligations resulting from the Contract to the extent to which it is feasible and legitimate, as well as take all possible alternative actions to provide the services whose provision is not blocked by the occurrence of the force majeure.

5. As soon as the force majeure ceases to exist the Parties shall continue to perform their obligations in relation to the Contract.

6. Should the existence of the force majeure exceed 30 days, each of the Parties has the right to terminate the Contract.

## **IX. Hardship**

1. In the event that the performance of BSS's obligation under this Contract becomes excessively difficult or costly due to circumstances beyond the control of the affected party (economic, legal, technical, political circumstances, for example, trade restrictions, travel restrictions or other administrative, legal, economic restrictions, new or higher taxes, duties, tariffs, obligations, etc.), the affected party may request renegotiation of the terms to adjust for such hardship. The parties are obliged, within a reasonable period of time after the invocation of this provision, to negotiate alternative contractual terms that reasonably overcome the consequences of this event.

2. If the parties cannot reach an Contract within a reasonable period of time, Baltic Spares Service may terminate the Contract without incurring any liability other than under the contractual warranty.

## **X. Contact**

1. Contact persons and methods of contact (address, e-mail, etc.) are specified by the Parties in the Contract, i.e. the Client specifies them in the order and Baltic Spares Service specifies them in the order confirmation.

2. The other Party is to be informed of any changes to the contact persons' details. Otherwise, any information sent to the last known address or to the last known contact person will be deemed to have been effectively delivered.

## **XI. Final Provisions**

1. Only the provisions of Polish law shall apply to the Contract.

2. In the event that any of the provisions of the GTCs conflict with the law, the remaining provisions of the GTSs shall remain binding.

3. All notices, communications, drawings and other documents relating to the Contract shall be written in English.

4. Any amendments to the Contract are to be done in accordance with specifications agreed by the Parties in the Contract (in the Client's order and the confirmation of the order by Baltic Spares Service).

5. Neither party shall be entitled to assign its rights and/or obligation under this Contract without the prior written consent of the other party.

6. If any provision of the GTCs is invalid, illegal or unenforceable in whole or in part, such provision shall be interpreted so as to remain enforceable to the maximum extent permissible consistent with applicable law and the other provisions. Such invalidity, illegality or unenforceability will not affect the other provisions, which will remain in full force and effect. The parties will negotiate in good faith to modify the Contract to carry out the original intent of the provision as closely as possible, in a mutually acceptable manner, so that the transactions contemplated herein will be completed as originally contemplated to the fullest extent possible.

7. Any conflicts between the parties will be resolved out of court. If it is not possible to settle a dispute out of court, the court with jurisdiction over the registered office of Baltic Spares Service shall have jurisdiction over the dispute.