



In allowing Southern Thrusters LLC ("Company") to perform work for your company ("Customer"), Customer agrees to the following terms and conditions:

Warranty

Company warrants that the Work will be performed in a competent, diligent manner and in accordance with generally accepted standards for such services. If Customer claims and Company agrees that the work fails to conform, Company, at its cost, will re-perform such work, provided the nonconformance appears within sixty (60) days from completion of the work.

Company has fulfilled its obligations when it re-performs the nonconforming work. The warranty does not cover any cost incurred by Customer for the removal, disassembly, reassembly, reinstallation, adjustment or repair of any equipment, or any other work performed in connection Company's re-performance of the nonconforming Work. Dry-docking, related shipyard services, other comparable costs and any loss of hire / income are specifically excluded.

Damage Claims

Company will consider only written claims under this Warranty. Customer should contact Company and provide details in writing of the nonconforming Work. The notice must be submitted within the warranty period.

THIS ARTICLE SETS FORTH THE EXCLUSIVE REMEDIES FOR CLAIMS BASED UPON NONCONFORMITY OF THE WORK PERFORMED, WHETHER THE CLAIM IS IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE. THIS WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR WORKMANLIKE SERVICE.

Limitation of Liability

IN NO EVENT, WHETHER AS A RESULT OF BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE WILL COMPANY BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, OR INCIDENTAL DAMAGES OF ANY KIND, INCLUDING, BUT NOT LIMITED TO, LOSS OF ACTUAL OR POTENTIAL PROFITS OR REVENUES, LOSS OF USE OF THE PARTS OR REPAIRED EQUIPMENT, THE COST OF SUBSTITUTE EQUIPMENT, TOWAGE CHARGES, DRY-DOCKING AND RELATED SHIPYARD SERVICES, POLLUTION REMEDIATION COSTS, DAMAGE TO ANY VESSEL, ENGINE ROOM, YARD OR OTHER PROPERTY OF CUSTOMER, OR FOR ANY OTHER LOSSES, DAMAGES OR INCREASED COSTS

COMPANY WILL NOT BE LIABLE FOR ANY WORK CARRIED OUT BY CUSTOMER OR BY ANY THIRD PARTY, EVEN THOUGH CARRIED OUT WITH ASSISTANCE OF COMPANY'S PERSONNEL.

THE TOTAL LIABILITY OF COMPANY, WHETHER IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM THE PERFORMANCE OR NONPERFORMANCE OF ANY JOB, OR FROM THE MANUFACTURE, SALE, DELIVERY, RESALE, REPAIR, REPLACEMENT OR USE OF ANY PART OR THE FURNISHING OF ANY SERVICE RELATED THERETO, WILL IN NO EVENT EXCEED TWENTY FIVE PERCENT (25%) OF THE TOTAL PRICE OF THE LABOR COST THAT GIVES RISE TO THE CLAIM.

Billing and Payment

Company shall invoice Customer for all charges for services provided by Company pursuant to these Terms. Such invoices shall contain reasonable detail of the services provided and the charge therefor. The Customer shall pay Company for all amounts due for Services provided hereunder within thirty (30) days from receipt of an invoice.

If the Customer fails to make payment in full of any sums due to the Company when due, the Customer shall pay all costs of collection, including reasonable attorney's fees, and shall pay interest on all unpaid amounts outstanding at 18 percent, compounded annually.

Insurance

The Company and the Customer will each, at its own cost, provide for and maintain comprehensive insurance coverage to protect its own property and personnel.

No Waiver

The failure of either party to enforce any provision of these terms and conditions is not to be construed as a waiver of the provision or the right thereafter to enforce each and every provision. No waiver by either party, express or implied, of a breach of a term or condition is to be construed as a waiver of any other breach of that term or condition.

Assignment and Subcontracting

Customer may not assign or otherwise transfer its rights or obligations hereunder without the prior written consent of Company. No attempt to assign or transfer in violation of this provision will be valid or binding upon Company. Company may subcontract all or any part of its obligations hereunder to a competent third party or to a nonaffiliate as part of the sale of Company's business.

Governing Law

The Purchase Order and these Conditions are to be governed by and interpreted in accordance with the laws of the State of Louisiana. Any dispute arising out of or in connection with these terms and conditions or any services rendered by the Company hereunder shall be referred to arbitration in Louisiana.

Entire Agreement

This agreement supersedes all prior agreements, arrangements and understandings between the parties and constitutes the entire agreement between the parties relating to the subject matter hereof. Customer warrants to Company that it has not been induced to enter into this agreement by any prior oral representation (whether innocently or negligently made) except as specifically contained herein.

Severability

If any provision of this Contract is found void or unenforceable, the remaining terms and conditions shall remain in full force and effect.