

DEROGATION TO ARTICLE 21 – CHAIN LIABILITY OF THE GENERAL TERMS AND CONDITIONS OF PURCHASE OF DAMEN SHIPYARDS GROUP FOR CURAÇAO CONTRACTORS

The following derogation is applicable to the General Terms and Conditions of Purchase of the DAMEN SHIPYARDS GROUP for Curaçao Contractors delivering services to the DSCu B.V.:

Article 21 - Chain Liability / Vicarious Tax Liability – Applicable only in Curaçao.

- a) CONTRACTOR shall undertake vis-à-vis DSCu to meet its full legal obligations to pay all lawful taxes and social security contributions associated with the work assigned to it, and also to comply strictly with the applicable collective labor agreement (CAO) and/or labor law. Persons designated by DSCu shall be entitled, at any time, to inspect the Contractor's corresponding accounts. The Contractor shall supply a copy of all relevant documents at DSCu's first request.
- b) As far as this DSCu order relates to work that is subject to Curaçao Wage Tax and social security contributions, DSCu shall have the right to withhold 30% of all payments to CONTRACTOR to cover the amounts owed by CONTRACTOR in taxes and social security contributions and to pay this money on CONTRACTOR's behalf directly to the Curacao Tax Collector or to deposit it into a blocked/frozen account that can be used solely by CONTRACTOR to make payment of wage taxes, social security contributions and any other lawful taxes that CONTRACTOR must pay.
- c) Without prejudice to the preceding paragraph, DSCu shall be authorized/entitled, at all times, to pay the premiums owed by CONTRACTOR for the activities carried out for the A.O.V./A.W.W. ('Old Age Pensioners Act / Widows' and Orphans Insurance'), General Insurance Special Medical Costs ('Algemene Verzekering Bijzondere Ziektelkosten'), turnover tax and wage tax for which DSCu could be jointly and severally liable, by depositing the amount owed in CONTRACTOR blocked/frozen account, in accordance with the National Wage Tax Ordinance 1976 ('Landsverordening op de Loonbelasting 1976') and the National Turnover Tax Ordinance 1999 ("Landsverordening omzetbelasting 1999") as applicable in the jurisdiction of Curaçao, or to withhold the amount of premiums for A.O.V./A.W.W. and General Insurance Special Medical Costs from the Subcontract Agreement price and to pay it in CONTRACTOR's name directly to the Social Insurance Bank respectively and the Curaçao Tax Collector respectively.
- d) In the cases referred to in paragraphs a), b) and c) of this article, DSCu, on payment thereof, shall be discharged of its obligation vis-à-vis CONTRACTOR insofar as these amounts are concerned.
- e) Without prejudice to the provisions above, CONTRACTOR shall indemnify DSCu against any claim from the Curacao Tax Authorities, the Curacao Tax Collector and the Tax Audit Authorities ('SBAB') relating to the taxes and social security contributions owed by CONTRACTOR for its personnel or for the personnel of eventual downstream CONTRACTORS.

- f) If DSCu, having been held liable for taxes and/or social security contributions that have not been paid by CONTRACTOR or its eventual downstream CONTRACTORS, has had to pay these taxes and/or contributions, DSCu shall be entitled to recover the full amount that it has paid from CONTRACTOR. An interest of 2% above EUROBOR per annum shall be added to DSCu's claim.

This document is integral part of the GENERAL TERMS AND CONDITIONS OF PURCHASE OF DAMEN SHIPYARDS GROUP but exclusively applicable to CURAÇAO CONTRACTORS.

Version of this document: 24 November 2018.

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As informed to- and agreed without restrictions by the Supplier / Contractor:

Name:

Function:

Signature:

Date:

Company Name:

Company Stamp: