

**GENERAL PARTNERSHIP TERMS AND CONDITIONS NEDERLANDSE VISSERSBOND  
(DUTCH FISHERMEN'S ASSOCIATION)**

**Article 1 Application**

The following terms and conditions, to be referred to as the GPTC, apply to the partnership agreements stipulated in articles 452 q and the following of the Dutch Commercial Code which have been entered into in writing and declare these terms and conditions applicable.

The terms used in articles 7:701, 7:726 and 7:727 of the Dutch Civil Code, which are also referred to in the GPTC, have the following meanings in the GPTC:

- employer: the crew member who has the lead as referred to in article 8;
- seafarer: the crew member;
- (sea) employment contract: the partnership agreement;
- sea vessel: fishing vessel;
- give orders: decisions are made (to).

The GPTC regulates the rights and obligations between the contracting parties within the NEDERLANDSE VISSERSBOND (DUTCH FISHERMAN'S ASSOCIATION) Partnership Agreement

Furthermore, the GPTC is in line with definitions used in the DUTCH FISHERMAN'S ASSOCIATION Partnership Agreement.

**Article 2 Owner and Crew Members**

Contracting Party 1 is the owner of the fishing vessel, hereafter to be referred to as "the owner", and contracting parties 2 are the crew members of that vessel, including the owner of the vessel if he is a crew member.

**Article 3 Contribution and risk**

- 3.1 The owner undertakes to make available to the partnership the fishing vessel named in the partnership agreement which, at his expense, has been made ready for sea and suitable for immediate performance of the fishing tasks, and all the fishing rights and days at sea granted by the Dutch government, and to keep this vessel in working order; this all in accordance with that stipulated in articles 4 and 5.  
The contracting parties understand that the risk in respect to the fishing vessel in the partnership will be borne by the owner.
- 3.2 The owner is not obliged to provide any compensation if the fishing vessel is not ready for sea or suitable for fishing due to unforeseen circumstances.
- 3.3 If and in so far the owner does give the contracting parties 2 a compensation, the owner is authorised to reduce the said compensation by the contracting parties' 2 share in the result.
- 3.4 If the partnership is not able to make full use of the said fishing rights, the rights will be at the free disposal of the owner. If the partnership decides to lease extra fishing rights, this will be at

the expense of the partnership. If the partnership is not able to make full use of the leased fishing rights, they will be leased for the benefit of the partnership when possible.

- 3.5 The crew members contribute their labour, knowledge and diligence as well as the diplomas they have acquired.

#### Article 4 Maintenance of vessel

Contracting parties agree that said vessel and equipment will be maintained at the expense of the owner, in the understanding that small everyday repairs to fishing equipment, netting, engine and ship etc. and everyday small painting works will be carried out in mutual consultation between all the contracting parties by contract parties 2 wherever possible, also on Saturdays if necessary. The materials required for these repairs and the painting will always be provided by or on behalf of the owner.

#### Article 5 Replacement of the vessel

Replacement or not exploiting said vessel and/ or equipment involved in the partnership is at the owner's discretion and at his expense.

#### Article 6 Substitute

- 6.1 Each crew member is authorised, with the permission of the other contracting parties, to temporarily replace himself by a substitute with similar qualities. If one of the remaining crew members is not in agreement, he must make this known to the contracting party 2a in writing. The other contracting parties are authorised to indicate one or more substitutes for the specified period if one of the contracting parties is unable to contribute his labour, knowledge and diligence for a certain period and has not indicated in time a replacement who has been accepted by the other contracting parties.
- 6.2 The legal position of the substitute in respect to the other contracting parties will be governed by the stipulations in the partnership agreement at hand, the applicable GPTC and the stipulations in the partnership agreement supplement.
- 6.3 The owner will sign the said partnership agreement supplement on behalf of the contracting parties, including the contracting party to be replaced and the substitute crew member.
- 6.4 The substitute will fully replace the person in respect to the legal position and fully or partially replace him in respect to the financial position; this will be regulated by the contracting parties including the substitute crew member.
- 6.5 If the substitute does not have all the financial rights and obligations of the person he replaces, the contracting parties, including the substitute, will determine a temporary share scheme in respect to the division of the results, which will include the temporary share for the substitute.

#### Article 7 Temporary contracting party

- 7.1 With permission from the majority of the contracting parties, one or more fishermen may be appointed to temporarily join the partnership in respect to fishing activities when required. The owner signs the partnership agreement supplement on behalf of the contracting parties for this purpose.

- 7.2 The legal position of the temporary contracting party for his period of inclusion in respect to other contracting parties will be governed by stipulations in the partnership agreement, the applicable GPTC and stipulations in the partnership agreement supplement.
- 7.3 The partnership agreement supplement will specify the proportionate share of the result the temporary substitute has a right to during the period he is included in the partnership. This share will be deducted proportionally from the shares of the other contracting parties. The provisions in this partnership agreement in regard to dividing up the result, will apply to the rest without prejudice to the relationship with the temporary contracting party.

#### **Article 8 Leadership**

- 8.1 The contracting parties assign the captain's work in the partnership to contracting party 2a, as referred to in article 452q of the Dutch Commercial Code (hereinafter: the skipper). If the skipper is not able to perform his activities, the owner will appoint a replacement skipper. If the owner is not capable of doing this, the replacement will be appointed by the skipper or, if he is unable to do so, by the other contracting parties 2.
- 8.2 The contracting parties together determine where, when and how the ship travels and fishes and the harbours where, the days and times and how the catch will be sold, or how it is offered for sale, unless this is left up to the skipper.

#### **Article 9 Sociaal Fonds voor de Maatschapsvisserij (Social Fund for the Fishery Partnership)**

- 9.1 The owner is obliged, in as far as this has not already been done, to put forward all the contracting parties sailing on the same vessel and included in the partnership agreement to be included in an insurance against incapacity to work with the Sociaal Fonds voor de Maatschapsvisserij, hereafter to be referred to as the Fund, and to comply with all the obligations arising from the statutes and regulations of the Fund, starting on the day the partnership agreement commences.
- 9.2 The owner is authorised to deduct the insurance premiums owed to the Fund from each share in the result and is obliged to pay these deducted premiums to the Fund immediately after the concerned invoice from the Fund has been received.
- 9.3 The owner is obliged to immediately transfer any money he receives from the Fund on behalf of an insured person to the insured person.
- 9.4 The owner is obliged to immediately credit any contribution refunds he may receive from the Fund to the entitled part(y)ies.
- 9.5 In the case of any disputes with the Fund, contracting parties 1 and 2 undertake to fully and unconditionally submit to the decision of the arbitration committee as named and referred to in the statutes of the Fund.

#### **Article 10 Notice term for agreement for indefinite period**

- 10.1 The partnership agreement, entered into for an indefinite period, can be terminated by either of the parties during the time the seaman is on board of the vessel in any harbour where the vessel is loaded or unloaded, in accordance with the specified notice period.
- 10.2 The partnership agreement entered into for an indefinite period can be terminated by the contracting parties in accordance with a term of 4 weeks, except when there is mutual written

permission for a shorter term and except in the case of urgent reasons as specified in articles 7:726 and 727 of the Dutch Civil Code.

- 10.3 If one of the contracting parties terminates the partnership agreement, the partnership will be continued by the other contracting parties under the same conditions, unless termination has been exercised by the owner. The percentages will be redivided or a new contracting party will be enlisted.

#### Article 11 Notice term for agreement for specific period

- 11.1 The partnership agreement entered into for a specific period ends, in accordance with the notice period, in the first harbour visited by the vessel after the agreement ends or, in the case of interim termination, when the notice period has ended.
- 11.2 The partnership agreement entered into for a definite period can be terminated by the contracting parties in accordance with a term of 4 weeks, except when there is mutual written permission for a shorter term and except in the case of urgent reasons as specified in articles 7:726 and 727 of the Dutch Civil Code.
- 11.3 If one of the contracting parties terminates the partnership agreement, the partnership will be continued by the other contracting parties under the same conditions, unless termination has been exercised by the owner. The percentages will be redivided or a new contracting party will be enlisted.

#### Article 12 Compensation for non-compliance with notice period

- 12.1 The partnership will nonetheless be legally dissolved if the notice period is not complied with by the owner. However the owner will be obliged to pay at the first demand each of the contracting parties with whom he does not immediately enter into a new partnership with a similar objective to the one ended, a sum of €907.56 <sup>1</sup> per week for the time he violates the said notice period. This sum will be accepted by the contracting parties as the agreed liquidated compensation.
- 12.2 The termination of the contract will nonetheless be legal and the partnership dissolved if the notice period is not complied with by one of the crew members. The crew member will however be obliged to pay the other contracting parties jointly the sum of €907.56 <sup>2</sup> per week for time he violates the said notice period. This sum will be accepted by the contracting parties as the agreed liquidated compensation.

#### Article 13 The result

- 13.1 A share in the result will be paid to contracting party 1 as payment for providing the fishing vessel as stipulated in article 3.1. A share in the result will be made available to contracting party 2 as payment for their contribution as stipulated in article 3.5.
- 13.2 The shares for the owner and for the crew members will be indicated in percentages and are shares in the result of the partnership.
- 13.3 If no profits but only losses ensue from the partnership, these losses will be borne by the contracting parties in the same proportion as the positive results would be divided.

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<sup>1</sup> or another amount to be agreed.

<sup>2</sup> or another amount to be agreed.

- 13.4 There is no claim on a share in the result if one of the contracting parties is ill or there is another cause why he cannot comply with his obligations, particularly sailing out to catch fish.
- 13.5 He will retain his share in the result of the fishing trip if he is on board and unable to contribute during a fishing trip.

#### Article 14 Net profit

- 14.1 The result as stated in article 13 is made up of that which remains as the net profit after the following posts have been deducted:
- any extra payments to contracting parties 1 and 2 as stated in the partnership agreement;
  - cost of (lubricating) oil, gas and greases;
  - all the costs for storing the catch correctly, including the cost of refrigeration;
  - cost of hiring navigation and electronic localisation devices;
  - harbour and lock fees;
  - the cost of feeding all the contracting parties on board during the trip;
  - cost of fresh water;
  - cost of sorting the catch;
  - freight charges, after deduction of payments received;
  - criminal, administrative and private law fines in respect to practising fishing;
  - auction costs;
  - leasing fishing rights;
  - travel costs from place of residence to the ship by crew members when collective transport is involved;
  - wharfage;
  - factory and related fees;
  - fines for nets repaired on the quay;
  - governmental levies on the catch, including levies made by public and private organisations in fishing areas;
  - costs arising from the administration of the partnership in regard to formulating the annual account;
  - premiums owed to the Sociaal Fonds voor de Maatschapsvisserij;
  - that which is specifically arranged in the partnership agreement in addition to the above.
- 14.2 These costs are covered by invoices and, if this is not possible or required, by the fixed amounts agreed in the GPTC.

#### Article 15 Weekly settlement

- 15.1 The result will be calculated per fishing trip and, at the latest, fourteen days after a fishing trip has ended.
- 15.2 If losses have to be borne by the contracting parties on the grounds of the stipulation in article 13.3, the resulting (contribution) obligations will be settled as far as possible in the next calendar week or calendar weeks with the share in the result being divided in the same proportion as if result had been positive.

#### Article 16 Bookkeeping

- 16.1 The owner is obliged to administer the gross profit and the calculation of the net profit (gross profit with the costs referred to in article 14 deducted) properly and to make it available for inspection to each of the contracting parties on board within 14 days after the fishing trip has ended.
- 16.2 The owner will issue the crew members with a balance and a profit and loss account within three months of annulment of the partnership or within three months of the calendar year ending.

#### Article 17 Disputes

- 17.1 Parties will explicitly consider mediation in the event of disputes.
- 17.2 If mediation is not considered and/or if mediation does not lead to a solution, parties will settle their disputes - both legal and factual in nature - concerning provisions in the GPTC and the partnership agreement established between parties, by way of arbitration and not via the regular courts.
- 17.3 Arbitration will be initiated by way of written notification by one party/parties (the "*claiming party(ies)*") to the counter party(ies) ("*defending party(ies)*"). This written notification must mention the topic of arbitration the claiming party(ies) would like to address. In necessary, the defending party(ies) will be entitled to issue counter claims. The arbitration council will consist of three people. The claiming party(ies) as well as the defending party(ies) are required to appoint an arbitrator. The appointed arbitrators will appoint a third arbitrator, who will act as chairman. The arbitration council will determine how the procedure progresses.
- 17.4 If a dispute occurs, parties are free to deviate from that stipulated above under 17.3.
- 17.5 Disputes must be initiated by the claiming party(ies) within a month of the claiming party(ies) becoming familiar with the definitive stance of the defending party(ies). The claims of the claiming party(ies) will be inadmissible if this period is exceeded, irrespective of how the dispute is being settled. However, if the claiming party(ies) take the initiative to initiate mediation within this one month period, the period will only start once it has been confirmed that mediation will not go ahead and/or will not offer a solution.
- 17.6 This dispute procedure will not apply to disputes concerning (the level of) work incapacity and interpretations of SFM statutes and regulations. Parties agree to settle these disputes in accordance with the disputes procedure stipulated in articles 14 and 15 of the SFM statutes.