

3.19 Combat System

Sensor Accuracy Criteria

If the measured accuracies values for the sensors of the Submarines do not reach the values as laid down in Appendix 1 to Annex B 1 of this Contract the following liquidated damages shall apply as connected to the categories (Steps) 1 to 3 which are in detail laid down in Annex U 1 of this Contract:

for Step 1 0,1%

for Step 2 0,2%

for Step 3 0,3%

The above amounts of liquidated damages are not cumulative.

4. The liquidated damages as per above paragraphs 2.1 to 2.15 for Submarine 1 and as per paragraphs 3.1 to 3.19 for Submarines 2 and 3 shall be calculated on the prices stipulated in Article 5 paragraphs 3.1, 3.2 and 3.3 respectively for each Submarine.

5. If more than one case entailing such liquidated damages shall occur, these liquidated damages shall be collected cumulatively.

6. The total amount to be paid for liquidated damages under this Article 25 shall not exceed eleven (11 %) of the aggregate of the prices for the Submarines as per Article 5, paragraph 3.1, 3.2 and 3.3 of this Contract.

7. Payment of liquidated damages as provided for in this Article 25 shall be the Contractors' sole liability with respect to delay in delivery and technical deficiencies.

ARTICLE 26

TRANSPARENCY AND AUDIT

1. The Contractor confirms that he has not and will not have any representatives, intermediaries or agents (other than his own personnel) for the object of this Contract. Persons or companies which may have acted or involved prior to EDCA in the sense of the previous sentence on behalf of the Contractor, are not and will not be involved in the execution of this Contract.

2. The Contractor has not and will not in the future agree to pay any success fees, finder's fees, advisory fees or similar fees or commissions in relation to this Contract to any physical person or entity. However, the Contractor shall be entitled to acquire professional consultancy services with regard to the Contract rendered by law firms, tax advisors, technical advisors, accountants etc. If such services will be acquired outside Greece, the Contractor shall disclose the relevant contracts to the Purchaser in accordance with paragraph 4 of this Article.

3. The Contractor shall refrain from using offshore companies or entities as direct suppliers of parts, equipment, services or otherwise in relation to the object of this Contract unless the award of the contract to an offshore company proves to be unavoidable (and only after prior disclosure to the Purchaser, such disclosure including available information about the ultimate beneficiary of the relevant offshore company). For the purposes of this Article "offshore companies or entities" shall have the meaning attributed in L. 3091/2002 and L. 3310/2005 as in force at the date hereof, i.e. shall mean any company or entity that is registered in a country other than the one in which it conducts most of its business and enjoys a privileged tax treatment, including without limitation those registered in the countries listed in 1108437/2565/ΔΟΣ/15.11.2005 Decision of the Minister of Economy and Finance based on the list issued by OECD, as well as those which fulfil the criteria set out in Circular 1021764/10217/B0012/ΠΟΛ 1041/5-3-2003 of the Greek Ministry of Economy and Finance.

4. The Contractor shall deliver to the Purchaser, within thirty (30) Days from their signing, a true copy of all written agreements or undertakings with a volume of

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 91 out of 119</i>
---------------------------------	---	-----------------------------------

more than 100.000 Euro it will enter or amend from EDCA onwards with any third party in connection to this Contract, together with all pertinent annexes, schedules and tables. Additionally, the Contractor shall furnish the Purchaser, within thirty (30) Days from receipt of written notice, true copies of any contracts or written agreements it may have entered in the past after September 21, 2009 with any subcontractor or other third party in connection to the object of this Contract. This does not apply to standard contracts such as employment contracts, leased labor, utility services etc.

5. The Contractor shall procure that all payments to subcontractors, advisors (to the extent permissible at all) and suppliers in connection to this Contract are made solely through bank accounts maintained with bank branches located and operating within the OECD area as well as in UAE.

6. The Contractor shall procure that the obligations contained in paragraphs 1, 2 and 3 of this Article shall also be imposed by the respective subcontract to the Main Subcontractor.

7. The Purchaser shall have the right, at its own expense, to direct an international independent audit firm (e.g. KPMG, PWC, Ernst & Young, Deloitte or BDO) or the Greek branch of such firm to inspect and audit all the contractual relationships and payments of the Contractor with its subcontractors and suppliers for goods, equipment and services in connection to this Contract as well as the relevant accounting, corporate and commercial books and records of the Contractor, following a written notice sent at least thirty (30) Working Days prior to the commencement of audit to the Contractor. The notice shall include a full and true copy of the appointment letter of the auditor, a complete list of all the individuals who will be engaged for the purpose of the audit and the end date of the audit.

The Contractor shall ensure that the Purchaser's auditors during regular office hours of the Contractor are given full and immediate access to all requested information in the possession or control of the Contractor and shall have the right to examine any of the Contractor's records that pertain to, and involve transactions relating to, this Contract and to interview (if so requested by the Contractor or the respective

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 92 out of 119</i>
---------------------------------	---	-----------------------------------

individual to be interviewed in the presence of an independent witness or legal advisor or accountant) Contractor's personnel and management.

The audit shall commence provided, that (a) any such audit shall be conducted in such a manner as not to unreasonably interfere with normal business activities; (b) in no event shall audits be made hereunder more frequently than once each calendar year and (c) the Contractor has not sent a written notice of rejection to the Purchaser within ten (10) Working Days after receipt of the written notice with regard to the audit. The Contractor shall have the right to reject if (i) the audit firm does not meet the criteria of this paragraph 7, (ii) the notice does not contain the appointment letter or the appointment letter is not in line with this paragraph 7, (iii) the notice does not include a complete list of all the individuals who will be engaged in the audit or one of these individuals has a conflict of interest, (iv) the most recent audit hereunder has been finalized less than twelve (12) months prior to the announced commencement date of the announced audit, or (v) the announced audit firm or any of the announced individuals have been in breach of the confidentiality undertakings under the respective appointment letter or this paragraph 7 in one of the previous audits hereunder.

The auditors to be appointed by the Purchaser under this paragraph will not be entitled to disclose any privileged information (like with regard to lawyers, tax advisors etc.) it will come into their possession or knowledge. Furthermore the auditors and the Purchaser undertake to treat as highly confidential all information, data and documents, which they shall receive in connection with any of the afore-mentioned audits. Unless explicitly provided for by mandatory rules of law, the Purchaser shall refrain from disclosing to any third party any such information, data and documents without the prior written consent of the Contractor. The auditors to be appointed by the Purchaser pursuant to this paragraph shall sign a written undertaking confirming their confidentiality obligations vis-à-vis the Contractor.

8. The Contractor shall adopt, implement and publish on its website an anti-corruption policy in accordance with OECD standards. Such policy will set the

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 93 out of 119</i>
---------------------------------	---	-----------------------------------

internal standards to enable the Contractor to comply at all times with the applicable Greek and international law with regard to anti-corruption.

The Contractor shall sanction violations and take remedial action should one of its directors, officers or employees and staff breach the anti-corruption obligations.

9. In case the Contractor intentionally violates in a material way its duties under paragraphs 1, 2, 3, 5 or 7 (however related only to the granting of access with respect to an audit to be commenced and not to individual elements of the audit) of this Article 26 and the Contractor does not remedy such violation within thirty (30) Days after a respective notice of the Purchaser was received by the Contractor, the Purchaser shall be entitled to terminate the Contract as per article 27 hereof. For any breach of the Contractor's duties under paragraphs 4 and 7 (different than as provided under the first sentence) of this Article 26 the Purchaser shall notify in writing the Contractor and shall grant him a reasonable remedy period of thirty (30) Days. If the Contractor does not remedy such violation, the Parties shall enter into good faith negotiations on how to ensure proper fulfilment of the Contractor's duties under paragraphs 4 and 7 of this Article.

ARTICLE 27

TERMINATION OF THE CONTRACT

1. Reasons for Termination

1.1 Each Party may terminate this Contract or parts thereof as applicable, only pursuant to the provisions of this Article under exclusion of any other reasons.

1.2 **Termination by Purchaser:** The Purchaser is entitled to terminate this Contract in whole by notifying the Contractor in writing in case any of the following events or circumstances applies:

- 1.2.1 If Contractor dissolves or a final and irrevocable court order is made or an effective resolution passed for the dissolution of the Contractor; or
- 1.2.2 If Contractor fails to achieve two (2) consecutive milestones in the construction of the Submarines as these milestones are described in Annex D of this Contract; or
- 1.2.3 If Contractor is in breach of any of its obligations contained in Article 26 paragraphs 1, 2, 3 and 5 of this Contract and fails to cure such breach within thirty (30) Days after receipt of written notice by the Purchaser, specifying the breach and providing for such breach substantial evidence which would be sufficient for initiating penal proceedings as per the respective provisions of Code of Penal Procedure; or
- 1.2.4 (a) If a change in the ADM's shareholding in the Contractor, which would have the result of reducing ADM's shareholding to less than 50% + 1 of the Contractor's total share capital or voting rights - unless the new shareholder is an affiliate of ADM - or would evidently raise national security issues for HR, takes place without the prior consent of the Purchaser; such consent though not unreasonably and/or unjustifiably to be withheld by the Purchaser; or

 (b) If ADM disposes up to 24,9% of the Contractor's total share capital or voting rights without first informing the Purchaser. The Purchaser shall have a veto right in this respect, if security issues of the Purchaser are concerned. The Purchaser shall not unreasonably and/or unjustifiably withhold its approval for such disposal; or

 (c) If the Contractor fails to inform the Purchaser in respect of a person which is to be appointed as member of the Contractor's Board of Directors ("BoD"), where security issues of the Purchaser are evidently infringed by the proposed nomination and/or change. The Purchaser shall have a veto right in this respect, if security issues of the

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 95 out of 119</i>
---------------------------------	---	-----------------------------------

Purchaser are concerned. The Purchaser shall not unreasonably and/or unjustifiably apply its right of veto to the nomination and appointment of BoD members of the Contractor. However, the shareholders of the Contractor must have at any time the freedom to take all the necessary measures to assure a functioning of the BoD in accordance with Greek corporate laws.

(d) If a change in the shareholding of Greek Naval Shipyards Holding SA ("GNSH") in the Contractor, which would have the result of reducing GNSH' shareholding to less than 20% of the Contractor's total share capital or voting rights, takes place without the prior consent of the Purchaser; such consent though not unreasonably and/or unjustifiably to be withheld by the Purchaser; or

- 1.2.5 If at any time Contractor is finally and irrevocably adjudged bankrupt or insolvent, or files a voluntary petition in bankruptcy or if an administrator, liquidator or administrative or other receiver of it or of all or a substantial part of its property is appointed by a final and irrevocable court order or a final and irrevocable order of any court is entered approving any petition filed by or against it under the provisions of any applicable bankruptcy or insolvency law; provided, however, that in the event that Contractor is declared bankrupt or insolvent by a final and irrevocable court ruling or decision, then this Contract shall be deemed automatically terminated one (1) Day prior to the issuance of such final and irrevocable court ruling or decision without need for delivery of a written termination notice by the Purchaser.

1.3 Termination by Contractor: The Contractor is entitled to terminate this Contract in whole by notifying the Purchaser in writing in case any of the following events or circumstances applies:

1.3.1 Non receipt by the Contractor of two (2) consecutive payments as set out in Article 6 paragraph 2.3 of the Contract for reasons other than due to a default of the Contractor and such delay continues for more than forty five (45) Days from the second missed payment date; or

1.3.2 Non receipt by the Contractor of two (2) consecutive payments owed by the Purchaser to the Contractor under Article 6 of the Contract 012B/00 for the Archimedes Program for reasons other than due to a default of the Contractor and such delay continues for more than forty five (45) Days from the second missed payment date; in this event the Contractor shall also be entitled to terminate this Contract apart from the Contract 012B/00.

1.4 Termination for extended Force Majeure: Either Party shall be entitled to

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 96 out of 119</i>
---------------------------------	---	-----------------------------------

terminate this Contract by serving written notice to the other Party in case of delay due to Force Majeure which is subsisting for a period more than five hundred forty (540) Days.

2 Effect of Termination

2.1 Upon any termination of this Contract pursuant to the terms and conditions contained in paragraphs 1.2, 1.3 and 1.4 of this Article 27, then the Contract shall be terminated wholly with effect:

2.1.1 If the Contract is terminated pursuant to Art. 27 paragraph 1.2.3, from the passing of the 30-Day remedy period set out in said Article 27 paragraph 1.2.3 thereof, provided such remedy period passes without full remedy of the breach; or

2.1.2 If the Contract is terminated for bankruptcy or insolvency of the Contractor pursuant to Art. 27 paragraph 1.2.5, as of one (1) Working Day prior to the date of issuance of the final and irrevocable court ruling or decision declaring the Contractor bankrupt or otherwise insolvent without need for delivery of a written termination notice by the Purchaser; or

2.1.3 In every other instance of termination pursuant to Art. 27 paragraph 1.2 (including the causes for termination under paragraph 1.2.5 other than bankruptcy or insolvency), paragraph 1.3 and paragraph 1.4 hereof, the Contract shall be terminated as of the third (3rd) Working Day from delivery of the relevant termination notice; or

2.2 If the Contract is terminated on grounds of extended Force Majeure pursuant to Art. 27 paragraph 1.4, the Contract shall be terminated on the date falling thirty (30) Days after the date of delivery of the relevant termination notice to the other Party.

3 Consequences of Termination

3.1 In the event that the Purchaser terminates, the following consequences shall apply and shall be implemented by respective acts of the Parties to be performed at the same time:

- 3.1.1 All payments already received by the Contractor and/or the Main Subcontractor up to the time of termination shall be retained by them and not be refunded; in this regard the application of articles 904 et seq Civil Code is explicitly excluded; and
- 3.1.2 Full title, ownership and possession of all undelivered Submarines or designated parts (including any software) thereof being in the possession and ownership of the Contractor shall ipso jure pass and be transferred to the Purchaser; and
- 3.1.3 The Contractor shall promptly give to the Purchaser full access to all items referred to in the above paragraph 3.1.2 at the status they stand as of the time of termination; and
- 3.1.4 The Contractor shall promptly return to the Purchaser all the GFM material received from the Purchaser; and
- 3.1.5 The Purchaser shall be entitled to keep free of any charge the Submarines at the premises of the Contractor for six (6) months. The Purchaser shall be entitled with the consent of the Contractor to contact directly the subcontractors engaged in the construction of the Submarines and agree with them the execution of any required works for the completion of the undelivered Submarine(s) under the sole responsibility of the Purchaser. Such works shall not be conducted at the premises of the Contractor; however the Contractor shall provide free of charge all available means of infrastructure in its premises, such as cranes, ship-lifts, Kamags, for the removal of the undelivered Submarine(s) out of his premises. It is explicitly agreed that any maintenance, storage, removal and any other related activity with

Implementation Agreement	Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM	Section Page 98 out of 119
--------------------------	---	----------------------------

regard to the undelivered Submarine(s) or designated parts thereof pursuant to this paragraph shall be at the sole risk, responsibility and cost of the Purchaser; and

3.1.6 The Purchaser shall return any pending Contractor's guarantee letters within twenty (20) Working Days from the effective date of termination; and

3.1.7 The Contractor shall deliver to the Purchaser or destroy in accordance with NATO standards, if so instructed by the Purchaser, all of the confidential and classified information received by it from the Purchaser and all copies thereof in its possession, power, custody or control at that time and shall not thereafter make use of, disclose, divulge, or exploit such confidential and classified information in any manner whatsoever; and

3.2 In the event that the Contractor terminates the Contract, the following consequences shall apply and shall be implemented by respective acts of the Parties to be performed at the same time:

3.2.1 The Purchaser shall return any pending Contractor's guarantee letters within twenty (20) Working Days from the effective date of termination; and

3.2.2 All payments already received by the Contractor and/or the Main Subcontractor up to the time of termination shall be retained by them and not be refunded; in this regard the application of articles 904 et seq Civil Code is explicitly excluded; and

3.2.3 The Contractor shall promptly return to the Purchaser all the GFM material received from the Purchaser; and

3.2.4 Full title, ownership and constructive possession of all undelivered Submarines or designated parts (including any software) thereof being in the possession and ownership of the Contractor shall ipso jure pass and be transferred to the Purchaser; and

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 99 out of 119</i>
---------------------------------	---	-----------------------------------

3.2.5 Save for as provided herein above under 3.2.4 and Article 35 paragraph 10, the contractual rights of the Purchaser become null and void. The Purchaser shall be obliged to remove the items referred to in the above paragraphs 3.2.3 and 3.2.4 from Contractor's premises at his expenses and sole risk and responsibility within four (4) months after the effective date of the termination; It is explicitly agreed that any maintenance, storage, removal and any other related activity with regard to the undelivered Submarine(s) or designated parts thereof pursuant to this paragraph shall be at the sole risk, responsibility and cost of the Purchaser; and

3.2.6 The Purchaser shall pay to the Contractor the Total Basic Contract Price less whatever expenses and costs which could effectively be saved due to non-finalisation of the Contract (cancellation of orders and re-allocation of resources); Burden of proof for such expenses and costs lies with the Purchaser. In case of a dispute about the amount to be deducted, the Purchaser shall have the right to appoint a mutually accepted auditor as per paragraph 7 of Article 26. The auditor so appointed shall advise the Purchaser on the amount to be deducted.

3.3 In the event that the Contract is terminated by either Party on grounds of Force Majeure then the following consequences shall apply at the same time:

3.3.1 All payments already received by the Contractor and/or the Main Subcontractor up to the time of termination shall be retained by them and not be refunded; in this regard the application of articles 904 et seq of Civil Code is explicitly excluded; and

3.3.2 The Purchaser shall return any pending Contractor's guarantee letters within twenty (20) Working Days from the effective date of termination save for the good performance guarantee(s) for any delivered Submarine(s); and

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 100 out of 119</i>
---------------------------------	---	------------------------------------

3.3.3 Full title, ownership and possession of all undelivered Submarines or designated parts (including any software) thereof being in the possession and ownership of the Contractor shall ipso jure pass and be transferred to the Purchaser; and

3.3.4 The Contractor shall promptly return to the Purchaser all the GFM received from the Purchaser; and

3.3.5 The Purchaser shall be obliged to remove the items referred to in the above paragraphs 3.3.3 and 3.3.4 from Contractor's premises at his expenses and sole risk and responsibility within four (4) months after the effective date of the termination. It is explicitly agreed that any maintenance, storage, removal and any other related activity with regard to the undelivered Submarine(s) or designated parts thereof pursuant to this paragraph shall be at the sole risk, responsibility and cost of the Purchaser.

4. **Right of retention.** Instead of a termination in accordance with paragraph 1.2.2 of this Article, alternatively the Purchaser shall be entitled to withhold further payments under this Contract until the reasons giving rise to a right of termination by the Purchaser have been remedied by the Contractor.

Implementation Agreement	Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM	Section Page 101 out of 119
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ARTICLE 28

ARBITRATION

1. All disputes or disagreements arising from the execution of or in connection with this Contract shall be amicably settled through negotiations by both Parties.

2. In the event of any dispute or difference between the Parties relating to this Contract or any stipulation herein which cannot be settled amicably by the Parties within thirty (30) Days, such dispute or difference shall be settled by Arbitration under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by three (3) arbitrators appointed in accordance with the said Rules. The place of arbitration shall be the Hague, Netherlands. The language of the arbitration proceedings shall be English.

3. The decision of the arbitrators shall be final, conclusive and binding upon both Parties thereto, in accordance with the Greek Law.

4. In case of a dispute or controversy on the interpretation to one or more stipulations of this Contract related to a technical issue such dispute unless solved amicably within thirty (30) Days, may be submitted by either Party to technical mediation as provided for as follows:

4.1 The mediator shall be agreed between the Parties. If the Parties do not reach an agreement for the mediator then the above paragraph 2 shall apply.

4.2 Determination by such mediator shall be made within sixty (60) Days following the thirty (30) Days period as per paragraph 4 above and shall be final and binding on both Parties with regard to whether performance in accordance with the interpretation of either Party involves any deviation from the technical requirements of this Contract. In case of a deviation, the Purchaser may request the Contractor to submit a proposal to reach an agreement, failing which the Contractor shall proceed diligently with the performance of this Contract in accordance with the interpretation confirmed by the mediator.

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 102 out of 119</i>
---------------------------------	---	------------------------------------

4.3 The technical mediation shall be performed in Athens or any other location (wherever favourable in view of resolving the dispute in the most efficient way) in the English language and shall be conducted on a confidential basis.

5 Unless otherwise directed by the Purchaser, or unless a notice of termination of this Contract has been given in accordance with Article 27, pending the final disposition of any dispute hereunder, the Contractor agrees to proceed diligently with the performance of this Contract, provided that the Purchaser shall pay to the Contractor any amounts due in accordance with this Contract as if no dispute existed, subject to adjustment based on the final disposition of the dispute.

ARTICLE 29

CORRESPONDENCE AND LANGUAGE OF THE CONTRACT

1. This Contract has been drawn in the Greek and English language. In case of any discrepancy, the Contract in the Greek language shall prevail.
2. The Annexes have been drawn in the Greek or English language only.
3. Software, Data and Documentation shall be in the English language unless otherwise agreed.
4. Save for as provided in the previous paragraph 3, all correspondence, notices and other documents delivered under this Contract must be in the Greek language or, if not, accompanied by a translation in Greek certified to be accurate; the receiving Party shall be entitled, to assume the accuracy of and rely upon the Greek translation of any document so provided pursuant hereto. Any correspondence between the Purchaser and the Contractor in connection shall be addressed as follows:

4.1 Purchaser's address:

Ministry of National Defense

General Directorate of Defence Investments & Armaments

Fakinou Camp, Goudi

Athens, Greece

Tel. +3017466121

Fax. +3017776058

4.2 Contractor's address:

Hellenic Shipyards SA.

Skaramanga Yard

P. O. Box 3480

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 104 out of 119</i>
---------------------------------	---	------------------------------------

10233 Athens, Greece

Tel. +3015578315

Fax. +3015570700,19

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 105 out of 119</i>
---------------------------------	---	------------------------------------

ARTICLE 30

SECURITY AND SECRECY

1. The Purchaser and the Contractor shall treat classified information or material passed to them under this Contract, in accordance with the security regulations applicable in Greece.
2. The specifications, drawings, plans, documentation and other information shall be communicated only to such third persons as unavoidably have to be informed for the execution of the Contract. These persons must have the necessary security clearance.
3. The Contractor shall procure that the Main Subcontractor shall treat each classification as established in Annex M of the Contract in the same manner as the classification corresponding thereto established by the Federal Republic of Germany (FRG).
4. The Contractor shall procure that the Main Subcontractor possesses and agrees that at all times during the course of performance of Contract it will maintain in effect a governmental facility security clearance.
5. The Purchaser and the Contractor will certify the security clearance of Contractor's and Purchaser's personnel to the Main Subcontractor's security office prior to their arriving at Main Subcontractor's facilities. Such personnel shall be subject to official German regulations.
6. All of the Main Subcontractor's personnel who is to perform services under this Contract in Greece shall be subject to official and valid Greek regulations.
7. The Purchaser and the Contractor will keep confidential all information whether furnished to it in writing prior to the date of this Contract or after and which is clearly and conspicuously marked as confidential or proprietary. Such information shall be used only for purposes under this Contract.

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 106 out of 119</i>
---------------------------------	---	------------------------------------

8. After the completion of the modernization, repair and construction of the Submarine(s), as the case may be, the Purchaser is entitled to deny entrance to the Submarine(s) to any person(s) not directly involved with the execution of this Contract.

9. If so deemed necessary the Parties shall agree on further security measures.

10. The Purchaser will keep confidential all information whether furnished to it in writing by the Contractor and/or the Main Subcontractor prior to the date of this Contract or after and which is clearly and conspicuously marked as confidential or proprietary. Such information shall be used only for purposes under this Contract.

ARTICLE 31

PATENT REPRESENTATION - PATENT INDEMNIFICATION – LICENCE

1. In accordance with its contractual arrangements with the Main Subcontractor, the Contractor states and confirms that it is entitled to make use of all patents, patent rights, copyrights or trademarks connected with the modernisation and construction of the Submarines.

2. The Contractor shall procure that the Main Subcontractor shall be responsible for any and all claims against the Purchaser for infringement of the Package Material or the Submarines modernised and constructed by the Contractor in accordance with the specifications, drawings, documents and Data delivered by the Main Subcontractor, of any German patents, patent rights, copyrights or trademarks in the design, construction, in the use of or in the sale to the Purchaser of the Package Material, as designed and constructed by the Main Subcontractor, or the Submarines as so modernized and constructed by the Contractor, and the Main Subcontractor shall defend, save and hold harmless and indemnify the Purchaser against all such claims and against all costs, expenses, charges and damages which the Purchaser may be obligated to pay by reason thereof, including expenses of litigation, and reasonable attorney's fees, if any. Furthermore the Contractor shall procure that provided any claim being made against any or all of said parties, the Main Subcontractor and the Purchaser as the case may be, shall notify each other promptly of such claim and also of any suit brought in connection therewith and the Main Subcontractor shall be given an opportunity to defend the same at its expense; and provided further, that no payment on account of any such claim shall be made by the Purchaser unless with the consent of the Main Subcontractor or pursuant to the decree of a competent court or tribunal.

3. The Contractor shall procure that the Main Subcontractor shall have sole control of the defence of any such claim, suit or proceeding including appeals and of all negotiations for, including the right to effect, the settlement or compromise of the claim. In this respect the Purchaser shall provide the Main Subcontractor, with all reasonably available information and authorization to enable the Main Subcontractor

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 108 out of 119</i>
---------------------------------	---	------------------------------------

in co-operation with the Purchaser to take all measures the Main Subcontractor deems appropriate and useful to this effect.

4. The Contractor shall procure that in case any item delivered by the Main Subcontractor with respect to this Contract is in any such suit held to constitute an infringement as specified in this Article, and its use is enjoined, the Main Subcontractor shall at its option and expense:

(a) procure for the Purchaser the right to accept, possessing, owning and continue using the item concerned, or

(b) replace or modify the item so that it becomes non-infringing yet remains functionally and substantially equivalent.

5. The Contractor shall procure that the Main Subcontractor shall, however, not have any liability whatsoever (and shall be entitled to a refund of any expenses in connection with defending any claim in accordance with the foregoing provisions) if any infringement or claim thereon is based upon or arises out of:

(a) the use of material, machinery, equipment, Data and/or Software delivered by the Main Subcontractor with respect to this Contract in combination with materials, machinery, equipment, information and/or Software not supplied by the Main Subcontractor, where such infringement would not have occurred without such combination and provided that the infringement was not caused by the Main Subcontractor's material, machinery etc., and/or

(b) the use of material, machinery, equipment, Data and/or Software delivered by the Main Subcontractor under this Contract in a manner for which such materials, machinery, equipment, Data and/or Software was not designed or not contemplated pursuant to this Contract for which the Main Subcontractor is not responsible, and/or

(c) any item and/or software supplied or designed by the Purchaser or any third party on behalf of the Purchaser, and/or

(d) the use of the Repair Specification.

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 109 out of 119</i>
---------------------------------	---	------------------------------------

6. Nothing contained in this Contract is intended or shall be construed as transferring any name or patent or trademark rights or trade name or copyright in the Submarine, machinery, equipment or any part thereof or in the design, the specifications and/or any other document, specification, plan, drawing, list, data etc. in connection with this Contract and/or its execution, and all such rights are hereby expressly reserved to the true and lawful owners thereof.

7. In accordance with their contractual arrangements the Main Subcontractor grants to the Contractor a non-exclusive and non-transferable license to use the Data as disclosed with respect to this Contract upon the terms and conditions set forth below.

8. The license is limited to the use in modernization (including all relating aspects as well as the repair) of Submarine 1 and the use for construction of Submarines 2 and 3, designated for the Hellenic Navy. In no case shall the Contractor modernize and/or construct Submarines or parts or units thereof directly or indirectly outside the purposes as set out above, making use of the Data and /or any proprietary information contained therein, unless so specifically authorized by the Main Subcontractor.

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 110 out of 119</i>
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ARTICLE 32**COMING INTO FORCE**

1. This Contract had become originally effective on 31.5.2002 when all of the following conditions had been fulfilled (such date herein called the "Effective Date of the Contract" or "EDC"):

1.1 Approval by the Purchaser of the feasibility study for this Contract.

1.2 This Contract had been signed by the Purchaser and the Contractor.

1.3 The related contract between the Contractor and the Main Subcontractor had been signed.

1.4 The Offset Contract had been signed by the Purchaser and the Main Subcontractor.

1.5 Receipt by the Purchaser of the Good Execution and Performance guarantee in accordance with Article 7 hereof as applicable at EDC.

2. For the EDCA shall apply the clause 7 of Section F of the Implementation Agreement, integral part of which constitutes the present Contract.

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 111 out of 119</i>
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ARTICLE 33**(NOT USED)**

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 112 out of 119</i>
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ARTICLE 34

PROGRAM MANAGEMENT

1. The Purchaser shall appoint a duly authorized party within his organisation for the monitoring of the Contract, on his behalf.
2. During the execution of the Contract the representatives of the Purchaser described in paragraph 1 above will be present in the Contractor's premises and will be part of a Naval Detachment, which will be named Hellenic Naval Detachment Skaramanga (HNDS).
3. The Head HNDS, or his authorized deputy, shall be appointed, in writing, by the Purchaser and their responsibilities are defined as follows:
 - a) The supervision and execution of any actions to ensure the correct performance of this Contract performed by HNDS.
 - b) The provision of information to the Contractor as well as the receipt of technical and other information, on his request, regarding this Contract.
 - c) The approval of changes and modifications to the Technical Specification as per Appendices 1 and 3 of Annex A of this Contract and to the Repair Specification of this Contract (as per Appendix 2 in Annex A hereto) which do not affect the Submarines' delivery time, contractual prices as per Article 5 of this Contract and the object of the Contract as per Article 2 of this Contract.
 - d) The provision of approvals and the signature of certificates, reports and other documentation as specified in this Contract.
 - e) The coordination of the training of the Purchaser's personnel.
4. HNDS shall utilise the services provided as specified in Article 13, paragraph 18 of this Contract.

Implementation Agreement	Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM	Section Page 113 out of 119
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5. The Contractor shall appoint a Project Manager who shall be formally announced to the Purchaser and shall be the Contractor's representative and single point of contact concerning all relevant aspects of the Contract.

6. For the purpose of proper and satisfactory performance of this Contract, the Purchaser and the Contractor shall hold a series of Program Management Reviews (hereinafter referred to as the "PMR") at six (6) months intervals or such shorter intervals as mutually agreed, to review the performance and progress of the activities under this Contract. The PMR shall be held, at the Contractor's facilities, or as otherwise agreed.

The PMR shall cover the following subjects:

- a) progress review
- b) engineering design review.
- c) production review.
- d) quality assurance review.
- e) progress and any remarks on training.
- f) other issues to be mutually agreed upon.

The details shall be agreed by the Parties in due time.

The Contractor shall present reports for each PMR and shall submit one (1) copy of such PMR to the Purchaser within one (1) month of the completion of the respective PMR. The PMRs shall be signed by the Parties.

7. The personnel delegated by the Purchaser as per paragraph 1 above is obliged to obey to all security and safety regulations while at the respective premises of the Contractor and the Main Subcontractor as well as to other applicable regulations and legislation.

8. Both Parties shall especially ensure that their personnel are bound to the strictest secrecy in all matters affecting any interest of the respective other Party and

Implementation Agreement	Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM	Section Page 114 out of 119
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its subcontractors, and that they observe and comply with the lawful and reasonable instructions and restrictions specified and imposed on them by the respective other Party or a subcontractor whilst within the premises of the other Party or the respective subcontractor.

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 115 out of 119</i>
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ARTICLE 35

FINAL PROVISIONS

1. The relations between the Purchaser and the Contractor and their actions during the entire execution of this Contract shall be governed by a spirit of good faith and harmonic co-operation.
2. The terms and conditions of this Contract including the Annexes constitute the entire agreement between the Purchaser and the Contractor with respect to the modernization, repair and construction (as the case may be) of the Submarines. They supersede any and all previous communications or commitments, whether oral or written, between the Purchaser and the Contractor.
3. The Contractor's aggregate liability under, arising from and in connection with this Contract shall be limited to an amount equal to eleven per cent (11%) of the aggregate of the prices for the Submarines in accordance with Article 5, paragraphs 3.1, 3.2 and 3.3. In no case shall the Contractor be liable for any consequential, direct or indirect damages.
4. The warranties, obligations and liabilities expressly mentioned under this Contract are exclusive and shall constitute the sole liability of the Contractor and the Purchaser under this Contract and in no case shall the Contractor and the Purchaser have any obligation or be liable for consequential, direct or indirect damages, except as specifically provided for in this Contract.
5. The Purchaser and the Contractor further agree that the terms of the present Contract may be altered only by virtue of a mutual agreement of the Parties, written and duly signed by their authorised representatives.
6. Deletions, modifications or changes in the present Contract shall be made in the form of written document, explicitly called an "AMENDMENT", dated and signed by both Parties. Each of such "AMENDMENTS" shall be numbered consecutively beginning with number 1(one).

<i>Implementation Agreement</i>	<i>Section C- CONTRACT 021B/02 for NEPTUNE II PROGRAM</i>	<i>Section Page 116 out of 119</i>
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7. If there is any conflict or inconsistency between the Articles of this Contract, the Annexes and the specifications and / or the drawings and other technical documents, then the order of precedence which shall govern the resolution of any conflict or inconsistency is:

- first, Articles of this Contract
- second, the Annex A
- third, the other Annexes
- fourth, the specifications
- fifth, the drawings
- sixth, all the other technical documents,

with the understanding that the more special or detailed provisions and rules shall supersede the general descriptions covering the same topics.

8. The present Contract comprises the main body, consisting of 35 Articles, and the following Annexes, which, duly initialled by the Parties hereto and attached to the main body, constitute an integral and inseparable text:

Annex A Appendix 1: Technical Specification for Modernization of Submarine 1

Appendix 2: Repair Specification of Submarine 1

Appendix 3: Construction Specification of Submarines 2 and 3

Annex B Performance Data of Submarine 1

Annex B1 Performance Data of Submarines 2 & 3

Annex C Government Furnished Equipment and Information for Submarine 1

Annex C1	Government Furnished Equipment and Information for Submarines 2 and 3
Annex D	Working Progress Milestones
Annex E	Excess Materials
Annex F	List of Corporate Guarantees to be returned and invalidated
Annex G	Form of Certificate of Transfer of Property
Annex H	Not Used
Annex I	Specimen Good Performance Guarantee
Annex J	Not Used
Annex K	Not Used
Annex L	Not Used
Annex M	Security Classification
Annex N	Specimen of Protocol of Delivery and Acceptance
Annex O	Warranty Procedure
Annex P	Not Used
Annex P1	LS Deliverables for Submarines 2 and 3
Annex R	Not Used
Annex Q	Not Used
Annex S	Not Used
Annex T	Additional Repair Works of Submarine 1
Annex U	Liquidated Damages for Sensor Accuracy of Submarine 1

Annex UI	Liquidated Damages for Sensor Accuracy of Submarines 2 and 3
Annex V	Not Used
Annex X	Not Used
Annex W	Not Used

9. Any provision hereof that is found unlawful or unenforceable, shall be ineffective without affecting any other provision of this Contract. In such case the Parties shall meet without delay to consult each other and try to find an appropriate remedy to the situation and reach agreement thereon as soon as possible, which shall as closely as possible reflect the intent of the original provision.

10. The following provisions of this Contract shall survive the termination, for whatever reason, or the completion of this Contract: Articles 17 (Warranty), 19 paragraph 9 (LS), 22 (Modifications), 28 (Arbitration), 30 (Security and Secrecy) and 31 (Patents).

11. The Annexes as listed herein and forming an integral part of this Contract are agreed upon and initialled by the Parties hereto in the Greek or in the English language under the same circumstances.

SECTION C

CONTRACT 021B/02

Annex B1

Appendix 2

The Purchaser is entitled at his sole discretion and cost to conduct additional reference Acoustic - tests with the first-of-class 214 submarine (henceforth the "Papanikolis S/M") which is built under the Contract 012B/00 (henceforth "the Archimedes Contract") as provided for in the SAT specification for Acoustic Tests (water-borne and transient noise) under the Archimedes Contract using the exact identical parameters, acoustic test range and methods applied for performing these identical SAT Acoustic Tests (water-borne and transient noise) for the Papanikolis S/M under the Archimedes Contract. These additional reference tests for the Papanikolis S/M will be conducted once in the Mediterranean Sea with the participation of the Contractor and the Main Subcontractor and the measured values for the Papanikolis S/M will be stored and will remain as reference acoustic values (the "Reference Acoustic Values") for potential future use, as provided in the following paragraph. In case that the Parties cannot agree on the values as outcome of said test, then article 28 shall apply and the issue shall be submitted to Arbitration.

For each of the Submarines 2 and 3, in case one or more values in the SAT protocol achieved during the execution of the contractual SAT Acoustic Tests (water-borne and transient noise) are worse than the respective standard performance values contained in Annex B1 and at the same time they are as well worse than the relevant Reference Acoustic Values, then the Reference Acoustic Values shall prevail and will be taken as base reference for liquidated damages evaluation. In this case, the deviation of the SAT protocol acoustic values from the Reference Acoustic Values will be evaluated according to the following:

A. Water-borne Noise

If the average radiated noise level **broad band** as per Technical Specification, Building Group 0026.03 Fig. 1 and 2 measured and evaluated as set forth in Building Group 0459.2.1 is not reached and curve established therein is exceeded by mean of:

Silent/Quiet condition (4 kn) according to PBS0, Bgr 0026.3 (Battery/FC)
 By more than 2 dB to 4dB 0,5%
 By more than 4 dB to 6 dB 1,0 %

Patrol/Cruising condition (6 kn) according to PBS0, Bgr 0026.3
 By more than 2 db to 4 dB 0,5%
 By more than 4 dB to 6 dB 1,0 %

Snorkelling condition (4 kn) according to PBS0, Bgr 0026.3
 By more than 2 db to 4dB 0,5%
 By more than 4 dB to 6 dB 1,0 %

The amounts are not cumulative, however each of the three operation conditions as defined in Building Group 0026.3 shall be considered.

If the radiated noise **narrow band** as per Technical Specification, Building Group 0026.03 measured and evaluated as set forth in Building Group 0459.2.1 is exceeded as follows:

By more than one spike, but not more than four spikes with more than 5 dB but not exceeding 10 dB above the limit curve, or alternatively more than two spikes, but not more than eight spikes with more than 2 dB, but not exceeding 5 dB above the limit curve: 0,2%

By more than four spikes, but not more than eight spikes with more than 5 dB but not exceeding 10 dB above the limit curve, or alternatively more than six spikes, but not more than fourteen spikes with more than 2 dB, but not exceeding 5 dB above the limit curve: 0,5%

The amounts are not cumulative, however, each of the three operation conditions as defined in the Building Group 0026.3 shall be considered.

For the purpose of calculating Liquidated Damages hereunder, in case of spikes of different excess values occurring in combination, the following shall be considered:

A spike in excess of 5 dB, but not in excess of 10 dB shall be equivalent to two spikes in excess of 2 dB, but not exceeding 5 dB.

B. Transient Noise

By more than one spike, but not more than three spikes with more than 5 dB but not exceeding 10 dB above the limit curve, or alternatively the arithmetic average is more than 2 dB but not more than 5 dB above the limit curve: 0,5%

By more than three spikes, but not more than six spikes with more than 5 dB but not exceeding 10 dB above the limit curve, or alternatively the arithmetic average is more than 5 dB but not more than 8 dB above the limit curve: 1,0%

The above amounts of liquidated damages are not cumulative.

Paragraphs 3.15 and 3.17 of Article 25 shall be deemed amended accordingly for the respective Submarine 2 or 3 under testing. For the avoidance of doubt, pursuant to Article 35 paragraph 7 of the Contract, this clause is a special provision and shall supersede any other conflicting contractual provisions.

SECTION D

WAIVER AGREEMENT

1. HR and HSY explicitly, unreservedly and irrevocably waive, relinquish and give up with effect upon EDCA all and any claims, rights, demands, costs, expenses (including attorney's fees) of every nature, character and description whatsoever, whether in contract or statute, against each other which arose or may have arisen under any laws whatsoever or provisions of all SM 214 Contracts and SM 209 Contracts at prior stages of implementation of Archimedes and Neptune II Programs respectively and prior to the EDCA, including, but not limited to, claims for breach of contract, default, penalties, interest, tort and unjust enrichment.

2. HR and HDW (acting for itself and as proxy for Ferrostaal AG) explicitly, unreservedly and irrevocably waive, relinquish and give up with effect upon EDCA all and any claims, rights, demands, costs, expenses (including attorney's fees) of every nature, character and description whatsoever, whether in contract or statute, against each other which arose or may have arisen under any laws whatsoever or provisions of all SM 214 Contracts and SM 209 Contracts, SM 214 Off-Set Contract and SM 209 Off-Set Contract at prior stages of implementation of Archimedes and Neptune II Programs respectively and prior to the EDCA, including, but not limited to, claims for breach of contract, default, penalties, interest, tort and unjust enrichment.

3. HSY and HDW explicitly, unreservedly and irrevocably waive, relinquish and give up with effect upon EDCA all and any claims, rights, demands, costs, expenses (including attorney's fees) of every nature, character and description whatsoever, whether in contract or statute, against each other which arose or may have arisen under any laws whatsoever or provisions of all SM 214 Contracts and SM 209 Contracts as well as any bilateral agreements related thereto at prior stages of implementation of Archimedes and Neptune II Programs respectively and prior to the EDCA, including, but not limited to,

<i>Implementation Agreement</i>	<i>Section D – WAIVER AGREEMENT</i>	<i>Section Page 1 out of 2</i>
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claims for breach of contract, default, penalties, interest, tort and unjust enrichment.

4. HR, HSY and HDW waive and relinquish all rights and benefits each of them may have under any applicable law to challenge the effectiveness or validity of this Waiver Agreement or to claim damages or compensation by reason of this Waiver Agreement.

5. HR, HSY and HDW shall abstain from any act or process which could contradict or contravene the purposes of the present Agreement, including but not limited to any kind of administrative acts or measures. In order to safeguard and ensure the uninterrupted operation and employment of HSY also in respect of the needs of Hellenic Navy, HR shall use its best efforts so that all pending issues with regard to the applicable licences, permits and certificates for the operation of HSY will be settled and all relevant licences, permits and certificates are granted and/or issued by all its competent bodies and services as well as local authorities and/or administrative bodies within three (3) months from EDCA. In case any of the aforementioned licences, permits, or certificates is not effectively in place, then HSY shall be entitled to an extension of all performance and/or delivery dates provided in the Sections B and C of the present Agreement by one day for each day after the lapse of the aforementioned three-month period from EDCA. HR shall use its best efforts so that no acts or omissions are imposed on HSY impacting directly or indirectly on the continuous business activities and smooth operations of HSY thus not impairing the aforementioned purpose. The said extension shall not be granted to the extent that the non-issuing is solely attributed to acts of HSY prior to EDCA or acts or omissions of HSY with respect to procedural matters (e.g. non signing of applications forms).

6. Nothing in this Waiver Agreement may be construed to consist a pardon or amnesty for any criminal act of any individual.

<i>Implementation Agreement</i>	<i>Section D – WAIVER AGREEMENT</i>	<i>Section Page 2 out of 2</i>
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SECTION E

FURTHER IMPLEMENTATION OF FRAMEWORK AGREEMENT

1. ADM hereby acknowledges that the present Agreement is the implementation/consummation act of the FA. Furthermore ADM confirms that it is aware of the contents of the Contracts 012B/00 and 021B/02 as laid down in Sections B and C of the present Agreement, which both stipulate for a termination right of the HR in case of changes in the shareholding of ADM in HSY.
2. HSY and HDW enter into sub-contracts with regard to the Archimedes and Neptune II Programs on terms which are not in breach of HSY's obligations, as Contractor, under the Contracts 012B/00 and 021B/02 as laid down in Sections B and C hereof respectively.

Such sub-contracts provide, among others, for a co-operation between them regarding potential technical improvements for class 214 Submarines. Such improvements may be proposed to HR and if accepted by the latter they shall be implemented as modifications to the Contracts 012B/00 and/or 021B/02 as per article 22 thereof.

3. HSY and HDW hereby confirm that HR has duly and properly fulfilled the obligations undertaken pursuant to Article 10 § 2 and Article 11 of the FA.
4. TKMS hereby acknowledges that the present Agreement is the implementation/consummation act of the FA.
5. With regard to ongoing investigations on the Archimedes and Neptune II Programs for the time period prior to September 21, 2009 HDW will keep up the cooperation with the German judicial authorities and shall also support HSY in its respective cooperation with the Greek judicial authorities and/or Greek Parliament to the extent possible and required.

<i>Implementation Agreement</i>	<i>Section E – FURTHER IMPLEMENTATION OF FRAMEWORK AGREEMENT</i>	<i>Section Page 1 out of 1</i>
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SECTION F

FINAL PROVISIONS

1. All Sections and Annexes of this Agreement constitute integral and integrated parts hereof and any reference to this Agreement will be deemed to include a reference to all and any of its Sections and Annexes, as applicable. The Annexes in each Section hereof are agreed upon and initialled by the Parties to IA, as applicable, in the Greek or in the English language under the same circumstances.
2. The present Agreement is subject to the suspending condition (in the meaning of article 201 Greek Civil Code - GrCC) of being ratified by the Greek Parliament and the respective ratifying Law being put into final and irrevocable effect as per the provisions thereof (hereinafter together referred to as the "Ratification").
3. After the Ratification, the present Agreement shall with respect to its Sections A to E be subject to the additional suspending condition (in the meaning of article 201 GrCC) of all acts as described under clause 6 hereunder being fulfilled (hereinafter together referred to as the "Closing"). The entire present Agreement shall further be subject to the dissolving condition (in the meaning of article 202 GrCC) of completion of Closing.
4. The Closing shall be executed provided that and after such day:
 - (a) Ratification has been effected, and,
 - (b) By a tax audit to be conducted immediately on HSY with regard to the fiscal years of HSY up to 30.9.2009 and/or by adaption of any applicable legal framework, a binding closure of all open or potentially to be reopened fiscal years shall be obtained, according to which the following legal provisions have been fully consummated and shall have no further effect on all the fiscal years of HSY up to 30.9.2009: Articles 30 paragraph 2(c), 32, and 68 paragraph 2 of Law 2238/1994, Article 30 paragraphs 2,3,4,5,6,7,8 of

Presidential Decree 186/1992, and Articles 5 paragraph 10(b) and 6 of Law 2523/1997.

(c) HDW and ADM inform in writing HR as in the format set out in the Annex A of this Section that all closing conditions stipulated in the SPA for the sale and transfer of the majority shareholding in HSY – save for the Closing as per clauses 4 to 7 hereof - have been fulfilled or mutually waived,

(hereinafter together referred to as “Commencement Date”).

5. The Closing shall take place the fourth (4th) working day after the Commencement Date at 9:00 p.m. in the building of Hellenic Ministry of National Defense.

6. At Closing the following acts and events shall take place simultaneously:

(a) Signing by the duly authorized representatives of Hellenic Navy of the final acceptance certificate for Submarine I of Archimedes Program as in the format set out in Annex N, Appendix 1 of Section B hereof (Contract 012B/00),

(b) Signing by HR, HSY and HDW of a statement confirming the waiver of all and any claims and rights against each other as in the format set out in Annex B of this Section.

(c) Receipt of bank SWIFT messages confirming unconditional receipt by HSY and HDW of a total payment of Euro 200 million which shall be effected by HR in accordance with the respective provisions of article 6 of Contracts 012B/00 and 021B/02 as follows:

- Euro eighty five million (85.000.000) at Cyprus Bank to the account no. IBAN GR 9007305010000000005470952 of HSY,
- Euro one hundred fifteen million (115.000.000) at HSH Nordbank AG to the account no IBAN DE5821050000 0053 003590 of HDW.

In case the Closing takes place after September 15, 2010 the amount of the above payment shall automatically be adjusted in order to include the amounts of all other payments that become due and payable under Schedule A (Payment Schedule) of the FA and Contracts 012B/00 and 021B/02 after September 15, 2010.

(d) Signing by HR, HSY, HDW and ADM of a statement confirming the lifting of the dissolving condition stipulated in clause 2 of Section F hereof as in the format set out in Annex C of this Section,

(e) Submission by HR, HSY and HDW to the Secretariat of ICC of a request as in the format set out in Annex A of Section A hereof providing for the termination by consent of the pending arbitration proceedings regarding the termination of SM 214 and SM 209 Contracts (ICC Cases No 16721 GZ & 16722/GZ)

7. Closing is completed when all acts and events mentioned under clause 6 of this Section, including but not limited to the receipt of the total payment of Euro 200 million or eventually any additional amounts as per clause 6 of this Section, take place. The date of such completed Closing shall be considered the Effective Date of this Agreement ("EDCA").
8. For the signature of all documents that have to be signed and executed by the Parties to IA upon Closing (save for the final acceptance certificate for Submarine 1 of Archimedes Program) the persons that have signed on behalf of the Parties to IA the Framework Agreement will be deemed as authorised representatives of the Parties to IA. Alternatively the Parties to IA may duly authorise other persons.
9. From Commencement Date on, the Parties to IA may agree upon changes in the procedure (such as date and place of Closing) by written agreement to be duly signed by each of the Parties to IA.
10. Any notice or other written communication given under or in connection with this Agreement shall be in the Greek language or, if not, accompanied by a

translation in Greek certified by the person to be accurate; the receiving party shall be entitled, to assume the accuracy of and rely upon the Greek translation of any document so provided pursuant hereto. Such notice or other written communication may be delivered personally or sent by air courier or facsimile but may not be sent by e-mail or other electronic format. The address for service of each Party to IA shall be the address set out below (or other address as such Party to IA may notify to the others in writing referring to this clause of this Agreement):

HR

Address: Mesogeion Avenue 227-231, 15451 Athens Greece

Facsimile: + 30210 6537089

Attention: Minister's Office

HSY c/o KLC Law Firm

Address: Ypsilantou str. 2, 10675, Athens - Greece

Facsimile: + 30 210 7264510

Attention: Mr Akio Ito via Christina Panagoulea,

HDW

Address: Werftstrasse 112 – 114, 24143, Kiel - Germany

Facsimile: + 49 40 18002270

Attention: Mr Torsten Koenker

ADM

Address: P.O. Box 107241, Port Zayed, Navy Area – Abu Dhabi, UAE

Facsimile: + 971 2 4450644

Attention: Mr Iskandar Safa

TKMS

Address: Hermann-Blohm-Strasse 3, 20457 Hamburg - Germany

Facsimile: + 49 40 18001111

Attention: Dr. Hans-Christoph Atzpodien

11. This Agreement, including its performance and interpretation, and all acts and transactions contemplated hereby, shall be governed by, construed and enforced in accordance with the laws of the Hellenic Republic.
12. Any dispute arising out of or connected with this Agreement, shall be resolved by arbitration in Athens, Greece conducted in the Greek or English language by three (3) arbitrators pursuant to the procedural rules of the ICC. HR will appoint one arbitrator and HSY, HDW and ADM will jointly appoint the other arbitrator, while the third arbitrator, who shall act as chairman of the tribunal, shall be chosen by the two arbitrators appointed by or on behalf of the Parties to IA. If he/she is not chosen by the two arbitrators within thirty (30) days of the date of appointment of the later of the two party-appointed arbitrators to be appointed, he/she shall be appointed in accordance with the ICC procedural rules. It is expressly clarified that the arbitration clauses contained in articles 28 of Contracts 012B/00 and 021B/02 shall apply for all disputes falling within their respective scope.
13. This Agreement has been drawn in Greek and English language and is signed in five (5) originals in each language. In case of any discrepancy between the Greek and English contractual texts the Greek text shall prevail. Given the classified military information and data contained in Sections B and C hereof, only HR, HSY and HDW shall take full versions of these Sections. ADM and TKMS shall take an original without any Annexes.
14. Upon signing of this Agreement HR, HSY and HDW (acting for itself and as proxy of Ferrostaal AG) mutually agree to extend the stay of the pending arbitration proceedings regarding the termination of SM214 and SM 209

<i>Implementation Agreement</i>	<i>Section F – FINAL PROVISIONS</i>	<i>Section Page 5 out of 7</i>
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Contracts (ICC Cases No 16721/GZ & 16722/GZ), which was initially agreed with clause 4(d) of the FA, for the period 1 – 30 September, 2010.

15. All payments to be effected by HR under the Contracts 012B/00 and 021B/02 shall not be subject to any applicable income tax withholdings and especially those provided for in article 55 Law 2238/1994 as currently in force.
16. This agreement shall become automatically null and void if Ratification under the Closing has not taken place until September 30, 2010. The above deadline may be extended as for Closing following a mutual written statement of the Parties.

IN WITNESS whereof, the Parties to FA have signed this Agreement in 5 (five) originals in both Greek and English language (in total 10 originals) through their authorized representatives

THE PARTIES TO IAFor Hellenic Republic

George Papakonstantinou

Minister of Finance

Evangelos Venizelos

Minister of National Defence

For Hellenic Shipyards SA

Akio Ito

Dr Peter Bracker

For Howaldtswerke Deutsche Werft GmbH

Torsten Koenker

For Abu Dhabi Mar LLC

Iskandar Safa

For ThyssenKrupp Marine Systems AG

Dr Hans Christoph Atzpodien