

SPICE ISLAND MARINE SERVICES LTD

**TERMS AND CONDITIONS OF BUSINESS SUBJECT TO WHICH ALL WORK IS
UNDERTAKEN AND FACILITIES ARE PROVIDED**

(In all transactions, these terms and conditions are the only terms and conditions that Spice Island Marine Services Limited will undertake all business.)

- 1) The company and its employees accept no responsibility for loss, damage or delay arising from any cause whatsoever unless such loss, damage or delay was caused by, or resulted from the company's employees' negligence or deliberate act or that of those for whom the company is responsible subject to that exception, all vessels and gear are repaired, worked on, moved, stored or otherwise managed and kept at the sole risk of the owner. Customers should, therefore, ensure that their vessels and/or property are adequately insured against all risks; they should also ensure that they are themselves adequately insured against third-party risks as they may be liable for damage caused by their vessels, themselves or their crew whilst on or about the company's premises
- 2) Subject to express agreement to the contrary any delivery date quoted in this agreement is given in good faith and is not guaranteed, but delivery shall be within a reasonable time of any date specified, taking into consideration all the surrounding circumstances of the particular case at the time repairs are being carried out.
- 3) This clause applies only where the company supplies goods to a person who buys in the course of business (a business customer).
 - a. No article supplied by the company to a business customer shall carry any warranty or condition of sale, express or implied, as to quality, or as to fitness for any particular purpose unless the customer, when he orders that article sufficiently, explains the purpose for which the article is required and makes it clear that he is relying on the skill and judgment of an employee of the company who tenders such advice.
 - b. No proprietary article ordered from the company by name, type and/or size by a business customer shall carry any such warranty or condition of sale, save so far as the company can pass on a manufacturer's warranty.
 - c. In no event will the company accept liability of a business customer for consequential damage beyond replacement of any faulty or unsuitable article supplied.

Customer Initial

- 4) In the interest of unforeseen emergency, safety and expediency, the company reserves the right to move any vessel and/or gear on the company's premises at the discretion of the company's employees.
- 5) All persons using any part of the company's premises and/or facilities, for whatever purpose and whether by invitation or otherwise, do so at their own risk, unless any injury or damage to person or property sustained within the company's premises and/or facilities was caused by or resulted from the company's employees negligence or deliberate act.
- 6) No work shall be done to the vessel whilst on the company's premises or mooring without prior written consent, other than minor running repairs or minor maintenance of a similar nature by the owner, his regular crew, or members of family not causing any nuisance or annoyance to any other users of the company's premises or mooring or any other person residing in the vicinity. Prior written consent for work to be carried out on the company's premises will not without good cause be withheld where:
 - a. The work to be carried out is work for which we, or the company's concessionaries or those persons or company who normally carry out work on the company's behalf, would normally employ a specialist sub-contractor or
 - b. The whole of the work is being carried out under warranty by the manufacturer and/or supplier of the Vessel or any part of her equipment to which the warranty relates
 - c. Once approved outside contractors will be charged an agreed commission on the Labour employed for the job.
- 7) In all cases where a contract of hire or license to occupy any moorings, berth, storage space, property or facilities may be lawfully terminated by notice, the same shall be deemed to be lawfully served if served personally or sent by registered post or recorded delivery service to the last known addressed of the hirer or licensee.
- 8) Subject to express agreement in writing to the contrary, all quotations given by the company are subject to the cost of labour and materials remaining at the same level as those prevailing at the time of the quotation, and the quoted price shall be increased or decreased by the amount by which the actual cost of labour, materials and overheads have increased or decreased by reason of variation of the aforesaid levels since the date of the quotation. However, the quotation shall not be adjusted to meet increased costs, which would not have occurred, but for the company's failure to proceed with the work with reasonable dispatch.

Customer Initial

- 9) Any estimate is subject to acceptance within 30 days from the date thereof. Work will be commenced upon the deposit of 50% of the estimated cost of the job.
- 10) In the absence of any written agreement or arrangement to the contrary, delivery will be given at the company's dockyard or in the water adjacent thereto.
- 11) Estimates cover only the work and/or items specified thereon, and all additions, Alterations, waiting time and any additional costs due to modified instructions will be charged to the customer at existing prices. If, in the course of execution of any work, the company's employees find any defect in a vessel and/or its gear that in the company opinion should be rectified without delay, and before the Owner's consent can be obtained, the company reserves the right to carry out such necessary repair at its discretion and to charge same to the Owner. Notice of any such rectification will be forwarded to the Owner forthwith.
- 12) Unless otherwise specified, the company's terms of payment for goods supplied, work done or accommodation provided are:
 - a. ALL TRANSITIONS: No boat, parts, goods or materials will be released to any owner until paid for in full. No vessel worked on ashore or in hoist will be launched until paid for in full, including vessels subject to sea trials.
 - b. METHOD OF PAYMENT is acceptable only by the following: Certified cheque, cash, valid credit, or direct payment to bank account of which evidence must be given before delivery of the vessel. Personal cheques uncertified, will not be accepted. Payment by credit card can result in an additional administration charge as applicable at time and as defined by the said credit card authorities
 - c. ALL INVOICES are to be settled within seven (7) days of date of invoice or prior to launch, or removal of vessel from yard or marina, whichever is sooner. Failure to settle within this time frame shall result in an additional charge by way of interest of 1.5% on outstanding balance per month
- 13) Subject to any agreement to the contrary, the company reserves the right to exercise a general lien upon any vessel and/or its gear and equipment whilst in or upon its premises or afloat at any of the company moorings, until such time as any moneys due to the company from the Owner in respect of such vessel and/or its gear, whether on account of storage or mooring charges, work done, or otherwise shall be paid. If monies remain unpaid for 6 months, the company reserves the right to dispose of the boat to recover the monies due and owing.

Customer Initial

- 14) Except where notice is required to be given under Clause 11 and except in regard to Clause 13, the word "Owner" shall include a Charterer, Master or Authorized Agent of the vessel.
- 15) No work shall commence on any vessel until written agreement, either by acceptance note, fax, letter or e-mail or other such agreed methods, is received by the company from a customer, accepting an estimate are requesting work to be done.
 - a. Verbal confirmation is not acceptable
 - b. The acceptance of an estimate or request for work to be sanctioned, as per Clause 15(a) hereof shall constitute full and unconditional acceptance of these terms and conditions.
- 16) The Owner is responsible for indicating the area in which the slings are to be placed upon hauling out & launching. All (protruding) non-fixed transducers must be removed before the vessel is hauled out. The company is not responsible for any damage incurred by the slings. At all times, priority will be given to the safe placement of the slings in accordance with Marine Travelift operation guide.
- 17) All sails must be taken down & stowed by the owners upon hauling. Biminis can be left up but should a storm warning be issued they will be removed at the owner's expense and remain down until launching.
- 18) Liability insurance is required for all boats.

Customer Initial

, I

Owner, or authorized agent of owner, of

.....

accept your terms and conditions as stated herein.

Signed.....

Date

If applicable

I

Owner, or authorized agent of owner, of

.....

accept your estimate (written/verbal) for repairs and authorize you to commence work at your convenience.

Signed.....

Date

If applicable