

TERMS OF BUSINESS

THESE TERMS OF BUSINESS APPLY TO ALL WORK UNDERTAKEN AND FACILITIES OR GOODS SUPPLIED

1. GENERAL

1.1 All orders, deliveries, supplies of products and services are made subject to the terms and conditions as herein set out. Any conditions stipulated by the Customer that are in contradiction of our Terms of Business shall only be valid if expressly acknowledged by us in writing. Please note that additional terms apply to the purchase of new and used vessels.

2. LIABILITY

2.1 We shall not be liable for any loss or damage caused by any event or circumstance beyond our reasonable control (such as extreme weather conditions, the actions of third parties not employed by us or any defect in any part of a customer's or third party's vessel); this extends to loss or damage to vessels, gear, equipment or other goods left with us for repair or storage, and harm to persons entering the premises and/or using facilities or equipment.

2.2 We shall take all reasonable and proportionate steps having regard to the nature and scale of our business to maintain security at our premises, and to maintain our facilities and equipment in reasonable working order. Subject to this and in the absence of any negligence or other breach of duty by us vessels, gear, equipment or other goods are left with us at the customer's own risk and customers should ensure that their own personal and property insurance covers such risks.

2.3 We shall not be under any duty to salvage or preserve a customer's vessel or other property from the consequences of any defect in the vessel or property concerned unless we have been expressly engaged to do so by the customer on commercial terms. Similarly we shall not be under any duty to salvage or preserve a customer's vessel or other property from the consequences of an accident which has not been caused by our negligence or another breach of duty on our part. However we reserve the right to do so in any appropriate circumstances, particularly where a risk is posed to the safety of people, property or the environment. Where we do so we shall be entitled to charge the customer concerned on the normal commercial basis.

2.4 Customers may themselves be liable for any loss or damage caused by them, their crew or their vessels and while their vessel or other property is on our premises or is being worked on by us they shall be obliged to maintain adequate insurance, including third party liability cover of not less than £2,000,000 and, where appropriate, Employers' Liability cover in respect of any employee to at least the statutory minimum. The customer shall be obliged to produce evidence to us of such insurance within 7 days of a request to do so.

3. PRICES AND ESTIMATES

3.1 In the absence of express agreement to the contrary our price for work shall be based on time and materials expended and services provided.

3.2 All quotation and estimates given by us are valid for 30 days and are confidential. If the customer does not place a purchase order according to our quotation, the Customer will return all specifications and documents on our request.

3.3 When we give an estimate or indication of price - in writing or orally - we will exercise skill and judgment in doing so. Such estimates are subject always to the accuracy of information provided by the customer and are usually based only on a superficial examination and will not include the cost of any additional repairs or work found necessary to the vessel and/or gear or equipment during the work nor the cost of any extensions to the work comprised in the estimate.

3.4 We will inform the customer promptly of any proposed increase in estimated prices and the reasons therefor and will only proceed with the work or supply with the approval of the customer. The customer shall remain responsible for the cost of labour and materials already supplied or remaining to be supplied which are not affected by the proposed increase in price.

4. DELAYS

4.1 The time for completion of our work is given in good faith but is not guaranteed. We shall not be responsible for any such delay unless it arises from our wilful acts or omissions or from our negligence.

5. VESSEL MOVEMENTS

5.1 We reserve the right to move any vessel, gear, equipment or other goods at our discretion for reasons of safety or good management of our business and premises.

6. PAYMENT & OWNERSHIP OF GOODS

6.1 Unless otherwise agreed in writing between us the price of all work, goods and services shall be due immediately on invoice date.

6.2 Cheques and money drafts are not regarded as constituting payment until they have cleared.

6.3 We may at any time demand advance payment, satisfactory security, such as a confirmed and irrevocable letter of credit or a guarantee of prompt payment, prior to shipment of goods or supply of services. Such a payment shall not necessarily constitute payment in full.

6.4 Where a customer delays in payment for more than 30 days or withhold more than a proportionate sum against rectification of any alleged defects we reserve the right to charge interest on the outstanding amount at 4% over HSBC Bank Plc base rate.

6.5 We reserve a general right ("a general lien") to detain and hold on to a customer's vessel or other property pending payment by the customer of any sums actually due to us. We shall be entitled to charge the customer for storage and the provision of any ongoing services at our normal daily rates until actual payment (or provision of security) by the customer and removal of the vessel or property from our premises. The customer shall at any time be entitled to remove the vessel or other property upon providing proper security, for example a letter of guarantee from a Bank reasonably acceptable to us or lodgement of a cash deposit with a professional third party agent, sufficient to cover the debt with interest and, where the debt is contested, a reasonable provision for our prospective legal costs. This right does not affect the customer's entitlement to withhold a proportionate part of the price in respect of alleged defects but where that amount is in dispute between us the customer shall be required to provide security for the full amount pending resolution of the dispute.

6.6 Ownership of any goods sold shall remain with us until we have received full payment for them.

6.7 Our customers' attention is drawn also to the note at Clause 11.2 of these Terms of Business regarding other rights which exist at law.

7. GUARANTEE

7.1 Advice on whether a customer is "a consumer" or otherwise protected by some or all of the consumer protection legislation is force in the United Kingdom may be obtained from any local Trading Standards Office, the Citizens Advice Bureau, the Office of Fair Trading or any firm of Solicitors (who may charge). Online guidance may be obtained at the Government's Consumer Gateway website at <http://www.consumer.gov.uk>

7.2 Where a customer is also a consumer they have certain minimum statutory rights regarding the return of defective goods and claims for losses. These rights are not affected by these terms.

7.3 In addition to the statutory and other rights provided by English law we guarantee our work for a period of 12 months from completion against all defects which are due to poor workmanship or defective materials supplied by us. We shall be liable under this guarantee only for defects appearing during this 12 month period which must be promptly notified to us in writing at our trading address or registered office. The geographical area within which this guarantee will be honoured is restricted to the United Kingdom.

7.4 On notification by the customer of such defects, we will investigate the cause and if they are our responsibility under the terms of this guarantee we will remedy them within a reasonable length of time or, at our option, employ other specialist contractors to do so. Any remedial work which is put in hand by the customer other than through ourselves in accordance with the terms of this guarantee may invalidate this guarantee in respect of such defects if we are not advised beforehand and given the opportunity to inspect and agree such work and its cost.

7.5 Where we supply goods or services to a partnership or company or to a customer who is acting in the course of business or as a commercial operation (a "Business Customer") then:

7.5.1 No article supplied by us to a Business Customer shall carry any express or implied term as to quality or fitness for any particular purpose unless prior to the supply the Business Customer has sufficiently explained the purpose for which it is required and made it clear that he is relying on our skill and judgment.

7.5.2 No proprietary article specified by name, size or type by a Business Customer shall carry any such express or implied term but we will assign to the Business Customer any rights we may have against the manufacturer or importer of that article.

7.5.3 We accept no liability to indemnify any Business Customer against any loss of profit or turnover which he they or their customer or any other person may sustain in consequence of any faulty or unfit article supplied by us.

7.6 Any warranties shall not apply to a product or service altered or repaired by any person; or subjected to unreasonable or improper use, used beyond rated conditions, operated other than per its instructions, or otherwise subjected to improper maintenance, negligence or accident; or damaged because of any use of the Product or Service after the Customer has, or should have, knowledge of any defect in the Product or Service.

8. SUPPLY OF GOODS AND SERVICES

8.1 Whilst we will do our best to adhere to any promise of delivery date, delivery shall not be deemed to be part of the essence of the contract nor shall the delay be a ground for a claim in respect of damages or cancellation. Part shipments are allowed.

8.2 In the event the Customer cancels all or part of any order or fails to meet any obligations hereunder, causing cancellation of any order or portion therefor, the Customer agrees to pay a cancellation charge of 50% of the order value.

8.3 We accept returned goods only if authorisation has been obtained in writing from us in advance. We accept no return for any products specifically manufactured or modified for the Customer. Goods received without any prior authorisation, or received damaged will not be credited. A 25% handling fee for administrative cost and product inspection will be levied on the Customer.

9. QUALITY STANDARDS

9.1 We will complete our work to the agreed specification and, in the absence of any other contractual term as to quality, to a satisfactory quality.

10. ACCESS TO PREMISES / WORK ON THE VESSEL

10.1 Subject to the terms of Clause 10.2 no work shall be done on the vessel, gear, equipment or other goods whilst on our premises without our prior written consent other than minor running repairs or minor maintenance of a routine nature by the customer, his regular crew or members of his family not causing nuisance, or annoyance to any other customer or person residing in the vicinity, nor interfering with our schedule of work, nor involving access to prohibited areas.

10.2 Prior written consent will not be unreasonably withheld where:

10.2.1 The work is of a type for which we would normally employ a specialist sub-contractor; or

10.2.2 The work is being carried out under warranty by the manufacturer and/or supplier of the vessel or an any part of the equipment to which the warranty relates.

10.3 In every case neither the customer nor his invitees shall have access to the vessel during periods of work by us on the vessel without our prior consent, which shall not be unreasonably withheld.

11. RIGHT OF SALE

11.1 Where we accept vessels, gear, equipment or other goods for repair, refit, maintenance or storage we do so subject to the provisions of the Torts (Interference with Goods) Act 1977. The Act confers a Right of Sale on us in circumstances where the customer fails to collect or accept re-delivery of the goods (which includes a vessel and/or any other property). Such sale will not take place until we have given notice to the customer in accordance with the Act. For the purpose of the Act it is recorded that:

11.1.1 Goods for repair or other treatment are accepted by us on the basis that the customer is the owner of the goods or the owner's authorised agent and that he will take delivery or arrange collection when the repair or treatment has been carried out;

11.1.2 Our obligation as custodian of goods accepted for storage ends on our notice to the customer of termination of that obligation

11.1.3 The place for delivery and collection of goods shall be at our premises unless agreed otherwise.

11.2 Maritime Law entitles us in certain other circumstances to bring action against a vessel to recover a debt or damages. Such action may involve the arrest of the vessel through the Courts and its eventual sale by the Court. This right of arrest and sale may continue to exist against a vessel following a change of ownership. Sale of a vessel may also occur through the ordinary enforcement of a judgment debt against the Owner of a vessel or other property.

12. SUB-CONTRACTING

12.1 We may sub-contract all or part of the work entrusted to us by the customer without notice to the customer, on terms that any such sub-contractor shall have the protection and benefit of all rights and conditions, and of all limitations and exclusions of liability, contained in these Terms of Business. Where we exercise this right we shall remain responsible to the customer for the performance of our subcontractor.

13. NOTICES

13.1 Notice to a customer shall be sufficiently served if personally given to him or if sent by first class post to the customer's last known address. Notices to us should be sent by first class post to our principal trading address or our registered office.

14. LAW AND JURISDICTION

14.1 If any provision of these Terms of Business is deemed for any reason to be invalid, void or deleted, the Terms of Business shall nonetheless remain in full force and effect as if such provision had not originally been included. In such circumstances, we and the customer shall negotiate in good faith in order to agree the terms of a mutually acceptable and satisfactory alternative provision in place of the invalid, void or deleted provision.

14.2 Any contract or series of contracts made subject to these terms shall be subject to and governed by English law and

14.3 In the case of Business Customers any dispute arising under them shall be submitted to the exclusive jurisdiction of the Courts of England and Wales.

14.4 In the case of customers who are consumers or who are not contracting in the course of business any dispute shall be submitted to the non-exclusive jurisdiction of the Courts of England and Wales.