



ARGYLL MARITIME DESIGN SERVICES Ltd.

Standard Terms and Conditions

1. Definitions

a) ARGYLL MARITIME DESIGN SERVICES Ltd. is a Limited Company. These terms and conditions apply to all business, conducted in the name of ARGYLL MARITIME DESIGN SERVICES Ltd. by any of its directors, employees or authorised subcontractors.

b) "Client" shall mean any person(s), company(s) or authority(s) who shall order /purchase Services from ARGYLL MARITIME DESIGN SERVICES Ltd.

c) "Survey" shall mean the process comprising the performance of survey services by ARGYLL MARITIME DESIGN SERVICES Ltd.

d) "Design" shall mean the process comprising the performance of ship design services by ARGYLL MARITIME DESIGN SERVICES Ltd.

e) "Contract" shall mean the contract for sale or supply of Services by ARGYLL MARITIME DESIGN SERVICES Ltd. to the Client.

f) "Contract period" shall mean the period of time agreed between Client & ARGYLL MARITIME DESIGN SERVICES Ltd. during which ARGYLL MARITIME DESIGN SERVICES Ltd shall provide the contacted Services.

g) "Report" means any report or statement supplied by the Surveyor/Consultant in connection with instructions received from the Client.

h) "Disbursements" means the cost of all reasonable photography, reproduction of drawings, diagrams, sketches and printing, duplicating and, where applicable, electronic transmission fees, and all reasonable and appropriate expenses including travel, refreshments and hotel accommodation where an overnight stay is necessary.

i) "Fees" means the fees charged by the Surveyor/Consultant to the Client and including any Value Added Tax (VAT) where appropriate. at the rate applicable at the date of invoice and any Disbursements

i)"Services" shall mean any activity undertaken by ARGYLL MARITIME DESIGN SERVICES Ltd. on behalf of and / or as directed by the Client required to enable ARGYLL MARITIME DESIGN SERVICES Ltd. to complete the agreed Design, survey or consultancy task.

2. Scope

ARGYLL MARITIME DESIGN SERVICES Ltd. shall provide its Services solely in accordance with these terms and conditions.

3. Work

The Client will set out in writing the Services which it requires ARGYLL MARITIME DESIGN SERVICES LTD. Ltd to provide for the duration of the Contract Period. ARGYLL MARITIME DESIGN SERVICES LTD. Ltd will confirm in writing that it accepts those instructions or alternatively what Service it will perform in connection with the Client's instructions. Once ARGYLL MARITIME DESIGN SERVICES LTD. Ltd and the Client have agreed what Services are to be performed any subsequent changes or additions must be agreed by both parties in writing.

4. Payment Terms

The Client shall pay ARGYLL MARITIME DESIGN SERVICES Ltd. fees punctually in accordance with terms as agreed in writing between the parties.

Any delay in payment after 30 days shall entitle ARGYLL MARITIME DESIGN SERVICES Ltd. to claim reasonable interest at 8% above the Bank of England base rate prevailing at the time of default.

5. Obligations and Responsibilities

(a) Client

The Client undertakes to ensure that full instructions are given to ARGYLL MARITIME DESIGN SERVICES LTD. Ltd and are provided in sufficient time to enable the required Services to be performed effectively and efficiently and to procure all necessary access for ARGYLL MARITIME DESIGN SERVICES Ltd to goods, premises, vessels, installations and transport and to ensure that all appropriate safety measures are taken to provide safe and secure working conditions.

ARGYLL MARITIME DESIGN SERVICES Ltd. shall not be liable for the consequences of late, incomplete, inadequate, inaccurate or ambiguous instructions.

(b) ARGYLL MARITIME DESIGN SERVICES Ltd.

ARGYLL MARITIME DESIGN SERVICES Ltd. shall use reasonable care and skill in the performance of the Services in accordance with sound ship design and marine surveying/consulting practice.

(c) Survey Reporting

ARGYLL MARITIME DESIGN SERVICES Ltd. shall submit a final written Report to the Client following completion of the agreed Services describing ARGYLL MARITIME DESIGN SERVICES Ltd. findings and the condition and/or quality of the object and/or purpose of the assignment, unless otherwise expressly instructed by the Client not to do so.

(d) Confidentiality

ARGYLL MARITIME DESIGN SERVICES Ltd. undertakes not to disclose any information provided in confidence by the Client to any third party and will not permit access to such information by any third party unless the Client expressly grants permission save where required to do so by an order of a competent court of law.

(e) Property

The right of ownership in respect of all original work, drawings and records including any information recorded electronically created by ARGYLL MARITIME DESIGN SERVICES Ltd. remains the property of ARGYLL MARITIME DESIGN SERVICES Ltd.

(f) Conflict of Interest/Qualification

ARGYLL MARITIME DESIGN SERVICES Ltd. shall promptly notify the Client of any matter including conflict of interest or lack of suitable qualifications and experience, which would render it undesirable for ARGYLL MARITIME DESIGN SERVICES Ltd. to continue its involvement with the appointment. The Client shall be responsible for payment of ARGYLL MARITIME DESIGN SERVICES Ltd. Fees up to the date of notification.

6. Liability

(a) Without prejudice to Clause 7, ARGYLL MARITIME DESIGN SERVICES Ltd. shall be under no liability whatsoever to the Client for any loss, damage, delay or expense of whatsoever nature, whether direct or indirect and howsoever arising UNLESS same is proved to have resulted solely from the negligence, gross negligence or wilful default of ARGYLL MARITIME DESIGN SERVICES Ltd. or any of its employees or agents or authorised sub-contractors,

(b) In the event that the Client proves that the loss, damage, delay or expense was caused by the negligence, gross negligence or wilful default of ARGYLL MARITIME DESIGN SERVICES LTD. Ltd aforesaid, then, save where loss, damage, delay or expense has resulted from ARGYLL MARITIME DESIGN SERVICES Ltd. personal act or omission committed with the intent to cause same or recklessly and with knowledge that such loss, damage, delay or expense would probably result, the ARGYLL MARITIME DESIGN SERVICES LTD. Ltd liability for each incident or series of incidents giving rise to a claim or claims shall never exceed

In the case of Survey and consultancy services :

In undertaking to contract for the use of ARGYLL MARITIME DESIGN SERVICES Ltd. survey or consultancy services the client expressly accepts that the liability of ARGYLL MARITIME DESIGN SERVICES Ltd. in the execution of these services where the original survey/consultancy work is proven to be deficient is limited to the responsibility to perform free of any further charges any remedial or redesign work which may be required, or to a maximum of the lesser of ten times the contract value paid, or £125,000.00. Consequential damages are specifically excluded.

In the case of Design services :

In undertaking to contract for the use of ARGYLL MARITIME DESIGN SERVICES Ltd. design services the client expressly accepts that the liability of ARGYLL MARITIME DESIGN SERVICES Ltd in the execution of these services where the original design work is proven to be deficient is limited to the responsibility to perform free of any further charges any remedial or redesign work which may be required, or to a maximum of the lesser of ten times the contract value paid, or £250,000.00. Consequential damages are specifically excluded.

ARGYLL MARITIME DESIGN SERVICES LTD. Ltd shall not be liable for loss of or damage to equipment and other items placed at its disposal by or on behalf of the Client however such loss or damage occurs.

7. Indemnity

Except to the extent and solely for the amount therein set out that ARGYLL MARITIME DESIGN SERVICES Ltd. would be liable under Clause 6, the Client hereby undertakes to keep ARGYLL MARITIME DESIGN SERVICES Ltd. and its employees, agents and authorised sub-contractors indemnified and to hold them harmless against all actions, proceedings, claims, demands or liabilities whatsoever or howsoever arising which may be brought against them or incurred or suffered by them, and against and in respect of all costs, loss, damages and expenses (including legal costs and expenses on a full indemnity basis) which ARGYLL MARITIME DESIGN SERVICES Ltd. may suffer or incur (either directly or indirectly) in the course of the Services under these Conditions.

8. Force Majeure

Neither ARGYLL MARITIME DESIGN SERVICES Ltd. nor the Client shall, except as otherwise provided in these Conditions, be responsible for any loss, damage, delay or failure in performance hereunder arising or resulting from act of God, act of war, seizure under legal process, quarantine restrictions, strikes, boycotts, lockouts, riots, civil commotions and arrest or restraint of princes, rulers or people.

9. Insurance

ARGYLL MARITIME DESIGN SERVICES LTD. Ltd shall effect and maintain, at no cost to the Client, Professional Liability Insurance for such loss and damage for which ARGYLL MARITIME DESIGN SERVICES LTD. Ltd may be held liable to the Client under these terms and conditions.

10.

Right to Sub-contract

ARGYLL MARITIME DESIGN SERVICES LTD. Ltd shall have the right to sub-contract any of the Services provided under the Conditions, subject to the Client's right to object on reasonable grounds. In the event of such a sub-contract ARGYLL MARITIME DESIGN SERVICES Ltd. shall remain fully liable for the due performance of its obligations under these Conditions.

11. Time Bar

Any claims against ARGYLL MARITIME DESIGN SERVICES Ltd. by the Client shall be deemed to be waived and time barred absolutely upon the expiry of one year from the submission date of the Report to the Client, or in the case of design services twelve months from the date of official handover of the vessel to the client.

13. Jurisdiction and Law

These Conditions shall be governed by and construed in accordance with the laws of Scotland and any dispute shall be subject to the exclusive jurisdiction of the Scottish Courts.