

GENERAL TERMS AND CONDITIONS

Repair and Service with supply of materials

1.- DEFINITIONS

"Contract"; any contract between the Company and the Client for the rendering of any service. The signature of a Quote or Estimate and acceptance of this Terms and Conditions are considered a Contract between parts.

"Company or NSGS; NSGS Nautor Swan Global Service S.L.

"Terms"; General terms and conditions

"Client"; the person(s) or company that request the provision of Services and that have been accepted by NSGS

Work; Repair and Service with supply of materials job. Described on the Quotation or Estimate Work Order; Client's order for the work, as set on the Customer's order form, the Customer written acceptance of a NSGS Quotation or Estimate.

Yard; NSGS facilities and work space, including space on water, on hard and workshops.

2.- APPLICATION OF THE TERMS AND ACCEPTANCE OF THE ORDERS

2.1 The Client accepts irrevocably the Terms, as well as our particular conditions, even if these conditions are in contradiction with the general and specific conditions of the client.

2.3 It shall be presumed that any person acting on behalf of the Client, whether a manager, captain, crew, collaborator, etc is representative of the Client and has sufficient powers to act as such and bind him.

2.4 The acceptance of the Client's order shall, in turn, the acceptance of the present Terms.

3.- LIABILITIES OF THE CLIENT

3.1 By virtue of the Services rendered by NSGS in accordance with these Terms and the corresponding Order, the Client shall pay to NSGS the installments or the service price indicated by NSGS in accordance with the payment conditions specified by the Company. At project completion, a Delivery Acceptance Certificate must be signed by the Client, before the boat leave the facilities, including any remarks or observations. In the event that the payment conditions are determined by the current mandatory law, the provisions established by said law shall prevail.

3.2 NSGS reserves the right to retain the yacht until full payment of all outstanding amounts is received. In case of non-payment, the yacht may be withheld and all work suspended, with a communication to the authorities. and regulation of the right of retention applicable in cases of default by the client find its development in article 569-1 and following of Law 5/2006, of May 10, of the 5th of the Civil Code of Catalonia.

4.- INSURANCE

4.1 The Client shall affect and maintain a hull and machinery insurance and Protection & Indemnity Insurance, providing full coverage for injury, loss or damage and shall, at the request of NSGS, make available copies of insurance policies to the yard giving evidence of the Client insurance coverage under this clause.

4.2 The Civil liability of NSGS with regard to the Client's property is covered by a insurance poli-

cy according to the terms of the "Ships Repairers Liability Clause" with a qualified national insurance company and it is limited in respect of any event to the sum of Euros 3.000.000 (three Million)

4.3 Any risk not covered by and those expressly excluded from the above mentioned policy subscribed by NSGS and its clauses, shall be for the Client account.

Should the Client wish to extend this coverage, he would have to inform about in writing and the extra premium involved would be for the Client account.

4.4 In no circumstances whatsoever shall the liability of NSGS include any sum in respect of loss of profit or loss of use of the vessel. Neither other costs like crew accommodation and expenses or salaries will be on NSGS account.

5.- QUOTATIONS AND ESTIMATES

5.1 The quotations and Estimates containing the description of the works are valid for 30 days from the issue date.

5.2 The Client accepts the work by signing the Quote or Estimate. These terms and conditions are accepted by signing the Quote or Estimate that are under these Terms and Conditions procurement.

5.3 Works not included on the Quotation or Estimate will not be part of the Work to perform by NSGS, and additional work will need to be communicated by the Client to provide by NSGS the corresponding Change order or New order.

6.- ADDITIONAL WORK

6.1 Additional work shall mean all work not foreseen at the date of the Contract or Quote acceptance, becoming apparent during the work period. Such additional work shall be agreed between the parties by Signing Change Orders or New Orders.

6.2 Additional costs and relations after the signing of the Order, shall be invoiced and settled on or before the completion.

7.- PRICE

7.1 The price for the Work shall be the price set out in the Quote, Estimate or Work order, or if not price is quoted for the Work, the price will be determined based upon the "Time and Materials" basis and services provided in accordance with the "Boatyard rates" sheet at the time when the Work was performed.

7.2 The price does not include transport costs, taxes (eg VAT - 21%), environmental and waste management fee (1,35%) , Project Management fee (3,5%). These expenses, taxes and fees shall be borne by the Client.

7.3 Any unforeseen expenses in the provision of the service shall be assumed by the Client, and shall be passed on to the final price.

7.4 Unless a specific quote has been approved by the Client for the work to be undertaken, this work shall be invoiced in accordance with the NSGS usual practice, which includes;

- Works and services under rates, which shall be invoiced applying the corresponding "Boatyard rates" sheet, and to be invoice monthly. These refer to, but not limited to, Marina Services like dock space, travel lift, on hard space, yard equipment, external services, machinery, storage, cranes, maintenance

and cleaning, supplies...

- Works on time and materials basis according to the stipulated labour rates on the "Boatyard rates" sheet and cost of materials, agreed on the Work Order.

Material and subcontractors on "time and materials" basis, will be charged with a 15 % handling fee as per rates sheet

7.5 Estimates and Estimated Price; The company will exercise reasonable skill and judgment when giving an estimate or indication price. However, estimates are always subject to the accuracy of information provided by the Client, are often based on a superficial examination and do not include the cost of any emergent work which may be necessary nor the cost of any extensions to the work. It should be noted that estimates are not fixed prices and can be subject to variation. NSGS will inform the Client of any proposed increase in the estimated price, together with the reasons of the increase, and will proceed with the work after having the approval of the Client, who will remain responsible for the cost of labour and materials already supplied or remaining to be supplied which are not affected by the proposed increase of price.

8.- SERVICE PROVISION / PAYMENT

8.1 The services shall be provided at NSGS facilities. In any other circumstance, the place shall be the Clients place specified in the Order.

When the Client requests the provision of a Service, the Client must pay 50% in advance. The Client shall pay the remaining 50% at the moment of finalizing the Service.

8.2 In case of Force Majeure, the provisions of Clause number 18 shall apply.

8.3 The Services shall be provided during NSGS business hours, unless otherwise stipulated. Service out of business hours will be considered extra labour time and charge as per rates.

8.4 All payments shall be made by direct wire transfer to NSGS bank account in the form of immediately available funds and shall be marked with the reference invoice number.

8.5 Bank wire transference costs or commissions will be paid by the Client. When wiring payment, please add fees deducted by your bank or your intermediary bank.

8.6 Credit card payment: there will be a 3% surcharge automatically added to all credit card payments. Only Visa and Mastercard are accepted as Credit Card payment methods.

8.7 Payment shall be settled by the Client within fifteen (15) days from the reception of the Statement of Accounts. Any disagreement with the Statement of Accounts or in an invoice shall be notified in writing to the Yard within five (5) days.

After that period, the Service shall be considered as compliant and accepted by the Client without any possible claim. The claim must be sent to the NSGS offices preferably by email, addressed to the Project Manager assigned by NSGS to the yacht. An 8,5% annual interest will apply to late payments from the due date until full settlement.

8.8 The disagreement of the Client with some of the items of the Statement of accounts or Invoice does not exempt it from the payment of the rest of

the items.

8.9 The total payment of the performed works shall be made prior the launching of the yacht and/or before yacht's departure of the yard - NSGS facilities.

8.10 NSGS has retention rights on the yacht at the client's cost and risk until the pending payment has been settled in full.

8.11 Title to the supplied materials and equipment remains with NSGS until the price is paid in full.

9.- BILLING

9.1 NSGS shall issue invoices that are auditable, that comply with the applicable local imperative legislation of the Client and NSGS, with the generally accepted accounting principles and the specific requirements of the Client, which contain at least the following information:

- Client's name, address and contact information of the reference person if needed.
- Date and invoice number
- Order Number or Contract reference
- Client's address
- Detail of the Services to provide and total price thereof with the corresponding breakdown
- VAT

9.2 Invoices shall be issued to the Client in the manner specified in the present Terms and shall be sent to the billing address or via e-mail to the person indicated by the Client.

10.- ACCEPTANCE AND INSPECTION OF THE JOBS

10.1 Close to the completion of the works, NSGS will hand the client the list of works, the quotes and estimates, the invoices and the Account statement.

10.2 The acceptance of the job shall take place at NSGS facilities. Upon completion of the work the parties shall sign the Acceptance Certificate.

10.3 The Acceptance Certificate will be signed by the Client on the next five (5) days after the notice of termination of jobs, or prior the yacht departure of the yard. If the Acceptance Certificate is not signed in this period will be considered as accepted by NSGS.

If the Acceptance Certificate is not signed, after a period of five (5) of the inspection of the jobs or communication of the termination of jobs, the Service shall be considered as compliant and accepted by the Client without any possible claim. The claim must be sent to the NSGS offices preferably by email, addressed to the Project Manager assigned by NSGS to the yacht.

10.4 Any complaints on the part of the Client must be stated by written on the Acceptance Certificate. In the absence of the written complaints following acceptance of the boat, no complaints shall be considered enforceable.

11.- YACHT MOVEMENT AND USE OF FACILITIES AND CUSTODY

11.1 NSGS shall have the right to order such movements of the yacht and such test or trials it deems necessary on order to perform and determine the due completion of the Work and/or for reasons of safety, security, or good management of the NSGS business and facilities

11.2 Client will be responsible for moving the yacht inside the yard, in and out the harbour, during sea trials or before and after hauling operations. In case to transfer these movements to NSGS team, NSGS will not be liable for any damage occurring.

11.3 The costs of such movements or actions, trials and/or tests including the costs of any consumables shall be borne by the Client.

11.4 The Client shall take all necessary precautions to avoid pollution of the environment, shall ensure

that it does not cause any nuisance or annoyance to NSGS or other Clients in the facilities, as well will be responsible for the guard and safety of his yacht in front of adverse weather conditions, if is not stipulated different by written.

11.5 The Client, or yacht Captain will be responsible for ensuring the adoption of all necessary technical and organizational measures to avoid damage or injury to his yacht and crew and to the other yacht's and crew's at the yard.

11.6 Hauling and Launching operations can be postponed because of bad weather conditions or machinery maintenance, without and liability to NSGS for this postponement.

11.7 NSGS is exempt from any liability for items and the inventory which may have been removed.

12.- DELAY

12.1 Any dates specified by NSGS for providing Services are an estimate and time for delivery shall not be the essence unless otherwise agreed in writing and NSGS shall, to extent permitted by law, not be liable for any delay in delivery. If NSGS and the Client have agreed in writing that time is essential, the Client shall be entitled to cancel the order or claim as sole remedy a compensation for damages which are reasonably attributable to the breach by NSGS in the provision of the Services on the date/s agreed.

12.2 NSGS shall have the right to delay the works in the case that the Client fails any of his obligations under these Terms and conditions. NSGS will present a new delivery date when these obligations are achieved.

13.- WARRANTIES

13.1 NSGS guarantees that the Services are rendered with all the agreed specifications and quality and quantity requirements, and are suitable for the particular purpose that the Client intends to give to such Services.

13.2 NSGS undertakes, as the only obligation, to repair any defect notified in writing by the Client to NSGS upon completion of the work and to repair improper workmanship, within a guarantee period of twelve (12) months from the date of acceptance of the work.

Warranty period for repair works on existing installations and equipment will be six (6) months.

13.3 The warranty does not cover normal wear and tear, overloading, accidents, mismanagement or negligence in the use and maintenance, nor any repairs made other than those made by NSGS and/or authorized by NSGS and made by its employees, agents, sub-contractors or suppliers, nor the performance and wear of antifouling. Normal wear and tear includes defects that can be realistically expected given the age and usage.

Equipment and components not manufactured by NSGS will carry the warranty made by the respective manufacturer of such equipment and components.

NSGS shall under no circumstances under the Terms and conditions be liable for any consequential or indirect damage or loss, nor any damages or injuries incurred or suffered by the Client or any other person.

13.4 The warranty will thus Not apply if:

- The yacht or any of its equipment and/or components has been used contrary to good seamanship;
- The broken and non-functional item has been serviced and/or repaired by someone else other than NSGS.
- The equipment and/or component has been installed or the damage has been caused by equipment and/or components installed by the Client or any

third party not appointed by NSGS.

- The yacht or the equipment and/or component installed in the yacht have been used for purposes it was not intended or designed to use.

- The yacht or the equipment and/or component installed in the yacht has been used in ways other than those described in manuals supplied.

- The damage is caused by exceptional events such as, but not limited to, accidents, collisions, lightning strikes, intentional damage, negligence by the Client or parties, groundings and other external force

- The damage is caused by unsuitable storage or transport condition

- Electrolysis enad problems caused by the choice of location or external sources e.g neighboring yachts, mooring facilities, etc..

- Consistency in finish on painted and gel coat surfaces, with particular reference to coloured surfaces with expected defects including, but not limited to discoloration and/or marks due to moorings, equipment, discoloration due to lack of maintenance.

13.5 NSGS liability under the Order is always limited to the amount of the contract price as set forth in the Order.

13.6 NSGS shall no under no circumstance be liable for any consequential or indirect damage or loss, nor any damages or injuries incurred or suffered by the Client or other persons. NSGS hereby disclaims liability for any and all consequential damages, incidental damages, special damages, economic damages, damages to property, damages for loss of use, loss of time, loss of profit, loss of income, inconvenience, cost of substitute yacht and/or equipment, cost for towing and/or fault finding and for any and all other indirect damages of whatever kind.

13.7 The warranty jobs will be executed at NSGS facilities or any other yard of the Nautor Swan Global Service. If differently agreed, the costs necessary to reach and return from the yacht, cost of hotel accommodation and sundry expenses for the technicians shall be for the Client account.

13.8 The Client will be responsible for to arrange and pay for the transportation of the yacht to NSGS facilities, or another yard as reasonably decided and appointed by NSGS. NSGS shall not in connection with any warranty repair be responsible for any such costs as, but not limited to; harbour fees, dock space, haul and launching costs, stay on hard, on water costs, supply fees, crew expenses, courier and freights of parts, customs duties and local taxes.

13.9 The Client shall, immediately after discover of any defective work, take all appropriate steps to mitigate any loss or damage and to prevent any defective work becoming more serious and notify by written to NSGS. NSGS will be given a reasonable opportunity to inspect the defective work and if is NSGS responsibility, shall repair or re-perform, in whole or in part, at its discretion, the defective work.

13.10 Any remedial work which is put in hand by the Client directly without first notifying NSGS and allowing NSGS a reasonable opportunity to inspect the defective work shall invalidate the guarantee provided.

13.11 NSGS shall have no liability under these warranty provisions if the Client shall not have paid, or guaranteed as provided herein, all amounts invoiced by NSGS.

14.- BREACH

14.1 In case of failure of NSGS of any of the present Terms, the Client shall assume the obligation to notify on writing the occurrence of such breach. However, NSGS shall have a term of fifteen (15) days in its favor to remedy the breach incurred.

