

**F.D. IFESTOS MARINE WORKS LTD**  
**STANDARD TERMS & CONDITIONS FOR DOCK WORK AND REPAIRS**

**1. Scope and Application**

- 1.1 These Standard Terms & Conditions shall apply to and form an integral part of any and all offers, quotations, and Contracts entered into by the Contractor with any Customer, and shall apply to any and all Work performed by the Contractor on any Vessel, to the exclusion of any other terms and conditions unless otherwise specifically agreed in writing. Until otherwise notified in writing, these Terms & Conditions shall apply to any current and all future business relationships with the same Customer.
- 1.2 These Standard Terms & Conditions shall also apply to any and all amendments and modifications of Contracts as well as to any and all Additional Work.
- 1.3 A Contract shall be concluded once the Contractor's offer and / or quotation has been accepted by the Customer, and which shall always be subject to these Standard Terms & Conditions.

**2. Definitions**

- 2.1 "Contract" means the Contractor's offer and / or quotation as accepted by the Customer always subject to these Standard Terms & Conditions.
- 2.2 "Contractor" means F.D. Ifestos Marine Works Ltd with registered office at Arch Makariou III, 228, Agios Pavlos Court, Block B, Floor 4, Flat 411 – 412, 3030, Limassol, Cyprus.
- 2.3 "Customer" means the person or legal entity that places the order and enters into the Contract with the Contractor, provided always that if such person or entity is not the registered owner of the Vessel then it shall be deemed to have entered into the Contract both on its own behalf as well as on behalf of the owner of the Vessel, both of whom shall be bound by the Contract and by these Standard Terms & Conditions.
- 2.4 "Deposit" means the amount required to be paid by the Customer on reaching a Contract with the Contractor and which shall be subject to forfeiture in accordance with Clause 5.3 hereof.
- 2.5 "Dock" means the floating dock "EDT Ifestos" located within the Limassol port and / or any other place or berth whatsoever in Cyprus where Work shall be performed.
- 2.6 "Force Majeure" means any cause beyond the reasonable control of the Contractor or not attributable to it including but not limited to acts of God, acts or directives of any official authority, any Government requisition, control, intervention, requirement or interference, any circumstances arising out of war, threatened act of war or warlike operations, acts of terrorism, sabotage or piracy, or the consequences thereof, riots, civil commotions, blockades or embargoes, epidemics, earthquakes, landslides, adverse

weather conditions, floods, strikes, lockouts or other industrial action, fire, accident, explosion, failure of electricity or other services, destruction of equipment or materials in transit to the Dock, non or late delivery of materials and / or equipment required for performance of the Work or breakdown of machinery.

- 2.7 "Parties" or "Party" means the Contractor and the Customer or either of them where referred to individually.
- 2.8 "Service Fee" means the service fee agreed between the Contractor and the Customer to be charged in respect of Third Party Supplies as stipulated in Clause 6.7.
- 2.9 "Tariff" means the Contractor's current rates prevailing at the time the Contract was entered into and as attached to the offer or quotation submitted by the Contractor.
- 2.10 "Third Party Supplies" means the supply of goods and / or services agreed by the Customer and the Contractor to be sourced and arranged from third parties as stipulated in Clause 6.5 herein.
- 2.11 "Vessel" means any yacht, vessel or object of whatsoever nature entrusted to the Contractor for performance of the Work.
- 2.12 "Work" means work of whatsoever nature including Additional Work (including but not limited to docking, refit, repairs, maintenance, construction, conversion, painting, cleaning, tests and sea trials etc.) to be performed by the Contractor on the Vessel.

**3. Documentation and Information Provided by Customer**

- 3.1 The Customer shall provide the Contractor in a timely manner all documentation and all information required to enable the Contractor to carry out the Work (including but not limited to all Vessel's details, drawings, plans, instruction manuals, technical data etc.). The Customer acknowledges that the Contractor shall rely upon the documentation and information so provided without any responsibility on the part of the Contractor to verify its accuracy or completeness. Furthermore, the Customer indemnifies and holds the Contractor harmless against any claims from any third party for any alleged violation of any copyright, patent or other intellectual property rights resulting from utilisation of such documentation and information provided by Customer.

**4. Customer's Authorised Representative**

- 4.1 Prior to arrival of the Vessel and its docking, the Customer shall nominate and notify the Contractor in writing the name of its representative ("Customer's

Representative”) who shall be present at the Dock throughout the period of performance of the Work and who shall be responsible for supervising the Work and providing all assistance required by the Contractor in the performance of the Work. Unless otherwise notified by Customer, the Vessel’s Captain shall be the Customer’s Representative who shall be authorised to act on behalf of the Customer in respect of all matters whatsoever in relation to the Work and to bind the Customer including but not limited to approval of plans, drawings, calculations and documents and any Additional Work that is required.

- 4.2 The Customer’s Representative, and any person attending on behalf of the Customer, shall at all times observe all health, safety and security procedures, policies and requirements of the Contractor.

## 5. Deposit & Delivery of the Vessel

- 5.1 The Customer shall pay the Deposit to the Contractor in the amount and within the time stipulated in the Contract. In the event the Deposit is not paid as aforesaid, then the Contractor shall be entitled to cancel the Contract without any responsibility towards the Customer and to claim compensation for all losses and for all expenses incurred together with interest.
- 5.2 The Customer shall deliver the Vessel to the Dock, or to any other safe place nominated by the Contractor, on the delivery date agreed. The Vessel shall be delivered gas free, asbestos free, cleaned, without hazardous cargo and free of slops, sludge, dirty ballast, in line with all applicable safety requirements and otherwise ready in all respects for the performance of the Work. A Protocol of Delivery in Contractor’s standard form shall be signed by the Contractor and the Customer’s Representative confirming the date and time of delivery.
- 5.3 If the Vessel is not delivered to the Contractor by latest 16:00 hours on the delivery date agreed, the Contractor shall have the right to cancel the Contract without any responsibility towards the Customer in which case the Deposit shall be forfeited to the Contractor and, in the event the Deposit does not cover its loss, the Contractor shall be entitled to recover any additional costs and expenses it has reasonably incurred in preparation for the performance of the Work up to the date of cancellation (including but not limited to sums incurred for purchases of supplies, payments to sub-contractors etc).

## 6. Performance of the Work

- 6.1 The Contractor shall perform the Work in accordance with the scope of Work agreed in the Contract.
- 6.2 In the event that any of the materials or equipment referred to in the Contract are not available at the time of performance of the Work then the Contractor shall be entitled to use other suitable materials or equipment in replacement thereof, provided same shall comply with Classification rules and regulations.
- 6.3 The Customer shall be responsible for obtaining any approvals and certification required by the Vessel’s flag

and / or Classification Society with respect to any part of the Work. All costs associated therewith shall be for the sole cost of the Customer.

- 6.4 The Contractor shall have no liability for any design or engineering work not performed by the Contractor nor for any consequences thereof.
- 6.5 Notwithstanding any other provision, term or condition herein, in respect of any work, goods and / or services which the Customer and the Contractor agree to source from third parties, then such order and supply shall be performed by the Contractor strictly as agent for and on behalf, and for the account, of the Customer without any responsibility of whatsoever nature on the part of the Contractor in connection with the said supply including but not limited to, fitness for purpose, description, quality, condition, performance or workmanship whatsoever.
- 6.6 In case of Third Party Supplies the Customer shall be bound by the applicable terms and conditions of the third party supplier pertaining to such supply.
- 6.7 All Third Party Supplies shall be invoiced by the Contractor to the Customer based on invoices provided by the third party suppliers and shall include a Service Fee being a percentage of the third party invoice and as shown in the quotation that shall be provided by the Contractor.

## 7. Completion and Redelivery

- 7.1 Redelivery shall take place upon completion of the Work provided that any and all amounts invoiced by the Contractor shall have been paid. The Customer shall accept redelivery as soon as so requested by the Contractor.
- 7.2 Unless otherwise specifically agreed in the Contract, any completion date or completion period of the Work stated in the quotation by the Contractor shall be in working days, subject to local holidays, and are always non-binding estimates by way of indication only in good faith. Completion time is not of the essence. Completion periods indicated shall also always be subject to the right of the Contractor to suspend Work as stipulated herein, any Force Majeure as provided herein or any delay not attributable to the Contractor or beyond its reasonable control. In the event that the Contractor and the Customer agree expressly in the Contract on a specific binding completion date, then the Customer shall be entitled to liquidated damages in an amount of 0.5% of the amount actually paid by the Customer for Work executed by the Contractor per full week of delay but with a maximum never exceeding the lower of either 5% of the amount actually paid by the Customer for Work executed by the Contractor or the sum of EUR 250,000 to the exclusion of any further claim for damages and / or any further rights whatsoever. It is specifically agreed that any or all consequential loss is excluded, including but not limited to loss of income, loss of profit, loss of use, loss of enjoyment and / or any other direct or indirect losses of whatsoever nature. In the event such a binding completion date has been specifically agreed in

the Contract then it shall always be subject to timely performance of all matters to be complied with by, or within the responsibility of, the Customer and those for whom it is responsible (including but not limited to delivery of the Vessel, documentation, Classification approvals, payment etc), Force Majeure, any extended time required to perform Additional Work and to the right of suspension by the Contractor as stipulated in Clause 10.3 herein below.

7.3 Upon redelivery of the Vessel a Protocol of Redelivery and Acceptance in Contractor's standard form shall be signed by the Parties pursuant to which the Customer shall be deemed to have confirmed its full satisfaction of performance of the Work free of any defects by the Contractor. In the event of any "Minor Deficiencies", being deficiencies which do not affect the seaworthiness or Classification of the Vessel, the Customer shall take redelivery of the Vessel and such Minor Deficiencies shall be listed in the Protocol of Redelivery and Acceptance, and shall be rectified free of charge by the Contractor as soon as practicable after redelivery.

#### **8. Customer's Own Work and Access to the Dock**

8.1 Subject always to prior written agreement of the Contractor, the Customer shall be entitled to carry out Customer's own work on the Vessel provided that Customer shall always remain responsible for any and all acts and / or omissions of any party which it permitted to carry out such work at the Dock, and provided always that such work does not interfere with or delay the Work being performed by the Contractor. The Customer holds the Contractor harmless and fully indemnified in respect of any claims alleged by any such party attending on its behalf to carry out such work and in respect of any loss, damage or liability incurred by the Contractor in consequence of any act or omission by any such party. Any and all parties attending on behalf of the Customer to carry out Customer's work shall always comply with and abide by all health, safety and security procedures, policies and requirements of the Contractor.

8.2 Access to the Dock shall always be subject to the consent of the Contractor and shall be restricted to the Customer's Representative, to agents and sub-contractors of the Customer whose presence is necessary for the performance of the Work (such as representatives of the Vessel's Classification Society), and who shall always abide by the Contractor's health, safety and security procedures, policies and requirements. The Customer holds the Contractor harmless and fully indemnified in respect of any claims alleged by any such parties attending on its behalf and in respect of any loss, damage or liability incurred by the Contractor in consequence of any act or omission by any such parties.

#### **9. Additional Work**

9.1 In the event that Customer requests modifications or additional work to be performed ("Additional Work") then performance of same and agreement thereto shall always be at the sole and unfettered discretion of the Contractor. Any agreement to perform such Additional Work shall always be subject to these Standard Terms & Conditions.

9.2 The price to be charged for such Additional Work shall be subject to the agreement of the Parties including any extension of completion time required. Unless otherwise agreed, Additional Work shall be charged on the Contractor's standard Tariff.

9.3 In the event the Customer wishes to cancel any part of the initial Work ordered, this may only be effected provided that the Customer pays for all Work already performed as well as for all materials ordered and / or supplied and any costs incurred towards sub-contractors provided the Customer agrees to adjust pro-rata the prices quoted in the Contract. The Contractor shall also be entitled to charge all direct costs and expenses incurred in consequence of such cancellation (included but not limited to labour reserved but not utilised, for daily fees for lack of utilisation and vacancy of the Dock for the period during which it will remain unoccupied etc).

#### **10. Prices and Payment**

10.1 The Customer shall pay the price agreed in the Contract reached between the Contractor and the Customer. Where a fixed price has not been quoted then the price shall be calculated by reference to the Tariff which will have been provided together with the Contractor's quotation.

10.2 Contractor's invoices (including Contractor's invoices for Third Party Supplies) shall always be payable without set off or deduction, free of all taxes, bank charges and in the currency agreed in the Contract and in accordance with any terms of payment agreed therein. VAT will always be added, if applicable. In the event that no terms of payment are agreed then the Contractor's invoices shall be settled upon receipt by the Customer (by email or by any other means). In any event, payment shall always be made prior to any redelivery.

10.3 In the event there is any default in payment, without prejudice to any of its other rights, the Contractor shall have the right to suspend Work without thereby incurring any liability to the Customer until full payment of all outstanding sums (including accrued interest). The Contractor shall also have the right to recover from the Customer all direct and indirect costs arising from such suspension of Work. Pending receipt of all sums due to the Contractor for all Work performed and / or otherwise due in connection with the Contract, the Contractor shall be entitled to exercise a lien on the Vessel and will be fully entitled, without liability to refuse redelivery of the Vessel to the Customer. Any and all additional docking fees and other expenses incurred as a consequence of or in connection with such delayed redelivery shall be solely for the account of and reimbursed by the Customer.

10.4 Any delayed payment, without prejudice to all the other rights of the Contractor, shall attract interest at the rate of 2% per month pro rata as from the date payment was due in addition to which the Customer shall also be liable for all legal and court fees which may be incurred by the

Contractor to enforce payment of any amounts payable by the Customer.

10.5 Until payment of all amounts due to the Contractor has been effected in full, the Contractor hereby reserves title to all goods, materials and equipment delivered to and / or installed on the Vessel.

10.6 Termination: In addition to the aforesaid rights of the Contractor in the event of default in payment, and always without prejudice to such rights, the Contractor shall also have the right to terminate the Contract if the Customer persists in failing to effect payment after 7 days from notice having been given by the Contractor to the Customer demanding payment of the amount owing. The Contractor shall also have the right to terminate the Contract by giving 7 days' notice of termination in the event of insolvency of the Customer or if the Customer commits any breach which remains unremedied from the date of notice of such breach having been given by the Contractor or in the event of persistent breach of the Contractor's health and safety procedures, policies and requirements. The Contractor shall also be entitled to terminate the Contract with immediate notice in the event of a change of ownership of the Vessel during the course of performance of the Work, unless the new owner agrees to accede to the Contract within 5 days from being requested to do so by the Contractor. In the event of such termination the Contractor shall be entitled to undock the Vessel and maintain the exercise of its lien thereon after undocking until full payment of all amounts owing under the Contract is received by the Contractor.

## 11. Warranty

11.1 Upon acceptance of redelivery of the Vessel and execution of the Protocol of Redelivery and Acceptance which shall be final, the Customer is deemed to have accepted that all Work was performed to its full satisfaction in accordance with the agreement of the Parties and in accordance with good industry practices and standards. Such acceptance shall bar any future allegations or claims in connection with any defects which were discoverable by the exercise of due diligence at the time of redelivery.

11.2 In the event of defects becoming apparent which were not discoverable by the exercise of due diligence at the time of acceptance and be notified to the Contractor within a period of three months from the date of redelivery and of the Protocol of Redelivery and Acceptance (the "Warranty Period") then such defects shall be rectified by the Contractor under warranty provided that same shall:

- a. be referable to Work performed by the Contractor, and
- b. not due to any act or omission not referable to the Contractor, and
- c. not due to normal wear and tear, and
- d. notified to the Contractor in writing within 7 (seven) days after their discovery.

11.3 Any and all defects not notified within the aforesaid periods shall be time barred.

11.4 Provided always that the Contractor does not warrant any materials, goods or equipment which were supplied and installed on the Vessel but will only assign to the Customer all warranties as provided by manufacturers and suppliers.

11.5 The Contractor does not warrant any objects or equipment supplied by the Customer. Painting and coating work is always likewise excluded from any warranty.

11.6 During the Warranty Period the obligations of the Contractor shall be to repair or rectify the defective part at the Dock, but shall not extend to any consequential loss or damages of whatsoever nature which shall always be excluded. Any and all costs and expenses incurred by the Customer in taking the Vessel to the Dock or other repair yard shall be for the sole account of the Customer. The sole obligation of the Contractor shall be to repair free of charge at its own Dock provided that the defect is notified to the Contractor in writing within seven days after its discovery during the Warranty Period and the Customer shall make the Vessel available to the Contractor for inspection and assessment of any defects and for rectification at the Dock. The Customer confirms that, other than the obligation to repair any defects, the Contractor shall have no other responsibility or liability of whatsoever nature in connection with any such defects or for any consequences arising therefrom.

11.7 In the event it is economically inefficient to effect rectification of the defects at the Dock, the Contractor shall allow the Customer to have the repair work executed at another repair yard provided always that the Customer shall:

- a. Notify the Contractor in writing of its intention to do so prior to doing so, and
- b. Permit the Contractor to negotiate and / or contract directly with the other yard, and
- c. The Contractor shall not be responsible for any amount which exceeds the cost of having the same work carried out at the Contractor's own yard.

11.8. Provided always that the Contractor's maximum liability in respect of warranty rectification work shall not exceed the lower of 5% of the amount actually paid by the Customer for Work executed by the Contractor or the amount of EUR 250,000.

11.9 Any and all terms, conditions and warranties implied by law are hereby excluded to the extent legally permissible.

## 12. Liabilities and Indemnities

12.1 Liability for death or personal injury: Each of the Contractor and the Customer respectively, shall be responsible for the death or personal injury of its own personnel and the personnel of its sub-contractors for whom they may be responsible irrespective of the cause of death or personal injury and whether or not it was caused by the negligence or gross negligence of the

- other Party or of those entities for whom the other Party is responsible. Each of the Contractor and the Customer shall hold the other harmless and fully indemnified with regards to any claims, demands, loss, liability and legal costs whatsoever, in the event of any of the aforesaid personnel or their dependents pursue claims for death or personal injury against the Party who is not responsible, pursuant to the terms hereof.
- 12.2 Liability for Loss or Damage: The Contractor shall not be liable for any loss or damage to the property of the Customer (including but not limited to the Vessel) except in case of gross negligence or wilful misconduct committed by the Contractor or by anyone for whom the Contractor is responsible, subject always to the maximum limit of liability stipulated in Clause 12.3 hereinbelow. The Contractor shall have no liability of whatsoever nature in connection with loss of cash or negotiable instruments.
- 12.3 Contractual limitation of Contractor's liability: Except as provided for under the Warranty provisions, any and all liabilities on the part of the Contractor or those for whom it is responsible shall cease upon redelivery of the Vessel and in any event shall never exceed the lower of 5% of the amount actually paid by the Customer for Work executed by the Contractor or the amount of EUR 500,000 regardless of the basis of such liability whether in contract, tort, strict liability or otherwise under any legislation. The Contractor shall never be liable for any consequential loss of whatsoever nature including but not limited to loss of profit, loss of use, loss of income, loss of enjoyment and any and all other indirect loss or damage.
- 12.4 Liabilities to third parties: Each of the Contractor and the Customer holds the other harmless and fully indemnified against any and all claims made against the other Party by third parties where such claims are either caused by or contributed to by the indemnifying Party's negligence, gross negligence or wilful misconduct or that of those for whom it is responsible under the terms hereof.
- 12.5 Liability for pollution: The Customer shall always be liable for any claims for pollution emanating from the Vessel and shall hold the Contractor harmless and fully indemnified for and against any and all claims, losses, demands or liabilities of whatsoever nature arising out of or in connection with any pollution attributable to the Vessel.
- 12.6 Employees, Servants, Agent and Sub-Contractors: All the limitations and exclusions set out herein on each Party's liability shall also apply to the liability of all of those for whom the Party is responsible under the terms hereof. Furthermore, each of the Contractor and the Customer further agrees that it will not, and it will ensure that those for whom it is responsible will not, seek to circumvent the aforesaid limitations, exclusions and allocations of responsibility by taking legal proceedings against employees, servants, agents or sub-contractors of the other Party and to this extent each Party shall be deemed to be acting as agent or trustee on behalf of and for the benefit of such persons.
- 12.7 The Customer agrees that, to the extent possible, in order to protect itself against the consequences of the limitations and exclusions stipulated herein it shall cover any resulting risks for its account by taking out appropriate insurance coverage.
- 12.8 Any and all claims by the Customer shall be time barred unless legal proceedings in the jurisdiction stipulated herein shall have been commenced against the Contractor within 12 months from the date of redelivery of the Vessel.
- 13. Insurances**
- 13.1 Contractor's insurances: Contractor shall maintain ship repairers' liability insurance with internationally recognised insurers for a limit of EUR 5 million each accident or occurrence and EUR 10 million in the aggregate and shall make evidence thereof available to the Customer on request.
- 13.2 Customer's insurances: Customer shall maintain at all times hull and machinery and war risk insurances with internationally known insurers for no less than the Vessel's market value as well as liability and protection and indemnity insurance with internationally known insurers on terms comparable to internationally used policy wording from leading P&I Clubs insurers with pollution cover of no less than USD 500 million. The aforesaid insurances shall be for no less than the Vessel's market value. The Customer shall provide the Contractor with copies of certificates evidencing the aforementioned insurances prior to the Vessel entering the Dock.
- 14. Assignment and Sub-Contracting**
- 14.1 Neither the Contractor nor the Customer shall have the right to assign the Contract entered into nor any rights thereunder without prior written consent of the other Party, which consent shall not be unreasonably withheld, provided always, however, that the Contractor shall be entitled to sub-contract any part and / or all of the Work provided that the Contractor shall remain responsible for all actions of its sub-contractors.
- 15. Severance**
- 15.1 In the event any term, condition or provision of these Standard Terms & Conditions being found to be illegal, void, invalid or unenforceable for any reason whatsoever, whether in whole or in part, the other provisions hereof shall be unaffected and shall remain in full force and effect. The Parties agree to replace any such affected term, condition or provision by another that most closely achieves the purpose, to the extent legally permissible, of the affected one.
- 16. Scrap Materials**
- 16.1 All scrap materials removed (including replaced parts and objects) from the Vessel pursuant to the Work shall, unless the Contractor elects otherwise, become the Contractor's property except for propellers, tail shafts and heavy machinery. Notwithstanding the aforesaid the Customer must dispose of all toxic substance and

hazardous waste at its own expense upon first request of the Contractor.

**17. Photos, Media and Copyright Release**

17.1 Unless otherwise previously stipulated in writing by the Customer, the Contractor and any of its parent, associated, subsidiary, affiliated or related companies are permitted to photograph the Vessel and produce other types of media productions that capture the Vessel's name and image during the Work and such material will be considered as the Contractor's property and may be used, re-used, copied, published, displayed, exhibited and reproduced in advertising and marketing campaigns by the Contractor or any of the aforesaid companies (whether on their website in electronic form or otherwise) for promotional or informational purposes, including but not limited to flyers, brochures, leaflets, calendars, newsletters, emails, advertisements, newspaper articles, etc

**18. Confidentiality.**

18.1 Any technical and non-technical information relating to the Work which may be disclosed by the Contractor including, without limitation plans, drawings, documents, information, equipment, facilities, know-how, developments, software, financial information and which is not publicly available shall be deemed confidential to the Contractor and the Customer undertakes that it will not disclose any such information to any other party without the Contractor's prior written consent to such disclosure. Any intellectual property attaching to such documents or information shall always remain the property of the Contractor. The obligations under this clause extend to any Customer's sub-contractors, representatives and crew. The Customer shall return all such documents to the Contractor upon request.

18.2 Any personal data collected for the provision of services will be maintained in accordance to our Data Protection Policy (GDPR) and associated documents which can be provided upon request.

**19. No Waiver**

19.1 No failure or forbearance on the part of either the Contractor or the Customer to exercise or pursue any of their respective rights or remedies shall constitute a waiver thereof or prevent either of them from subsequently exercising any such right or remedy in full.

**20. Governing law and Jurisdiction**

20.1 These Standard Terms & Conditions as well as the Contract entered into between the Contractor and the Customer shall always be governed by and construed in accordance with Cyprus law and the Contractor and the Customer hereby agree to submit any and all differences or disputes whatsoever between them to the exclusive jurisdiction of the courts of Cyprus. Notwithstanding the aforesaid, the Contractor shall always be entitled to take such action it deems fit for security measures in any jurisdiction, including any arrest of the Vessel, in respect of any sums owed to the Contractor.