



TERMS OF BUSINESS

1. DEFINITIONS

"**Company**" means Universal Maritime Ltd. its successors and/or its assigns.

"**Contract**" shall mean the properly formed contract between the Company and Customer, comprising of the Order, the Order Confirmation and these Terms of Business.

"**Contractual Period**" means the period from the Company's acceptance of the Customer's Order for the Services to the time of the actual delivery of the Vessel.

"**Customer**" means the business entity or person named in the Order Confirmation.

"**Order**" means an offer by the customer to Purchase the Services in accordance with these conditions.

"**Order Confirmation**" means the Company's duly completed form of Order Confirmation

"**Services**" shall mean the Vessel delivery services provided by the Company to the customer as detailed in the Order Confirmation.

"**Vessel**" means the vessel specified in the Order Confirmation.

2. FORMATION

2.1 The Order shall only be deemed to be accepted when an authorised representative of the Company has signed the Order Confirmation, at which point and on which date the Contract shall come into existence (**Commencement Date**). The Contract constitutes the entire agreement between the parties. The Customer acknowledges that it has not relied on any statement, promise, representation, assurance or warranty made or given by or on behalf of the Company which is not set out in the Contract.

2.3 These Conditions apply to the Contract to the exclusion of any other terms that the Customer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing.

2.4 Any quotation given by the Company shall not constitute an offer, and is only valid for a period of 20 business days from its date of issue.

3. PRICE

The Company reserves the right at any time to reasonably vary the price stated in the Order Confirmation. Any such variation in price shall reflect an increase in the Company's actual costs for the supply of the Services, labour and/or materials.

4. SUPPLY OF SERVICES

4.1 The Company shall supply the Services to the Customer in accordance with the Contract in all material respects.

4.2 The Company reserves the right to vary the method of delivery of any Services from time to time without notice to the Customer

5. INSURANCE AND INDEMNITY

5.1 The Customer must have in force for the Contractual Period a comprehensive Marine Insurance Policy covering the Vessel, its equipment and any third party liabilities for a minimum indemnity of £5,000,000.

5.2 In the event of any claim being made against the Customer's insurance, the Company shall not be liable to the Customer for any insurance excess or any other charge associated with any claim.

6. DELIVERY DATE

Delivery dates are given by the Company to the Customer in

good faith but the Company does not guarantee delivery on the delivery date stated in the Order Confirmation.

7. PAYMENT

7.1 The Company may require an initial payment from the Customer in order to cover its reasonable expenses in connection with an Order. If required, the amount of the initial payment shall be stated in the Order Confirmation and is payable by the Customer to the Company on issue of an Order Confirmation.

7.2 The total price or the balance of the total price for the Services shall become due to the Company by the Customer at the date stated in the Order Confirmation.

7.2 Following the receipt of the Order Confirmation, the Customer shall not be entitled to cancel the Order for any reason whatsoever without the prior written consent of the Company.

7.3 In the event the Customer purports to cancel the Order, or in the event that the Company terminates the contract in accordance with these Terms of Business, the initial payment shall be non-refundable to the Customer.

7.4 Time of payment is of the essence. If the Customer fails to make any payment due to the Company later than 14 days following the due date for any payment, then the Customer shall pay interest on the overdue amount at the rate of [5]% per annum above the National Westminster Bank's base rate (or any other rate that the Company shall notify the Customer of from time to time), after as well as before judgement.

8. CUSTOMER OBLIGATIONS

The Customer warrants that:

8.1 It is the legal owner of the Vessel, or is otherwise legally authorised to act on behalf of the Vessel's legal owner and can produce documentation to demonstrate this to the satisfaction of the Company;

8.2 The Vessel and its equipment and machinery are in a good seaworthy condition and are adequate for the Company's provision of the Services as detailed in the Order Confirmation;

8.3 Any documentation relating to the Vessel deemed necessary by the Company for the efficient and legal delivery of the Vessel will be supplied to the Company at the Company's request.

8.4 The Customer will indemnify the Company and its representatives from any tax, fee, levy or any other charge that may already be, or may become, payable by the Vessel, its owner or the Customer for any reason however arising or by virtue of the Company's provision of the Services.

9. COMPANY OBLIGATIONS

9.1 The Company shall supply adequately trained and experienced crew for the performance of the Services and the delivery of the Vessel.

9.2 The Company's representatives will take reasonable care to pack and stow interior items on board the Vessel before onward transport on board ship or by road (if applicable), however, the Company cannot guarantee the actions of any third parties who may have proper cause to enter the Vessel following the end of the Contractual Period.

9.3 When navigating the Vessel, the Company's representatives shall operate the Vessel within the stated limits of the Vessel's operating performance and in full observance of, and in a manner consistent with, the practices of good seamanship.

9.4 The Company shall keep the Customer reasonably informed as to the progress of the Services and shall notify the Customer as soon as is possible in the event of any major incident likely to result in a delay to the delivery date, or in the event of any damage being occasioned to the Vessel.

9.5 During the Contractual Period, the Company shall maintain professional liability insurance offering cover in the minimum amount of £5,000,000.00

10. DAMAGE AND LIABILITY

10.1 The Company shall not be liable for any loss or damage of whatsoever nature sustained to the Vessel, its equipment, machinery, interior or any property within the Vessel, however arising and by whomever caused, (including acts or omissions of third parties), and that caused by any negligence of the Company and/or its representatives unless it is proven that such loss or damage resulted solely from the Company's personal act(s) or omissions, committed with the intent to cause such loss or damage, or recklessly, and with knowledge that such loss or damage would result.

10.2 The Company shall not be liable for any damage or loss of any nature caused by a pre-existing fault within the Vessel, its equipment or machinery, where such a fault was not reasonably apparent to the Company's representatives at the commencement of the Contractual Period.

10.3 In any event, the Company or any of its representatives shall not be liable for any losses resulting from a delay to the delivery of the Vessel, including any claims for loss of use of the Vessel, or any other incidental or consequential damages however arising and whether or not foreseeable at the time of the Customer placing the Order.

11. PERIOD OF RESPONSIBILITY

11.1 The Company shall assume responsibility for the Vessel at the time and place stated in the Order Confirmation and upon the Customer's surrendering of the Vessel into the full control of the Company or its representatives, and shall remain responsible for the Vessel until the Company delivers the Vessel to the place stated in the Order Confirmation (**Period of Responsibility**).

11.2 Where the Order Confirmation states that the Vessel is to be delivered to a commercial ship or quay for onward transport by sea or road, the Period of Responsibility shall be deemed to have ended in the instant the Vessel is made secure to the ship or quay specified in the Order Confirmation, or as otherwise agreed between the customer and the Company.

11.3 Prior to the commencement of the Period of Responsibility, a general inspection of the Vessel shall be undertaken by the representatives of the Company to ascertain the condition of the Vessel.

11.4 If the Company decides that the Vessel is not adequately equipped or is in any way unsafe or inadequate to undertake the performance of the Services, the Company shall be under no obligation to continue to supply the Services to the Customer and shall be entitled to retain from the initial payment, or otherwise recover from the Customer, any costs reasonably incurred by the Company in connection with the Order.

11.5 The Company assumes no responsibility for the condition of any part of the Vessel or its equipment which is not possible to be inspected by the Company prior to the Period of Responsibility, including any underwater components or machinery, or any other aspect of the Vessel which is impossible to be fully inspected by the Company prior to the commencement of the Period of Responsibility.

12. WARRANTIES AND EXCLUSIONS

The Company does not warrant:

12.1 Any measure of performance of any goods serviced or supplied by the Company.

12.2 The condition of the Vessel's batteries in any instance, including when the Vessel is traveling as cargo on board ship, is left afloat alongside, is placed in dry storage or in any other instance following the Company's assumption of responsibility for the Vessel.

12.3 The Company shall not be liable for any damage caused to any part of Vessel or its components when such damage is caused by the Vessel's collision with uncharted submerged or semi submerged obstructions, floating debris, flotsam, jetsam, marine wildlife or any other obstruction which may reasonably be considered as a peril of the sea.

12.4 The Company or its representatives shall not be liable for any damage caused to the Vessel, its equipment, rig, machinery or any other property associated with the Vessel which may result from operations associated with the lifting of the Vessel, including any damage to the Vessel's underwater components caused by lines, chains, warps, slings, strops or any other securing or lifting equipment, whether submerged or visible.

12.5 The Company shall not be liable for any damage caused to the Vessel and its equipment by the actions or omissions of third parties, including the operators of other vessels, marina operatives, divers, stevedores, loadmasters or any other party not acting under the direct control of the Company.

13. TERMINATION

If the Customer is a company and becomes unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986, or, if the Customer is an individual and it becomes apparent that it has no reasonable prospect of paying its debts within the meaning of section 268 of the Insolvency Act 1986, or in either instance if the Company reasonably believes that the Customer is about to become subject to any court order, petition or creditors agreement in relation to the non-payment of any debt, or if the Customer fails to pay any amount due to the Company later than 28 days after the due date for any such payment, the Company may terminate the Contract with immediate effect by giving written notice to the Customer.

14. VALUE ADDED TAX

Except where otherwise stated the quotation is exclusive of VAT. The Company will charge VAT and other taxes as may be required by current UK or European legislation.

15. LAW AND JURISDICTION

15.1 The Contract shall be governed by and construed in accordance with English law and the Courts of England and Wales shall have exclusive jurisdiction in respect of any dispute or other matter arising hereunder.

15.2 If any term or provision in these Terms of Business shall be held to be void in whole or in part under any enactment or rule of law such term or provision or part shall to that extent be deemed not to form part of the Contract but the validity and enforceability of the remainder of the Contract shall not be affected

15.3 The provisions of the Contract (Rights of Third Parties) Act 1999 shall not apply to the Contract formed between the Company and the Customer and nothing herein confers or purports to confer any benefit or right on any third party to enforce any term of the Contract.