

**Boat Electrics & Electronics Limited ("BEE")**

**("The Client")**

BUSINESS2BUSINESS CONTRACT

CONFIDENTIAL



## Index

Please find enclosed: Schedule 1: Scope/Demarcation Schedule:

NOTE: All equipment prices are quoted as Ex-Works, UK. All delivery, freight and Duty costs will be charged at cost. Any classification society costs will be charged extra at cost. Payment Terms:

Payment Terms:

## Schedule 2: Variation Order

Contract No./ Name:	Variation No.:	Date: [DATE]
[INSERT CONTRACT NO. Name]	[VO NUMBER]	
Party seeking variation:		
INSERT PARTY NAME		
Requested by:	Variation Value:	
[INSERT NAME OF INDIVIDUAL WHO HAS REQUESTED THE VARIATION]	Cumulative Total Estimate: [INSERT AMOUNT] GBP; to be invoiced in monthly instalments.	
Variation Time:		
Cumulative Total Time Estimate: [INSERT TIME IMPACT]		
Clause No.:	Variation Description	
[INSERT RELEVANT CLAUSE NO.]	[IDENTIFY CHANGE	
(Answer could be n/a)	- SCOPE OF SUPPLY CHANGE	
	- TERMS AND CONDITIONS CHANGE]	
Nothing contained in this Variation shall be construed as an amendment to the Contract. Except as modified by the terms of this Variation, all terms and conditions of the Contract as adjusted shall remain in full force and effect.		

<p>Signed by _____ duly authorised for and on behalf of Boat Electrics &amp; Electronics Limited</p> <p>Date:</p>	<p>Signed by [INSERT FULL NAME OF INDIVIDUAL] duly authorised for and on behalf of [CLIENT NAME]</p> <p>.....</p> <p>Date:</p>
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### Schedule 3: Terms and Conditions

1.1 The Parties hereby agree to be bound by these Terms and Conditions upon the earlier of:

1.1.1 the Contract being signed by both Parties; or

1.1.2 The issuance of the Purchase Order will include a note.

1.1.3 These Terms and Conditions shall govern any services contemplated by these Terms and Conditions, even if performed prior to the effective date hereof.

1.2 These Terms and Conditions shall apply to the provision of any Goods or Services by BEE to the Client and to the exclusion of any other terms that either party seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing, unless otherwise agreed by the Parties in writing.

1.3 Unless the Parties have agreed otherwise in writing, these Terms and Conditions shall also apply to any other goods or services of whatever nature which may be provided by BEE to the Client.

1.4 In the event of any conflict between these Terms and Conditions and any other document relied upon by either Party in relation to the Contract, prior to the execution hereof, these Terms and Conditions shall prevail.

## 2 DEFINITIONS

2.1 In these Terms and Conditions, unless the context otherwise requires, the following expressions have the following meanings:

"Business Days" means days that both the Bank of Scotland and Bank of America are open.

Boat Electrics & Electronics Limited "BEE" is the Service and Goods provider.

"Contract" means the Scope Schedule (Schedule 1) and BEE's Terms and Conditions (Schedule 3);

"Client" means any partnership, firm, entity, or corporate body (which expression shall, where the context so admits, include its successors) which purchases/utilises the Goods and/ or Services from BEE.

"Goods" means any goods provided to the Client by BEE under the Contract.

"Parties" means BEE and the Client.

"Scope" means the scope of the Services to be provided by BEE to the Client, as agreed between the Parties and evidenced in the Scope and/or Demarcation Schedule and documents which accompany these Terms and Conditions.

"Services" means the services provided by BEE to the Client as outlined in the Scope and/or Demarcation Schedule agreed between the Parties; and

"Variation" is any variation from the initial Scope agreed between the Parties in accordance with clause 11, and which is recorded by way of a Variation Order, a pro-forma copy of which is attached at Schedule 3 to these Terms and Conditions.

2.2 Any reference to a statute or a provision of a statute shall be construed as a reference to that statute or provision as amended, re-enacted or extended, unless expressly stated otherwise, shall be at the time in force.

2.3 Unless the context otherwise requires, words importing the singular shall include the plural, and words importing the masculine gender shall include the feminine and neutral genders, and vice versa. Words importing a person shall include a firm and any entity having legal capacity.

2.4 Unless the context otherwise requires:

4.1 the headings in the Contract are inserted for convenience of reference only and shall not be taken into consideration in the interpretation or construction of the Contract.

2.4.2 any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and without limitation and the words following any of those terms shall not limit the sense of the words preceding those terms; and

2.4.3 reference to any document or agreement shall be construed as reference to the same as it may have been, or may from time to time, be amended or modified in accordance with the Contract.

2.5 References in these Terms and Conditions to "holding company" and "subsidiary" shall have the same meanings as ascribed to them in section 1159 of the Companies Act 2006.

### 3 THE SERVICES

3.1 In consideration of the fees being paid by the Client to BEE, BEE shall provide the Services to the Client as outlined in the Scope and/or Demarcation Schedule.

3.2 BEE shall use its reasonable but at a minimum, consistent with best industry standards, care and skill in the performance of the Services and compliance of all of its contractual obligations. The Services are provided by BEE exclusively to the Client. BEE does not accept any responsibility or liability to any third party for the Services which it provides to the Client unless expressly agreed in writing. BEE expressly acknowledges and agrees that the Services and Goods relate to and shall be used in the fabrication of a vessel (the "Vessel") to be sold to a third party (the "Owner") by Client. Any warranty relating to the Services and Goods shall not be voided as a result of such sale by Client to the Owner.

3.3 In addition to the foregoing, BEE undertakes and shall use its best endeavours. to:

- 3.3.1 ensure the working environment is safe and adequate in relation to facilities and arrangements for BEE's representatives, where it has control of the relevant working environment.
- 3.3.2 procure that it shall, on reasonable notice (and in any event not more than one (1) Business Day after notice is given), make its project management team available by reasonable means (such as telephone or email) to Client for any purpose reasonably deemed necessary by Client including, but not limited to, meetings, discussions and taking necessary steps to resolve problems that may delay provision of the Services.
- 3.3.3 inform Client at the earliest opportunity of any possible delays of any nature including, but not limited to those that occur due to vessel availability, labour relations, production problems, design problems, or financial problems or any other risk of delay whatsoever.
- 3.3.4 provide the Services and Goods in accordance with all applicable laws and regulations.
- 3.3.5 maintain adequate insurance for the provision of the Services and replacement of the Goods while under the control of BEE; and
- 3.3.6 comply with each and every obligation it has under the Contract.

#### 4 TERMS OF PAYMENT

- 4.1 BEE shall issue the Client with invoices for all the Services undertaken by BEE in accordance with and at such times provided in the Demarcation Schedule.
- 4.2 Unless the invoice specifically states a date for payment of the invoice, in which case.

the due date on the invoice shall be such later due date, the Client shall pay BEE's invoice in full and final settlement, without set-off, deduction or withholding within 30 days of receipt of the invoice. except to the extent disputed in good faith.

- 4.3 Every invoice shall be paid in the currency stated in the invoice in cleared funds to BEE's bank account as set out in the invoice. The currency shall be in GBP (Great British Pounds).
- 4.4 Time is of the essence in relation to every invoice payment. If the Client fails to make any payment in accordance with the Contract and/or invoice, BEE shall, without prejudice to any right which BEE may have pursuant to any statutory provision in force, have the right to charge the Client interest on a daily basis at an annual rate equal to the base rate of The Bank of Scotland plus three percent (3%) from time to time on any sum due and not paid on the due date. Such interest shall be calculated compounding on a daily basis from the due date until payment of the overdue sum, whether before or after judgment.
- 4.5 If the Client reasonably believes that an incorrect invoice has been issued by BEE, they shall notify BEE promptly in writing, but in any event no later than the due date on the invoice, specifying the reason for disputing the invoice. The Client shall pay the undisputed portion of the invoice but shall be entitled to withhold payment of the disputed amount. Client shall pay such disputed amounts where resolved in favour of BEE within five (5) Banking Days after the dispute is resolved. BEE shall be entitled to charge interest at an annual rate equal to the base rate of The Bank of Scotland plus three percent (3%) from such due date to the extent not timely paid.

Should the Client's claim be valid, a corrected invoice shall be issued by BEE.

- 4.6 At any time while any undisputed sum due and payable by the Client to BEE is outstanding, beyond the applicable due date, BEE shall be entitled to suspend the performance of any or all their obligations under this Contract.

## 5 CLIENT RESPONSIBILITIES



- 5.1 The Client undertakes and shall use its best endeavours to:
- 5.1.1 provide full, accurate and complete information to BEE in sufficient time to enable the Services to be performed effectively and efficiently by BEE.
  - 5.1.2 procure all necessary accesses for BEE's representatives to everything required to carry out the Services, not limited to necessary information, goods, premises (including all stores on or offsite during working hours), vessels, installation and transport; (provided that BEE shall not charge Client any expenses relating to visiting the premises of Client except to the extent agreed to, in advance and in writing, by Client);
  - 5.1.3 ensure the working environment is safe and adequate in relation to facilities and arrangements for BEE's representatives, where it has control of the relevant working environment.
  - 5.1.4 procure that it shall, on reasonable notice (and in any event not more than (1) business day and during normal business hours in the **State of Florida, USA**, after notice is given), make its project management team available by reasonable means (such as telephone or email) to BEE for any purpose reasonably deemed necessary by BEE including, but not limited to, meetings, discussions and taking necessary steps to resolve problems that may delay provision of the Services;
  - 5.1.5 inform BEE at the earliest opportunity of any possible delays of any nature including, but not limited to those that occur due to vessel availability, labour relations, production problems, design problems, or financial problems or any other risk of delay whatsoever; and
  - 5.1.6 comply with each and every obligation it has under the Contract.
- 5.2 Any information provided by the Client which subsequently is confirmed by BEE as incorrect, incomplete and/or defective, shall be corrected by the Client in a timely and agreed period. If required clarification is not provided in the agreed upon time frame, then it shall be corrected by BEE at the sole risk and expense of the Client. as agreed

to by Client. The Client hereby agrees to indemnify BEE for any costs incurred dealing with Client's incorrect, incomplete and/or defective information.

## 6 TERM AND TERMINATION

- 6.1 This Contract applies to the Services whenever performed for the Client (including before the date of this Contract).
- 6.2 The Contract or any part of the Services under the Contract may be terminated upon the written agreement by both Parties.
- 6.3 Without affecting any other right or remedy available to it, either Party may terminate the Contract immediately if:
  - 6.3.1 the other Party commits a material breach of any term of this Contract which breach is irremediable or (if such breach is remediable) fails to remedy that breach within a period of five (5) Business Days after being notified in writing to do so; or
  - 6.3.2 the other Party suspends, or threatens to suspend, payment of its debts or is unable to pay its debts as they fall due or admits inability to pay its debts; or
  - 6.3.3 the other Party is a company or limited liability partnership, is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 as if the words "it is proved to the satisfaction of the court" did not appear in sections 123(1)(e) or 123(2) of the Insolvency Act 1986; or
  - 6.3.4 the other Party is a partnership, has any partner to whom any of the foregoing apply.  
or
  - 6.3.5 the other Party commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts or makes a proposal for or enters into any compromise or arrangement with any of its creditors other than (being a company) for the sole purpose of a scheme for a solvent amalgamation of that other party with one or more other companies or the solvent reconstruction of that other party; or

- 6.3.6 a petition is filed, a notice is given, a resolution is passed, or an order is made, for or in connection with the winding up of the other Party; or
- 6.3.7 an application is made to court, or an order is made, for the appointment of an administrator, or a notice or intention to appoint an administrator is given or if an administrator is appointed over the other Party; or
- 6.3.8 a floating charge holder of the assets of the other Party has become entitled to appoint. or has appointed an administrative receiver; or
- 6.3.9 a person becomes entitled to appoint a receiver over the assets of the Client or a receiver is appointed over the assets of the other Party; or
- 6.3.10 any event occurs or proceeding is taken with respect to the other Party in any. jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in clause 6; or
- 6.4 Without affecting any other right or remedy available to it, BEE may terminate the Contract immediately if:
  - 6.4.1 the Client fails to pay any amount due under the Contract on the due date for payment and remains in default not less than five (5) Business Days after being notified in writing to make such payment(s);
- 6.5 In the event of termination, (i) BEE shall promptly deliver to Client any Goods or deliverables resulting from the Services paid for by Client prior to the date of termination, (ii) BEE shall retain any sums already paid to it by the Client for Goods and Services provided prior to termination, and return to Client any sums paid as a prepayment for Services or Goods not delivered prior to termination or pursuant to clause (i) of this Section 6.5, and (iii) Client shall promptly pay BEE for Goods and Services delivered by BEE prior to termination, but not paid for by Client, in each case

without prejudice to any other rights either party may have whether at law or otherwise.

- 6.6 Either party may terminate this Contract by providing the other party with 30 days prior written notice.
- 6.7 The provisions of this Agreement that give either BEE or the Client rights or obligations beyond its termination shall continue indefinitely following the termination of this Agreement.

## 7 FEES

- 7.1 The Client shall pay BEE all professional fees and reasonable and necessary additional costs and expenses, in the opinion of BEE, and agreed upon by  
Client in writing that it incurs carrying out the Services (for example: travel and accommodation insurance, packaging, printing/copying, communications, and Services). BEE shall be responsible for booking all required travel and accommodation unless otherwise agreed in writing between the Parties.
- 7.2 The Client hereby acknowledges that the total costs and expenses incurred during the Contract may exceed BEE's estimate(s), provided, however, that BEE shall not incur such additional costs and expenses without Client's prior written consent. For example, BEE's estimate(s) are likely to be incorrect if any of the following circumstances arise:
  - 7.2.1 the exact scope is undefined at the time of executing the Scope and/or the Demarcation Schedule; or
  - 7.2.2 all of the relevant and required information requested is not supplied by the Client. when it is requested/required; or
  - 7.2.3 if anomalies in information provided by the Client or in the Services are discovered during the Contract; or

7.2.4 there is any change to the project as set out in the Scope and/or the Demarcation Schedule.

7.3 If any of the eventualities listed in clause 7.2 or similar scenarios occur, BEE may at any time prior to incurring any additional costs or expenses relating to the same, in its reasonable discretion, suspend Services and issue a new Scope and/or the Demarcation Schedule or a Variation Order for Client's written approval. All Services provided by BEE up to the date of the suspension, to the extent within the scope prior

to the issuance of a new Scope and/or Demarcation Schedule or Variation Order, shall be paid in accordance with the Contract.

7.4 Any estimate quoted for the installation of Goods are for BEE's company engineers services only and do not include storage, shipyard charges, shipwright charges or any other charges whatsoever incurred in relation to the transportation, handling and/or installation of the Goods.

7.5 BEE may charge additional professional fees if events beyond BEE's control (including your acts or omissions) affect our ability to perform the Services as originally planned or if you ask us to perform additional tasks. but in each case only after written approval of the Client.

7.6 Unless otherwise set forth in the Contract or agreed in writing between the Parties, payment is due upon presentation of each of BEE's invoices. If BEE does not receive payment of its invoice within 30 days of the invoice date or in accordance with the invoice due date, BEE shall be entitled, without prejudice to any other rights that BEE may have, to suspend provision of the Services until all sums due are paid in full by the Client.

7.7 The goods shall be provided ex works. BEE's place of business or warehouse in the United Kingdom. Risk of loss or any goods provided and / or supplied by BEE to the client under this contract shall transfer to the client upon delivery to the common carrier

but shall remain subject to a purchase money security interest for the payment of any amounts remaining unpaid relating to such delivered Goods (the "Unpaid Amounts"). This includes payment of any sums that are disputed until the resolution or payment of such disputed amounts.

7.8 Until such time as all Unpaid Amounts are paid with respect to any applicable goods. BEE shall be entitled at any time to require the Client to deliver up the Goods as soon as practicable to BEE. If the Client fails to so deliver up the Goods or [pay the unpaid amounts on BEE's request within one week from BEE's notice, BEE or BEE's agent may enter any premises of the Client, or any premises where the applicable Goods are located, and repossess the applicable Goods.in each case in accordance with the applicable provisions of the Uniform Commercial Code of such jurisdiction.

7.9 Pending release of any purchase money security interest on the goods after delivery of the goods the Client, the Client shall keep the Goods (or procure that that the Goods are kept);

7.9.1 fully insured against fire, theft, and accidental damage; and

7.9.2 clearly identifiable as being subject to BEE's purchase money security interest and stored separately.

7.10 If any goods subject to BEES purchase money security interest are sold, lost or damaged or indistinguishable from the goods to which BEE does not have an interest, the Client must fully indemnify BEE for losses incurred by BEE due to the Client's inactions/actions relating to the same.

## 8 SUBCONTRACTING

8.1 BEE has the right to sub-contract its obligations under the Contract to the extent that BEE maintains full responsibility for the proper performance of the Services and delivery of the Goods, but shall not assign its obligations hereunder, by

operation of law or otherwise, without the prior written consent of Client (such consent not to be unreasonably denied or delayed).

## 9 THIRD PARTIES

- 9.1 No provision of this Contract shall be enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not party to it.

## 10 LIMITATIONS ON LIABILITY

- 10.1 BEE is not responsible for and accepts no liability whatsoever for any losses, damage, delay, or expense arising from or in connection with any error, inaccuracy, negligence and/or noncompliance with any drawings or technical information prepared for the manufacturing of any object that is a subject of the Contract, except to the extent such losses, damage, delay or expenses are caused by or otherwise result from the actions or omissions to act by Bee
- 10.2 BEE is not responsible for and accepts no liability whatsoever for any losses, damage, delay, or expense arising from or in connection with any error, inaccuracy, negligence and/or noncompliance with any drawings or technical information in the design, performance and/or manufacturing of any object that is not of BEE's design and that is the subject of this Contract.
- 10.3 Where BEE is reliant upon drawings and/or information provided by the Client and/or any third party, BEE is not responsible for any losses, damage, delay, or expense arising from or in connection with errors and inaccuracies in the information, drawings, measurements and/or other base data provided in relation to the Contract. Unless otherwise expressly stated in the Scope, BEE will not review the consistency and/or accuracy of any information on the certificate of compliance with any other material(s), plan(s), documentation, or certificate(s) of compliance. Each certificate of compliance is limited to the verification of the specific plans and/or documentation as stated on each certificate.
- 10.4 Neither Party shall be under any liability whatsoever to the other Party for any loss, damage, delay, or expense of any nature, whether direct or indirect and howsoever arising to the extent not resulting from such Party's negligence or default under the Contract.

- 10.5 Any claims against BEE in relation to this Contract shall be deemed to be waived and absolutely time barred upon the expiry of two years from the date on which the applicable Vessel is delivered to the Owner.
- 10.6 The Client hereby undertakes to indemnify BEE and its employees, agents and subcontractors 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 in connection with the provision of the Services except to the extent such actions, proceedings, claims, demands or liabilities are caused by BEE's negligence, intentional misconduct or breach of the Contract.
- 10.7 The Client undertakes that it shall not hold BEE liable for injury to its staff or agents or person related to the Client with whom BEE interacts in relation to the provision of the Services unless such injury is caused by BEE's negligence or breach of the Contract. BEE undertakes that it shall not hold Client liable for injury to its staff or agents or person related to the BEE with whom Client interacts in relation to the provision of the Services unless such injury is caused by Client's negligence or breach of the Contract.
- 10.8 BEE shall not be liable for any loss of or damage to equipment and any other items placed at its disposal by or on behalf of the Client however such loss or damage occurs unless and except to the extent such equipment remains in BEE's custody and control. This includes but is not limited to damage caused by fire, sinking, partial or total loss of the equipment.
- 10.9 The Client undertakes that it shall not hold BEE liable for late completion of provision of the Services to the Client or any associated losses, damages or expense arising from or in connection with the late delivery of the Services, where BEE has varied the deadline for provision of the Services by completion of a Variation in accordance with clause 11 below.



- 10.10 Neither BEE nor the Client shall, except otherwise provided in the Contract, be responsible for any loss, damage, delay, or failure in performance hereunder arising or resulting from act of God, act of war, seizure of legal process, quarantine restrictions, national strikes, riots, civil commotions and arrest or restraint of princes, rulers or people of any other usual force majeure type event.
- 10.11 The terms implied by sections 13 to 15 of the Sale of Goods Act 1979 and sections 3. to 5 of the Supply of Goods and Services Act 1982 are, to the fullest extent permitted by law, excluded from this Contract.
- 10.12 The maximum aggregate overall liability of a Party (including any costs payable to the Client) in connection with the rectification of defects, default and delay or any termination for default to the other Party under or in connection with the Contract shall not exceed the value (a) in the case of BEE, paid by the Client to BEE, and (b) in the case of Client, properly invoiced by BEE for Services rendered and Goods provided by BEE, in each case at the date the liability arose for the Services and Goods, even where it is alleged or established that such liability arose from such Party's default, negligence or non- performance. This limitation shall apply in an absolute manner and shall apply in contract, at law, in tort or in any other legal proceedings or otherwise.

## 11 VARIATIONS

- 11.1 Any Variation that may be required during the Contract shall be processed expeditiously and efficiently by BEE and the Client and shall be effective upon execution by BEE and the Client. A specimen copy of a Variation Order is included in Schedule 2 hereto.
- 11.2 The Client has the right to request BEE at any time to do any of the following:
- 11.2.1 make any revision to the Services which may include additions, omissions, substitutions and changes in quality, form, character, kind, position, dimension, level

or line and changes in any method of construction or installation specified by the Client;  
or

- 11.2.2 revise elements of the Services already completed in accordance with the Contract; or
- 11.2.3 after commencement of the Services, accelerate the Services or any part thereof in order to recover all or part of any delay in respect of which BEE would otherwise have been entitled to an extension of time; or
- 11.2.4 Re-programme the Services and reschedule its resources in order to complete the Services or any part thereof in accordance with any deadline the Client may request.
- 11.3 Unless such instruction by the Client is required as a result of a failure by BEE to comply with the Contract or any other negligent act or omission of BEE, an instruction under clause 11 will constitute a Variation.
- 11.4 If BEE considers that an instruction has been given or other event has taken place for which it is entitled to receive a Variation, BEE shall (and where practicable before proceeding with any work affected by such instruction) request that the Client accepts a Variation in respect of such instruction.
- 11.5 Any Variation request by BEE shall include details of the instruction, any relevant dates, and the clause(s) of the contract under which BEE considers itself to be entitled to a Variation. BEE shall also provide both estimated cost and schedule impact associated with the Variation request.
- 11.6 All Variation requests shall be recorded in a Variation Order and submitted to the Client. The Variation Order should be signed and dated by the Client and returned to BEE within five (5) Business Days, unless otherwise agreed BEE. If the Client does not respond to a Variation request within five (5) Business Days, the Variation request is deemed to have been rejected by the Client.
- 11.7 Subject to clause 11.6 above, no Variation shall become effective until the formal issue of a Variation Order is signed by BEE and authorised by the Client in accordance with clause 11.6 of these Terms and Conditions.

11.8 Subject to clause 11.6 above, the completed Variation Order signed by both Parties, or signed by BEE and authorised by the Client in accordance with clause 11.6, authorises BEE to proceed with such Variation.

11.9 Variations shall be paid by the Client as indicated in the Variation Order. Where no payment terms are indicated, Variations shall be paid in accordance with BEE's standard invoicing procedure.

## 12 APPLICABLE LAW AND JURISDICTION

12.1 This Contract is governed by the laws of England and Wales.

12.2 Any dispute between BEE and the Client in connection with or arising out of the Contract shall be resolved by means of the following procedure:

12.2.1 One Party shall serve a notice of dispute in writing on the other Party setting out (i) the background facts to the dispute, (ii) the contractual clauses relied upon by the Party initiating the dispute process and (iii) the value of the dispute with a detailed explanation of how the value of the dispute has been calculated by that Party ("Notice of Dispute").

12.2.2 Within 10 Business Days of the Notice of Dispute being served on the other Party, the dispute shall be referred to the Client's representative and BEE's representative who shall discuss the matter, either in person or by telephone. The Parties' representatives shall make all reasonable efforts to reach an agreement. Each Party's representative for the purposes of the dispute process shall be an individual with the authority to deal with the dispute.

12.2.3 If no agreement is reached under clause 12 or 10 Business Days have passed since the Notice of Dispute was served on the other Party, the Parties shall, acting in good faith, within 40 days from the date of the Notice of Dispute, attempt to resolve the dispute by attending mediation. The mediation shall be in accordance with the Centre for Effective Dispute Resolution Model Mediation Procedure. The Parties shall exchange mediation papers (maximum 7 pages long) outlining their position five (5) Business Days in

advance of the mediation. The mediation shall be conducted in Glasgow, United Kingdom.

12.2.4 In the absence of any agreement being reached at mediation or 40 days have passed since the Notice of Dispute, the dispute shall be finally settled by arbitration. The arbitration shall be conducted in accordance with London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced. The reference shall be to one arbitrator. If within 14 days of one Party calling for arbitration, the Parties have not agreed upon a sole arbitrator, either Party may apply in writing for the appointment of a sole arbitrator by the President of the LMAA. The award of the sole arbitrator shall be binding on both Parties as if he had been appointed by agreement. Section 69 of the Arbitration Act 1996, appeal on a point of law, is excluded and shall not apply to any arbitration under this Contract. The language of arbitration will be English. *The seat of the arbitration shall be London, England. The location of the arbitration, if not heard online, shall be Glasgow.*

12.3 Any dispute with a value of under £30,000 (Sterling) shall be referred to the LMAA Small Claims Procedure.

## 13 CONFIDENTIALITY

13.1 All pricing, drawings, intelligence, any information contained within the Scope and technical information supplied by one Party to the other Party hereunder shall be considered confidential.

13.2 All communications between the Parties shall be considered confidential.

13.3 Confidential information shall not be disclosed by either Party without prior written permission by the other Party.

13.4 All information provided by the Client which the Client wishes to remain confidential shall be clearly marked as confidential, provided always that any such information relating to the Client's trade secrets shall always be treated as confidential by BEE without the necessity on the part of the Client to clearly mark as such.

13.5 The provisions of clause 13 shall not apply to information which the receiving party can prove:

13.5.1 is part of the public domain through no act of the receiving party in violation of this Contract.

13.5.2 was in the possession of the receiving Party prior to disclosure by the other Party, as shown in contemporaneous written records of the receiving Party, and which was not subject to any obligation of confidentiality owed to the disclosing Party; or

13.5.3 was received from a third party whose possession is lawful and who is under no obligation not to disclose.

13.5.4 In addition, a receiving Party may disclose confidential information, and such disclosure shall not be deemed a violation of this clause 13 to the extent such party is required to disclose the same in order to comply with the requirements of any law, rule or regulation of any governmental or regulatory body having jurisdiction over such Party and such Party provided sufficient notice to the disclosing Party so that the disclosing Party may seek a protective order relating to the same.

## 14 INTELLECTUAL PROPERTY

4.1 All intellectual property created by BEE by virtue of BEE carrying out the Services under this Contract is owned by BEE. Unless otherwise expressly stated, the Client receives.

any intellectual property created by BEE during this Contract on a nonexclusive and royalty free license basis. If a license and/or royalty fee for the use of BEE's intellectual property is applicable, it shall be agreed between the Parties prior to commencement of each Service undertaken under this Contract. Otherwise, such license shall be a royalty free license.

- 14.2 Subject to clause 14.1, neither the Client nor BEE shall have the right of use, other than for the purposes of this specific Contract, whether directly or indirectly, of any patent, copyright, proprietary right or confidential know-how, trademark or process provided by the other Party and the intellectual property rights in such.

shall remain with the Party providing such patent, copyright, proprietary right or confidential know-how, trademark, or process.

- 14.3 The Client shall release, defend, indemnify and hold harmless BEE from and against all claims, losses, damages, expenses (including without limitation legal costs and expenses and other costs of defence) and liabilities arising out of any alleged infringement of any patent or proprietary or protected right or any other claim relating to information supplied by the Client to BEE, arising out of or in connection with the performance of the obligations under the Contract.

- 4.4 BEE shall release, defend, indemnify and hold harmless the Client from and against all claims, losses, damages, expenses (including without limitation legal costs and expenses and other costs of defence) and liabilities arising out of any alleged infringement of any patent or proprietary or protected right or any other claim relating to information supplied by BEE to the Client, arising out of or in connection with the performance of the obligations under the Contract.

## 15 RELEVANT REQUIREMENTS

- 15.1 Nothing contained in this Contract shall be construed to create any partnership, joint venture, or franchise relationship between the Parties hereto. The Parties are independent persons, and neither shall be construed as the agent, employee, nominee, or representative of the other. No party shall have the authority to act for, or to incur obligations on behalf of, any other party except as provide by this Contract.

- 15.2 Any modification or amendment of this Contract shall be effective only if placed in writing and signed by both Parties.

- 15.3 Either Party corresponding under this Contract shall ensure such correspondence is effectively given and such correspondence shall be
- treated as received during BEE's office hours. If correspondence is sent outside BEE's office hours, it shall be treated as received during BEE's next working day.
- 15.4 Each Party will not unreasonably withhold any information requested by the other Party and shall disclose to the other Party any information requested necessary by the other Party.
- 15.5 The Client's relationship is solely with BEE. No representative of BEE has any personal legal obligation and/or liability to the Client whether in contract, tort (including negligence) or otherwise. The fact that any representative of BEE signs any documentation, electronically or in writing, in his or her name in the course of carrying out the Services does not give rise to any personal legal liability separate to that of BEE.

## 16 ENTIRE CONTRACT

- 16.1 This Contract (Schedules 1 & 3) constitutes the entire agreement between the Parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations, and understandings between them, whether written or oral, relating to its subject matter. The provision of any other Terms and Conditions by any party and/or Client shall not bind BEE in any way. If there is any contradiction between the Schedules 1,2, and 3, the Contracts' Terms and Conditions shall take priority (Schedule 3).
- 16.2 Each Party agrees that it shall have no remedies in respect of any statement, representation, assurance, or warranty (whether made innocently or negligently) that is not set out in this Contract.

## 17 WAIVER

- 17.1 None of the Terms and Conditions of the Contract shall be considered to be waived by BEE unless a waiver is given in writing by BEE to the Client.

No failure on the part of BEE to enforce any of the Terms and Conditions of the Contract shall constitute a waiver of such terms.

## 18 CONSEQUENTIAL LOSS

- 18.1 Notwithstanding any provisions to the contrary elsewhere in the Contract and except to the extent resulting from the gross negligence or intentional misconduct of the other Party, the Client shall release, defend, indemnify, and hold harmless BEE from the Client's consequential loss and BEE shall release, indemnify and hold harmless the Client from BEE's consequential loss. Consequential loss shall mean any indirect or consequential loss howsoever caused whether by virtue of any fiduciary duty, in tort or delict (including negligence) as a consequence of breach of any duty (whether statutory, contractual or otherwise) or under any other legal doctrine or principle whatsoever whether or not recoverable at common law or in equity, arising from or related to the performance of the Contract and whether or not any such losses were foreseeable at the time of entering into the Contract.

## 19 SUSPENSION OF SERVICES

- 19.1 BEE shall have the right, by notice to the Client, to suspend the Services or any part thereof, to the extent detailed in the notice, for any of the following reasons:
- 19.1.1 if the Client is in breach of its obligations under the Contract or any other agreements between the Client and BEE; or
  - 19.1.2 in the event that suspension is necessary for the proper execution or safety of the Services or persons; or
  - 19.1.3 any of the circumstances listed in clause 7.2 arise.



19.2 All Services provided by BEE up to the date of the suspension shall be paid in accordance with the Contract.

19.3 BEE shall have the right, by notice to the Client, to recommence the Services or any part thereof, to the extent detailed in the notice. Following recommencement of the Services all Services shall be paid in accordance with the Contract.

## 20 WARRANTEE

20.1 BEE warrants that on delivery of Goods, and for a period of 12 months from the date of delivery of the Vessel (the "Warranty Period"), the Goods shall:

20.1.1 be free from material defects in design, material, and workmanship.

20.1.2 be of satisfactory quality (within the meaning of the Sale of Goods Act 1979); and

20.1.3 be fit for any purpose held out by BEE in the Contract.

20.2 Subject to clause 20.1 above, if the Client:

20.2.1 gives notice in writing to BEE during the Warranty Period within a reasonable time of discovery, not later than three (3) Business Days, that some or all of the Goods do not comply with the warranty.

20.2.2 BEE is given a reasonable opportunity of examining such Goods.

20.2.3 The Client (if asked to do so by BEE) returns such Goods to BEE's place of business.  
and

20.2.4 BEE shall, at its option, repair or replace the defective Goods, or refund the price of the defective Goods in full.

20.3 BEE shall not be liable for the Goods' failure to comply with the warranty set out in 20.1 in any of the following events:

- 20.3. I the defect a rise because the Client failed to follow BEE's written instructions as to the storage, commissioning, installation, use and maintenance of the Goods or (if there are none) good trade practice regarding the same.
- 20.3.2 the defect arises as a result of BEE following any drawing, design or Specification supplied by the Client as the same may have later been corrected by Client during the provision Of the Services).
- 20.3.3 the Client alters or repairs such Goods without the written consent of BEE, to the extent such alteration or repair results in such failure; or
- 20.3.4 the defect arises as a result of fair wear and tear, wilful damage, negligence, or inappropriate storage or working conditions, not otherwise contemplated by the Parties or specifications.
- 20.4 Except as provided in this clause 20, BEE shall have no liability to the Client in respect of the Goods' failure to comply with the warranty set out in clause 20.1.
- 20.5 These terms shall apply to any repaired or replacement Goods supplied by BEE.

## 21 DATA PROTECTION

- 21.1 "Data Protection Legislation" means the EU General Data Protection Regulation 2016/679, together with all other applicable legislation relating to privacy or data protection and including any statute or statutory provision which amends, extends, consolidates, or replaces the same. The terms "personal data", "data subject", "controller", "processor" and "process" (and their derivatives) shall have the meanings given to them in the Data Protection Legislation.
- 21.2 The Client (including its employees, officers, representatives or other agents) and BEE shall be considered to be a controller in respect of personal data disclosed to BEE by or on behalf of the Client or otherwise processed by BEE in connection with our work for the Client ("Personal Data"). Any controller under these Terms and Conditions or the Contract shall comply with the Data Protection Legislation in connection with such processing.
- 21.3 BEE shall process the Personal Data in accordance with our Client Data Protection Policy, a

copy of which is available at our website: [www.boatelectrics.com](http://www.boatelectrics.com). and the Client shall (and shall procure that any of your employees, officers, representatives, or other agents) collect any necessary permission, provide any necessary notice, and do all such other things as are required under the Data Protection Legislation in order for you to disclose Personal Data to us for the purposes described therein.

Signed by ----- duly authorised for and on behalf of -----

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Date:

Signed by Simon Coleman duly authorised for and on behalf of  
Boat Electrics & Electronics Limited Director



A handwritten signature in black ink, appearing to read 'Simon Coleman', is written over a horizontal line.

Date: