

STANDARD CONDITION SURVEY - SCOPE OF WORK

Condition survey reports are presented under the headings below. The owner or broker should make sure the vessel is free of stores and equipment, that the keys are available and that any invoices, receipts, service records etc are onboard.

General

Scope

Limitations

Conditions

Summary

Background to the vessel, overall condition, any major defects.

Recommendations

Divided into items that should be dealt with before the vessel is used or which may affect insurability and items which should be addressed in the near future order to prevent future problems.

1. Vessel data

Available datas

Hull, Deck and Structure.

Involves visual checks, hammer sounding and sampling as appropriate. GRP laminates are checked with a moisture meter and steel structures with multi-echo thickness meter. A grid will be drawn up showing the thicknesses found compared to the nominal plate size.

2. Keel.
3. Hull below Waterline.
4. Topsides above Waterline including Rubbing Strake etc.
5. Deck Moulding.
6. Coachroof.
7. Cockpit.
8. Hull/Deck Join.
9. Bulkheads and Structural Stiffening including Internal Mouldings.

Steering, Stern Gear, and Skin Fittings etc.

Checked for safety and condition, in particular signs of corrosion, quality of cathodic protection and the security of through hull fittings

10. Rudder and Steering.
11. Stern Gear.
12. Cathodic Protection.
13. Skin Fittings and other through Hull Apertures.

Deck structures.

Hatches and ports checked for weather tightness and security, all fittings for condition and security, ground tackle for its suitability.

14. Main Companionway and other Accesses to Accommodation.
15. Ports Windows etc.
16. Pulpit, Stanchions, Pushpit, Lifelines and Jackstays.
17. Rigging Attachment Points.
18. Ground Tackle and Mooring Arrangements.
19. Other Deck Gear and Fittings.
20. Davits and Boarding Ladders

Rig.

Checked for condition, visible damage and wear.

21. Spars.
22. Standing Rigging.
23. Running Rigging.
24. Sails and Covers etc.

Safety.

Tested for operating condition, suitability for the vessel and servicing needs.

25. Navigation Lights.
26. Bilge Pumping Arrangements.
27. Firefighting Equipment.
28. Lifesaving and Emergency Equipment.

Engine.

Checks are on the quality of the installation, evidence of maintenance, the condition and safety of fuel systems. Note this is not an engineers examination.

29. Engine and Installation.
30. Fuel System.

Accommodation and on Board Systems.

Quality of outfitting, the condition and operation of heating, lighting and other systems as required. Suitability and condition of batteries. The survey will assess the quality of any gas installation (not certifying).

31. Accommodation General.
32. Gas Installation.
33. Fresh Water Tanks and Delivery.
34. Heads.
35. Electrical Installation.
36. Electronic and Navigation Equipment.
37. Heating and refrigeration.
38. Extras
39. Recommendations

IT IS AGREED that the Surveyor shall perform the Scope of Work (to include the carrying out of any survey and the production of any survey or valuation report) subject to the following terms:

1. Surveys

- 1.1. The Client's instructions, and the scope of the Surveyor's services hereunder, are as defined in the Scope of Work. Any subsequent changes or additions to the Scope of Work must be agreed in writing by the Parties.
- 1.2. The Client undertakes to:
 - 1.2.1. ensure that full instructions are given to the Surveyor and are provided in sufficient time to enable the required services to be performed effectively and efficiently. The Client agrees to disclose to the Surveyor all relevant information of which they have knowledge, or to which they have access, in relation to the vessel to be surveyed;
 - 1.2.2. in consultation with the Surveyor, procure all necessary access to premises and vessels (including lift-out, trials and facility for inspection ashore and afloat as appropriate) for no less than such a time as shall in each particular circumstance be reasonable to enable all appropriate inspections and tests to be undertaken or performed; and
 - 1.2.3. ensure that all appropriate safety measures are taken to provide safe and secure working conditions provided always that in the event of any breach of the requirements of this Clause 1.2. by the Client, the Client shall be responsible for all consequential costs incurred by the Surveyor in respect of any element of the Scope of Work undertaken.
- 1.3. Pursuant to the Scope of Work, the Surveyor will inspect the vessel as thoroughly as is practicable and endeavour to comment on the more important items where, in the Surveyor's reasonable opinion, major costs consequences are considered likely to arise. It follows that the Surveyor cannot comment on every minor matter but the Surveyor will try to point out where small factors may become more serious.
- 1.4. The Surveyor's intention is to report on the condition of the hull(s), superstructure and fixtures (if any) of the vessel so far as can reasonably be ascertained from a visual inspection of the vessel at its location at the time of survey. The Client accepts that the Surveyor's survey report(s) cannot cover hidden, unexposed or inaccessible areas of the vessel, neither can the Surveyor undertake to investigate areas that the Surveyor believes to be inaccessible at the time of inspection. Where the Surveyor is unable to gain access to areas commonly accessible, the Surveyor will endeavour to point this out.
- 1.5. In every case, the Surveyor recommends a full survey of a vessel, to include inspection of the vessel while lifted out and while in the water. Where the Surveyor accepts instructions to survey a vessel solely on the basis of an inspection of the vessel out of the water, the Surveyor makes no representation and gives no warranty as to the watertight integrity, stability or buoyancy of the vessel.

2. Valuations

- 2.1. All valuation work undertaken shall be in accordance with the Scope of Work and shall be on terms that, unless otherwise stated in writing, such work relates solely to the date and place referred to. Valuations are based on opinions only and are not representations of fact, nor do they carry with them any guarantee of the particulars or information on which opinions are based. Valuations assume a willing buyer and willing seller and market conditions applicable at the time of valuation or such other date as is expressly referred to.

3. Limitations of liability

- 3.1. The Surveyor shall undertake the services to which these terms relate with reasonable care, skill and diligence. The Surveyor shall not be liable under this Agreement for any loss or damage caused in circumstances (i) where there is no breach of a legal duty of care owed to the Client by the Surveyor or (ii) where, notwithstanding any such breach, any loss or damage is not a reasonably foreseeable result of such breach.
- 3.2. All services and reports are provided for the Client's use only. No liability of whatever nature is assumed towards any other party and nothing in these terms, or the relationship between the Surveyor and the Client, shall confer or purport to confer on any third party a benefit or the right to enforce any provision of these terms. The provisions of the Contracts (Rights of Third Parties) Act 1999 shall not apply to this Agreement and any person who is not a party to this Agreement shall have no right under that Act to enforce any term(s) of this Agreement. Liability in relation to the reports are just valid at the time and date of survey.
- 3.3. The Surveyor shall not be responsible for loss or damage or any increase in loss or damage resulting from any material breach by the Client of any term of this Agreement.
- 3.4. Any complaint by the Client in respect of the Surveyor's obligations under this Agreement must be notified to the Surveyor as soon as possible but latest six months after the date of survey. Where any complaint is capable of remedy, the Surveyor must be afforded a reasonable opportunity both to inspect the subject matter of the complaint, and if necessary, remedy it.
- 3.5. The Client agrees that, for reasons of commercial practicality, it is necessary to limit the Surveyor's potential liability to €100,000 in respect of loss or damage suffered by the Client as a result of any breach by the Surveyor of any of the Surveyor's obligations under this Agreement. As such, the Client agrees that no liability howsoever arising whether under this Agreement or otherwise shall attach to the Surveyor except insofar as such liability is covered by the professional indemnity insurance referred to at Clause 3.6 and the aggregate amount of such liability shall in any event be limited to the value of a similar vessel of a similar age to that affected by such breach, without the alleged problem but allowing for fair wear and tear, based on a willing buyer and a willing seller ("the Agreed Indemnity Limit"). The Agreed Indemnity Limit represents the maximum amount of the Surveyor's liability to the Client, under any and all circumstances.
- 3.6. The Surveyor shall maintain professional indemnity insurance in the amount of the Agreed Indemnity Limit throughout the period of the performance of the Surveyor's duties hereunder.
- 3.7. The Surveyor's liability shall not extend to particulars, data and other information given to the Surveyor by others or obtained from outside sources, publications and the like reasonably relied upon by the Surveyor, including Class records, registry details or other such information and no assurances can be given regarding the accuracy of the same.
- 3.8. Unless otherwise stated in writing, all services and reports are provided on the basis that they carry no guarantee regarding ownership or title, freedom from mortgages or charges, debts, liens or other encumbrances, or vessel stability, performance or design.
- 3.9. The Client shall be responsible for any losses, expenses or other costs reasonably incurred by the Surveyor that are caused by a breach of the Client's obligations to the Surveyor hereunder.
- 3.10. The Surveyor shall not be liable in respect of any breach of his obligations hereunder resulting from unforeseeable causes beyond the Surveyor's reasonable control.
- 3.11. Notwithstanding any other provision of this Agreement:
 - 3.11.1. unless otherwise stated in writing, no guarantee is given against faulty design, latent defects or as to the suitability of any vessel or other item for any particular purpose or of any vessel's compliance with any particular local, national or international requirement or code, and opinions are given without the benefit of running of machinery or opening up or other dismantling whether of interior linings, machinery or other items or systems;

- 3.11.2. the Surveyor shall have no liability whether in contract, tort or otherwise in respect of the consequences of late, incomplete, inadequate, inaccurate or ambiguous instructions or thenon-disclosure by the Client of relevant information;
- 3.11.3. and the payment of all sums due and owing to the Surveyor pursuant to this Agreement shall be apre-condition to any liability of the Surveyor hereunder.

BUSINESS OR COMMERCIAL OPERATION

- 3.12. Notwithstanding any other provision of this Agreement, where the Client is acting in the course of business or commercial operation:
- 3.13. the Surveyor's liability shall expire six months after the final survey examination performed by the Surveyor in performing the Scope of Work and the Surveyor shall thereafter have no further liability whether in contract, tort or otherwise; and
 - 3.13.1 the Surveyor shall have no liability whether in contract, tort or otherwise for:
 - 3.13.1.1 any consequences of late performance of any survey and/or late delivery of any survey report;
 - 3.13.1.2 any breach of his obligations hereunder of which written notification shall not have been given, any consequential or economic loss or for loss of profit or turnover or loss of use suffered by the Client howsoever arising, whether under this Agreement or otherwise, and, without prejudice to the generality of the foregoing, the Surveyor shall not be liableif notification shall not have been given within 14 days of the date on which the Client ought reasonably to have become aware of the existence of such breach;
 - 3.13.1.3 any loss, injury or damage sustained as a result of
 - (i) any defect in any material or workmanship, or
 - (ii) the act, omission or insolvency of any person other than the Surveyor; the Surveyor shall haveno liability to indemnify the Client in respect of any claim made against the Client for any such loss, injury or damage.

4. Law and disputes

- 4.1. Any contract or series of contracts made subject to these terms shall be subject to and governed by Spanish law and:
 - 4.1.1. in the case of a Client acting in the course of a business or commercial operation any dispute arising shall be submitted to the exclusive jurisdiction of the Courts of Spain; or,
 - 4.1.2. in the case of a Client who is a consumer or who is not contracting in the course of business any dispute shall be submitted to the non-exclusive jurisdiction of the Courts of Spain.

5. Miscellaneous

- 5.1. The Surveyor may terminate the appointment forthwith (without prejudice to the Surveyor's accrued rights) if: (i) the Client fails for more than 28 days to pay any sum due in respect of or arising from the Surveyor's appointment when demanded; or (ii) the Client fails to respond promptly to requests for information and/or instructions and fails adequately to respond to 28 days' formal notice of such failure.
- 5.2. Without prejudice to the accrued rights of the other party, either party may terminate the appointment forthwith by notice if the other party shall become bankrupt or insolvent, or make any arrangement or composition for the benefit of creditors, or have anything analogous to any of the foregoing under the laws of any jurisdiction occur to it, or cease (or threaten to cease) to carry on business.

- 5.3. No exercise or failure to exercise or delay in exercising any right or remedy vested in either party shall be deemed to be a waiver by that party of that or any other right or remedy.
- 5.4. Neither party shall transfer or assign its rights or obligations under these terms without the prior written consent of the other.
- 5.5. In the event that any provision of these terms is held to be a violation of any applicable law, statute or regulation, such provision shall be deemed to be deleted from these terms and shall be of no force or effect and these terms shall remain in full force and effect as if such provision had not been contained herein. Notwithstanding this, in the event of any such deletion the Parties shall negotiate in good faith in order to agree the terms of an acceptable alternative provision.
- 5.6. Except where expressly stated to the contrary in a written document signed by the Parties on or after the date hereof, these terms form the entire agreement between the Parties and supersede all previous agreements and understandings between the Parties, and no warranty, condition, description, term or representation is given or to be implied by anything said or written in negotiations between the Parties or their representatives prior to the communication of these terms.
- 5.7. References to “the Surveyor” include the Surveyor’s employees and persons, firms and companies appointed or engaged by the Surveyor as the Surveyor’s agents for carrying out any work or services under these terms, all persons, firms and companies to whom performance of any work or services under these terms is sub-contracted or delegated by the Surveyor, and all agents and employees of persons, firms and companies referred to in this clause.
- 5.8. Any notice required to be given under the terms of this Agreement must be given in writing and communicated by letter or email. The notice must be sent to the address or email address previously provided by the receiving Party. Notices sent by first class post will be deemed to have been received two Working Days after posting; faxes and emails sent before 5pm on a Working Day will be deemed to have been received on the day of sending provided the sender has confirmation of transmission; and emails sent after 5pm or on a day other than a Working Day will be deemed received on the next Working Day provided the sender has confirmation of transmission. In this Clause “Working Day” means any day Mo-FR (excluding weekends).
- 5.9. Words denoting the masculine include the feminine and neuter and vice versa.