



## GENERAL TERMS AND CONDITIONS

### 1.0 Definitions

In these General Terms and Conditions (the “conditions”) the following words shall have the meaning as defined below:

“**Contract**” means the agreement between the Principal and High Sea Marine and Offshore Services for the execution of the work constituted by High Sea Marine and Offshore Services acceptance of the Order, and any other Contract or legal relationship at any time made or entered into between the Principal and High Sea Marine and includes Tender, the Specification the Order and the Conditions:

“**Delivery**” means that the works have been taken over by the Principal when they have been completed in accordance with the contract, except in minor respects that do not affect the use of the works for their intended purpose.

“**Equipment**” means appliance or things of whatsoever nature required for the purpose of the works, other than plant.

“**Force Majeure**” Or “**an Event of Force Majeure**” Shall have the meaning as assigned to the term in clause 17.2: “**High Sea Marine**” means , **High Sea Marine and Offshore Services**, with principal offices at Work shop #352, Dubai Maritime City, P.O.Box:119673

“**Plant**” means machinery, apparatus, material and all the things to be provided by under the contract for permanent incorporation in the works.

“**Principal**” means any person, corporate body, partnership, or other party (whether manager, operator , owner or charterer)who has agreed the Work which High Sea Marine will be undertaking under the Contracts

“**Principal’s Representative** “ shall have the meaning assigned to the term in clause 3.2 ;

“**Site**” means the place or places provided or made available by the Principal where the work is to be executed, together with so much of the surrounding area, the same as High Sea Marine shall with the consent of the Principal use in connection with works, otherwise for the purpose of access.

“**Specification**” means the specification of the works included in the contract and any modifications which may be made thereto through a variation.

“**Tender**” means High Sea Marine’s priced offer to the Principal for the execution of the work.

“**Tools**” means implement, instruments and devices deemed necessary by High Sea Marine for the performance of the work.

“**Order**” means any written order identified as such, issued to High Sea Marine by the Principal.

“**Validity of Proposal**” unless otherwise specified shall be 30 days from the date of the proposal;

“**Work**” means all services, equipment, materials, articles and things to be supplied or provided and all works to be done by High Sea Marine under the Contract;

Paragraph headings are for ease of reference only and shall not affect the interpretation of the conditions.



## 2.0 Application of the General Terms and Conditions

2.1 The Conditions shall govern and be incorporated into the Contract and if there is any conflict or inconsistency between the Conditions and any other terms, representations or warranties whatsoever, express or implied, the Conditions shall prevail except and to the extent that any part of the Conditions may have been specifically excluded or varied in writing and duly signed by an authorized representative of High Sea Marine.

Accept the work and to sign the repairs/job list and any additional Repairs/job list and completion Certificates: Approve and countersign High Sea Marine's invoices, time sheets and other relevant documentation.

2.2 The Tender does not constitute an offer by High Sea Marine and High Sea Marine reserves the right to withdraw or revise the Tender at any time prior to its acceptance of the order.

2.3 The Issue of the Order shall (without prejudice to any other manner in which acceptance of the Conditions may be evidenced) be deemed to constitute unqualified acceptance of the Conditions by the Principle.

2.4 tenders, quotation, Contracts and works of any kind undertaken by High Sea Marine shall be subject to the Conditions whether or not it is in response to a request by the Principal.

2.5 In the case of conflict between the Conditions and any other documents, the Conditions shall prevail.

## 3.0 Scope of Work

High Sea Marine shall carry out the Work which has been agreed with the Principal, as interpreted by High Sea Marine upon the placement of the Order by the Principal.

- a. The scope of the Work to be carried out by High Sea Marine may be extended by mutual agreement, but it shall be at the sole discretion of High Sea Marine as to whether High Sea Marine agrees to undertake any such work outside the scope of Work. Such extended Work shall be notified to High Sea Marine in advance and be fully described in an additional Repair/job List, which is to be filled in by the Principal's Representative or by High Sea Marine's Representative, in which case it shall come into effect upon being duly countersigned by the Principal's Representative.
- b. In the event of a reduction of the scope of Work, a credit shall be given to the Principal equipment to the cost saved by High Sea Marine, if any, as determined by High Sea Marine at its sole discretion
- c. If any Work is carried out by High Sea Marine and no prior price agreement has been made, High Sea Marine's standard rates shall be applicable. Unless otherwise agreed, all other costs and expenses uncured by High Sea Marine including, without limitation, the cost of materials, spare parts, telephones, telefax, travel, transport, storage, freight and other out of pocket expenses etc shall be borne by the Principal at cost plus 15% handling charge.
- d. Should any specified materials or may use suitable alternative material or equipment in substitution thereof.
- e. If the Principal fails to fulfill any of its obligations under the Contract, High Sea Marine may postpone the performance of the Work. In such an event High Sea Marine shall not be bound by any time constraints imposed on it under the Contract for the completion of the Work, and any costs incurred by High Sea Marine in this regard, shall be borne by the Principal.



f. If for the reasons beyond the control of High Sea Marine the completion of the Work becomes impossible, High Sea Marine shall be paid by the Work becomes impossible, High Sea Marine shall be paid by the Principal for work already performed.

**3.1** The principal shall notify High Sea Marine before the work is commenced, of the name of its representative (the "Principal's Representative") for the work, The principal's Representative shall be fully authorized to act on behalf of the Principal in all matters relating to the work, including but now limited to :

- a) Make decisions required in respect of the work;
- b) Approve plans, drawings, calculations and documents;
- c) Agree to extra work being carried out or to the cancellation of all or a portion of work;

has been countersigned in accordance with this clause, or if the Principal has not given due notice to High Sea Marine in accordance with this clause regarding unapproved time sheets the Principal shall be deemed to have accepted the time sheets and to have waived any and all rights to raise any objection thereafter.

The Principal's Representative shall at all times provide reasonable assistance to facilitate timely and efficient completion of the work. Should the Principal fail to notify High Sea Marine the name of the Principal Representative or should the Principal's Representative be unavailable or fail to respond to High Sea Marine, the Master of the vessel/Chief Engineer/Attending superintendent/Project Manager shall be deemed to have authority to represent the principal and to be the Principal's Representative.

- 3.2** If any of the materials or equipment required by the Specification or otherwise under the contract are in short supply or are unavailable at the time when they are required for use in connection with the work, High Sea Marine may use other suitable materials or equipment in substitution thereof.
- 3.3** All old or superseded equipment and materials removed in consequences of the work except any heavy parts of machinery expressly excluded from the ambit of this sub-paragraph by written agreement between the Principal and High Sea Marine shall become the property of High Sea Marine without compensation to the Principal
- 3.4** The Principal may seek to use High Sea Marine's personnel for other assignments only upon completion of the work, with the prior written permission of High Sea Marine and in High Sea Marine's absolute discretion. If such permission is given, High Sea Marine shall be entitled to charge for the use of their personnel. The nature of such other assignments shall be stated on the time sheet and work is to be performed under the supervision and /or instructions of the principal's Representative. If the principal wish to retain any of High Sea Marine's personnel for longer than the period agreed in advance, the principal shall notify High Sea Marine accordingly in writing as soon as possible. High Sea Marine accepts no responsibility or liability whatsoever in respect of quality or workmanship in relation to such additional assignments.

#### **4.0 Drawing and Specifications**

- 4.1** The principal shall provide High Sea Marine (without charge) all drawings, specifications, models and descriptions of the works, together with all relevant technical information which High Sea Marine may require as a basis for preparing calculations, workings, drawings, and specifications in respect of the work.
- 4.2** If High Sea Marine is instructed to carry out the work without, in its opinion, such necessary specifications, drawings and procedure having been made available to it, the principal shall be fully responsible for any and all consequences which any arise as a result of the lack of such specifications, drawings and procedures.
- 4.3** The Principal shall be fully responsible for ensuring that the manufacturing, performance and/or work carried out according to drawings and other instructions supplied by it does not infringe any trademark, patent or similar third party right. The principal shall hold High Sea Marine harmless and indemnify it



against any and all costs, claims, liabilities and expenses which High Sea Marine might suffer or incur as a result of any such infringement.

## 5.0 Working Hours - Time Sheets

5.1 High Sea Marine personnel carrying out work for the Principal shall complete time sheets on a daily basis, which shall be countersigned by the Principal's Representative. If the Principal's Representative does not countersign or approve the time sheets that have been filled in by High Sea Marine's personnel, the Principal must immediately inform High Sea Marine in writing of the reason for the refusal to approve the time sheets. If a time sheet

Of 1.5% per month or part thereof compounded daily on all sums due and owing to High Sea Marine. Notice shall not be required to be given to the Principal in order to start such interest accruing and the rights to charge interest shall be without derogation from any other right of High Sea Marine under the contract. High Sea Marine shall have the right to suspend the work without thereby incurring any liability to the Principal until payment of the outstanding sums (including interest accrued). High Sea Marine shall also have the right to recover from the Principal all the direct and indirect costs arising from such suspension of work to the extent not otherwise contractually excluded.

5.2 Working time shall run from the commencement of work by High Sea Marine's personnel until the time that they leave the job, less the time spent on meal breaks.

5.3 Waiting time caused by lack of Work or reduced number of working hours due to circumstance beyond High Sea Marine's control will be invoiced at the rate applicable to normal working hours.

5.4 Travelling and waiting time shall be charged to the Principal and is calculated from the time of departure of High Sea Marine's personnel from High Sea Marine workshop until their arrival at the place of work and vice versa. In cases where High Sea Marine's personnel are required to wait, all waiting time will be charged. Unless otherwise specified accommodation and messings shall be provided by the Principal.

5.5 Normal working hours will be considered as per the prevailing work -practice or law of the place where the work is carried out. Any time beyond the normal working time will be considered as overtime. Unless otherwise agreed, the overtime rate will be twice the rate of normal time rate.

## 6.0 Out of Pocket expenses

unless otherwise agreed :

6.1 All the out of pocket expenses incurred by High Sea Marine will be reimbursed by Principal at cost plus 15%.

6.2 Free board and lodging shall be provided by the Principal to High Sea Marine's personnel and shall be of normal European standard and acceptable to High Sea Marine. If such costs are initially borne by High Sea Marine, they are to be reimbursed by the Principal at cost plus a 15%.

6.3 Any visa, Work permit or other official document required to use by High Sea Marine's personnel shall be arranged and paid for by the Principal.

## 7.0 Conditions when staying in Board a Ship or an offshore installation

7.1 Accommodation on board a vessel or an offshore installation shall be at the Principal's expense and shall be of a standard acceptance to High Sea Marine, shall be well ventilated and shall be supplied with access to bath facilities with hot and cold water.





7.2 High Sea Marine's personnel shall be served at least three full meals a day at the Principal's expense and such meals shall be of a standard acceptance to High Sea Marine.

## **8.0 Price & Invoicing**

- 8.1 The price covers and related only to the work specified in the Tender as confirmed by the Principal's Order and High Sea Marine's acceptance of the Principal's Order. Unless otherwise agreed, the price shall be payable on demand.
- 8.2 The Price is calculated on an ex-works basis and is exclusive of (a) any value added tax or other applicable sales tax or duty and (b) any import or export costs and expenses, customs duties and taxes, storage, transportation, or any other tax, duty and all of which shall be for the account of the Principal.
- 8.3 An invoice for work carried out by High Sea Marine will be rendered to the Principal as soon as possible after completion of the work and unless specified to the contrary, shall be payable on demand. (The "**Due Date**") in the currency of the invoice by creating the bank account of High Sea Marine as notified to the Principal.
- 8.4 If payment of an invoice is not made on the Due Date, interest shall be charged from such Due Date until payment is effected, at the rate
- 8.5 If High Sea Marine does not receive any objection in writing from the Principal relating to High Sea Marine's invoice within 10 days from the date of such invoice the Principal shall be deemed to have accepted the same and to have waived any and all rights to raise such objections thereafter.

## **9.0 Tests and acceptance of works.**

- 9.1 High Sea Marine shall carry out such tests and trials (the "Tests") specified in the contract (or otherwise agreed between High Sea Marine and the Principal) as may be necessary to confirm that the work has been completed in accordance with the specification.
- 9.2 High Sea Marine shall give at least one (1 days' notice to Principal of the date, time and place of any tests to be carried out pursuant to sub paragraph 9.1 and when due notice has been given, the failure by the Principal to attend such Tests shall be deemed to be a waiver of the Principal's right to attend such Tests.
- 9.3 The performance of all Tests shall be at the risk (subject to sub paragraph 13.1) and expense of the principal who shall from time to time on request or (as the case may be) (a) demand of High Sea Marine to supply an appropriate number of competent and suitably qualified personnel to operate the work during Tests in accordance with High Sea Marine's instructions; (b) reimburse High Sea Marine for all costs and expenses incurred by it in connection with Tests; and (c) indemnify High Sea Marine against and hold it harmless from all Claims and Costs whatsoever of howsoever arising which may be brought against High Sea Marine incurred or suffered by it as a direct or indirect result of performing any Tests.
- 9.4 The Principal acknowledges and agrees that Delivery shall be conclusive proof that, for the purposes of High Sea Marine's obligations and liabilities under the contract, the work has been completed fully in accordance with the contract and save only as provided in paragraph 10 High Sea Marine shall be under no liability whatsoever to the Principal after Delivery.
- 9.5 Upon Delivery the Principal shall, at its risk and expense, and upon request by High Sea Marine so to do, remove from the yard any equipment and materials belonging to the Principal or to items on which the work has been done under the contract and if any such equipment and materials have not been removed within thirty (15) days from Delivery the Principal shall be deemed to have waived its right to the same whereupon they shall become the property of High Sea Marine without compensation to the Principal and any cost associated with removal, storage, disposal or other handling of such equipment and materials shall be for the Principal.



## 10.0 Guarantee

**10.1** High Sea Marine warrants that it shall carry out the work with a reasonable degree of skill and diligence appropriate to the circumstances; that its workmanship shall be of good and sound quality and that the material or parts supplier and charged to the customer shall be of proper quality and standard. Any work carried out by High Sea Marine shall either meet the requirements of the acknowledged classification societies introduced by the Customer or meet with written instruction by the Customer.

**10.2** Unless otherwise agreed, all warranties given by HIGH SEA MARINE expire when the work has been examined and accepted by a representative of the classification society, or when the work has been accepted and approved by the Customer, whichever is the earlier. For the avoidance of doubt, the Customer shall be deemed to have accepted and approved the work once the Works, equipment serviced or repaired by HIGH SEA MARINE has been taken into use.

**10.3** HIGH SEA MARINE's liability for defects is restricted to the direct cost of workmanship, material/parts supplier by HIGH SEA MARINE in fulfillment of the contract, and damaged in the course of carrying out the work. At no cost to the customer, HIGH SEA MARINE shall replace such material or parts as proved defective, or shall redo such work as has proved to be of bad workmanship.

**10.4** HIGH SEA MARINE, its employees, agents, officers and affiliates, shall in no event be responsible for any direct or indirect, consequential or other damages or losses (whether or not foreseeable) arising out of or in connection with any work carried out by HIGH SEA MARINE, including but not limited to demurrage delay, loss of use of the vessel or loss of profits.

### 10.5

a) Where liability is accepted by HIGH SEA MARINE under sub-paragraph 10.3 HIGH SEA MARINE's only obligation shall be to remedy the relevant defect at HIGH SEA MARINE's premises or elsewhere as provided for in 10.5(b). HIGH SEA MARINE shall be under no liability for any loss of whatsoever nature, whether direct or indirect (including but not limited to any loss of time, loss of profit, loss of revenue or earnings, loss of contract, demurrage, loss of goodwill or reputations, loss resulting from the liability of the Principal to any other person of any other indirect, special or consequential loss whatsoever) and howsoever arising suffered or sustained by the Principal reason of any of the defects specified in sub paragraph 10.3 or any other defects or alleged defects or due to repairs of other works undertaken to remedy any such defects or alleged defects.

b) if it is impractical to bring the defective item to HIGH SEA MARINE's premises, the Principal shall give notice to HIGH SEA MARINE of its intention to remedy the defect elsewhere and give HIGH SEA MARINE the Opportunity to inspect the defect before such repairs are carried out. HIGH SEA MARINE shall advise the Principal whether it accepts that the need for repair/ replacement arises from a defects for which HIGH SEA MARINE is liable and, if it is so accepted, shall pay to the Principal the cost such repair/replacement but in no circumstances shall the amount payable by HIGH SEA MARINE exceed the cost of such repair/replacement if it had been carried out by HIGH SEA MARINE.

c) HIGH SEA MARINE shall not be responsible for any defects or deficiencies arising from the rectification or repairs or replacement undertaken by anyone other than HIGH SEA MARINE.

**10.6** Under no circumstances HIGH SEA MARINE shall not be responsible for any defect in any part of the work which may subsequent to Delivery have been in any way worked upon, remedied or repaired by any other contractor, unless such contractor has been appointed by HIGH SEA MARINE, or for any defect which has been caused or aggravated by any omission or improper use or maintenance of the work on the part of the Principal or any third party, or



by ordinary wear and tear, or by any other event or circumstances whatsoever and howsoever arising beyond the absolute control of HIGH SEA MARINE.

- 10.7** When any remedial work required to be done under this paragraph 10 has been completed HIGH SEA MARINE shall be under no other or further liability whatsoever for the relevant defect.
- 10.8** Notice of complaint in respect of any defective materials supplied by HIGH SEA MARINE or any defective workmanship of HIGH SEA MARINE shall be given by Principal immediately upon discovery of the relevant defect.
- 10.9** Upon Delivery HIGH SEA MARINE shall be discharged from all liability for any and all defects except for any defects for which HIGH SEA MARINE is liable under sub paragraph 10.3 existing at the time of delivery which the principal could not reasonably have discovered before or at the time of delivery and provided always that notice of complaints in respect of any such defects is given in writing to High Sea Marine immediately upon discovery of such defects and, in any event, within 15 days of Delivery
- 10.10** High Sea Marine shall not be liable for the worsening of a defect or the damage caused thereby if such is due to the principal's failure to have the repairs/replacement of any defect undertaken at the first possible opportunity. The principal's commercial considerations shall not constitute justification for delaying to proceed for such repairs/replacement.
- 10.11** Under any circumstances, the aggregate of High Sea Marine's liability to the principal shall not exceed the value of the Order.

## **11.0 Health safety and Environment HSE**

All work shall be carried out in compliance with applicable safety regulations and High Sea Marine's HSE standards. The principal's Representative shall be responsible for ensuring that all necessary safety measures are taken as per codes and applicable regulations, and that a safe and healthy work environment is provided at all times.

## **12.0 Insurance**

- 12.1** Throughout the period during which the work is being worked on pursuant to Contract, the Principal shall: (a) properly and adequately insure the work against fire and all usual marine risks, war risks and protection and indemnity risks upon such terms (as to amount and otherwise), through such first class brokers and with such first class insurance companies, underwriters, war risks and protection and indemnity associations as may be approved in writing by High Sea Marine provided that such approval shall not be unreasonably withheld; and (b) produce to High Sea Marine from time to time on request such documents (including, but not limited to, insurance policies, certificates of entry and receipts) and such information as High Sea Marine may require to prove compliance by the subparagraph. If High Sea Marine agrees to carry out hot work or if High Sea Marine's personnel are subsequently ordered to carry out hot work, the principal shall be solely responsible for giving proper notification to the hull and machinery insurer of the increased risks.
- 12.2** High Sea Marine undertakes to have a valid ship repairer's liability insurance up to a sum of US\$100,000 /- to cover such loss and damage for which High Sea Marine may be held liable under the Contract and Workman's insurance as required by law, but High Sea Marine is not obliged under the Contract to take out any other insurance. Such liability is expressly limited to loss, damage or injury materializing within 30 days of the completion of work. Such insurance shall not cover any costs, expenses or damages arising from the deviation of the vessel or any other consequential losses or damages, which costs, expenses, losses or damages shall be borne by the principal.



### 13.0 Liability

- 13.1** High Sea Marine shall be under no liability whatsoever to the principal for any loss of whatsoever nature, whether direct or indirect, (including, but not limited to , any loss of time, loss or profit, loss of revenue or earnings, loss of use of the works, loss of contract, demurrage, loss of goodwill or reputation, loss resulting from the liability of the principal to any other person or any other indirect, special or consequential loss whatsoever) and howsoever arising other than for any physical loss or damage to the works or property of the principal which is proved to have been caused directly by the negligence of High Sea Marine, in which case High Sea Marine's aggregate liability for each incident or series of incidents giving rise to a claim or claims shall in no circumstance exceed the sum of US\$100,000 /- and shall be the lowest of : (a) the value of that part or parts of the works or Such property to which the claim relates at the time of the loss or damage
- 13.2** . Without prejudice to sub-paragraph 9.4, 10.8 and 10.9 High Sea Marine shall be under no liability whatsoever to the principal in respect of any claim of whatsoever nature arising out of or in connection with the contract, and the principal shall not be entitled to commence any suit, action or proceedings whatsoever in respect of any such claim, unless the principal notifies High Sea Marine in writing of the claim immediately after the principal becomes aware (or should reasonably have become aware) or the facts or matters giving rise to the claim and, in any event, within 15 days of Delivery.
- 13.3** Except to the extent and solely for the amount that High Sea Marine would be liable to the Principal under sub-paragraph 13.1 the principal shall indemnify High Sea Marine and hold it harmless against all claims and costs whatsoever or howsoever arising which may be brought against High Sea Marine or incurred or suffered by it as a direct or indirect result or carrying out any of the work.
- 13.4** Except as otherwise expressly provided in the conditions: (a) at all times the work shall be at the entire risk, liability and responsibility of the Principal; and (b) High Sea Marine makes no conditions, term, representation or warranty, express or implied (and whether statutory or otherwise) in connection with or in relation to the work and, accordingly, the principal irrevocably and unconditionally waives the benefit of any such condition, term, representation or warranty.
- 13.5** The principal shall in respect of any work carried out by High Sea Marine under these terms and Conditions indemnify High Sea Marine against any and all claims, damages, losses, liability or expenses which High Sea Marine may suffer or incur in respect or damage to property or injury to or death of personnel employed by any third party.
- 13.6** The principal shall be responsible for the removal disposal of or the consequence of the presence of dangerous, poisonous or otherwise polluting material.
- 13.7** The principal indemnifies and holds High Sea Marine harmless and absolves High Sea Marine from any and all liabilities which may arise on account of any loss or damage arising from any operation which is being controlled by the principal or any person nominated by the supervision and responsibility of the principal.

### 14.0 Lien on the Work

- 14.1** High Sea Marine shall be entitled to exercise a lien on the work for all sums due to High Sea Marine on or before redelivery of the work.
- 14.2** High Sea Marine shall have the right of retention of the Principal's property in High Sea Marine's workshop, or otherwise in High Sea Marine's possession until the Principal has settled all of High Sea Marine's claims in full, High Sea Marine shall have the right to sell such property at its discretion in order to recover such claim.
- 14.3** High Sea Marine is entitled to charge for storage of all items which are not collected by the principal





within a reasonable time, namely within a month after High Sea Marine has given notice to the Principal to collect any items, High Sea Marine shall have the right to dispose of such items at its discretion should the principal fail to collect after such notification and to set off against any sums due to High Sea Marine any price achieved for such items.

## 15.0 Permits, Licenses and Certificate

**15.1** It is the sole responsibility of the principal to ensure that the work and/or site is in such a condition that the work can commence upon agreed time schedule and can proceed continuously until the work is completed and to advise on and arrange for certificates from the appropriate authorities or classification societies required by the law or by the public authorities. All costs arising there from shall be borne by the principal.

- i. Electricity
- ii. Compressed air for working and
- iii. For personnel protection equipment, water, fuel, and suitable lighting.

## 16.0 Equipment

**16.1** High Sea Marine shall invoice the principal at cost plus 15% for any equipment ("Equipment") and special tools or supplies ("tools") deemed necessary and arranged by High Sea Marine for the performance of the work. The cost of transporting equipment (including hand tools) and from the place of work shall be borne by the principal.

**16.2** a) Equipment and/or Tools hired by the principal from High Sea Marine shall be charged from and including the day such equipment leaves High Sea Marine's premises until and including the day it is returned to High Sea Marine's premises. The principal shall at its own expense, also arrange for the return of the Equipment and/or Tools to High Sea Marine.

- b) Where tools are hired from High Sea Marine, the principal shall ensure that after they have been used they are packed properly in the relevant tool boxes under the supervision of the principal's representative or his nominee. Any shortages of tools shall be noted and the toolboxes then locked.
- c) The principal shall be responsible for insuring all Equipment and/or tools with effect from the moment it takes delivery of such Equipment and/or tools until they are physically returned to High Sea Marine, Insurance shall be to the full replacement value of the hired Equipment and/or tools and shall be placed with an insurer of international repute approved by High Sea Marine. If for any reason such Equipment and/or tools are not insured or the insurance lapses during the period of hire, High Sea Marine shall be entitled (but not obliged) to take out appropriate insurance for such Equipment and/or tools and the cost of the insurance shall be charged to the principal.
- d) Within 30 days from termination of the period for which the Equipment and/or tools have been hired, the principal shall notify High Sea Marine in writing where and by what means the Equipment and/or tools have been returned to High Sea Marine. If High Sea Marine has not received such notice within 30 days of the aforesaid termination of the period of hire or has received such notice but the notice states that equipment and/or tools have been returned when, in fact, they haven't High Sea Marine shall be entitled to submit to the principal an invoice for the value, i.e. cost plus 15% of the equipment and/or tools, should the equipment and/or tools later be received undamaged and complete without shortages, a corresponding credit note shall be issued. The value of damaged or missing equipment and/or tools shall be charged to the principal and in any event equipment and/or tools which are not received within 30 days of the aforesaid termination of the period of hire shall be considered as lost and will be considered as lost and will be charged to the principal regardless of whether or not the equipment and/or tools are subsequently returned to High Sea Marine.



- e) The principal shall maintain equipment and/or tools in sound working condition and shall return such equipment and/or tools in the same condition in which they were delivered to the principal. High Sea Marine reserves the right to claim from the principal the full cost of any damage to the equipment and/or tools incurred whilst in the possession of the principal including (without limitation) the cost of returning such damaged equipment and/or tools to full working order.

**16.3** Unless otherwise agreed in writing by High Sea Marine in advance, the principal shall provide the following supplies and services:

- I. Assistance for transport of materials to and from the work site.
  - II. Availability of necessary scaffolding.
  - III. Overhead cranes, block and falls wire and shackles.
  - IV. All special tools for the engine.
  - V. General assistance for cleaning.
- a. any representation, warranty or statement made or deemed to be made to HIGH SEA MARINE by the principal or in any certificate, statement, notice or other document furnished to HIGH SEA MARINE in connection with the contract proves to be untrue or incorrect in any material respect in a manner which is or could become materially prejudicial to the interests, rights or position of HIGH SEA MARINE; or
- b. any consent, license, certificate, approval, authorization, declaration or registration required to be obtained or maintained by the Principal to enable the Principal or HIGH SEA MARINE to lawfully enter into and perform their respective obligations under the contract is modified in a manner unacceptable to HIGH SEA MARINE or is revoked, suspended, withdrawn or terminated or expires and is not renewed or otherwise ceases to be in full force and effect and within fourteen (14) days of the occurrence thereof such event is not remedied to the satisfaction of HIGH SEA MARINE, and the contractor reasonably considers that such failure is or could become materially prejudicial to the interests, rights or position of HIGH SEA MARINE; or
- c. There is damage to HIGH SEA MARINE's property (including but not limited to any Equipment or Tools) in the course of the work for which the principal is liable under the terms of the contract and the reasonably estimated cost of repairing the damage exceeds the Principal's total liability under the contract; or
- d. The Principal repudiates the Contract or does or causes to be done any act or thing evidencing an intention to repudiate the contract; or
- e. Any other circumstances arise or event occur which give reasonable ground in the opinion of HIGH SEA MARINE for belief that the principal may not (or may be unable to perform or comply with its obligation under the contract); or
- f. The Principal becomes insolvent. The principal shall be deemed insolvent if it (A) makes any voluntary arrangement with its creditors or becomes subject to an administration order or goes into liquidation (otherwise than for the purpose of amalgamation or reconstruction) or (B) an encumbrance takes possession of, or a receiver is appointed in respect of the Principal's assets; or (C) HIGH SEA MARINE reasonably apprehends that any of the events mentioned in (A) or (B) is about to occur in relation to the Principal and after notification to the principal is not reasonably satisfied as to its continuing creditworthiness and/or is not provided with suitable guarantees.
- g. Force majeure and Delays.

**17.0** If High Sea Marine is prevented or hindered by an Event of force majeure from carrying out the agreed work within the agreed time, High Sea Marine shall (unless performance is rendered



impossible) be allowed such extra time to complete the work as may be necessary from the time when the event of force majeure terminates. If the force majeure event exceed 120 days then either party may rescind the contract by notice in writing to the other party, and such rescission shall be effective on the date on which such notice is received by the other party. In the event of a rescission, High Sea Marine shall be entitled to be paid for such work as has been done as the date of the rescission.

- 17.1** If High Sea Marine is delayed in carrying out the work or performance of the work is rendered impossible For reasons which are caused wholly or partly by the principal or any of his representatives, employees , officers, servants or agents if the work is thereafter capable of being performed and if, in its ole discretion, it elects to continue with the work , HIGH SEA MARINE shall be allowed the extra time which is necessary to complete the work and shall also be paid compensation by the principal for any extra costs or losses which HIGH SEA MARINE may have incurred or suffered as a result of such delay or nonperformance. If HIGH SEA MARINE elects not to continue to complete the work, HIGH SEA MARINE shall be entitled to be paid for such work as has been done and to require the principal to remove the item(s) on which the work is being undertaken.
- 17.2** An event of Force Majeure shall include, but shall not be limited to, Acts of God, Strikes , lockouts , Civil disturbance, riots, fire, civil war, any circumstance arising out of war or preparation for war or the consequences thereof, warlike operations, mobilization or call up of armed forces, traffic disturbances in international transport, bad weather conditions, any requisition or embargo, control, intervention, requirement or interference, currency restrictions, shortage of transport or materials, rejection of large work pieces, restriction in the use of power, defects or delays in deliveries by sub-contractors if caused by an Event of force Majeure as described in this clause, faults in casting or forged parts or any other material required for the work, and any other event or circumstance beyond the control of HIGH SEA MARINE.
- 17.3** If in the event of Force Majeure, performed by HIGH SEA MARINE of its obligation under these Terms and Conditions is rendered impossible or is delayed, HIGH SEA MARINE shall not be liable to the Principal for any loss or damage, direct or indirect, consequential or economic, whether foreseeable or otherwise, arising out of or in connection with such nonperformance or delay.

## **18.0 Termination**

- 18.1** In addition to any other entitlement to terminate which HIGH SEA MARINE has under these Conditions, HIGH SEA MARINE shall be entitled to terminate the Contract by notice in writing to the principal upon the occurrence of any of the following events (termination events)
- a) The Principal fails to pay any sums due under the contract within five days of High Sea Marine notifying the Principal of such nonpayment thereof,
  - b) The principal at any time defaults in the due performance of any of its obligations under the contract and, only if such default is capable of remedy, the principal fails to remedy such default to the satisfaction of High Sea Marine within a period of fourteen (14) days after receipt by the principal of notice from High Sea Marine requiring the same to be remedied and, in any such case, High Sea Marine reasonably considers such failure is or could become materially prejudicial to the interests, rights or position of High Sea Marine or
- 18.2** Upon termination of contract under clause 18.1 HIGH SEA MARINE shall be entitled to recover any unpaid part of the price that related to the work performed up to the date of termination, together with (i) any losses HIGH SEA MARINE may suffer , or any liabilities to sub-contractors and other parties they may incur by reason of termination except as otherwise excluded , and (ii) the reasonable costs of



accommodating the work.

## **19.0 HIGH SEA MARINE's rights following termination**

**19.1** At any time after a Termination Event shall have occurred or may be continuing, HIGH SEA MARINE may by notice to the Principal:

- a) without prejudice to its right to terminate the Contract under sub paragraph 19.1(b) suspend the performance of all or any of its obligations under the Contract, in which case the completion Date shall be extended for a period equivalent to the continuation of the Termination Event; or
- b) Terminate the Contract without any liability on the part of HIGH SEA MARINE

**19.2** Terminate the Contract without any liability on the part of HIGH SEA MARINE

- a) All sums from time to time due and to become due to HIGH SEA MARINE from the Principal under the contract shall become immediately due and payable;
- b) HIGH SEA MARINE shall be relieved of all of its obligations under the Contract; and
- c) The Principal shall indemnify HIGH SEA MARINE and hold it harmless against all claims and costs whatsoever and howsoever arising brought against HIGH SEA MARINE or incurred or suffered by it in connection with such termination.

**19.3** Notwithstanding any termination, HIGH SEA MARINE will be entitled to exercise all its rights in respect of this contract in general and in particular but without limitation, clause 14 relating to its right of lien.

## **20.0 Assignment**

**20.1** Neither party shall assign this contract without the prior written consent of the other party.

### **21.0 Applicable Law**

**21.1** These conditions and any contract to which they related are governed by and shall be construed in accordance with the Federal Laws of the United Arab Emirates.

**21.2** Any dispute arising from or related to this agreement in any matter whatsoever shall be referred to arbitration in accordance with the London Court of international Arbitration Rules (effective 1st January 2008) incorporating any amendments or modifications thereto, which rules are deemed to be incorporated by reference into this clause.

**21.3** For the purpose of any arbitration proceedings pursuant to this clause :

- a) The seat of the arbitration shall be London.
- b) The number of arbitrators shall be three.
- c) The place at which the arbitration hearing shall take place is Dubai, and
- d) The place at which the arbitration hearing shall take place is Dubai, and
- e) The Parties agree that they will not challenge any arbitral award made pursuant to arbitration proceedings conducted in accordance with clause 21.3

**21.4** Notwithstanding the provisions of 21.1, 21.2 and 21.3 herein, HIGH SEA MARINE shall be entitled to take action through the Courts of any country in which assets of the principal may be located to obtain security for any and all claims of HIGH SEA MARINE against the Principal.



**HIGH SEA**  
MARINE & OFFSHORE SERVICES



**هاي سبي**  
للخدمات الملاحية

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Repairing Boats & Ships | Engine Repair Works | Mechanical Works | Hydraulics & Pump Works | Carpentry Works  
Ship Management & Operation | Dry Docking | Jack Ups | Cranes | Plumbing Works

## 22.0 Notices

All notices and communications between the parties with respect to this Agreement shall be in writing and delivered by registered mail, courier or by facsimile, marked to the attention and the respective address identified for the purpose of Notices.

**High Sea Marine & Offshore Services, with principal offices at:**

**W352, Dubai Maritime City, P.O. Box: 119673,**

**Dubai-UAE,**

**Phone: +97145832317**

**E-Mail: [info@highseamarine.com](mailto:info@highseamarine.com)**

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