



Melita Marine Group

Terms and Conditions

These Terms and Conditions shall apply to all yacht painting agreements entered into by Melita Marine Group.

DEFINITIONS

"Additional Works"	Shall mean those works not included in any Contracted Works and for which no fixed price has been supplied and which shall be carried out and charged at a price per square meter on a time and materials basis at € 36 per hour for labour, plus materials consumed unless otherwise agreed.
"Client"	Shall mean the owner (whether a person, or persons, or a company) of the vessel or any person appointed by the owner (and confirmed in writing to Melita Marine Group) to act on their behalf. In the absence of any instructions to the contrary, the captain of the vessel shall be assumed to act with the full authority of the Client. The Client shall be bound by all acts and instructions of the appointed representative or the captain with respect to Melita Marine Group.
"Contracted Works"	Shall mean those defined in the scope of work in Melita Marine Group Refinishing Proposal and for which a fixed price has been supplied.
"Painting Works"	Shall mean either Contracted Works or Additional Works.
"Parties"	Shall mean Melita Marine Group and the Client.
"Refinishing Proposal"	Shall mean Melita Marine Group proposal detailing the scope of Painting Works to be carried out.
"Vessel"	Shall mean the yacht referred to by name or yard number in Melita Marine Group Refinishing Proposal.

NON-PAINTING WORKS

Melita Marine Group shall have exclusive access to all the areas within the scope of the Painting Works. All non-painting works to be undertaken during the period of Melita Marine Group Painting Works must be included in a master work list and presented to MYP. Such works shall be approved by MMG. MYP shall have the right to temporarily stop such works at any stage if they interfere with the Painting Works. MYP will have no liability or obligations regarding any such work performed by or on behalf of the Vessel nor any responsibility if such works cause damage or contamination to the Painting Works. If any non-painting works should accrue any costs to MYP or MMG and/or any resulting delay to MMG then MMG will notify the Client of the estimate of such costs and/or delay and such costs shall be borne by the Client

INSPECTION

An inspection of all relevant areas of the Vessel shall be undertaken and their condition agreed with the Client prior to starting works to avoid any later disputes over damage caused during the Painting Works.

CONTRACTUAL PERIOD

The agreed period of the Contracted Works specified in the Refinishing Proposal shall not commence before receipt by MMG of the agreed starting payment. The contractual period may be subject to change as a result of unforeseen circumstances such as adverse weather, strikes, lockouts, or other reasons of force majeure. MMG shall have no responsibility for any delays caused by such circumstances. The contractual period shall also be adjusted to accommodate any enlargement of the Contracted Works not included in the Refinishing Proposal or any Additional Works. In the event of any overtime working being required in order to make up any time lost due to unfavorable weather or other delays outside MMG control, the additional cost of such overtime shall be payable by the Client. MMG shall in no case be liable for consequential damages or any costs, including but not limited to lost business or the unavailability of the vessel for operation, arising from non-fulfilment of the agreed period of the Contracted Works. In any event, MMG will not be held responsible for any costs or compensation resulting from any delay to the contractual period. Any scheduled or unscheduled work by third parties including the Vessel's crew during the paint processes which affects the normal execution of the Painting Works may also affect the completion date.

ADDITIONAL WORKS

Additional Works not referred to in a MMG Refinishing Proposal will be defined in a MMG work order or additional works quotation signed by the Client. Such works will normally be invoiced upon completion, but should they be substantial MMG may present invoices or request stage payments as appropriate. Sanding, grinding or general preparation of existing coatings may reveal hidden conditions in the underlying coatings that were not apparent at the time of pricing any Contracted Works. Such conditions may be outside the scope of the Contracted Works and require Additional Works to be carried out. Any work that has to be repeated due to the presence of silicone-based products shall also be considered Additional Works. Any Additional Work order shall be subject to these terms and conditions.



Melita Marine Group

PRICES

Prices quoted shall remain valid for 60 days and shall be updated thereafter. Unless otherwise agreed, all budgets, quotations, prices, estimates and invoices shall be assumed to be in Euros. MMG prices do not include any shipyard painting surcharge or any other shipyard charge or service fee of any kind.

TAXES

All prices quoted are exclusive of VAT (Value Added Tax) and all other taxes. To claim exemption from any taxation, the Client shall supply MMG with documentation showing compliance with the requirements concerned. The Client shall indemnify MMG against any and all liability arising from any claim for exemption arising from this documentation.

PAYMENT TERMS

MMG shall have no responsibility for any delays caused by non-receipt of agreed payments. The terms of payment shall be as shown in MMG Refinishing Proposal. Reservation deposits are non-refundable. Unless otherwise agreed, the vessel shall not leave the yard or berthing location unless payment has been received in full for all works carried out. All MMG invoices, whether for Contracted Works or Additional Works, shall be settled within 15 days of their receipt by the Client.

ACCEPTANCE OF PAINTING WORKS

The Painting Works shall be deemed to have been accepted to the full satisfaction of the Client when the final invoice for them is received by the Client unless disagreement is expressed in writing. In the event of non-acceptance and a failure between the Parties to resolve the issue then it will be referred to an independent arbitrator whose judgment the Parties hereby agree to accept.

INSURANCE

MMG public liability insurance policy covers any damage caused to the Vessel by MMG up to €5,000,000. A copy of this policy is available upon request. The Vessel shall supply a list of crews, subcontractors (to be approved by MMG) and temporary workers to MMG. Anyone aboard not included in this list shall be deemed to have waived all rights of insurance protection. At all times the safety and security of the Vessel and its crew shall be the responsibility of the Client. The Client is obliged to have his Vessel and crew fully insured for the entire period of MMG Yard period and Painting Works. If this is not the case, the Client accepts on his own account and at his own risk claims for damages and public liability in connection with the Vessel and its crew. Under no circumstances shall MMG accept liability for any damages resulting from loss of use or loss of profits in connection with the Vessel.

ACCESS

The Client shall have free access to the Vessel, subject to prior notice to avoid any disruption to the work schedule. All visits should be scheduled during normal working hours. During painting procedures some of the Vessel's systems may need to be shut down and the crew and all other personnel will be required to remain off the yacht during all such procedures.

GENERAL WARRANTY

MMG warrants that, for a period of twelve months following acceptance of any Painting Works, any fault that can be attributed to poor workmanship or incorrect application by MMG personnel will be corrected by MMG at its cost. The Client shall notify MMG, with proof of receipt and within the warranty period, of any defect encountered. This warranty shall not apply to any fault or defect appearing as a result of wear and tear nor of any improper treatment of the areas of MMG Painting Works by the Client or the Vessel's crew or any third party. Such improper treatment shall include, but not be limited to, the incorrect use of soaps, solvents, polishes or any other cleaning or maintenance products. This warranty does not cover any reaction caused by the presence of silicone-based products or other contaminants. This warranty does not cover tension lines or print through from either previous or new repairs. These are generally caused by a different "Shore D" hardness between the existing fairing and the fairing compound applied to a repair patch. Although MMG will use the same or similar filler as the original which will reduce the risk of tension lines, MMG cannot guarantee that old tension lines will not reappear in the future or that new ones will not appear in areas where repairs are carried out. This warranty covers adhesion and appearance of topcoats and covers against reappearance of any blisters or defects treated by MMG. This warranty shall not include the appearance of any crack or other defect caused by movement of the substrate or any other cause over which MMG has no control. MMG warranty also excludes the correction of faults arising from works undertaken or materials applied to the yacht prior to MMG commencing work unless the existing faults in prior workmanship or materials are identified and accepted to be corrected by MMG. MMG accepts no responsibility for any blisters or cracks which may appear in areas not repaired by them or in areas where they did not have full access to the source of any corrosion or in areas adjacent to wood, spot welds, seams of dissimilar materials or any stress point. MMG accepts no responsibility whatsoever for any impact upon the underlying coatings or substrate of any change in the topcoat colour.



Melita Marine Group

In the event of a failure between the Parties to determine responsibility for any potential warranty issue then it will be referred to an independent arbitrator whose judgment the Parties hereby agree to accept. In the event that any defect not attributable to MMG is determined to be a product failure then the paint manufacturer's warranty will apply, and the Client shall not hold MMG responsible for rectification of the defect. Any issues or claims in respect of materials applied to the Vessel or in the opinion of MMG any issue or claim which arises as a result of the materials applied shall be the responsibility of the manufacturer and the Client agrees to rely on the manufacturer's warranty.

This warranty is limited to the cost of the labour and materials necessary to carry out any actual correction works and does not apply to any third-party items such as travel, berthing, hauling, hard standing, docking, scaffolding, covering, fittings, caulking or teak removal, shed costs or shipyard charges of any kind whatsoever. It does not apply to any costs of transport or delivery to the location where the warranty works will be carried out. It does not apply to water, electricity, rubbish removal and other consumables. This warranty is limited exclusively to the work needed to remedy any defect and excludes compensation for any damage whatsoever that the Client may have suffered on account of such a defect. The Client waives all rights to make any claim against MMG and releases MMG from any claims by third parties in this context. Under no circumstances shall MMG liability include any compensation whatsoever regarding lost business or the unavailability of the Vessel for operation.

In the event of any warranty work being necessary, such work will be carried out by MMG in Malta. MMG obligations under this warranty shall only come into force upon fulfillment of all the Client's obligations to MMG.

ACCEPTANCE OF THESE TERMS

These terms and conditions shall be signed by the Client together with MMG Refinishing Proposal and the general specification as confirmation of their acceptance together with MMG yard general yard terms and conditions. In the absence of such signature the payment of MMG first invoice shall constitute such acceptance.

DISPUTES

In the event of any dispute involving works carried out by MMG, it will be exclusively subject to the laws of Malta. The prevailing party shall be paid all legal fees and other costs in relation to any dispute and any subsequent appeal, through all levels of appeal. Maltese law shall control all oral representations, conversations and promises which are hereby merged into this agreement, and this agreement is the exclusive evidence of the Parties' agreement, and the agreement may only be modified in writing signed by the Parties.