

MURRAY & ASSOCIATES STANDARD TERMS OF ENGAGEMENT

1. Murray & Associates, LLC. (the Company) agrees to provide to the Customer identified in the attached proposal, which shall be deemed to include the subject vessel, her owners, managers and owners *pro hac vice* (collectively the Customer), professional naval architecture and marine engineering services as described in the attached proposal. The proposal and these Terms together comprise the Agreement. Should any conflict exist between these Terms and the terms of the attached proposal, these Terms shall prevail and shall govern the transaction. Any additional services or work scope that may be agreed from time to time hereafter shall be subject to and governed by this Agreement. No modification of these Terms shall be binding upon Company unless made in writing and signed and approved by an officer of Company. No modification of these terms shall be deemed made or accepted by the Company providing services following receipt of a purchase order or other document containing terms or conditions additional to or in conflict with the terms hereof, which additional or conflicting terms are hereby rejected. Company does not agree to the accident, indemnity and insurance provisions, if any, contained in Customer's invitation or specifications, and in such cases Company accepts only such liability as is imposed upon Company by law and as limited by this Agreement. Receipt of services by the Customer shall be deemed conclusive proof of irrevocable acceptance of these Terms; similarly, these Terms shall be deemed irrevocably accepted upon commencement of work by Company at Company's facility or at any other location.
2. The Customer agrees to compensate the Company for services rendered according to the labor rate schedule provided in the attached proposal. The rate schedule shall be updated as of 1 January of each year following the one-year anniversary of this agreement, i.e. the current rates will be valid for at least one calendar year. The Customer agrees to the billing and payment schedule set forth in the proposal. Further, the Customer agrees to pay a late fee of 10% of the undisputed amount of any invoice for which payment is not received within 30 days from the date of issue, with interest to run thereafter at the rate of 1.5% per month. Invoices shall be deemed delivered and received when sent by Company via email to Customer at any of the Customer email addresses included in this Agreement or posted to the Customer via first class U.S. or international mail. In the event Customer disputes any portion of an invoice, Customer shall notify the Company of the dispute in writing and with specificity no later than 10 days after the date of delivery of each invoice. Such notice shall be made by email to accounting@murrayna.com. After the expiry of 10 days from the date of invoice, all charges are deemed agreed and all objections irrevocably waived. Customer purchase orders do not modify the Terms of this Agreement.
3. If the Company requires a deposit, the Customer agrees to provide the deposit in cleared funds before any obligation to commence work will arise on the part of the Company. Should the Customer fail to pay all undisputed charges in each invoice within 30 days from the date of issue, the Company reserves the right to apply the deposit to any outstanding balance including late fees and interest and suspend providing services to the Customer until all outstanding charges are paid, and the deposit restored to the full amount requested in the proposal. Payment of the requested deposit by credit card shall authorize future settlement of all invoices by credit if payment is not otherwise received within 30 days of the date of the invoice.
4. The Customer recognizes and agrees that a maritime lien arises from the provision of naval architecture services by the Company. The Customer represents he is in fact the owner, manager, master or *owner pro hac vice* of the vessel for which the services are requested, and recognizes and agrees the Company is relying on the credit of the vessel as well as her owners, managers and owners *pro hac vice* for payment of all invoices. Nothing in this Agreement shall be deemed to be a waiver of the Company's maritime lien.
5. This Agreement shall be deemed to have been executed and fully performed within in the State of Florida, and shall be interpreted and construed in accordance with and subject to the federal maritime law of the United States (excluding its conflict of law rules) or, should no such law exist on any particular issue, the laws of the State of Florida (excluding its conflict of law rules), to the exclusion of the laws of any other state or country. Any dispute arising under, in connection with or incident to this contract shall be referred to three persons at New York, New York, one to be appointed by each of the parties hereto, and the third by the two so chosen; their decision or that of any two of them shall be final and, for the purpose of enforcing any award, this contract may be made a rule of the court. Should a party fail to appoint an arbitrator within ten days of notice of demand for arbitration, the demanding party may appoint the second arbitrator with the same force and effect as if appointment by the second party. Should the two arbitrators be unable to agree on the appointment of a third arbitrator within 14 days after appointment of the second arbitrator, the President of the Society of Maritime Arbitrators, Inc. shall make the appointment upon the request of either party without further notice. The proceedings shall be conducted in accordance with the Rules of the Society of Maritime Arbitrators, Inc., including Section 2 "Consolidation". The arbitrators shall be commercial men and not practicing lawyers and shall be members of the Society of Maritime Arbitrators, Inc. The arbitrators shall consider this Agreement an honorable engagement rather than merely a legal obligation. The arbitrators shall award reasonable attorneys' fees and costs to the prevailing party. The parties irrevocably stipulate to the jurisdiction of the United States District Court for the Southern District of New York for purposes of compelling arbitration or confirming an arbitration award. This stipulation shall not be deemed consent to the jurisdiction of the courts of New York for any other purpose or evidence of any presence within New York. With regard to petitions to compel arbitration or to confirm an arbitration award, the parties consent to service of process by certified mail, certified international mail, registered email, Federal Express or DHL courier service to the parties at any of the addresses or other contact information set forth in the proposal, quotation, or elsewhere in this contract, and irrevocably waive and right to personal service of these documents.
6. The combined liability of the Company, its officers, employees, agents or subcontractors for any loss, claim, or damage arising from negligent performance or non-performance of any services under this agreement, or from breach of any implied or express warranty of workmanlike performance in connection with the services, or from any other reason, to Customer of any other person, corporation, partnership, business entity, sovereign, country, or nation, will be limited to the greater of (a) USD 100,000.00 or (b) an amount equal to the sum actually paid for the services alleged to be deficient. Different or more extensive liabilities will be accepted if an agreement in writing stating the nature and extent thereof is entered into before work is commenced by Company,

and if the price is adjusted to include the cost of appropriate additional insurance. The terms contained in this Agreement or as set forth by an addendum thereto shall in no way be interpreted to hold Company as an insurer.

7. This Agreement (including the proposal attached hereto, which is incorporated by reference) constitutes the entire agreement between the parties. No representations or statements other than those expressly set forth herein shall be deemed to be any part of this Agreement nor shall they be used to interpret this Agreement. The parties stipulate and agree that no prior statements or representations have been or are being relied upon by either party. This Agreement terminates and supersedes all prior agreements, if any, between the parties. This Agreement may not be varied, modified or amended except by an instrument in writing duly signed by the parties and appended to this agreement.
8. The waiver by either party hereto of any breach or violation of, or default under, any provision of this Agreement shall not be a waiver of such provision or of any subsequent breach or violation thereof or default hereunder. If any provision of this agreement should be held invalid or unenforceable, or to violate any law, such provision shall be deemed deleted from this Agreement and the remainder of this Agreement shall continue to be valid and binding. This Agreement shall be deemed drafted equally by both parties, and no inference or presumptions shall be given to either party in case of dispute.
9. Company shall not be liable in any event for any loss, damage or delay caused by strikes, labor difficulties, accidents, delays in delivery of materials, acts of God, war, restraint of princes, including, but not limited to, restraint by local, state or federal authorities, or *force majeure* causes of any kind beyond Company's control, including, but not limited to, tropical storms, hurricanes, lightning or rain.
10. The Company shall own all designs, drawings, specifications, technical data and other documents or intellectual property produced by the Company in the performance of this Agreement, and such ownership shall not be terminated or affected by the termination of this Agreement or the completion of services provided hereunder. The Company shall have the unrestricted right to use the general concepts, ideas and formulas and other general information developed by it the performance of its services. The Customer shall have the limited license and right to use, in connection with the operation of the vessel, designs, drawings, specifications, technical data, and other documents as provided by the Company, but the Company shall be and remain sole owner of its computer databases, part catalogs, all other computer files developed by the Company and the aforementioned intellectual property. This provision shall survive termination of this Agreement.
11. Customer shall defend, indemnify and hold Company harmless for and against any claims brought by any third party relating in any way to the services provided by Company pursuant to this agreement, including but not limited to reasonable attorneys' fees and costs of defense, to the extent such claims are the result of the actions or failures to act of Customer or its crew or employees
12. The individual executing this Agreement on behalf of the Customer personally warrants that he is fully authorized to do so on behalf of the Customer.