

Survey Inspection Conditions

This inspection report was prepared by Oceaneer Marine Surveys Pty Ltd for the engaged Client and remains the property of Oceaneer Marine Surveys Pty Ltd. The document must not be copied, reproduced or distributed without the prior written consent of Oceaneer Marine Surveys Pty Ltd. Where the Client authorises Oceaneer Marine Surveys Pty Ltd to share this report with third parties, such sharing shall be at the Surveyor's sole discretion. This may include information provided by the Client.

This inspection report reflects the vessel's condition and value at the time of this inspection only, as a result Oceaneer Marine Surveys Pty Ltd shall not be liable for any defects, deterioration or conditions whether known or unknown that arise or become apparent after the time of inspection.

This inspection is visual and non-destructive inspection only. A percussion test has been conducted on the hull bottom to accessible areas. The visual or percussion test does not guarantee the whole vessel is free of blisters or osmosis as they can change in appearance with the current temperature, humidity and or lighting. Additionally, no penetration to the coating was conducted therefore Oceaneer Marine Surveys Pty Ltd shall not be liable for any issues arising relating to blistering, osmosis, corrosion, or pitting. Any defects covered by paint or the like at the time of the inspection are not covered in this report. It is recommended that the Client seeks professional advice from a qualified person if blistering or osmosis is noted in this report as it is typically more extensive than identified in a percussion or visual test without penetrative investigations.

The inspection of all machinery, ancillary and electrical systems including installation is visual only and not considered a mechanical or electrical report. Oceaneer Marine Surveys Pty Ltd recommends the Client engages a qualified person if a mechanical or electrical report is required. If this report relates to a vessel with rigging Oceaneer Marine Surveys Pty Ltd recommends a qualified rigger is engaged to offer an independent report. Oceaneer Marine Surveys Pty Ltd insists an owner's representative with sound knowledge of the vessel is present at the time of the inspection to operate machinery, systems and offer local knowledge, if no representative is present at this time certain machinery and systems may not be operated as failure may occur. This is to be determined by the surveyor.

All areas of the vessel that are covered with paint or the like, not accessible, or not visible for any reason at the time of the inspection are not covered in this report, for example but not limited to, behind deckheads, bulkheads and coverings, beneath deck coverings internal and external, and fixed soles creating a sealed void. Areas of the vessel covered or hindered by travel lifts including straps, cradles, trailers, scaffold, or the like are not covered in this report. Therefore this report does not constitute a full structural, mechanical or electrical appraisal of the whole vessel, however limited to the areas that could be satisfactorily inspected at the surveyor's discretion.

At the time of this inspection Oceaneer Marine Surveys Pty Ltd has taken all precautions and has exercised all knowledge and experience gained to conduct a thorough inspection however no guarantee or warranty can be given to the vessels condition as a whole or part thereof, including machinery and all systems. It is not Oceaneer Marine Surveys Pty Ltd responsibility to advise the Client if the vessel in this report is suitable to the Client's needs and Oceaneer Marine Surveys Pty Ltd shall not be liable in that regard.

This report is prepared solely for the Client and for the stated purpose and must not be relied upon for any other purpose

Terms and Conditions

1. Definitions

"Surveyor"/"Consultant" is **Oceaneer Marine Surveys Pty Ltd and its employees, agents and permitted subcontractors** trading under these conditions.

"Client" is the party at whose request or on whose behalf the Surveyor/Consultant undertakes surveying services.

"Report" means any report or statement supplied by the Surveyor/Consultant in connection with instructions received from the Client.

"Disbursements" means the cost of all reasonable photography, reproduction of drawings, diagrams, sketches, and printing, duplicating and, where applicable, electronic transmission fees, and all reasonable and appropriate expenses including travel, subsistence and hotel accommodation where an overnight stay is necessary.

"Fees" means the fees charged by the Surveyor/Consultant to the Client and including any value added tax where applicable and any Disbursements.

2. Scope

The Surveyor/Consultant shall provide its services solely in accordance with these terms and conditions.

3. Work

The Client will set out in writing the services which it requires the Surveyor/Consultant to provide.

The Surveyor/Consultant will confirm in writing that it accepts those instructions or alternatively what services it will perform in connection with the Client's instructions. Once the Surveyor/Consultant and the Client have agreed what services are to be performed (the Services) any subsequent changes or additions must be agreed to by both parties in writing.

4. Payment

The Client shall pay the Surveyor/Consultant's Fees punctually in accordance with these Conditions and in any event not later than 5 days following the relevant invoice date, or in such other manner as may have been agreed in writing between the parties. Any delay in payment shall entitle the Surveyor/Consultant to interest at 8% above the Base Lending Rate of the Reserve Bank of Australia (or if not published, an equivalent reference rate reasonably nominated by Oceaneer Marine Surveys Pty Ltd). Oceaneer Marine Surveys Pty Ltd may suspend services and/or withhold Reports where payment is overdue."

5. Obligations and Responsibilities

(a) Client: The Client undertakes to ensure that full instructions are given to the

Surveyor/Consultant and are provided in sufficient time to enable the required Services to be performed effectively and efficiently and to procure all necessary access for the Surveyor/Consultant to goods, premises, vessels, installations, and transport and to ensure that all appropriate safety measures are taken to provide safe and secure working conditions. The Surveyor/Consultant shall not be liable for the consequences of late, incomplete, inadequate, inaccurate or ambiguous instructions.

(b) Surveyor: The Surveyor/Consultant shall use reasonable care and skill in the performance of the services in accordance with sound marine surveying/consulting practice.

(c) Reporting: The Surveyor/Consultant shall submit a final written Report to the Client following completion of the agreed Services describing the Surveyor's/Consultant's findings and the condition and/or quality of the object and/or purpose of the assignment, unless otherwise expressly instructed by the Client not to do so.

(d) Confidentiality: The Surveyor/Consultant undertakes not to disclose any information provided in confidence by the Client to any third party and will not permit access to such information by any third party unless the Client expressly grants permission save where required to do so by an order of a competent court of law.

(e) Property: The right of ownership in respect of all original work created by the Surveyor/Consultant remains the property of the Surveyor/Consultant.

(f) Conflict of Interest/Qualification: The Surveyor/Consultant shall promptly notify the Client of any matter including conflict of interest or lack of suitable qualifications and experience, which would render it undesirable for the Surveyor/Consultant to continue its involvement with the appointment. The Client shall be responsible for payment of the Surveyor/Consultant' Fees up to the date of notification.

5A. Valuation – Basis, Use and Limiting Conditions

Where a valuation or statement of value is included in the Report, it is provided as a **professional opinion only**, prepared solely for the purpose stated and subject to these Terms and Conditions.

Basis of Valuation – Market Value

Unless otherwise stated, valuations are prepared on the basis of MARKET VALUE, defined as: *“The estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing, wherein both parties have acted knowledgeably, prudently, and without compulsion.”*

Market Value represents a hypothetical transaction and does not constitute a guarantee, insurable value, or achievable sale price.

Valuation Assumptions

Unless otherwise stated:

- Assets are valued individually
- A private treaty sale under normal market conditions is assumed
- Values are gross and exclude commissions, sale costs, transport, slipping, or marketing
- No allowance is made for finance, encumbrances, downtime, loss of income, or consequential loss
- Values are GST exclusive, unless instructed otherwise

Condition, Compliance and Information

Valuations reflect the apparent condition at inspection only. No intrusive testing has been undertaken unless stated. A valuation does not certify seaworthiness, fitness for purpose, or regulatory compliance unless expressly noted. Information provided by the Client is assumed to be accurate and complete.

Use and Reliance

Valuations are for the Client's use only and may not be relied upon by third parties without written consent. Use for lending, insurance, litigation, taxation, or financial reporting is prohibited unless expressly agreed.

Validity

Valuations are current for **three (3) months** from the valuation date and subject to market and economic conditions.

No Guarantee

No warranty or guarantee is given that the assessed value will be achieved.

6. Liability

(a) Without prejudice to Clause 7, the Surveyor/Consultant shall be under no liability whatsoever to the Client for any loss, damage, delay or expense of whatsoever nature, whether direct or indirect and howsoever arising UNLESS same is proved to have resulted solely from the negligence, gross negligence or wilful default of the Surveyor/Consultant or any of its employees or agents or subcontractors.

(b) In the event that the Client proves that the loss, damage, delay or expense suffered was caused by the negligence, gross negligence or wilful default of the Surveyor/Consultant aforesaid, then, save where loss, damage, delay or expense has resulted from the Surveyor's/Consultant's personal act or omission committed with the intent to cause same or recklessly and with knowledge that such loss, damage, delay or expense would probably result, the Surveyor's/Consultant's liability for each incident or series of incidents giving rise to a claim or claims shall never exceed a sum calculated on the basis of ten times the Surveyor's/Consultant's charges or \$2,000,000.00AUD whichever is the greater.

(c) Without prejudice to **(a)** and **(b)** above, the Surveyor/Consultant shall not be liable for loss of or damage to physical equipment and property placed at its disposal by, or on behalf, of the Client however such loss or damage occurs, unless such loss or damage was caused by act or omission committed with intent to cause same or recklessly with knowledge that such loss or damage would probably result.

(d) The Surveyor/Consultant shall not be liable for any consequential loss, loss of profit, loss of charter, loss of use or indirect economic loss whatsoever and howsoever arising.

(e) Nothing in these Conditions excludes, restricts or modifies any right or remedy under the Australian Consumer Law to the extent such rights cannot be excluded.

(f) The Surveyor/Consultant's total aggregate liability shall not exceed the amount recoverable under its Professional Indemnity Insurance.

7. Indemnity

Except to the extent and solely for the amount therein set out that the Surveyor/Consultant would be liable under Clause 6, the Client hereby undertakes to keep the Surveyor/Consultant and its employees, agents and sub-contractors indemnified 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, and against and in respect of all costs, loss, damages and expenses (including, but not limited to, legal costs and

expenses on a full indemnity basis) which the Surveyor/Consultant may suffer or incur (either directly or indirectly) in the course of the Services under these Conditions.

8. Force Majeure

The Surveyor/Consultant and/or the Client shall not, except as otherwise provided in these Conditions, be responsible or have any liability for any loss, damage, delay or failure in performance hereunder arising or resulting from act of God (including, but not limited to earthquake, flood, tsunami, volcano, hurricane, tropical storm, cyclone, blizzard or other similar event), act of war, terrorist attack, nuclear contamination, seizure under legal process, epidemic quarantine restrictions, strikes, boycotts, lockouts, riots, civil commotions and arrest or restraint of princes, rulers or people. Following a force majeure event either party may serve notice on the other to terminate the agreement.

9. Insurance

The Surveyor/Consultant shall effect and maintain, at no cost to the Client, Professional Liability Insurance for such loss and damage for which the Surveyor/Consultant may be held liable to the Client under these terms and conditions.

10. Right to Sub-contract

The Surveyor/Consultant shall have the right to sub-contract any of the services provided under the Conditions, subject to the Client's right to object on reasonable grounds. In the event of such a subcontract, Surveyor/Consultant shall remain fully liable for the due performance of its obligations under these Conditions. The Surveyor/Consultant shall not be required to obtain further consent where specialist subcontractors are engaged.

11. Time Bar

Any claims against the Surveyor/Consultant by the Client shall be deemed to be waived and absolutely time barred upon the expiry of nine months from the submission date of the report to the Client.

12. Jurisdiction and Law

These Conditions shall be governed by and construed in accordance with the laws of Australia and any dispute shall be subject to the exclusive jurisdiction of the Australian Courts.

13. Disclaimer of Budgets

The budget estimates provided for the above vessel(s) are based on current information available at the time of reporting and are intended as a guide for planning purposes only. While every effort has been made to offer accurate and reasonable advice, Oceaneer Marine Surveys Pty Ltd does not provide any guarantee or warranty that the projected costs will be sufficient to complete all works required. The final scope, condition of the vessel, and unforeseen circumstances may result in additional expenses. Oceaneer Marine Surveys Pty Ltd shall not be held liable for any costs incurred beyond the advised budget or for any financial loss resulting from reliance on these estimates.

14. No Liability Until Payment

No duty of care is owed and no liability shall attach until all Fees and Disbursements have been paid in full and the Report released. The Client agrees that any Report, certificate or advice may not be relied upon until payment has been received in full.

15. Third-Party Reliance

This Report and any associated advice are prepared solely for the Client. No third party shall be entitled to rely upon the contents of any Report without the prior written consent of the Surveyor/Consultant. The Surveyor/Consultant accepts no responsibility or liability to any third party for any loss, damage or expense arising from reliance on the Report or Services.

16. PPSR Security Interest

Until payment has been received in full, the Client grants to the Surveyor/Consultant a security interest pursuant to the PPSA (Personal Property Securities Act 2009 (Cth)) in all Reports, certificates, documents and Services supplied. The Client agrees that the Surveyor/Consultant may register such security interest on the Personal Property Securities Register and take all steps necessary to perfect and enforce that interest. The Client waives its right to receive notice of registration under the PPSA. The Client agrees that this security interest is a purchase money security interest (PMSI).

17. Retention of Reports Pending Payment

All Reports, certificates and documents remain the property of the Surveyor/Consultant until all Fees and Disbursements have been paid in full. The Surveyor/Consultant reserves the right to withdraw, suspend or decline reliance upon any Report where payment has not been received in accordance with the agreed trading terms.

18. Entire Agreement

These Conditions constitute the entire agreement between the parties and supersede all prior representations or agreements.

19. Variation

No variation of these Conditions shall be binding unless agreed in writing.

20. Severability

If any provision is invalid or unenforceable, it is severed and the remainder continues in full force.

21. Assignment

The Client must not assign or transfer any rights under these Conditions without Oceaneer Marine Surveys Pty Ltd's written consent.

22. Standard of care

Services shall be provided in accordance with the standards reasonably expected of a competent marine surveyor practicing in Australia.