



**4300 South U.S. Highway 1, Suite 203-152
Jupiter, Florida 33458
Phone: 561-843-3844 Fax: 561-775-0089
Email: MarineDiagnostics@yahoo.com**

WORK AGREEMENT

CLIENT INFORMATION

Client's Name: _____
(First) (Middle) (Last)

Mailing Address: _____

(City)

(State or Province)

(Zip Code)

Telephone Number: _____
(County Code and/or Area Code)

Mobile Number: _____
(County Code and/or Area Code)

Fax Number: _____
(County Code and/or Area Code)

Email Address: _____

Alternate Email Address: _____

Client /Client's Agent Initials: _____

Marine Diagnostics is hereby authorized to complete a Marine Survey or Service work on:

Vessel Name: _____

Vessel Length: _____ Feet Meters (Circle one)

Vessel Model: _____

Builder: _____

Type: _____

Hull Identification Number (if known): _____

Vessel Registration Number or Documentation Number: _____

Type of Service: _____

Vessel's Current Location: _____
(Marina or Address)

(City)

(State or Province and Zip Code)

TERMS AND CONDITIONS

This survey, inspection or repair service contracted will be conducted on _____ (Date or Dates). If survey or inspection work is requested, it will include an inspection of the vessel, vessel's structure, systems and equipment with inspection in dry-dock and sea trial (if requested by the Client). The purpose of the survey will be to determine the condition and approximate market value of the above vessel. The vessel survey will be conducted without removal of parts to include fittings, plumbing, wire casings, permanently fastened carpeting, panels, partitions, sheathing, joiner work, deck covering, ground tackle or any other permanently or semi-permanently installed items. Locked or otherwise inaccessible areas will prevent inspection.

The total charge for the survey or service requested will be \$ _____ which includes a deposit of \$ _____. Charges may include travel and other technician expenses, but does not include the costs of docking and/or undocking of the vessel. Marine Diagnostics LLC reserves the right to assess additional hourly rate surcharges if the service or inspection process is slowed by circumstances beyond the control of the technician. Such as a vessel not properly prepared for inspection or service as per instructions, vessel equipment located elsewhere, a vessel in poor or unsafe condition, etc. Customers have the option to pay by cash, check, money order or make payments on our website at: www.marinediagnosticsflorida.com through Paypal. All online payments must be verified by Marine Diagnostics LLC before rendering services. **All check and money orders must be made out to**

Client / Client's Agent Initials: _____

“Marine Diagnostics”. Payment or deposit is due before or on the day of the inspection or service. Payment in full must be received before the survey report is released or upon completion of technician services if not a marine survey or inspection. Other payments for services may require a fee deposit. Any outstanding amounts of agreed services (between the Client and Marine Diagnostics LLC) that are owed from the Client are payable within 30 days of the receipt of invoice. Any overpayment will be refunded to the Client either on the day of the inspection or service or within two weeks if by mail after the completion of the service.

If this agreement pertains to marine repair work or mechanical services (this paragraph does not pertain to marine survey work), the Client agrees to pay Marine Diagnostics LLC (without deduction or offset) for all labor and materials provided in connection with the ordered work as follows: Payment for 100% of parts and materials and 50% of labor to start said repairs and payment of all labor shall be due upon receipt of invoice and shall be considered to be delinquent after 30 days. Should the Client fail to make the appropriate payments when due, Marine Diagnostics LLC may immediately in its sole discretion, make adequate assurances that payment will be made pursuant to these terms and conditions. Any amount more than 30 days past due shall be subject to default interest at the lesser of (1) ten percent or (2) the maximum legal rate. Any grant(s) of extensions of time for payment will not diminish, waive, release or discharge the Client’s obligations under this work agreement. The Client acknowledges and agrees the services provided by Marine Diagnostics LLC entitle it to a maritime lien against the vessel under the Federal Maritime Lien Act and other maritime laws, as well as state liens under Florida law. The Client agrees that the liens shall extend to and secure all amounts due Marine Diagnostics LLC under this agreement or at law and that no release of possession shall waive or prejudice such liens. In the event of a dispute or claim with respect to any item(s) of the agreed work, Owner shall pay promptly charges for all other items of the work not in dispute.

When requested by the Client, Marine Diagnostics LLC will provide cost and completion date estimates to the Client. Any such estimates will be made honestly and in good faith based on Marine Diagnostics LLC knowledge and experience, however Marine Diagnostics LLC nor its authorized agents cannot guarantee their accuracy. The Client acknowledges that boat or yacht repair work cannot always be accurately estimated in advance; that once work begins, unforeseen conditions or problems frequently arise; and other factors can affect estimated costs and completion dates. The Client understands and accepts these realities and agrees any estimates furnished are to be used as guidelines only and are not binding on Marine Diagnostics LLC.

For repair or marine mechanical services type work requested by the Client and provided by Marine Diagnostics LLC, unless otherwise agreed, Marine Diagnostics LLC agrees to perform on a time and material basis the service or repair work described on page one of this work agreement and any additional work ordered by the Client in accordance with the Client’s instructions (whether oral or in writing) and in accordance with good marine practice. Labor will be charged at the hourly rate set above in this work agreement. If the labor rate is not filled in above, labor will be charged at Marine Diagnostics LLC rates currently in effect. Marine Diagnostics LLC reserves the right to increase rates periodically. In the event Marine Diagnostics LLC raises its rates during the term of this work agreement, The Client agrees to pay the increased rates for all work performed thereafter.

The Client represents he or she is the owner of the vessel or has been authorized by the owner of the vessel to enter into this work agreement and will maintain marine liability insurance on the vessel. The Client will inspect and supervise the progress of the ordered work from time to time and will be solely responsible for ascertaining the suitability of the work performed and materials installed for the owner’s intended purposes.

In the event the Client elects to cancel, reduce or modify the ordered work, the Client agrees to pay Marine Diagnostics LLC in full for (1) all work performed by Marine Diagnostics LLC its agents or its subcontractors, and (2) all materials including any shipping or other related costs ordered by Marine Diagnostics LLC (net of any available return credit) prior to the time Marine Diagnostics LLC receives actual notice from the Client of the requested change.

All repairs shall be free of defects in workmanship under normal service conditions for one month from the earlier of (1) the date the work was completed; or (2) the date the vessel was redelivered to Client or owner. Marine Diagnostics LLC makes no other warranty, express or implied, and specifically disclaims all other warranties of whatsoever nature including without limitation, any warranty of seaworthiness, work like performance, and merchantability or fitness for a particular purpose. The Client agrees the sole and exclusive remedy for any faulty or defective repairs, installation of defective materials, or any other breach shall be strictly limited to, at Marine Diagnostics LLC sole election, to the repair, replacement or adjustment of the faulty or defective work or materials. Any such repair, replacement or adjustment shall be performed by Marine Diagnostics LLC at a location mutually agreed upon by both parties, with the Client responsible for any costs associated with transportation or haul out of the said vessel.

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Marine Diagnostics LLC shall not be liable in contract or at law for any personal injury, death or loss or damage to the vessel or to any other real or personal property.

In no event shall Marine Diagnostics LLC be liable for any economic loss, consequential or incidental damages whatsoever, including without limitation, any lost profits, crew wages, salvage or towing expenses, delay, demurrage or loss of use of the vessel.

No claim arising out of this transaction, including, but not limited to contractual claims for breach of contract and tort claims based upon alleged negligent repair or on the theories of strict liability or otherwise, shall be valid as against Marine Diagnostics LLC, unless said claim is presented in writing to Marine Diagnostics LLC within one month of the earlier of the date work was completed or the date the vessel was delivered to the Client.

Marine Diagnostics LLC shall defend, indemnify, and hold harmless the Client against any and all claims for payment for services submitted by Marine Diagnostics LLC its agents, subcontractors or vendors arising under this contract. The Client shall defend, indemnify and hold harmless Marine Diagnostics LLC, and its subcontractors and agents from any claim, charge, liability or loss or damage for personal injury, occupational sickness, disease or death of any person, including without limitation any employee, subcontractor or agent of owner, or for any property damage or loss of use there of, which is in any way caused, in whole or part, by defects in the vessel or by the negligence, breach of contract, or willful misconduct of owner, including its employees, agents, and subcontractors; unless any upon receipt of written request of Marine Diagnostics LLC, the Client shall, at its own expense, immediately defend Marine Diagnostics LLC in any arbitration, action, or other proceeding in which a claim covered by the foregoing indemnity provisions is alleged.

Marine Diagnostics LLC shall not be responsible for any loss, damage or delay in effecting repairs resulting from any cause or causes beyond the control of Marine Diagnostics LLC including, but not limited to, acts of god, war, riots, civil disturbances, weather, flood, fire, explosion, failure of suppliers to deliver supplies or materials, failure of subcontractors to complete work, strikes, labor disturbances or demands, and priorities or allocations of the United States Government.

The occurrence of any of the following events shall constitute a default under this work agreement: (1) breach by either party of this agreement, including the boat yard or boat facility policies and agreements; (2) failure of Client to pay when due any amounts owed under this agreement; (3) failure of Client to provide access to the vessel; (4) any act or omission by owner, which causes any of the representations made in this agreement to be false; and (5) any act or omission by owner or the vessel, which constitutes a tort against Marine Diagnostics LLC or third parties. Upon any default by the Client or the vessel; Marine Diagnostics LLC, in addition to all other remedies under maritime or state law, in its sole discretion, may (1) suspend its performance or terminate this agreement, (2) impose storage charges on the vessel (3) retain possession of the vessel until fully paid; and/or (4) pursue all remedies, including non-judicial sale of the vessel, under state and/or maritime lien laws.

If the Client makes an oral or written request to Marine Diagnostics LLC to modify or add to the work requested above, any modified or additional work shall be on a time and materials basis at rates then currently in effect and shall be subject to all of the terms and conditions of this Agreement.

The vessel and Client shall defend, indemnify and hold harmless Marine Diagnostics LLC from all liability and expense, including without limitation cleanup costs, fines, penalties, civil damages, national resource damage assessments, costs, and reasonable attorney's fees, arising out of any environmental pollution attributable to vessel.

If a written report will be required for marine surveying purposes, the written report will consist of vessel specifications, general comments, a list of operational equipment, and a list of extra equipment. Also, specific remarks and recommendations will be made concerning the vessel in dry-dock, the exterior (including spars and rigging, if applicable), interior, bilge areas, electronics, safety equipment and deficiencies, as well as a trial run with results and comments. With the signing of this work agreement by order the Client, Client's agent, or person requesting this survey, inspection or service agrees to the charges as set forth above and to the provisions as set forth in the written survey report. Survey results are intended to represent the physical condition of the vessel only on the day of the survey, based on the facts presented and discovered, in the opinion of the surveyor. The report will not specify or imply any type of warranty of the vessel or the vessel's equipment. Additionally, the survey will not address the vessel's stability characteristics, inherent defects or the internal condition of machinery. Operation of AC and DC electrical

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systems will be conducted only to verify the basic operation of those systems as specifically listed in the report. No reference or information contained in the report should be construed to indicate compliance of any equipment to include propulsion system, auxiliary machinery and electronics with manufacturers' published specifications.

Comments concerning cosmetics are made at the discretion of the Surveyor and should be considered the surveyor's opinion. In the event that it becomes necessary to bring legal action to enforce the payment provisions of this agreement, the Client shall be responsible for paying the reasonable collection costs of such action including attorney fees and other related costs. Should the Client, for any reason, seek to bring legal action against the surveyor or technician his/her company, the total of any damages that may be awarded will be limited to the charge for the survey, inspection or service as listed above. The Client shall have the right to cancel this agreement up to two calendar days prior to the date of the survey or service. Cancellation after this date will require the Client to pay Marine Diagnostics LLC the minimum daily fee of \$300.00 USD.

The surveyor or technician is contracted by and works exclusively for the Client. A provided survey report is not transferable to any other persons or entities and the information distributed is for the use of this Client only. This agreement specifically excludes any liability of Marine Diagnostics LLC or the attending surveyor or technician to any third party. The surveyor or technician represents and warrants that he has the experience and prerequisites to accept the contract and that he is free of prejudice. The surveyor or technician agrees to perform a reasonable evaluation of all vessel parts and equipment, where accessible, and to provide a report including a list of findings and recommendations for the correction of defects. Findings and Recommendations are divided into three categories. (A) Safety Deficiencies – which may be printed in red (B) Other Deficiencies Needing Attention – which may be printed in green, and (C) Surveyors Notes and Observation – which may be printed in blue. Inspections are conducted based upon the guidelines of The Society of Accredited Marine Surveyors (SAMS), recommended standards of the American Boat and Yacht Council (ABYC), requirements of the Code of Federal Regulations (CFR Title 33 and 46), and 1972 COLREGS navigation rules. The Client understands that if the service provided is a marine inspection that is localized to an area of the vessel to confirm repairs, refits, modifications or damage, that the survey / inspection report is limited to the area of inspection only and not to other parts or sections of the vessel. When provided, fair market valuations are based on comparison research using similar vessel types, as possible, and the experience of the Surveyor or technician. The Surveyor or technician shall make reasonable effort to provide an educated and unbiased opinion. The Client contracting with the Surveyor or technician is responsible for having researched the appropriate vessel type and surveyor or technician for his or her needs and with the understanding that the results of the survey and the survey report are but additional tools for his or her decision making regarding a prospective vessel.

Thermal imaging (if used as a tool for the survey service or repair work) will be performed only by a qualified and certified thermographer. The thermographer will perform a non-invasive infrared survey of the readily accessible and applicable areas of the vessels. The accessible structure may include the hull, electrical systems, and mechanical systems. The infrared imaging will document areas with abnormal surface temperatures requiring further investigation. The infrared survey is limited to the readily accessible and visible systems and components of the vessel. Infrared imaging measures surface temperatures only and therefore must have a clear unobstructed view of the surface to render a useful image. The use of thermal imaging will not include destructive testing of any kind. The following conditions are not within the scope of thermal imaging: The evaluation of moisture where destructive testing is required and the condition of electrical and mechanical related components. The infrared analysis or reporting is not intended to be used as a guarantee or warranty, expressed or implied. Problems may exist even though signs of such may not be present during the survey or inspection. Prior to the use of thermal imaging for a survey or inspection, the Client will inform the thermographer about the vessels history and of any past and current problems with the vessel's electrical or mechanical systems. The Client will heat or cool the vessel in advance to the uniform temperature requested by the thermographer. The client will provide access to the vessel, and if needed, will guide the thermographer to areas which are to be surveyed or inspected. For interior surveys, the Client will move any movable obstruction interfering with the survey or inspection. The thermographer is not required to report on the adequacy or functionality of any component, perform any intrusive or destructive examination test or analysis, enter any spaces where hazardous conditions may exist, use tools to disassemble system components, determine or estimate the remaining life of any component, enter spaces with insufficient headroom, evaluate HVAC ventilation or air distribution, determine costs or procedures for repairs, provide safety plans or procedures based on any findings.

The surveyor or technician does not opine on the suitability of the vessel for the buyer's and / or the Client's needs or other factors that may be important to the buyer or Client's decision making but which are outside of the scope of survey or inspection. The Client shall understand that the marine surveying profession is not licensed nor regulated by any government agency, that the established methods are by observation and non-destructive testing, and that no

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any government agency, that the established methods are by observation and non-destructive testing, and that no warranty is implied in discussions, written or oral, about the lifespan or length of service remaining of any parts, gear, machinery or equipment, including hulls and decks. The buyer or Client must sign a contract or agreement with the surveyor or technician delimiting the services to be provided. Accepting the survey report, and paying the agreed fee, will constitute acceptance of the contract set forth here in lieu of a previously signed written agreement. The Client should facilitate the actual survey or inspection by insuring the following are complete before the survey or inspection date: Emptying lockers, compartments and bilges for inspection, explanation of the use of unfamiliar equipment, non-standard installations, and proper operation of all machinery. Disclosure of any previous major repairs or structural changes, providing documentation as to these changes, and providing all the chain of ownership legal documents; this is especially important with vessels not documented in the United States. The seller or his designate will operate the vessel prior to, during or post survey and while on the sea trials. The purpose of a marine survey is to provide the prospective buyer or Client with a reasoned opinion of the condition and value of the vessel to be surveyed. Destructive testing, cost estimating, scientific calculations, prognosis for osmotic blistering, and determining the extent of hydrolysis or laminate disbonding (delamination) are beyond the scope of a marine survey and require specialized examiners. A marine survey is an opinion only. A marine survey does not provide a warranty or guarantee of any kind. In no event, shall any liability exceed the cost charged for the survey. Marine surveying is not an exact science and is not regulated nor licensed by any governmental agency. It is neither cost effective nor practical to list every observable cosmetic deficiency. It is not possible to guarantee discovery of hidden flaws. Often, flaws become apparent only after a change in environment, modification of equipment or change in usage. The Surveyor is not a guarantor or insurer of the vessel. Destructive or laboratory testing, estimating costs of repairs, and the unobservable function of machinery and electronics are beyond the scope of the survey and require specialists. Unless otherwise agreed, mastheads, rigging above deck level, sails, electronics beyond power up, machinery beyond operation, engines beyond starting and running, and complex electrical installations are excluded from inspection. Errors and omissions are limited to the terms of this contract. Failure to list obvious wear and tear that is within the observable scope of the buyer or Client does not constitute omission nor does subsequent discovery of defects that are beyond the limitations of a marine survey as described here, constitute error. Other limitations, as specified in the report's "Scope of Survey", but not mentioned here, are also agreed to by acceptance.

Disputes arising from this contract must be adjudicated in West Palm Beach, Florida, USA. Any damages arising out of this contract in connection with the survey or service that is the subject of this contract, and the liability of the surveyor or technician are limited to the fees paid by the buyer or Client to the surveyor or technician in connection with this contract, less any expenditures by the surveyor or technician for oil samples, consultant fees, and other out-of-pocket expenses. In the event of litigation, the prevailing party shall be entitled to attorney's fees and costs. This contract constitutes the agreement of the parties regarding the vessel mentioned above.

I have read all six pages in this agreement. I understand and agree to the above conditions and stipulations.

Client / Client's Agent: _____ Date: _____

Surveyor / Technician: _____ Date: _____