

MARINE SURVEY WORK ORDER

_____, (hereinafter "Customer") residing or doing business at _____, telephone number _____ (home/work), mobile phone number _____, and email _____ hereby retains Corsica River Marine Surveys, LLC (hereinafter "Surveyor") to appoint its employee and SAMS Accredited Marine Surveyor, Travis Palmer, to perform a marine survey and sea trial (if applicable) of the boat named _____ Vessel Year _____ Make _____ Model _____ Length _____ for purposes of:

Condition and Value Survey; Pre-Purchase Survey; Damage assessment survey;

Other _____. Customer hereby agrees to promptly pay Surveyor upon demand, and in any case, prior to receipt of the written report from Surveyor, its standard fee of \$_____ for said survey and sea trial (if applicable) in addition to all amounts agreed upon for materials and services performed at Customer's request in addition to Surveyor's standard survey and sea trial (if applicable)(see paragraph 3 below).

Customer agrees that all services provided by Surveyor shall be in accordance with all terms and conditions of this Marine Survey Work Order and the "Scope of Marine Survey" which is attached hereto as Exhibit A and incorporated herein by reference. In the absence of an executed Marine Survey Work Order, the use, acceptance, or receipt by Customer of the Surveyor's Report shall constitute acceptance of the "Scope of Marine Survey" and all terms and conditions of the Survey Report and this Marine Survey Work Order, including, but not limited to the following:

1. **Scope:** Surveyor and its employees shall use their best efforts to perform the survey work described above, and any additional work requested, on the date(s) agreed, and will produce a Survey Report to the Customer including their findings at the conclusion of the work. The work requested will be performed with due diligence, however, surveyor makes no promise as to when the work will be completed. Customer understands and agrees that Surveyor's Report shall be composed and based upon information that Surveyor and its employees believe to be true after reasonable investigation and inquiry, but such information is not warranted by Surveyor or its employees to be so. Surveyor's information shall be obtained without drilling, diving, ultrasonics, cleaning, removing seals, or opening up to expose parts or conditions ordinarily concealed. No tests for tightness or soundness will be conducted aside from noting conditions visually. Surveyor will not provide an evaluation of the internal condition or reliability of the engines, outdrives, generator, electrical system and transmissions. Surveyor recommends that Customer retain a qualified engine surveyor to evaluate these systems.

2. **Incidental Expenses:** All expenses for haul-out, dockage, fuel, electricity, power washing, and other incidentals necessary for Surveyor to conduct its work shall be paid for by Customer. Customer acknowledges that Surveyor and its employees do not accept any responsibility for damage or deterioration not found or discovered during the course of the survey, nor for consequential damage, deterioration or loss due to any error or omission by Surveyor or its employees.

3. **Additional Services/Payment:** Any additional services requested by Customer and agreed to be performed by Surveyor either verbally or in writing shall be subject to the terms and conditions of this Work Order. Any services performed prior to the execution of this Work Order but relating to the services requested shall be subject to the terms and conditions of this Work Order. In addition to the fee set forth on the first page of this Work Order, Customer shall pay Surveyor upon demand for all such additional services beyond that initially requested at Surveyor's normal service charge, which shall be disclosed upon request. In the event Customer fails to pay Surveyor's fee for the standard and/or additional fees upon demand, then such unpaid fees shall bear interest at the rate of 2% per month (APR) from the date demanded until paid. Provision of a survey report by Surveyor to Customer despite Customer's failure to pay shall not constitute a waiver of any amounts owed by Customer to Surveyor.

4. **Opinions:** Any statements or opinions of Surveyor or its agents and employees, made orally or contained in any written report consist of the surveyor's best professional judgment. Opinions should not be considered final until contained in a signed, written report. Such statements and/or opinions are not to be construed or considered by Customer as representations, warranties, or guarantees regarding the work requested or conditions noted. Surveyor and its employees have no expertise regarding insurance coverage or policy terms or conditions and any oral and/or written statements or opinions made by Surveyor and its employees should not be construed or considered in any way to bear upon insurance coverage. Surveyor and its employees have no present or prospective interest in the subject vessel and have no personal interest or bias with respect to the parties involved. Customer understands that no opinion or determination of the vessel's structural strength or stability will be made by Surveyor or its employees and that no opinion regarding whether Customer should or should not purchase a vessel shall be given.

5. **Termination:** Either party to this Work Order may terminate it by giving written notice to the other party. After termination and upon demand, Customer agrees to pay Surveyor at its standard rate for all services performed and expenses incurred by Surveyor in preparation and/or performance of the Work Order. Notwithstanding termination of this Work Order by either party, paragraphs 3, 6, 7 and 8 of this Work Order shall survive and remain in full force and effect.

6. **Lien:** In the event Customer owns the vessel being surveyed or becomes the owner of the vessel being surveyed then Customer grants Surveyor a lien (including a maritime lien) upon the vessel, its appurtenances and equipment, until such time as the fees owed to Surveyor have been paid in full. Surveyor shall retain all other legal rights and remedies available to Surveyor for collection of the amounts due to Surveyor by Customer.

7. **Hold Harmless/Indemnity:** Customer agrees to keep the Surveyor and its employees, agents and subcontractors indemnified and to hold them harmless against all actions, proceedings, claims, demands or liabilities whatsoever or howsoever arising (including, but not limited to their own negligence but not gross negligence or intentional acts) 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, its employees, agents and subcontractors may suffer or incur (either directly or indirectly) as the result of providing the services contracted for in this Marine Survey Work Order or other additional services requested by Customer. In addition, Customer

agrees that Surveyor and its employees, agents and subcontractors shall not be liable for breach of any express warranty, and that Surveyor, its employees, agents and subcontractors shall not be liable for breach of any implied warranties including, but not limited to the implied warranties of merchantability and fitness for a particular purpose and the implied warranty of workmanlike performance. Customer acknowledges that in every marine survey some conditions aboard the surveyed vessel will be overlooked and/or inaccurately reported. Customer will not hold surveyor liable in the event Customer's purchasing decision is based in part on any such overlooked and/or inaccurately reported conditions.

Customer must initial here for reading paragraph 7 _____

8. Damages Limitation: Notwithstanding the previous clause, in the event that the Customer proves that the costs, loss, damages, or expenses were caused by the negligence, gross negligence or willful default of the Surveyor or its employees, agents or subcontractors, then, save where such costs, loss, damages, or expenses have resulted from the personal acts or omissions committed by Surveyor or its employees, agents or subcontractors with the intent to cause same or recklessly and with knowledge that such costs, loss, damages, or expenses would probably result, then the liability of Surveyor or its employees, agents or subcontractors for each incident or series of incidents giving rise to a claim or claims shall never exceed a sum calculated on the basis of five times the Surveyor's standard fee as set forth above. Surveyor shall not be liable under any circumstances for incidental or consequential damages or for loss of use, loss of profits/earnings, crew wages, salvage, tug expenses, demurrage, loss of time, loss of freight, loss of charter, attorneys' fees and/or any similar or substituted expenses.

Customer must initial here for reading paragraph 8 _____

9. Notice/Time Limits: Surveyor, its employees, agents and subcontractors shall not be liable to customer for any claim for damages or loss unless notice of any such claim is presented to Surveyor in writing within sixty (60) days of completion of the Surveyor's work, which will usually coincide with the date of the survey report. Customer must also commence suit on any claim or controversy arising from the work requested within six (6) months from completion of the Surveyor's work. In the event Customer fails to give notice or file suit within these time frames, then Surveyor is discharged from any and all liability to the Customer.

Customer must initial here for reading paragraph 9 _____

10. Entire Agreement: This Marine Survey Work Order, or the signed Survey Report in the absence of an executed Marine Survey Work Order, constitutes the complete agreement between Surveyor and Customer and may not be modified or altered except by further written agreement signed by both parties. Any clause in the Marine Survey Work Order or Survey Report terms and conditions which are determined to be unenforceable or prohibited by law shall be treated as severed and the remaining provisions shall remain in full force and effect.

11. Signature: This Marine Survey Work Order may be signed in counterparts. A faxed, scanned, e-mailed or electronic signature shall have the same effect and enforceability as an original signature. The person signing this Work Order warrants that he/she has authority to enter into this Work Order.

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NOTE: Paragraphs 7, 8 and 9 above must be initialed by Customer where indicated.

AGREED:

CUSTOMER

Signed: _____

Printed Name

Dated: _____

SURVEYOR, CORSICA RIVER
MARINE SURVEYS, LLC

By: _____

Printed Name

Dated: _____

SCOPE OF MARINE SURVEY (EXHIBIT A)

UNLESS THE CONDITION AND/OR CHARACTERISTICS OF THE VESSEL REQUIRE OTHERWISE, THE SCOPE OF THE MARINE SURVEY TO BE PERFORMED IN ACCORDANCE WITH THE SURVEY WORK ORDER SHALL GENERALLY CONSIST OF THE FOLLOWING. ANY CHANGES TO THE SCOPE OF THE SURVEY WILL BE REFLECTED IN THE FINAL REPORT OF MARINE SURVEY. CONDITIONS FOUND DURING THE SURVEY MAY DICTATE MINOR CHANGES IN SCOPE, HOWEVER, SURVEYOR SHALL ENDEAVOR TO ADVISE CUSTOMER OF ANY CHANGES IN SCOPE THAT ARE NOT MINOR WITH RESPECT TO THE GENERAL CONDITION OF THE VESSEL.

SURVEYOR AGREES TO CONDUCT A VISUAL, NON-DESTRUCTIVE AND NON INTRUSIVE INSPECTION OF ALL READILY ACCESSIBLE PORTIONS OF THE VESSEL'S STRUCTURE AND EQUIPMENT. ALL MEASUREMENTS WILL BE TAKEN FROM THE MANUFACTURERS LITERATURE, PLATES ABOARD THE VESSEL, OR RECOGNIZED REFERENCE MATERIAL. UNLESS OTHERWISE INDICATED NO ACTUAL MEASUREMENTS WILL BE TAKEN.

- 1). ON BOARD SYSTEMS MAY BE STARTED BUT NO TESTING UNDER CONTINUOUS LOADS WILL BE CONDUCTED.
- 2). EXTRA EQUIPMENT AND INVENTORY WILL BE NOTED, BUT NO ATTEMPT WILL BE MADE TO LIST ALL THE VESSEL'S SPARE PARTS OR PERSONAL INVENTORY.
- 3) IF SAFETY EQUIPMENT IS NOT STORED CORRECTLY OR IS NOT READILY AVAILABLE, IT WILL BE DEEMED NOT TO BE ABOARD THE VESSEL.
- 4). ANY MOISTURE READINGS WILL BE TAKEN WITH EITHER OR BOTH THE "SOVERIGN MOISTURE MASTER" OR "ELECTROPHYSICS" MOISTURE METERS. WHEN VESSELS ARE WET OR HAVE BEEN RECENTLY HAULED, MOISTURE READINGS CANNOT BE CONSIDERED RELIABLE. THE ONLY ACCURATE METHOD TO DETERMINE MOISTURE CONTENT AND LAMINATE CONDITION IS TO OBTAIN A "LAMINATE PEEL" WHERE EACH INDIVIDUAL LAMINATE IS EXPOSED AND THE MOISTURE CONTENT MEASURED. THIS WILL NOT BE DONE UNLESS SPECIFICALLY REQUESTED BY THE CUSTOMER.
- 5). THIS SURVEY SHALL NOT PRODUCE AN EVALUATION OF THE CONDITION OF THE INDIVIDUAL FIBERGLASS LAMINATES. INVASIVE INSPECTION BY EITHER A CORE SAMPLE OR "LAMINATE PEEL" IS THE ONLY MEANS OF ACCURATELY DETERMINING THE CONDITION OF THE FIBERGLASS LAMINATES AND THIS WILL NOT BE DONE.
- 6). REINFORCED PLASTICS ARE KNOWN TO BE UNSTABLE. SURVEYOR IS NOT ABLE TO DETERMINE THE NATURE OF THE PLASTICS AND REINFORCEMENTS OF WHICH THE HULL IS MADE. THEREFORE SURVEYOR CANNOT GUARANTEE THE STABILITY OR PERFORMANCE OF THE LAMINATE. WARRANTIES ON THE HULL ARE ONLY PROVIDED BY THE MANUFACTURER. IF THERE ARE ANY QUESTIONS ABOUT EXISTING WARRANTIES, THE MANUFACTURER SHOULD BE CONSULTED. ALTHOUGH SURVEYOR SHALL MAKE REASONABLE EFFORTS TO DETERMINE THE PRESENCE OF BLISTERS (SHORT OF DESTRUCTIVE TESTING), AND WHETHER BLISTERS ARE OR ARE NOT FOUND, THIS DOES NOT MEAN THAT BLISTERS WILL NOT DEVELOP AT A LATER DATE. BLISTERS MAY DEVELOP OR APPEAR AT ANY TIME, WHERE

PREVIOUSLY THERE WERE NONE. LATENT BLISTERS OR BLISTERS IN THE VERY EARLY STAGES OF FORMATION, OR BLISTERS WHICH ARE DEPRESSURIZED AND DEFLATED MAY ALSO EXIST, AND WILL NOT BE DETECTABLE BY ANY MEANS AVAILABLE TO THE SURVEYOR.

7). NO ATTEMPT WILL BE MADE TO LIST ALL SCRATCHES, SCRAPES AND BLEMISHES THAT CAN BE CONSIDERED NORMAL WEAR AND TEAR.

8). THIS SURVEY SHOULD NOT BE CONSIDERED TO CONTAIN AN EVALUATION OF THE INTERNAL CONDITION OR RELIABILITY OF THE ENGINES, OUTDRIVES, GENERATOR, ELECTRICAL SYSTEM AND TRANSMISSIONS. IT IS RECOMMENDED THAT CUSTOMER RETAIN A QUALIFIED ENGINE SURVEYOR. SHAFTING WILL NOT BE REMOVED FOR INSPECTION. LOWER UNIT DRAIN SCREWS ON OUTBOARDS AND OUTDRIVES WILL NOT BE REMOVED AND FLUID WILL NOT BE INSPECTED BY SURVEYOR.

9). THE FUEL, WATER AND HOLDING TANKS WILL BE VISUALLY INSPECTED ONLY. NO HYDRO OR PRESSURE TESTING WILL BE CONDUCTED. TANKS WILL NOT BE FILLED TO CAPACITY.

10). ELECTRICAL PANEL BOARDS WILL NOT BE OPENED UNLESS OTHERWISE NOTED.

11). SURVEYOR SHALL PRODUCE A REPORT CONTAINING SURVEYOR'S OPINIONS AND OBSERVATIONS DRAWN FROM EXPERIENCE AND TRAINING AS APPLIED TO THE VESSEL'S INTENDED USE AND ASSUMING A COMPETENT CREW AND ROUTINE MAINTENANCE SCHEDULE. IN THE REPORT, THE WORD "APPEARS" SHALL INDICATE THAT A CLOSE INSPECTION OF A PARTICULAR SYSTEM OR COMPONENT WAS NOT POSSIBLE DUE TO CONSTRAINTS IMPOSED UPON THE SURVEYOR AT THE TIME OF SURVEY. THE WORD "SERVICEABLE" SHALL INDICATE SUFFICIENT FOR A SPECIFIC PURPOSE. THE REPORT WILL BE ISSUED SOLELY FOR CUSTOMER'S USE. ANY TRANSFER, CHANGES OR SUPPLEMENTS WILL ONLY BE VALID IF AUTHORIZED BY THE SURVEYOR. NO GUARANTEES OR WARRANTIES (EXPRESS OR IMPLIED) OF ANY KIND SHALL BE CONVEYED BY SURVEYOR OR BY SURVEYOR'S REPORT.

THE FOLLOWING WILL BE USED AS REFERENCES WHEN CONDUCTING THE SURVEY:

A) MANDATORY STANDARDS PROMULGATED BY THE UNITED STATES COAST GUARD (USCG) UNDER THE AUTHORITY OF TITLES 33 AND 46 OF THE CODE OF FEDERAL REGULATIONS (CFR).

B) VOLUNTARY STANDARDS AND RECOMMENDED PRACTICES DEVELOPED BY THE AMERICAN BOAT AND YACHT COUNCIL (A.B.Y.C.) .

C) EFFECTIVE STANDARDS ISSUED BY THE NATIONAL FIRE PROTECTION ASSOCIATION (N.F.P.A.).