



PRE-PURCHASE CONTRACT

BELL MARINE SURVEYING

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CONTRACT

This document is a Contract for a Pre-Purchase /General Condition or Insurance* Survey to be carried out by Tim Bell Dip Lloyds Marine Surveyor acting for Bell Marine Surveying part of the Octopus Europe C. B company.

Type of Survey

Tick box

PRE-PURCHASE (General Condition) SURVEY	
INSURANCE SURVEY	
INCLUDING VALUATION	

The survey will be carried out at the following location

MOORING/HARD	
MARINA/LOCATION	
NUMBER AND NAME ROAD	
TOWN/CITY	
AREA CODE(ZIP)	
COUNTRY	
CONTACT NAME/BROKER	
TELEPHONE NUMBER	

On the following date

DAY:	MONTH:	YEAR:
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I/We* , being the buyer(s) having obtained the permission of the owner(s)* , hereby request you to carry out a full Pre-Purchase / Insurance Survey and /or Valuation* , subject to your normal terms and conditions , Scope of work and limitations of survey as written in the following pages request the survey on the vessel with the following information.

BOAT NAME	
TYPE	
LENGTH	
BUILT (YEAR)	

We as the below signed agree to the following Scope of work, terms and conditions and Limitations of Inspection work

SCOPE OF WORK

The Survey is made up of two main parts, the Report and the actual visit and inspection of the Vessel.

1: REPORT

Pre-purchase Survey Reports are presented under the three main headings below.

1: General

- **Scope of work:** The information that is covered by the report.
- **Limitations:** To make clients aware of what is feasible when undertaking a non-destructive survey. These are included below under terms and conditions.
- **Conditions:** Things that may affect the survey such as location, weather and stores/equipment onboard and available service records etc. This is listed in the final report dependent on the conditions at the time of the Survey.

2: Summary and Recommendations:

This will be given at the beginning of the report to facilitate a quick overview of the findings and any necessary work. The detail can then be viewed in the body of the report as required

- **Summary:** Background history of the vessel, overall condition, any major defects.
- **Recommendations:** Divided into items that should be dealt with before the vessel is used, or which may affect insurability and items which should be addressed in the near future in order to prevent future problems.

3: Detailed report of each of the areas inspected on the Vessel at the time of the Survey.

- Defects found will be listed
- Photos included when necessary
- Recommendations high lighted

2: VESSEL AREAS COVERED BY AN INSPECTION FOR A PRE-PURCHASE (CONDITION) SURVEY

This is a pre-purchase survey also known as a Condition Survey and its purpose is to establish the structure and general condition of the Vessel. The following areas of the vessel will be inspected as per the limitations and conditions at the time of inspection.

A report will be written as detailed in section one above including the below areas where appropriate.

DETAILS OF VESSEL

1. Details of subject vessel, (General description, Dimensions, Registration etc.).

HULL AND DECK STRUCTURE

2. Keel.
3. Hull below water line.
4. Topsides above water line including rubbing strakes etc.
5. Deck moulding
6. Coach roof
7. Cockpit
8. Hull/deck join
9. Bulkheads and structural stiffening including internal mouldings

STEERING STERN GEAR AND SKIN FITTINGS

10. Rudder and steering
11. Stern gear
12. Cathodic protection
13. Skin fittings and other through hull apertures

ON DECK

14. Main companionway and other accesses to accommodation.
15. Ports windows etc.
16. Pulpit, stanchions, pushpit, lifelines and jackstays.
17. Rigging attachment Points.
18. Ground tackle and mooring arrangements.
19. Other deck gear and fittings.
20. Davits and boarding ladders.

RIG (Sail Boats)

21. Spars.
22. Standing rigging
23. Running rigging
24. Sails and covers etc.
25. Winches and Clutches

SAFETY

26. Navigation lights.
27. Bilge pumping arrangements.
28. Firefighting equipment.
29. Lifesaving and emergency equipment.

ENGINE

30. Engine and installation.
31. Fuel systems

ACCOMODATION & ONBOARD SYSTEMS

32. Accommodation general.
33. Gas installation.
34. Fresh water tanks and delivery.
35. Heads
36. Electrical installation.
37. Electronic and navigation equipment.
38. Heating and refrigeration.

TERMS AND CONDITIONS

IT IS AGREED that the Surveyor shall perform the Scope of Work as detailed above subject to the following terms:

1. Surveys
2. Valuations
3. Limitations to liability
4. Laws and disputes
5. Miscellaneous

1. Surveys

1.1. The Client's instructions, and the scope of the Surveyor's services hereunder, are as defined in the Scope of Work. Any subsequent changes or additions to the Scope of Work must be agreed in writing by the Parties.

1.2. The Client undertakes to:

1.2.1. ensure that full instructions are given to the Surveyor and are provided in sufficient time to enable the required services to be performed effectively and efficiently. The Client agrees to disclose to the Surveyor all relevant information of which they have knowledge, or to which they have access, in relation to the vessel to be surveyed;

1.2.2. in consultation with the Surveyor, procure all necessary access to premises and vessels (including lift-out, trials and facility for inspection ashore and afloat as appropriate) for no less than such a time as shall in each particular circumstance be reasonable to enable all appropriate inspections and tests to be undertaken or performed; and

1.2.3. ensure that all appropriate safety measures are taken to provide safe and secure working conditions provided always that in the event of any breach of the requirements of this Clause

1.2.4. by the Client, the Client shall be responsible for all consequential costs incurred by the Surveyor in respect of any element of the Scope of Work undertaken.

1.3. Pursuant to the Scope of Work, the Surveyor will inspect the vessel as thoroughly as is practicable and endeavour to comment on the more important items where, in the Surveyor's reasonable opinion, major costs consequences are considered likely to arise. It follows that the Surveyor cannot comment on every minor matter but the Surveyor will try to point out where small factors may become more serious.

1.4. The Surveyor's intention is to report on the condition of the hull(s), superstructure and fixtures (if any) of the vessel so far as can reasonably be ascertained from a visual inspection of the vessel at its location at the time of survey. The Client accepts that the Surveyor's survey report(s) cannot cover hidden, unexposed or inaccessible areas of the vessel, neither can the Surveyor undertake to investigate areas that the Surveyor believes to be inaccessible at the time of inspection. Where the Surveyor is unable to gain access to areas commonly accessible, the Surveyor will endeavour to point this out.

1.5. In every case, the Surveyor recommends a full survey of a vessel, to include inspection of the vessel while lifted out and while in the water. Where the Surveyor accepts instructions to survey a vessel solely on the basis of an inspection of the vessel out of the water, the Surveyor makes no representation and gives no warranty as to the watertight integrity, stability or buoyancy of the vessel.

2. Valuations

2.1. All valuation work undertaken shall be in accordance with the Scope of Work and shall be on terms that, unless otherwise stated in writing, such work relates solely to the date and place referred to. Valuations are based on opinions only and are not representations of fact, nor do they carry with them any guarantee of the particulars or information on which opinions are based. Valuations assume a willing buyer and willing seller and market conditions applicable at the time of valuation or such other date as is expressly referred to.

3. Limitations of liability

3.1. The Surveyor shall undertake the services to which these terms relate with reasonable care, skill and diligence. The Surveyor shall not be liable under this Agreement for any loss or damage caused in circumstances (i) where there is no breach of a legal duty of care owed to the Client by the Surveyor or (ii) where, notwithstanding any such breach, any loss or damage is not a reasonably foreseeable result of such breach.

3.2. All services and reports are provided for the Client's use only. No liability of whatever nature is assumed towards any other party and nothing in these terms, or the relationship between the Surveyor and the Client, shall confer or purport to confer on any third party a benefit or the right to enforce any provision of these terms. The provisions of the Contracts (Rights of Third Parties) Act 1999 shall not apply to this Agreement and any person who is not a party to this Agreement shall have no right under that Act to enforce any term(s) of this Agreement.

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- 3.3.** The Surveyor shall not be responsible for loss or damage or any increase in loss or damage resulting from any material breach by the Client of any term of this Agreement.
- 3.4.** Any complaint by the Client in respect of the Surveyor's obligations under this Agreement must be notified to the Surveyor as soon as is reasonably practicable after the Client becomes aware of the alleged problem. Where any complaint is capable of remedy, the Surveyor must be afforded a reasonable opportunity both to inspect the subject matter of the complaint, and if necessary, remedy it.
- 3.5.** The Client agrees that, for reasons of commercial practicality, it is necessary to limit the Surveyor's potential liability to **£250,000** in respect of loss or damage suffered by the Client as a result of any breach by the Surveyor of any of the Surveyor's obligations under this Agreement. As such, the Client agrees that no liability howsoever arising whether under this Agreement or otherwise shall attach to the Surveyor except insofar as such liability is covered by the professional indemnity insurance referred to at *Clause 3.6.* and the aggregate amount of such liability shall in any event be limited to the value of a similar vessel of a similar age to that affected by such breach, without the alleged problem but allowing for fair wear and tear based on a willing buyer and a willing seller ("the Agreed Indemnity Limit"). The Agreed Indemnity Limit represents the maximum amount of the Surveyor's liability to the Client, under any and all circumstances.
- 3.6.** The Surveyor shall maintain professional indemnity insurance in the amount of the Agreed Indemnity Limit throughout the period of the performance of the Surveyor's duties hereunder.
- 3.7.** The Surveyor's liability shall not extend to particulars, data and other information given to the Surveyor by others or obtained from outside sources, publications and the like reasonably relied upon by the Surveyor, including Class records, registry details or other such information and no assurances can be given regarding the accuracy of the same.
- 3.8.** Unless otherwise stated in writing, all services and reports are provided on the basis that they carry no guarantee regarding ownership or title, freedom from mortgages or charges, debts, liens or other encumbrances, or vessel stability, performance or design.
- 3.9.** The Client shall be responsible for any losses, expenses or other costs reasonably incurred by the Surveyor that are caused by a breach of the Client's obligations to the Surveyor hereunder.
- 3.10.** The Surveyor shall not be liable in respect of any breach of his obligations hereunder resulting from unforeseeable causes beyond the Surveyor's reasonable control.
- 3.11.** Notwithstanding any other provision of this Agreement:
- 3.11.1.** unless otherwise stated in writing, no guarantee is given against faulty design, latent defects or as to the suitability of any vessel or other item for any particular purpose or of any vessel's compliance with any particular local, national or international requirement or code, and opinions are given without the benefit of running of machinery or opening up or other dismantling whether of interior linings, machinery or other items or systems;
- 3.11.2.** the Surveyor shall have no liability whether in contract, tort or otherwise in respect of the consequences of late, incomplete, inadequate, inaccurate or ambiguous instructions or the non-disclosure by the Client of relevant information; and
- 3.11.3.** the payment of all sums due and owing to the Surveyor pursuant to this Agreement shall be a pre-condition to any liability of the Surveyor hereunder.

BUSINESS OR COMMERCIAL OPERATION

- 3.12.** Notwithstanding any other provision of this Agreement, where the Client is acting in the course of a business or commercial operation:
- 3.12.1.** the Surveyor's liability shall expire twelve months after the final survey examination performed by the Surveyor in performing the Scope of Work and the Surveyor shall thereafter have no further liability whether in contract, tort or otherwise; and
- 3.12.2.** the Surveyor shall have no liability whether in contract, tort or otherwise for:
- 3.12.2.1.** any consequences of late performance of any survey and/or late delivery of any survey report;
- 3.12.2.2.** any breach of his obligations hereunder of which written notification shall not have been given, any consequential or economic loss or for loss of profit or turnover or loss of use suffered by the Client howsoever arising, whether under this Agreement or otherwise, and, without prejudice to the generality of the foregoing, the Surveyor shall not be liable if notification shall not have been given within 14 days of the date on which the Client ought reasonably to have become aware of the existence of such breach;
- 3.12.2.3.** any loss, injury or damage sustained as a result of **(i)** any defect in any material or workmanship, or **(ii)** the act, omission or insolvency of any person other than the Surveyor; the Surveyor shall have no liability to indemnify the Client in respect of any claim made against the Client for any such loss, injury or damage.

4. Law and disputes

4.1. Any contract or series of contracts made subject to these terms shall be subject to and governed by English law and:

4.1.1. in the case of a Client acting in the course of a business or commercial operation any dispute arising shall be submitted to the exclusive jurisdiction of the Courts of England and Wales; or,

4.1.2. in the case of a Client who is a consumer or who is not contracting in the course of business any dispute shall be submitted to the non-exclusive jurisdiction of the Courts of England and Wales.

5. Miscellaneous

5.1. The Surveyor may terminate the appointment forthwith (without prejudice to the Surveyor's accrued rights) if: (i) the Client fails for more than 28 days to pay any sum due in respect of or arising from the Surveyor's appointment when demanded; or (ii) the Client fails to respond promptly to requests for information and/or instructions and fails adequately to respond to 28 days' formal notice of such failure.

5.2. Without prejudice to the accrued rights of the other party, either party may terminate the appointment forthwith by notice if the other party shall become bankrupt or insolvent, or make any arrangement or composition for the benefit of creditors, or have anything analogous to any of the foregoing under the laws of any jurisdiction occur to it, or cease (or threaten to cease) to carry on business.

5.3. No exercise or failure to exercise or delay in exercising any right or remedy vested in either party shall be deemed to be a waiver by that party of that or any other right or remedy.

5.4. Neither party shall transfer or assign its rights or obligations under these terms without the prior written consent of the other.

5.5. In the event that any provision of these terms is held to be a violation of any applicable law, statute or regulation, such provision shall be deemed to be deleted from these terms and shall be of no force or effect and these terms shall remain in full force and effect as if such provision had not been contained herein. Notwithstanding this, in the event of any such deletion the Parties shall negotiate in good faith in order to agree the terms of an acceptable alternative provision.

5.6. Except where expressly stated to the contrary in a written document signed by the Parties on or after the date hereof, these terms form the entire agreement between the Parties and supersede all previous agreements and understandings between the Parties, and no warranty, condition, description, term or representation is given or to be implied by anything said or written in negotiations between the Parties or their representatives prior to the communication of these terms.

5.7. References to "the Surveyor" include the Surveyor's employees and persons, firms and companies appointed or engaged by the Surveyor as the Surveyor's agents for carrying out any work or services under these terms, all persons, firms and companies to whom performance of any work or services under these terms are sub-contracted or delegated by the Surveyor, and all agents and employees of persons, firms and companies referred to in this clause.

5.8. Any notice required to be given under the terms of this Agreement must be given in writing and communicated by letter or email. The notice must be sent to the address or email address previously provided by the receiving Party. Notices sent by first class post will be deemed to have been received two Working Days after posting; faxes and emails sent before 5pm on a Working Day will be deemed to have been received on the day of sending provided the sender has confirmation of transmission; and emails sent after 5pm or on a day other than a Working Day will be deemed received on the next Working Day provided the sender has confirmation of transmission. In this Clause "Working Day" means any day on which banks are open in England (excluding weekends).

5.9. Words denoting the masculine include the feminine and neuter and vice versa.

LIMITATIONS OF INSPECTION WORK

- 1.1.** Internal inspection is limited to the areas that are normally accessible directly or through lockers, inspection hatches, removable panels, etc. No part of the vessel is dismantled; no bolts are removed for inspection and no linings removed without prior agreement of the owner. Consequently, any part of the vessel, its equipment or fittings, which are unexposed or inaccessible, cannot be confirmed to be free from defect.
- 1.2.** All tanks are inspected where visible but are not internally inspected and are not pressure tested. Their contents are not tested for contamination.
- 1.3.** Window hatches and external doors are not tested for water tightness although signs of water ingress will be reported.
- 1.4.** The air conditioning and heating systems (if present) are not checked but can be switched on with the permission of the owner.
- 1.5.** We cannot inspect fibre glass laminate, woodwork or other parts of the structure which are covered, unexposed or inaccessible and we are, therefore, unable to report any such part of the structure is free from defects, rot or deterioration.
- 1.6.** The vessel and her equipment are not assessed for design or suitability for any particular purpose, or appliance with any rules, regulation, standard or code.
- 1.7.** Note that the terms "Serviceable" or serviceable condition, as used in the report, means that the item may remain usable, despite possible wear or deterioration. The item may nevertheless require maintenance or replacement in due course.
- 1.8.** No dismantling of the engine will take place and so the internal condition of the engine cannot be commented upon. Components hidden from view, such as the sump, crankshaft, Cam shafts, Pistons, valves and cylinder head gaskets cannot be examined for latent defects. No compression tests of the cylinders will take place. Comments can only be made with regard to the general condition of the engine on the day of the inspection. No guarantee can be made regarding the life expectancy of the engine internal.
- 1.9.** If the Mast is stepped the rig will be inspected from the deck level to eye height.



STANDARD PRE-PURCHASE (CONDITION) SURVEY - CONTRACT
As detailed above on the previous 6 pages

We as the below signed have read and understood the information as laid out in the above pages of the contract. AND WE AGREE TO THE FOLLOWING

Tim Bell (the Surveyor) on behalf of ©Bell Marine Surveying as part of the Octopus Europe C.B Spanish Reg E97418990 Company and _____ (the client)

Agree the following

The surveyor will carry out a Pre-purchase survey on the vessel Named:

VESSEL NAME _____

AT _____ ON _____
(any additional details)

2. The work will be carried out in accordance with the Yacht Designer and Surveyors Association Standard Terms and Conditions with the normal Scope of work and Limitations as laid out in the previous 6 pages.

3. The fee agreed: _____ will be paid 50% in advance and 50% on completion of the report.

4. The surveyor will produce a written report and deliver this to the client by e-mail and/or courier normally within 4 working days of completing the survey, but in any event no more than 7 working days unless agreed.

5. The surveyor will invoice the client for these services in full when the report is delivered and the client will settle the second payment on receipt of receiving the report. The report is invalid until final payment has been made.

SIGNED :

DATE:

NAME: TIMOTHY BELL On behalf of ©Bell Marine Surveying an Octopus Europe C.B trading name.

CLIENT INFORMATION

SIGNED: _____

PRINT NAME _____

DATE SIGNED: DAY MONTH YEAR _____

ADDRESS :

TELEPHONE: _____

EMAIL: _____

OTHER _____

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