



1. The Agreement, the Parties and the Work

1.1. This Agreement is a contract for supply of goods and/or services (the Work) between the following Parties:

The Customer, to whom the quotation for the Work (the Quotation) is addressed

And;

Morek Engineering Ltd, a company registered in England under company number 12013747 whose registered office is at 5 Woodlane, Falmouth, UK, TR11 4RG

1.2. This Agreement consists of these Terms of Agreement and the final Quotation.

1.3. This Agreement supersedes all prior negotiations, representations and undertaking.

1.4. Any variation to this Agreement requires the written acceptance of Morek from an authorised person.

1.5. The Customer will not be deemed to have accepted the Morek offer until the Customer has confirmed unqualified acceptance in writing or by e-mail. Unless stated to the contrary in the Quotation the offer is valid for 30 days from the date of issue.

2. Effective Start and Duration

2.1. The effective start date of this Agreement shall be the date upon which this Agreement was executed by both the Parties or, the date when Morek first commenced performance of the Work whichever is the earlier.

2.2. The Agreement shall continue until such time as the Work has been completed and Morek's final invoice has been submitted to and paid by the Customer or the Agreement has been terminated in accordance with these conditions.

3. Third Parties

3.1. Excepting Clause 14.3 for the purposes of the Contracts (Rights of Third Parties) Act 1999, this Agreement is not intended to, and does not give any person who is not a party to it any right to enforce any of its provisions.

3.2. Morek shall have no liability whatsoever for any negligence, default or omission by person or persons engaged by Morek on the Customer's instruction.

4. Morek' Obligations

4.1. Morek shall exercise reasonable skill, care and diligence in the provision of the Work and shall only be liable to the extent that it has been grossly negligent in such provision. Morek shall use reasonable endeavours to perform the Work in accordance with any programme agreed with the Customer from time to time. Morek shall have no liability for any failure or delay in the provision of the Work or any part thereof resulting from any condition or circumstances beyond the reasonable control of Morek.



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- 4.2. Morek reserves the right to substitute any named personnel in the Quotation with personnel of equivalent knowledge and experience. Customer shall have the right to agree any substitution. Such agreement shall not be unreasonably withheld by the Customer.
- 4.3. Unless stated otherwise in the Quotation, Work deliverables shall be in the English language.
- 4.4. Where the work involves the use of water borne vessels Morek will use reasonable endeavours to re-plan and/or absorb lost time due to restrictions imposed by weather. Notwithstanding the foregoing the cost of weather risk shall be borne by the Customer unless specifically stated to the contrary in the Quotation.
- 4.5. After the effective start date of this agreement, in any event where the U.K. Foreign & Commonwealth Office advice changes so that travel is not recommended to locations where Work is to be undertaken, Morek is forthwith released from its obligations to provide the affected Work to the Customer but in such cases Morek will seek to find a mutually agreeable resolution with the Customer to mitigate the effect on the Work. Customer shall pay Morek for all work undertaken in accordance with the agreement and for the committed cost of any expense or goods related to the affected work.

5. Customer's Instructions

- 5.1. Morek undertakes to appoint a project manager to receive instructions from the Customer and to direct the Work being provided under the Agreement.
- 5.2. Morek will accept instruction concerning the Work from those authorised in writing by the Customer.

6. Customer's Obligations

- 6.1. The Customer shall use reasonable endeavours to provide to Morek free of charge and so as not to delay any agreed programme: a) any instruction, consent, decision, and/or approval; and b) any relevant data and/or information under the control of the Customer which Morek may require in order to carry out the Work.
- 6.2. The Customer warrants that it has the right to have the Work performed and has obtained all necessary licences and approvals. The Customer shall indemnify and hold harmless Morek from and against all consequences of any failure in this respect.
- 6.3. The Customer shall arrange such rights of access to the property and use of the Customer's facilities as described in (or reasonably inferred from) this Agreement.

7. Operations at sites other than Morek

- 7.1. The Work may include visits to site(s) by Morek, who shall then be the Customer's visitor. Morek shall not be deemed to have assumed control or responsibility for the site or any personnel on it. The Customer shall notify others on the site: (a) of the presence of Morek personnel; and (b) of the extent (if any) to which Morek is authorised to direct and/or supervise their work; and (c) that the presence (or otherwise) of Morek personnel does not



relieve them of their responsibilities including safety and their obligations under their respective contracts and agreements.

- 7.2. Morek shall take reasonable precautions and use reasonable endeavours to minimise damage to property. If, notwithstanding such precautions and endeavours, any such property is damaged, the cost of rectification and all other losses shall be borne by the Customer.

8. Confidentiality

- 8.1. Each Party shall maintain the confidentiality of any documents and other information received from the other Party which are marked or notified as confidential. The recipient shall not release or disclose such documents or information, or permit release or disclosure, without the express instruction or prior permission of the other Party. The foregoing shall not apply where documents and/or information are already in the public domain or the release is to meet a legal obligation.

9. Copyright and Ownership

- 9.1. Morek reserves all rights in pre-existing intellectual property and in any intellectual property arising from the Work but will issue such permissions or licences as are necessary for the Customer to benefit from the Work. In the event of the Customer being in default of payment of monies due under this Agreement, Morek may revoke the licence granted herein.
- 9.2. Morek may with the consent of the Customer, which consent shall not be unreasonably withheld or delayed, publish alone or in conjunction with any other person articles, photographs or other illustrations relating to the Work undertaken by Morek.
- 9.3. The Customer undertakes to advise any third party to whom it passes any information provided by Morek to the Customer under this Agreement that they may not rely upon such information.
- 9.4. All software supplied by Morek, in whatever form, is supplied under licence and not by way of sale and is subject to Morek's relevant terms and conditions of licence and in the case of software licensed to Morek to terms and conditions equivalent to those between Morek and the Morek licensor.

10. Payment

- 10.1. The Customer shall pay Morek for the Work as specified in the Quotation.
- 10.2. If Morek undertakes work that is additional work instructed by the Customer; or which suffers disruption in the performance thereof because the task is varied by the Customer; or which is delayed by the fulfilment of Customer obligations; or where Morek is delayed by others or by events which were not reasonably foreseeable or because of other reasons beyond the control of Morek, then the Customer will make additional payment(s) to Morek in respect of the additional work carried out and the additional resources employed and/or disruption suffered (unless or to the extent the cause is due to the sole failure of Morek to exercise the level of skill and care required under Clause 4.1 hereof).

- 10.3. The Customer shall pay Morek each amount invoiced (including UK Value Added Tax if applicable) as laid out in the Quotation. The payment shall be in Pounds Sterling unless stated otherwise in the Quotation.
- 10.4. The final date for payment of each invoice is 30 days from the invoice date and Morek reserves the right at its sole discretion that any sums remaining unpaid at the expiry of such period of 30 days shall bear interest thereafter calculated in accordance with the Late Payment of Commercial Debts (Interest) Act 1998 as amended and supplemented by the late Payment of Commercial Debts Regulations 2018 and at the relevant reference rate plus the statutory rate of interest.
- 10.5. If part of an invoice is disputed or subject to question by the Customer the payment by the Customer of the remainder of that invoice shall not be withheld on these grounds and the provisions at Clause 10.4 above shall be applicable and also be applicable to disputed or questioned items that subsequently are agreed or determined to have been due to Morek.

11. Force Majeure

- 11.1. Morek shall not be liable for any delay in performing or failure to perform its obligations under this Agreement due to any cause outside its reasonable control, including but not limited to acts of God, epidemics, natural physical disasters, war, war threat or preparation for war, terrorism, civil commotion, riot, extreme weather and industrial disputes. Such delay or failure will not constitute a breach of this Agreement and the time for performance will be extended by such period as is reasonable.

12. Modification of the works

- 12.1. The project will be considered modified if;
- a) There are any changes to the basic principles, or other circumstances occur that were at the foundation of the project;
 - b) There are relevant changes in statutory regulations concerning the work;
 - c) There are relevant changes in the program requirements, or the original project;
 - d) Any changes required by the Client to work or variations of work that has already been approved or are part of a phase that has already been approved;
 - e) A requirement for additional work during the execution of the project becomes apparent.
- 12.2. In the event of a scenario in which the project is considered as modified Morek will reconsider price, delivery and conditions of works and engage the customer in discussion of a variation order to cover the changes.

13. Suspension and Termination

- 13.1. In the event of a breach of this Agreement by the Customer Morek may give 14 days' Notice of its intention to terminate the Agreement setting out the acts or omissions of the Customer relied upon as evidence of such breach. If the Customer does not, to the reasonable satisfaction of Morek, take expeditious steps to repair the breach during the notice period

Morek may on the expiry of the notice period terminate the Agreement by further Notice. Notwithstanding the foregoing, in the event of the failure of the Customer to make any payment due to Morek by the final date for payment Morek may, upon not less than 14 days' Notice, terminate the Agreement.

13.2. In the event of a breach of this Agreement by Morek the Customer may give 14 days' Notice of its intention to terminate the Agreement setting out the acts or omissions of Morek relied upon as evidence of such breach. If Morek does not, to the reasonable satisfaction of the Customer, take expeditious steps to repair the breach during the notice period the Customer may forthwith on the expiry of the notice period terminate the Agreement by further Notice.

13.3. Provided always that the Customer has made all payments properly due in accordance with Clause 10 and has agreed additional payment to Morek for all increased costs then the Parties may mutually agree to suspend the carrying out of the Work in whole or in part. Unless agreed otherwise by the Parties in writing, if the Customer has not required Morek to resume the performance of the Work within a period of 6 months from the date of the agreed suspension the Agreement shall be considered to have been abandoned and the Agreement shall terminate.

13.4. Termination of the Agreement shall not prejudice or affect the accrued rights or claims of either Party to this Agreement.

14. Liability and Warranties and insurance

14.1. Notwithstanding anything to the contrary contained elsewhere herein the total liability in aggregate of Morek under or in connection with this Agreement, whether in contract or in tort, in negligence or for breach of statutory duty or otherwise shall be limited to the value of the total payment (exclusive of VAT) due to Morek under this Agreement. The Customer shall indemnify and hold harmless Morek from and against any claims, liabilities, costs and expenses in excess of the aforesaid limit.

14.2. If the liability of Morek can be demonstrated, the liability will, for whatever reason, be limited to direct damages only. Direct damages will never include, but are not limited to; consequential damages, non-material damages, business interruption, demurrage, loss of profit and/or loss of income, loss of production or devaluation of goods.

14.3. Save in respect of death or personal injury the Customer shall look only to Morek for redress if the Customer considers there has been a breach of this Agreement. The Customer agrees not to pursue any claims in contract, tort or for breach of statutory duty (including negligence) against any individuals working or who worked for Morek at any time. The Customer acknowledges that such individuals are entitled to enforce this term of the conditions pursuant to the Contracts (Rights of Third Parties) Act 1999.

15. Notices

Any notices served by either Morek or the Customer shall be in writing delivered by registered post to the registered or main operating office of the Party concerned and shall be deemed to have been received forty-eight hours following the time of posting.



16. Assignment

Neither Party shall assign sub-let or otherwise transfer any obligation or benefit under this Agreement without the prior written consent of the other Party which consent shall not be unreasonably withheld or delayed.

17. Dispute Resolution

17.1. The Parties shall in good faith attempt to negotiate a settlement to any dispute between them arising out of or in connection with the Agreement.

17.2. If any such dispute cannot be resolved in accordance with Condition 17.1, the Parties will attempt to settle it by mediation in accordance with the Centre for Effective Dispute Resolution (CEDR) Model Mediation Procedure. Unless otherwise agreed between the Parties, the mediator will be appointed by CEDR. To initiate the mediation a Party must give notice in writing ("ADR notice") to the other Party to the dispute requesting mediation. A copy of the request is to be sent to CEDR. The mediation will start not later than fourteen (14) days after the date of the ADR notice.

18. Governing Law

The Contract shall be governed by and interpreted in accordance with English Law and shall be subject to the jurisdiction of the Courts of England and Wales. The submission to such jurisdiction shall not (and shall not be construed so as to) limit the right of Morek to take proceedings against the Customer in any other court of competent jurisdiction, nor shall the taking of proceedings in any other court of competent jurisdiction preclude the taking of proceedings in any other jurisdiction whether concurrently or not.