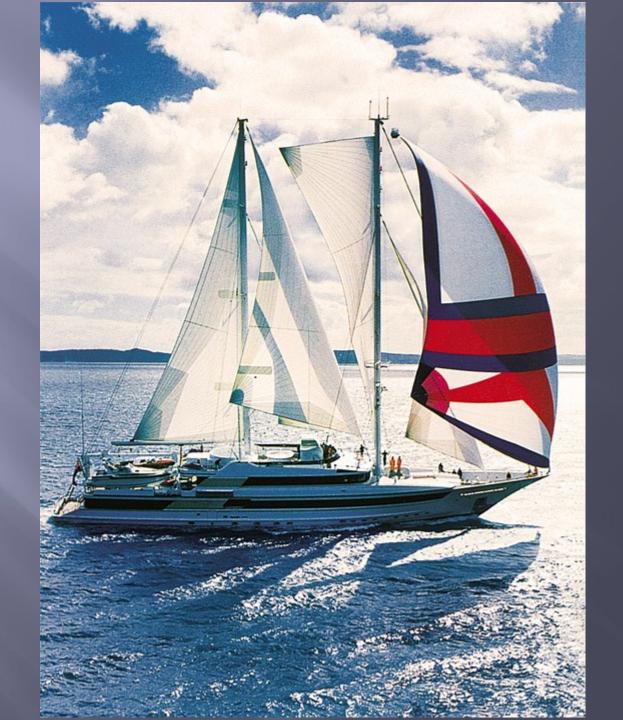


ENGINEERING ISSUES:
HOW TO ADDRESS THEM MORE
EFFICIENTLY
FROM LEGAL AND ENGINEERING
PERSPECTIVES

ERIC J. GOLDRING, ESQUIRE eric@yachtlaw.com

















The Shipyard shall not deviate from the requirements of the Plans and Specifications without prior written authorization by Purchaser. If Shipyard wishes to deviate therefrom, Shipyard shall clearly set forth the reason for, and advantages of, each proposed departure therefrom, the increase or decrease in the Purchase Price, if any, the change in weight and moments and centers caused thereby and delay in the Delivery Date, if any, (as defined below). Said proposal shall be submitted to Purchaser in writing and same shall be promptly reviewed by Purchaser. Purchaser shall signify its written acceptance or rejection of same on a true copy of Shipyard's proposal, same being forwarded to Shipyard within fourteen (14) days of its receipt by Purchaser. If Purchaser does not so respond within said 14 day period, then the proposal shall be considered rejected; and Purchaser shall not be considered in default of this Agreement.

(a) If the Plans and Specifications do not contain the specificity required for the completion of the Vessel, or any part thereof, or if they contain an error, conflict, discrepancy or omission, Shipyard shall promptly notify Purchaser of the plans and/or specifications needed and/or requiring modification. Shipyard shall use due diligence in determining same and in notifying Purchaser in such a manner so that there will be no delay in the Delivery Date. Contemporaneously, Shipyard shall advise Purchaser in writing of change in weight and moments and centers, same being without delays in the Delivery Date. Purchaser shall promptly review the proposal, signify its written acceptance or rejection of same on a true copy of Shipyard's proposal, same being forwarded to Shipyard within fourteen (14) days of its receipt by Purchaser.

PAINTING AND VARNISHING

In general only best quality marine finishes shall be used in the vessel. The builder is to ensure that all coatings are suitable for the material and application for which they are being used. He will keep a list of type, manufacture and color code of all paints used for future matching. All products will be applied in dry warm conditions to cleaned grease-free surfaces as recommended by the manufacturer. Colors will be to owner choice from standard manufacturers color charts. AWLGRIP paints and filler will be used throughout the hull and deck, or alternate to Owners choice. Paint manufacturer shall specify all finishes, filler, primers, etc. including their method of application, thinners and solvents to be used, humidity and temperature limits during application, curing times etc. The paint manufacturers representative shall approve all stages of application. At least 10 coats of varnish shall be applied. Aluminium Preparation

After aluminium work has been completed and exterior welding surfaces ground flush on hull topsides, superstructure sides, and cockpit areas, aluminium surface will be sanded or wire brushed, washed with deoxidine, and then alodine, with washcoat primers and barrier coats then being applied. This procedure shall be used for all bare aluminium on exterior surfaces above or below waterline. As part of Owner's manual, a final prep and procedure list shall be supplied giving exact directions as well as manufacturer's address and material used.

Hull Fairing

After hull has been properly washed and primed, Builder shall fair hull from deck edge - rail cap, down to keel area using suitable light weight filler, microballoons or equal. Fairing shall be kept to a minimum to reduce weight. Fairing to be done to a high-grade yacht finish and as per standard yard detail. Once fairing has been completed, Builder will apply primers and undercoats per finishing list as stated in these specifications.

Topside Painting

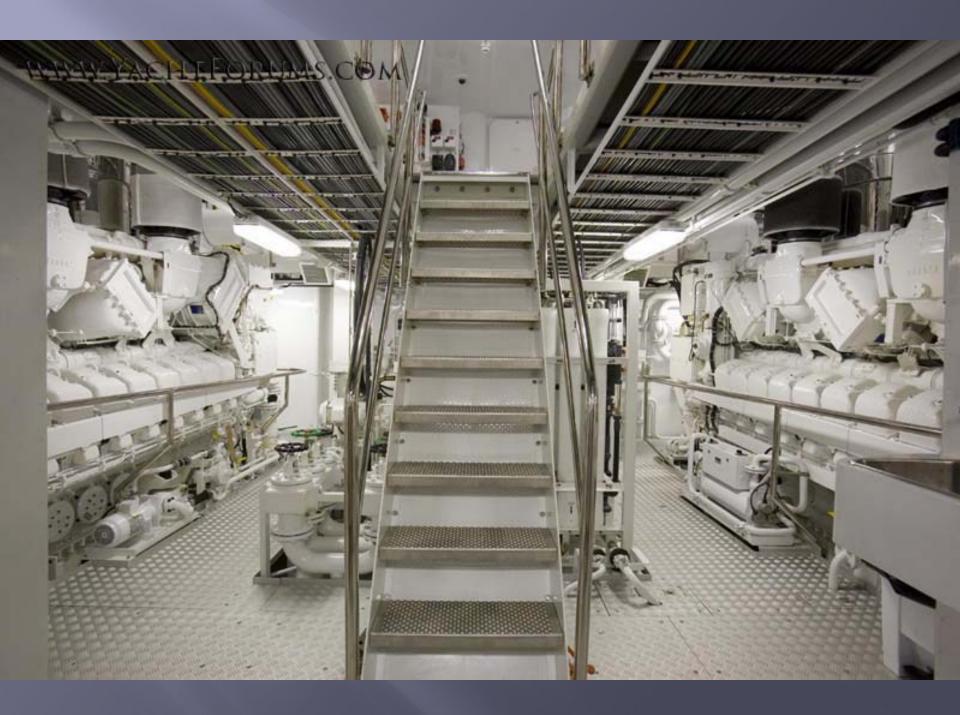
After hull fairing has been completed, and appropriate undercoats and primers applied from the manufacturers as stated earlier in the Specification, the Builder shall apply one (1) coat of undercoat material and two (2) coats of final paint to entire topside and transom area. Final finish of paint shall be full gloss. Colour of topsides to be chosen by Owner per standard colour list of suppliers. Paint finish will be of polyurethane type by Awlgrip.

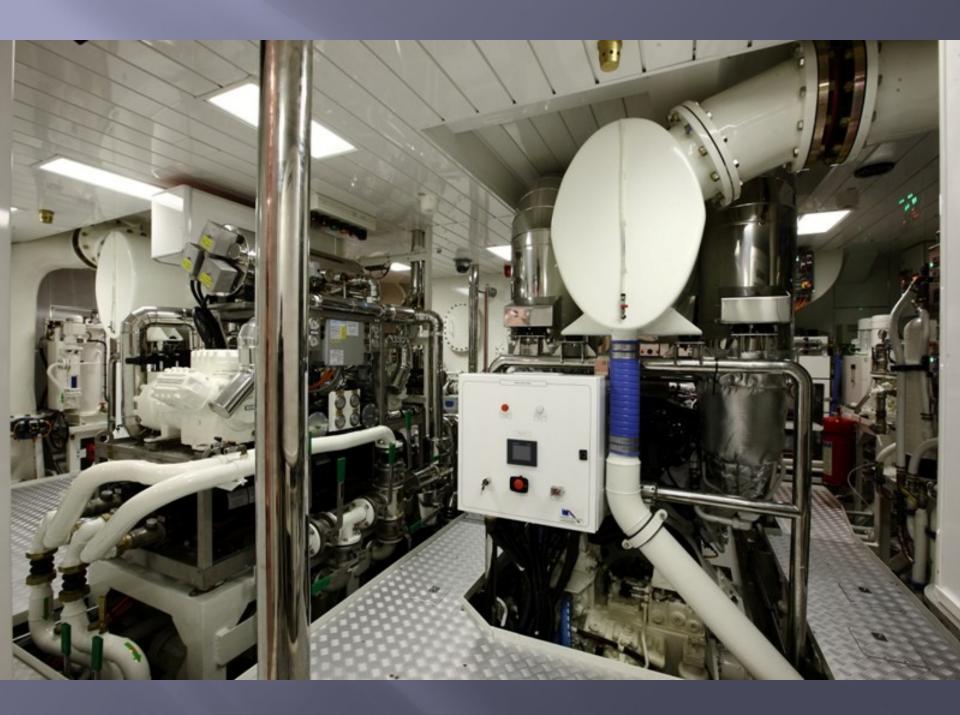
Boot Top

Builder will lay in boot top with exact location as determined by Architect. Boot top itself shall be a solid band of colour located between the topside paint and the bottom paint. Boot top will be laid in with an increased dimension rising towards the bow as shown on profile.

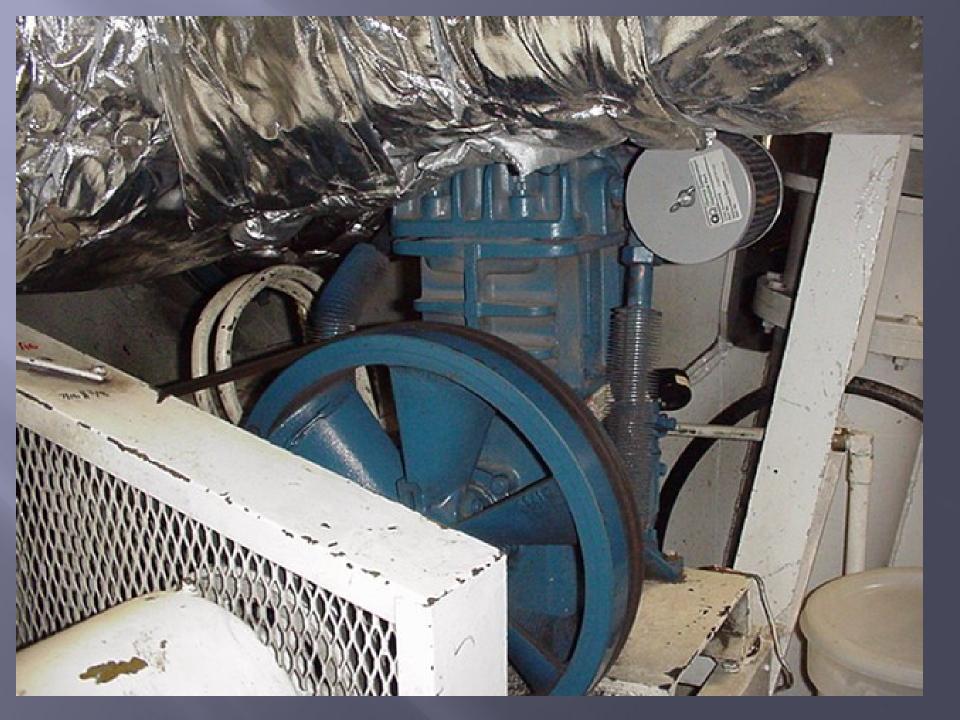
Note: Awlgrip system to be installed as per manufacturer specs.











MarQuip B.V.'s Website

Due to our vast experience with numerous refits, we understand that it takes a different kind of approach then during new build. From changing only silencers to overhauling the complete exhaust system of main- and generator engines, we have delivered them to the satisfaction of our customers.

Tips for a success full exhaust refit:

- 1. **Be early** It is imperative to contact us well in time before the yacht arrives at the yard. Our engineers are very creative in finding space for all the new components. But before we can make a custom design that works efficient, we really need your information as soon as it is available to you.
- 2. **Get as much info as possible -** For us to design the optimal exhaust system we would like to have the engine room as build drawing in DWG. We also would like to receive from you the engine output data as extensive as possible. If the refit will include an under water exhaust, we also need the wave pattern at different speeds.
- 3. Check the available data In our experience data can change after delivery of the yacht. Please check all data on accuracy.

It is an essential and material term of this Agreement that all materials and services provided by the Contractor shall be considered part of an integral system which involves a number of different suppliers of materials and/or services and which, due to the nature of working within a yacht environment, may be subject to change or modification; which is specifically acknowledged and accepted by the Contractor.

The Contractor shall be required to interface with all contractors working on this integral system and shall provide each contractor not only raw data and requirements of the supplied material and services, but any particular or specific information which may have an impact on the materials or services supplied by others.

In that regard, should there be a condition which is anticipated or discovered that requires the modification or alteration of a portion of the integrated system, the Contractor shall interface with the Owner's Representative and all relevant contractors to determine the most cost-effective and performance efficient solution(s) which shall be submitted (including all reasonable alternatives) to the Owner for its approval in accordance with the terms of this Agreement; noting that the Contractor is responsible for specifying the materials supplied for this integrated system.

By way of example, and without limitation, an engine supplier must provide the Owner and the contractors ranging from the engine room ventilation contractor to supplier of the through-hull fittings with any and all specifications and data which it reasonably believes may have an impact on the performance of the other contractors materials or those of any aspect of the integral system beyond the terminus of the Contractor supplied materials. If, example, the moisture content, temperature or chemical content of the exhaust discharged from the main engine is such that it may adversely impact upon the anticipated performance or useful life of the designed and approved silencers, baffles, ducting, through-hull or other fittings or exterior finals the contractors shall work together to find a joint acceptable solution at no additional cost to the Owner.

The Owner represents that each contractor engaged to supply services and/or materials on this integrated system shall have entered into an agreement with identical or substantially similar provisions.

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