



# DICKSON MARINE

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## STANDARD TERMS AND CONDITIONS OF TRADE

### SCOPE

These terms and conditions (T&C) are applicable to all contractual arrangements between Dickson Marine Refits Ltd (DMR), and Clients (Clients) which includes boat owners and their agents. The T&C cover all work as defined below. For any work these T&C may be in addition to other contracts where this has been agreed in writing between the parties.

### DEFINITIONS

In this document, "Vessel" includes any components, parts or items for use on, or to be incorporated in, a complete vessel, whether or not they are physically on a complete vessel at any particular time. "Work" includes repairs, maintenance, new construction, painting, the supply of parts and equipment, and all work and services supplied by DMR or its subcontractors. "Authorised Officers" of DMR are any persons in permanent employment at DMR of the level of foreman or above.

### OWNERSHIP, INSURANCE AND SECURITY

Vessels or property on the DMR site, or being worked on by DMR staff at other sites, remain the property of the owners. New equipment supplied, or construction/repair work carried out by DMR remains the property of DMR until paid for in full. Owners of vessels on the DMR site or being worked on elsewhere must have standard marine insurance cover for their vessel. In all cases vessels are lifted, moved, stored and launched at the owner's risk. Clients remain responsible for the security of all vessels, unless specific arrangements have been made with an authorised officer of DMR.

### WORKERS AND SAFETY ON SITE

Clients, or their contractors or subcontractors, are not permitted to work on vessels that are on DMR property unless prior approval has been given by an authorised officer of DMR. In all cases they must read and sign the "Contractor/Owner Checklist", and must comply with any safety instructions from DMR staff, and all requirements of the Health and Safety in Employment Act 1992. In no case may persons other than DMR staff change or interfere with the blocking or support arrangements for any vessel.

### DESCRIPTION OF WORK AND DESIGN

The Client is responsible for issuing clear instructions on the work to be carried out and ensuring that this is understood and agreed by DMR staff, and that any written description accurately describes the work required. DMR does not provide any design services, and Clients are required to engage their own design professionals for all items of work that involve significant alterations or are outside the scope of normal tradesman or yacht repair expertise.

### ESTIMATES & QUOTES

Estimates for any work or item are only valid if given in writing by an authorised officer of DM. Verbal statements on possible costs or budgets are not estimates and are not binding on DMR. Due to the highly variable nature of yacht repair work, estimates may vary by over 20% from final costs. Estimates are deemed not to include any unknown or unforeseen costs at the time of the estimate. Any such unknown costs arising during the course of the project shall be additional to the quote or estimate. Quotes for any work or item are only valid if given in writing by an authorised officer of DMR. A quote only refers to the work specified, and is only valid for the time period stated.

### VARIATIONS

DMR and the Client may agree at any time to variations in the agreed description of works or the cost of the work. DMR will endeavour to keep clients informed of cost variations as work progresses, but are not obliged to do so.

### DAMAGE AND WEAR AND TEAR

DMR are not responsible for any damage caused to vessels where the damage is a necessary consequence of work that has been agreed to be carried out. DMR are not responsible for fair wear and tear from the operational use of any vessel. DMR will accept no responsibility for damage to underwater appendages during lift operations unless the Travelift operator has been advised of exact locations. Clients are responsible for competently crewing vessels when arriving at and leaving the Travelift.

### WARRANTY

DMR will provide a warranty only for the work of DMR staff and its subcontractors, and such warranty applies only to work carried out and not to any existing parts or aspects of the vessel. DMR shall remedy, without undue delay, by repairing or if necessary replacing, any defect due to bad workmanship or use of defective materials. The warranty shall extend for a period of 6 months after completion of the work, including any defect not discoverable on completion but which becomes apparent during the warranty period. In all cases a defect must be notified in writing to DMR within two weeks of its discovery. The warranty does not cover fair wear and tear, or any defects where DMR are not given reasonable opportunity to remedy the work or where some other persons are employed to remedy the work without the prior agreement of DMR. The warranty for a painting job applies to paint condition only and does not cover any condition relating to movement or condition of the substrate.

### TERMS OF PAYMENT

Payment is due on collection of boats or goods, unless prior arrangement has been made. DMR will not permit owners to take possession of vessels unless payment has been made or arranged, and may require proof of cleared funds. For clients who have arranged to pay by monthly invoices, these are due for payment by the 20<sup>th</sup> of the month following the invoice date. DMR will charge interest on all overdue accounts, at a rate 7% above our bank's base lending rate at the time.

### DISPUTES

If any dispute or difference shall arise between DMR and the Client that cannot be settled by negotiation between the parties then the matter shall be referred to an independent mediator. If an agreement cannot be reached under mediation then the matter shall be referred to arbitration and the parties agree to be bound by the result. Alternatively, matters within the applicable monetary limit may be taken by either party to the Disputes Tribunal. In all cases the matters shall be handled in accordance with the current procedures and protocols of the Arbitrators' and Mediators' Institute of New Zealand.

### NEW ZEALAND LAW

The law of New Zealand shall be applicable to all matters including submissions to arbitration and the parties agree to be bound by the jurisdiction of the Courts and Tribunals of New Zealand. These T&C and any attached schedules are the complete agreement between the parties unless another document has been agreed in writing for any work and specifically references and extends these T&C.