

**MARINE CLAIMS OFFICE OF ASIA PTE LTD, SINGAPORE
MARINE CLAIMS OFFICE OF AUSTRALIA PTY LTD, PERTH
MARINE CLAIMS OFFICE OF MALAYSIA (SDN BHD), KUALA LUMPUR
PT MCO PRIMA INTERNATIONAL, JAKARTA**

TERMS OF ENGAGEMENT

1. Definition

- 1.1. In these Terms of Engagement "director" means a director of Marine Claims Office of Asia Pte Ltd and branches and associated offices as above and "MCO" means Marine Claims Office of Asia/ Australia/Kuala Lumpur/Jakarta as above

2. Obligation and Responsibilities

2.1. Client

- 2.1.1. MCO shall, when accepting instructions, identify the party who is the client and, unless otherwise agreed in writing, shall identify as the client the party from whom the instruction is received.
- 2.1.2. The client will be expected to ensure that full instructions are given to MCO and are provided in sufficient time to enable the required services to be performed effectively and efficiently and to procure all necessary access for MCO. MCO will not be liable for the consequences of late, incomplete, inadequate, inaccurate or ambiguous instructions.

2.2. Marine Claims Office of Asia/Australia/Kuala Lumpur/Jakarta as above

- 2.2.1. MCO will exercise due care and skill in the performance of its work in accordance with sound marine consulting and adjusting practice.
- 2.2.2. MCO will only undertake work for which its personnel are considered to have adequate qualifications and experience.
- 2.2.3. MCO shall promptly notify the client of any matter including conflict of interest or lack of suitable qualifications and experience, which would render it undesirable for MCO to continue involvement with the appointment. The Client shall be responsible for payment of MCO fees and expenses up to the date of notification.

2.3. Confidentiality

- 2.3.1. MCO will not disclose to any person any information provided in confidence by the client to any third party and will not permit access to such information by any person unless the client has expressly granted permission.

2.4. Property

- 2.4.1. The rights of ownership in respect of all files and other original work, including intellectual property, created by MCO shall remain vested in MCO unless otherwise agreed in writing. The foregoing does not apply for assignments involving litigation whether actual or contemplated.

3. Fees

- 3.1. Unless otherwise agreed MCO fees are based upon time expended. The normal charging rates for MCO personnel are provided on request.
- 3.2. MCO review charging rates at least annually. The client will be advised of any changes affecting the assignment.

4. Disbursements

- 4.1. Disbursements as dealt with herein, do not include the costs of adjusting and technical consultancy.
- 4.2. To avoid having to consult you in advance of incurring each item of cost, we take your initial instructions to us as your authority for us to incur reasonable disbursements in carrying out your instructions. Where disbursements will be substantial, we will obtain your agreement to such items and will reserve the right to ask you for money on account before we incur any liability, or alternatively to be reimbursed within thirty days, as appropriate.
- 4.3. All reasonable disbursements necessarily incurred to enable MCO to carry out the work will be charged at cost. This may include cost for travel, hotels, subsistence, photography, translation expenses and the like.
- 4.4. Telephone call charges, photocopying, fax call charges, post etc. and secretarial costs (other than for typing/printing adjustments) will be charged at 3.5% of fees.

5. Accounts and Payment

- 5.1. MCO normally renders bills upon completion of the assignment, although we reserve the right to render interim accounts as and when necessary. All bills are payable punctually and in any event, not later than 30 days following the relevant invoice date, or in such manner as may have been agreed in writing between the parties.
- 5.2. Unless otherwise agreed in writing, instructing clients will be fully responsible for payment of MCO invoices in accordance with these terms of engagement.

6. Storage of Papers, Documents & Electronic Files

- 6.1. After completing work, MCO is entitled to keep all the client's papers and documents while there is money owing for the charges and expenses of MCO will keep the client's papers and documents for no more than 6 years on the understanding that MCO has the authority to destroy them 6 years after the date of the final bill that MCO sends to the client unless otherwise advised in writing.

7. Liability

- 7.1. Without prejudice to clause 9, MCO shall be under no liability whatsoever to the client for any loss, damage, delay or expense of whatsoever nature, whether direct or indirect and howsoever arising in the course of the performance of that work UNLESS same is proved to have resulted from negligence, or wilful default of or any of its members, employees or Agents.
- 7.2. Any report or advice rendered to the client by MCO is intended for the use of the client and their advisers only and no responsibility or liability is accepted to any third parties.
- 7.3. In the event that the Client proves that the loss, damage, delay or expense was caused by the negligence, gross negligence or wilful default of MCO, then, save where loss, damage, delay or expense has resulted from MCO's act or omission committed with the intent to cause same or recklessly and with knowledge that such loss, damage, delay or expense would probably result, MCO liability for each incident or series of incidents giving rise to a claim or claims shall never exceed a sum calculated on the basis of ten times MCO charges or US\$125,000 whichever is the lesser.
- 7.4. Any claims against MCO by the Client shall be deemed to be waived and absolutely time barred upon the expiry of one year from the submission date of the Report to the Client.

8. Force Majeure

- 8.1. Neither MCO nor the client shall except as otherwise provided in these terms of engagement, be responsible for any loss, damage, delay or failure in performance hereunder arising or resulting from act of God, act of war, seizure under legal process, quarantine restrictions, strikes, boycotts, lockouts, riots, civil commotions and arrest or restraint of governments, rulers or people.

9. Governing Law

- 9.1. These terms shall be governed by and construed in accordance with Singapore/Australian/Malaysian/ Indonesian law as listed above.

10. Client Complaints/Dispute

- 10.1. Any client complaints should be directed to a Director of MCO who will implement the appropriate procedure.
- 10.2. In the event a dispute arises between MCO and the client, such dispute must first be rendered to Mediation in Singapore. A procedure for Mediation must be agreed upon by the parties within 14 days of one party requesting a Mediator. Unless otherwise agreed the parties will share the cost of the Mediation equally.
- 10.3. In the event that mediation is unsuccessful, the matter shall be referred to arbitration in Singapore in accordance with the UK Arbitration Act 1996 or any statutory or re-enactment thereof.

11. Time-bars

- 11.1. The client is deemed to be responsible for maintaining any time-bars that there may be in respect of their claim(s).