

MMM SURVEYS

TERMS AND CONDITIONS – V1 dated 2 Jul 2019

Aim

1. The aim of this document is to state the types of work that Mark McCrea Marine Surveys (hereafter referred to as 'the surveyor') undertakes, and to state the terms and conditions under which that work is conducted. The body requesting the services of 'the surveyor' is hereafter referred to as 'the customer'.

Services offered (types of survey)

2. The surveyor offers services to both **leisure/pleasure craft** customers and **commercial craft** customers.

3. The main types of survey are:

a. **Condition Survey.** Usually requested by the vessel's insurer to ascertain the risk of loss of the vessel. The common items for inspection are listed in the table at Para 2.

b. **Damage Survey.** Usually requested by the vessel's insurer to ascertain the extent of the damage and the likely cost of repair. The items for inspection are normally limited to the vicinity of the damaged area(s).

c. **Pre Purchase Survey.** Usually requested by the potential buyer of a vessel once a deposit has been paid. Its purpose is to provide the potential buyer with sufficient information on the condition of the vessel so that they can decide whether to complete, decline or re-negotiate the contract. The common items for inspection are listed in the table at Para 2.

d. **Compliance Survey.** Usually requested by an owner or operator in order to determine a vessel's compliance against specific regulations. Examples are a harbour or navigation authority requiring compliance with the Boat Safety Scheme, or the Maritime and Coastguard Agency requiring compliance with their codes. Here, the regulations/rules/code determine what items are inspected.

2. A guideline to what is covered in Condition and Pre-Purchase Surveys can be found in the table below.

Hull Items	Pre-Purchase Survey	Condition Survey
Hull – full external	Y	Y
Hull – full internal	Y	Y
Bathing Platform	Y	Y
Pullpits/Pushpits	Y	Y
Hull Valves	Y	Y
Skin Fittings	Y	Y
Guard Rails/Stanchions	Y	Y
Mast, Rigging and Sails (where fitted)	Y see note 1	Y see note 1
Chain Plates (where fitted)	Y see note 1	Y see note 1
Keel Bolts (where fitted)	Y see note 2	Y see note 2
Deck Furniture (cleats etc)	Y	Y
Ground Tackle	Y see note 3	Y see note 3
Superstructure Items		
Superstructure	Y	Y

Ladders	Y	Y
Davits	Y	Y
Doors and Hatches	Y	Y
Windows/Portlights/Scuttles	Y	Y
Machinery Items		
Steering Gear and Rudder Installation	Y	Y
Engine Installation	Y	Y
Gearbox/Drive/Shaft Installation	Y	Y
Propeller(s) and Nut(s)	Y	Y
Shaft/Drive Sealing Arrangements	Y see note 4	Y see note 4
Systems Items		
12v DC Electrical Installation	Y	Y
AC Shore Power Installation	Y	Y
Cathodic Protection Arrangements	Y	Y
Fuel System Installation including Tank	Y	Y
Fire Extinguishing and Escape	Y	Y
Pumping and Flooding Equipment	Y	Y
Heating and Cooking Installation	Y	Y
Electronic Equipment	Y	On request
Instrumentation	Y	On request
Fresh Water and Plumbing	Y	On request
Black Water (toilet) System	Y	On request
Sea Survival Equipment	Y	On request
Ventilation and Air Conditioning	Y	On request
Miscellaneous and Additions		
Moisture Readings (GRP, Wood)	On request	On request
Plate Thickness Readings (Steel, Aluminium)	On request	On request
Battery Inspection and Testing	On request	On request
Engine Test Run	On request	On request
Other System Performance Assessment	On request	On request

Notes:

1. The mast and rigging will be fully inspected when laid down ashore horizontally. If the vessel is ashore or afloat with the mast fitted, it will only be inspected to eye level.
2. When requested to do so by the owner, potential buyer or insurance company. The customer is to arrange for the removal of bolts while the surveyor is present.
3. The customer is to arrange for the anchor and cable to be laid out ashore for inspection by the surveyor.
4. The true condition can only be assessed with the vessel afloat in a deep draught condition (maximum water pressure).

3. Other services are:

- a. **Partial Surveys** where the customer may ask the surveyor to 'run a professional eye' over several vessels in order to determine which to investigate further.
- b. **Construction Surveys** where the surveyor routinely inspects a vessel during build to ensure quality is being maintained.
- c. **Pre-Delivery Inspections** where the surveyor checks over a brand-new vessel before the customer accepts the vessel.
- d. **Sea Trials** to assess the performance of machinery and systems.

Scope of Work

4. The required scope of work shall be clearly communicated to the surveyor by the customer.
 - a. Leisure customers. The scope of work may be agreed verbally or in writing if deemed necessary by either the surveyor or the customer. If the customer is content with the scope and wishes the surveyor to proceed, this instruction may be verbal or provided in writing if deemed necessary by either the surveyor or the customer.

b. Commercial customers. The scope of work may be discussed verbally. The surveyor will then provide his understanding of the scope of work to the customer in writing (the offer). If the customer is content with the scope and wishes the surveyor to proceed, this instruction must be given in writing (acceptance of the offer). Any subsequent changes or additions to the scope of work must be agreed in writing by the parties.

Preparation of Vessel for Survey

5. **Landing the vessel ashore.** The customer is responsible for arranging for the vessel to be removed from the water, have all areas cleaned of marine growth, set on suitable chocks or a cradle, located on level ground in a safe area and for providing safe access and egress, in relation to both the site and the vessel, for the surveyor.

6. **External preparations.** Ensure the hull and superstructure are clean, remove any tarpaulins, window or hatch covers and stream out the ground tackle.

7. **Internal preparations.** The surveyor needs to inspect a clean, dry, empty vessel. The following preparations should be made.

a. Make sure all doors, hatches, cupboards, steering gear, padlocks etc are unlocked. If you want to leave the main access door locked ensure the key is available for the surveyor nearby.

b. Empty lockers of gear and remove/open all hatches/access panels, especially those that allow access to the hull, hull fittings, tanks or systems. Empty out any bilge water and wipe dry.

c. Ensure that all areas are suitably cleaned to allow inspection. This includes machinery and engine spaces which are prone to accumulations.

d. Should any tanks need to be internally inspected, they should be empty with the access panel/tank lid removed. Reference: Confined Space Regulations 1997. This requirement will be discussed under 'scope of work' as required.

8. **Access aloft (masts etc).** If items such as masts or other aloft areas are to be inspected, suitable safe access must be provided. Alternatively, the item (e.g. mast) must be removed from the vessel and placed on the ground such that the surveyor may inspect.

9. **Keel bolts (yachts).** If keel bolts or areas under ballast are to be inspected, the customer is to ensure that a shipwright is on hand to remove them.

10. **Sea trials.** Where a sea trial is required, the customer is responsible for arranging the vessel to be in water and ready for sea. The customer shall arrange for provision of a helmsman/coxswain who is capable of driving and navigating the vessel in local waters, and is capable of operating all associated systems (e.g. propulsion, navigation aids, instrumentation, navigation lights, sound signalling equipment, capstans/windlasses etc) plus any crew necessary to operate the vessel.

11. **Stability tests.** The customer is responsible for arranging stability tests which are to be witnessed by the surveyor. The surveyor will provide advice on the requirements for such tests under 'scope of work'.

12. The surveyor is not liable for any costs associated with preparing a vessel for survey, tests or trials.

13. If the surveyor is not content with the above preparation, he will contact the customer to resolve the issue.

14. Should this, or any other action not attributable to the surveyor, impact on the time taken to complete the survey on site, the surveyor reserves the right to issue proportionate additional charges to cover the additional time. This will be communicated to the customer at the earliest opportunity.

15. The customer is required to disclose to the surveyor any known significant defects and any history of accidents, incidents, machinery/system/structural failures or other such information that relates to the past and current safe condition of the vessel.

Limitations of survey

16. The surveyor will only be able to inspect what can be seen at the time of survey. To allow as much of the vessel to be inspected as possible, the customer is required to prepare the vessel for survey – see Paras 5 to 15. The surveyor will inspect as much as he can, where normal access allows, at the time of survey. The surveyor will not inspect any areas which require the surveyor to use tools to gain access. Typical areas which are unlikely to be inspected are those under tanks, under engines, inside tanks, inside voids, behind linings, under fixed seating, behind cupboards, under floors etc.

17. The surveyor will inspect the vessel as thoroughly as is practicable and endeavour to comment on the more important items. 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.

18. Unless instructed and agreed under the scope of work, all inspections are external and static. The surveyor is not liable for the condition or operation of machinery or systems that have not been inspected internally or dynamically run during the scope of work. Where the scope of work includes an assessment of the performance of systems (e.g. propulsion system during a sea trial), the report will only comment on the performance on that day. The surveyor's liability with respect to the performance of such systems expires on completion of the trial on that system. For example, the surveyor is not liable if an engine suffers a major failure the day after survey.

19. The surveyor is not liable for any loss or damage caused where there is no breach of legal duty of care or where any such damage is not foreseeable.

20. The surveyor's liability shall expire 12 months after completion of the survey. The surveyor shall maintain professional indemnity insurance throughout this period. By instructing the surveyor to proceed with the scope of work, the customer agrees that, in any event, the surveyor's liability is limited to the value covered by his professional indemnity insurance; this will be not less than £250,000.

21. 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.

22. The copyright of the survey remains with the surveyor and should not be copied in part or whole without the express permission of the surveyor.

23. The survey report represents the surveyor's opinion of the condition of the vessel in relation to either good practice or codes/regulations. Due to the element of subjectivity, the surveyor cannot guarantee that subsequent inspections or surveys will agree with survey provided under this contract. As such, the surveyor is not liable for any works resulting from a survey by a different surveyor.

Valuations

24. Where a valuation is requested or provided, they are based on opinions only and are not representations of fact, nor do they carry with them any guarantee. Valuations assume a willing buyer and willing seller and market conditions applicable at the time of valuation.

Fees

25. The fee agreed between the surveyor and the customer for the services to be provided shall not include the costs of travel, subsistence and accommodation. Where required, these fees will be discussed and agreed prior to the customer instructing the surveyor to proceed against the scope of work.

Payment Terms

26. The following payment terms apply:

- a. Leisure customers. Payment to be made and cleared prior to handing over of the survey report.
- b. Commercial customers. Payment normally to be made and cleared prior to handing over of the survey report. Alternatively, payment may be on such terms and in such amounts as shall be agreed from time to time; these shall be stated in the surveyors 'offer' at Para 4.b.
- c. All customers. The surveyor reserves the right to request a deposit prior to conducting the scope of work, this will depend on the scope of work and distance to be travelled.