

1. Place and date	
2. Owners (Full style and address) (Cl. 1)  Owners warrant that they are*/are not* bareboat charterers (* delete as applicable)	3. Contractors (Full style and address) (Cl. 1)
4. Vessel's name (Cl. 1)	5. Contractors' Yard (Cl. 1)
6. Contract Period (Cl. 1 and Cl. 2(a)(iii))	
7. Vessel's description (Cl. 1) Flag /Year built: / Port of registry:  Classification Society:  DWT Mts (Summer):  GT/NT: / LOA/LBP:  Breadth/Depth moulded:	
8. Delivery Date (Cl. 4(a))	9. Cancellation Date (Cl. 4(b)(i))
10. Contract Price and currency (Cl. 1 and 5(a))	11. Overtime periods and rates (Cl. 2(a)(ii))
12. Owners' Representative(s) (Cl. 3(a))	13. Guarantee period in months (Cl. 7(b))
14. Payment terms (Cl. 5(b))	
15. Total liability (a) Contractors' (Cl. 6(a)), (b)(iv)(1)  (b) Owners' (Cl. 6(b)(iv)(2))	16. Liability for late redelivery (Cl. 6(a)) Daily Rate Maximum liability
17. Interest rate (Cl. 4(b)(ii)), 5(b)(iii) and (iv))	
18. Dispute resolution (state 12(a), 12(b)) or 12(c)), as agreed; if 12(c) agreed state place of arbitration) (if not filled in 12(a) shall apply) (Cl. 12)	
19. Redelivery Termination Date (Cl. 9(a)(iii))	
20. Numbers of additional clauses attached, if any	

It is mutually agreed between the party stated in Box 2 and the party stated in Box 3 that this Contract consisting of PART I and PART II as well as Annex "A" (Specification), Annex "B" (Work Variation Form) and, if applicable, Annex "C" (Tariff) shall

**PART I**  
**REPAIRCON – Standard Ship Repair Contract**

be performed subject to the conditions contained herein. In the event of a conflict of conditions, the provisions of PART I and Annexes “A” and “B” and, if applicable, Annex “C” shall prevail over those of PART II to the extent of such conflict, but no further.

Signature (Owners)	Signature (Contractors)
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Sample copy

**PART II**  
**REPAIRCON – Standard Ship Repair Contract**

**1. Definitions**

“Additional Works” means all work, if any, in addition to or modification of the Specification Works (including any changes required by changes in the rules of the Owners’ regulatory bodies after the date of the Contract), which are to be described on a Work Variation Form attached as Annex “B” hereto.

“Completion” means the completion of the Works.

“Contract Period” means the period (commencing on the first working day after the date of delivery) agreed between the Parties as stated in Box 6 for the performance of the Specification as may be amended as a consequence of Additional Works and/or Reductions and/or pursuant to Clause 8 (Disruptions).

“Contract Price” means the agreed price for the Specification Works as stated in Box 10, as may be adjusted by the value of any Additional Works less any Reductions.

“Contractors” means the company stated in Box 3.

“Contractors’ Yard” means the premises of the Contractors stated in Box 5.

“Delivery” means delivery of the Vessel to the Contractors at the Contractors’ Yard or elsewhere as may have been agreed between the Parties.

“Owners” means the Owner stated in Box 2.

“Parties” means the Owners and the Contractors.

“Redelivery” means redelivery of the Vessel to the Owners at the Contractors’ Yard or elsewhere as may have been agreed between the Parties.

“Reductions” means all deletions, if any, to the Specification Works, which are to be recorded on a Work Variation Form.

“Specification Works” means the work to be carried out under this Contract described in the Specification attached as Annex “A” hereto.

“Sub-contractors” means all persons engaged by the Contractors to do work, supply materials or equipment, or provide accommodation or services in connection with the Works.

“Tariff” means the rates agreed, if any, in Annex “C” attached hereto.

“Vessel” means the vessel described in Boxes 4 and 7.

“Works” means the Specification Works, as may be amended by any Additional Works and/or Reductions.

**2. Performance and Approval of the Work**

(a) Performance of Works

(i) The Contractors shall perform the Works in accordance with the provisions of this Contract, the requirements of the Parties’ regulatory bodies, and to the reasonable satisfaction of the Owners.

(ii) The Works shall be performed in accordance with best local practice and, unless otherwise agreed, within normal working hours. Any overtime carried out by the Contractors to complete the Works within the Contract Period shall be for their account, but any overtime carried out at the Owners’ written request shall be subject to extra cost as stated in Box 11.

(iii) The Contractors shall make all reasonable endeavours to perform Additional Works as requested by the Owners and recorded in the Work Variation Form. The Contractors shall, wherever possible, perform Additional Works within the Contract Period stated in Box 6. However, where the Parties agree that Additional Works will

**PART II**  
**REPAIRCON – Standard Ship Repair Contract**

extend, or Reductions shorten, the Contract Period, the increase or decrease in Duration shall be recorded on a Work Variation Form and the Redelivery Termination Date will automatically be extended or shortened by the same period.

(iv) In the event of Additional Works or Reductions, the Contract Price shall be adjusted by agreement Between the Parties and recorded on a Work Variation Form. Where the Parties agree to Reductions, the Owners shall be credited with the equivalent of the cost saved as a result of such Reductions (see also Clause 5(a) (Price)).

(v) Should any of the specified materials or equipment not be available at the time required for use in the Vessel, the Contractors shall have the right to use other suitable materials or equipment of equivalent Standard in replacement thereof, subject to the agreement of the Classification Society and the Owners, the latter's consent not to be unreasonably withheld.

**(b) Contractors' right to sub-contract**

Subject to the Owners' right to object on reasonable grounds, the Contractors shall have the right to employ sub-contractors to perform any works provided that the Contractors remain responsible for all of their sub-contractors' actions.

In the event of such a sub-contract the Contractors shall remain liable for the due performance of their obligations under this Contract.

**(c) Approvals and Certificates**

(i) The Contractors shall be responsible for obtaining and maintaining all necessary approvals and certificates of whatsoever nature relating to the Works as required by the Contractors' regulatory bodies. The Owners shall provide any reasonable assistance that may be required in this respect.

(ii) The Owners shall be responsible for obtaining and maintaining any approvals or certificates relating to the Vessel and the Works as required by the Owners' regulatory bodies. The Contractors shall provide any reasonable assistance that may be required in this respect.

**3. Supervision and Owners' Work**

**(a) Owners' Representatives**

(i) The supervision of the Works shall be carried out by the Owners' Representative(s) as stated in Box 12 or such other person(s) as the Owners may from time to time appoint and notify to the Contractors in writing. The Owners shall have at least one representative present at the Contractors' Yard throughout the Works. The Owners' Representative(s) shall be authorised to act on behalf of the Owners in respect of all matters relating to the Contract, including but not limited to the approval of plans, drawings, calculations, and documents, and agreeing and signing Work Variation Forms and invoices.

(ii) The Owners' Representative(s) shall at all times provide reasonable assistance to facilitate timely and efficient completion of the Works.

(iii) The Vessel's Master shall be the Owners' Representative unless stated otherwise in Box 12.

(iv) The Contractors shall, at their own expense, provide the Owners' Representative(s) with reasonable office accommodation and facilities (including communication facilities) as the Owners may reasonably require, provided the Owners shall bear the costs of all such communication expenses.

(v) The Contractors shall grant the Owners' Representative(s) reasonable access to the Contractors' workshops whenever work on the Vessel or parts of the Vessel is being carried out and shall ensure such reasonable access to any other premises or site where work is being carried out in connection with the Vessel.

**(b) Owners' Work**

**PART II**  
**REPAIRCON – Standard Ship Repair Contract**

Subject to prior written agreement with the Contractors, whose consent shall not be unreasonably withheld, the Owners, or the Master and crew, or any sub-contractor employed or engaged by the Owners, shall be entitled to carry out the Owners' own work on the Vessel, provided the Owners remain responsible for all of their actions and such work does not interfere with or delay the Works.

**4. Delivery, Redelivery and Acceptance of the Vessel**

(a) Delivery

(i) The Vessel shall be delivered at a safe place nominated by the Contractors on the Delivery Date stated in Box 8, safely afloat and, unless otherwise agreed, gas free and/or inerted, free of cargo, slops, sludge, dirty ballast and of any substances in the structure of the Vessel in way of the Works which are dangerous or harmful to health.

(ii) The Owners shall keep the Contractors promptly advised of any changes to the Vessel's Delivery Date.

(iii) A Protocol of Delivery shall be signed by the Parties hereto confirming the time of Delivery.

(b) Cancellation

(i) Contractors' Cancellation

If, for any reason, the Vessel is not delivered to the Contractors on or before 1500 hours local time on the Cancellation Date stated in Box 9, the Contractors shall have the right, exercisable no later than 1700 hours local time the same day, to cancel this Contract and to recover any costs and expenses which they have reasonably incurred in the performance of the Contract up to the date of cancellation (including sums payable to Sub-contractors provided they were incurred with the Owners' prior written agreement) to the extent that such sums are not otherwise excluded under this Contract, and thereafter the Parties' obligations under this Contract shall be at an end.

(ii) Owners' Cancellation

If, for any reason, the Contractors fail to commence the Works in accordance with the Specification within 48 hours of the date on which the Vessel is delivered in the condition stipulated in Clause 4(a)(i) (Delivery), the Owners shall have the right to cancel this Contract within 24 hours, whereupon the Owners shall be entitled to demand immediate redelivery of the Vessel without compensation to the Contractors, and to recover (A) any sums already paid to the Contractors together with interest at the rate stated in Box 17, and (B) all other expenses which the Owners have reasonably incurred in connection with this Contract, to the extent that those sums are not otherwise excluded under this Contract, but in any event excluding the Owners' cost of taking the Vessel to the Contractors' Yard, and thereafter the Parties' obligations under this Contract shall be at an end.

(c) Redelivery

(i) Redelivery of the Vessel to the Owners shall take place within the Contract Period.

(ii) Without prejudice to Clause 7 (Guarantee), such inspections, tests and/or trials as are necessary for the purpose of determining whether the Vessel at Redelivery complies with the terms of this Contract shall be carried out prior to Redelivery in the presence of the Owners' Representative(s). The Contractors shall keep the Owners advised of progress and the expected dates for Redelivery and Completion.

(iii) Defects and defaults in the performance of the Works, shall be listed in a protocol prepared by the Parties. The Contractors shall at their cost rectify any such defects and defaults before Redelivery, unless the Owners can agree that completion of certain of the Works can take place after Redelivery.

(iv) Without prejudice to the provisions of Clause 7 (Guarantee), at the date of Redelivery a Protocol of Redelivery and Acceptance shall be signed between the Parties which shall identify any Works to be completed after Redelivery.

**PART II**  
**REPAIRCON – Standard Ship Repair Contract**

**5. Financial Provisions**

(a) Price

(i) The Contract Price, as stated in Box 10, covers all items in the Specification Works for which a fixed price has been agreed.

(ii) Where a fixed price has not been quoted for any item in the Specification Works and/or Additional Works, the price shall be calculated by reference to the agreed Tariff, or if there is no agreed Tariff, reasonable rates applying in the location of the Contractors' Yard.

(b) Payment

(i) The Contract Price shall be payable by the Owners free of all taxes, bank charges, exchange control regulations and in the currency stated in Box 10, in accordance with the payment terms agreed in Box 14 or, if no such terms are agreed, at Redelivery.

(ii) Any part of the Contract Price due between Redelivery and Completion shall be payable in accordance with the payment terms agreed in Box 14 or, in the absence of such agreement, upon Completion.

(iii) If the payment terms agreed in Box 14 require interim payments prior to Redelivery and the Owners fail to pay any such sums on the dates agreed, the Owners shall pay interest at the rate stated in Box 17 on such outstanding sums. In the event that such sums (together with accrued interest) are not paid within 3 working days of their due date, the Contractors shall have the right to suspend work on this Contract without thereby incurring liability to the Owners until payment of outstanding sums (including accrued interest). The Contractors shall also have the right to recover from the Owners all direct and indirect costs arising from such suspension of work to the extent not otherwise contractually excluded.

(iv) If the payment terms agreed in Box 14 require payments to be made after Redelivery and the Owners fail to make any such payments, the Owners shall pay interest at the rate stated in Box 17 and, failing payment of such outstanding sums (together with accrued interest) within 3 working days of their due date, any other payment instalments agreed to be payable at any later date shall become due immediately.

(c) Title to the Vessel

(i) Title to the Vessel shall remain at all times with the Owners.

(ii) Except as provided in Clause 5(c)(iii), the Contractors shall not permit nor suffer any lien to be created on the Vessel as a consequence of their work or that of the Sub-contractors.

(iii) The Contractors shall be entitled to exercise a lien on the Vessel for all sums due to the Contractors on or before Redelivery.

**6. Liquidated Damages, Liabilities and Indemnities**

(a) Liquidated Damages

In the event that Redelivery is delayed beyond the Contract Period, the Contractors accept liability for liquidated damages in the sums stated in Box 16 for each day of delay, subject to any maximum amount stated in Box 16, and subject always to the Contractors' Total Liability as stated in Box 15(a).

(b) Liabilities

(i) Liability for Loss or Damage

(1) The Contractors shall only be liable to the Owners under this Contract when proven loss or damage has been caused by the negligence, gross negligence or wilful default of the Contractors or that of those for whom they are responsible.

**PART II**  
**REPAIRCON – Standard Ship Repair Contract**

- (2) Except in the event of prior cancellation or termination, the Contractors' liabilities arising out of or in connection with this Contract of whatsoever nature and howsoever arising shall cease upon Redelivery or, if later, Completion, except as provided in Clause 7 (Guarantee) and Clause 11(e) (Intellectual Property).
- (3) The Owners shall only be liable to the Contractors under this Contract when proven loss or damage has been caused by the negligence, gross negligence or wilful default of the Owners or that of those for whom they are responsible.
- (4) Any tests, trials or movements of the Vessel shall be at the Owners' sole risk and responsibility, and the Contractors shall not be under any liability whatsoever to the Owners for any loss, damage or expense resulting from such tests, trials or movements, unless caused by the intervention, act or omission of the Contractors.
- (5) Except as provided in Clause 6(a) (Liquidated Damages), in no circumstances shall either party's liability to the other party include any sum in respect of loss of hire, profit, use or business, or any similar direct, indirect or consequential loss, damage or expense arising out of or in connection with this Contract.

(ii) Liability for Death or Personal Injury

Each party accepts responsibility and liability for the death or personal injury of its own personnel, and the personnel of those entities for whom they are responsible under this Contract, irrespective of the cause of death or personal injury, and whether or not caused by the negligence or gross negligence of the other party, or those entities for whom the other party are responsible under this Contract.

Each party further agrees to indemnify and hold harmless the other party, as regards both liability and legal costs, in the event that the aforesaid personnel or their dependants pursue claims for death or personal injury against the party who is not responsible for them under this Contract.

(iii) Third Parties

- (1) Each party agrees to indemnify the other party against all claims made against the other party by third parties (being those individuals and entities for whom neither party is responsible under this Contract) in any way related to this Contract, where such claims are caused by, or to the extent that they are contributed to by the indemnifying party's negligence, gross negligence or wilful default or that of those for whom it is responsible under the terms of this Contract.
- (2) The indemnifying party shall bear the expense of investigations and defences of all claims against which the other party is indemnified under subclause (1) above and all lawsuits arising therefrom including the legal costs of the indemnified party.

(iv) Contractual Limitation

- (1) Except as provided in Clause 7 (Guarantee), the Contractors' liability arising out of or in connection with this Contract shall be limited to the Contractors' Total Liability as stated in Box 15(a).
- (2) The Owners' liability arising out of or in connection with this Contract shall be limited to the Owners' Total Liability as stated in Box 15(b).

(v) Employees, Servants, Agents and Sub-contractors

The limitations on each party's liability in this Clause 6(b) (Liabilities) shall also apply to the liability of those for whom that party is responsible under this Contract. Each party further agrees that it will not, and will ensure that those for whom it is responsible do not, circumvent the aforesaid limitations and allocation of responsibility by taking legal proceedings against the employees, servants or agents of the other party, and to this extent each party shall be deemed to be acting as agent or trustee on behalf of and for the benefit of all such persons.

**PART II**  
**REPAIRCON – Standard Ship Repair Contract**

(c) Limitation

Nothing herein contained shall affect any right that the Parties may have to limit their liability under any statutory enactment for the time being in force.

**7. Guarantee**

- (a) The guarantee shall apply to the Works performed and materials supplied by the Contractors and, for the avoidance of doubt, by the Sub-contractors.
- (b) Pursuant to the guarantee, the Contractors shall be responsible for repairing defects in materials, equipment and workmanship existing at the time of Redelivery or, if later, Completion, provided always that notice of complaint in respect of such defects is received in writing by the Contractors within the number of months stated in Box 13 from the date of Completion.
- (c) If the defect has led to damage to the Vessel or any part thereof, the repair obligation shall extend to repair or renewal of the Vessel's part(s) that have been damaged as a direct consequence of the defect.
- (d) In cases where the Contractors are liable for defects as provided in this Clause 7, the Owners shall be entitled to have the work and the replacements carried out at any yard or workshop, other than the Contractors' if, in the reasonable opinion of the Owners, such work and the replacements need to be effected promptly and it is not practicable or cost effective for the Owners to bring the Vessel to the Contractors' Yard. The Contractors' liability in such cases shall solely be to pay directly or reimburse the actual cost incurred for such work and the replacements provided always that before committing the Vessel to another yard or workshop the Owners shall:
- (i) Notify the Contractors of their intention to do so and request such assistance as the Contractor may be able to offer in order to minimise the cost;
- (ii) Use reasonable endeavours to ensure that the cost does not exceed the cost of having the same work carried out at the Contractors' Yard.
- (e) In any case the Vessel shall be taken at the Owners' cost and responsibility to the place elected, ready in all respects for the guarantee work to be commenced.
- (f) When repairs or renewals are performed by the Contractors pursuant to this Clause 7, the Contractors shall guarantee such repairs or renewals on the same terms as this Clause 7.

**8. Disruptions**

- (a) The Contract Period shall be extended when any of the following events cause delay to the Contractors' performance of the Works, provided always that the Contractors shall have complied with Clause 8(b) hereunder and shall have made all reasonable efforts to avoid or minimise the effects such events may have on the performance of the Works:
- (i) Force Majeure events
- (1) acts of God;
- (2) any Government requisition, control, intervention, requirement or interference;
- (3) any circumstances arising out of war, threatened act of war or warlike operations, acts of terrorists or the consequences thereof;
- (4) riots, civil commotions, blockades or embargoes;
- (5) epidemics;
- (6) earthquakes, landslides, floods or other extraordinary weather conditions;



**PART II**  
**REPAIRCON – Standard Ship Repair Contract**

- (7) strikes, lockouts or other industrial action, but only if of a general nature and not limited to the Contractors and/or the Sub-contractors;
- (8) fire, accident, explosion (whether in the Contractors' Yard or elsewhere) except where caused by the proven negligence of the Contractors and/or the Sub-contractors.

(ii) Other events

- (1) failure of the Owners and/or Owners' regulatory bodies to review/approve technical information within a reasonable time;
  - (2) suspension of the Works pursuant to Clause 5(b)(iii) (Payment);
  - (3) failure of the Owners to deliver the Vessel in the condition stipulated in Clause 4(a)(i) (Delivery);
  - (4) breach of Clause 3(a)(ii) (Owners' Representatives);
  - (5) disruption of the Works in breach of Clause 3(b) (Owners' Work);
  - (6) late delivery of any items to be supplied by the Owners.
- (b) The Contractors shall notify the Owners in writing within 2 working days of the occurrence of any event of delay, on account of which the Contractors assert that they are entitled to claim an extension of the Contract Period. A failure to so notify shall bar the Contractors from claiming any extension to the Contract Period. The Contractors shall also advise the Owners in writing (A) within 2 working days of the ending of any event notified under this clause that the event has ended, and (B) as soon as reasonably possible after (A), the length of extension of the Contract Period claimed by the Contractors.

**9. Termination**

(a) Contractors' Default

The Owners shall be entitled to terminate the Contract by notice in writing to the Contractors in the event that:

- (i) the Contractors are deemed insolvent pursuant to Clause 9(c) (Deemed Insolvency); or
- (ii) without lawful excuse, the Contractors (A) fail to perform the Works or any substantial part of them for a running period of at least 5 days, provided that thereafter the Owners give the Contractors at least 2 days written notice of their intention to terminate under this Clause 9(a), and within that period the Contractors fail to remedy their breach, or (B) clearly indicate their intention not to perform the Contract; or
- (iii) the Contractors fail to redeliver the Vessel in the condition required by the Contract by the Redelivery Termination Date stated in Box 19 (if any), as may be adjusted pursuant to Clauses 2(a)(iii) and 8(a)(ii) (Other events); or
- (iv) there is damage to the Vessel in the course of the Works for which the Contractors are liable under the terms of the Contract and the reasonable estimated cost of repairing such damage exceeds the Contractors' Total Liability.

Thereupon the Owners shall be obliged to pay any part of the Contract Price that relates to the Works performed up to the date of termination. However, the Owners shall be entitled to set-off against which payment (A) any sums payable pursuant to Clause 6(a), and (B) any losses and/ or claims not otherwise excluded which they may suffer by reason of the termination. To the extent that (A) and (B) exceed the Contractors' Total Liability, the Owners shall be discharged from their obligation to pay an equivalent sum out of any unpaid part of the Contract Price. Thereafter, notwithstanding the provisions of Clause 5(c)(iii), the Owners shall have the right to remove the Vessel from the Contractors' Yard without hindrance or interference by the Contractors or those for whom they are responsible.

**PART II**  
**REPAIRCON – Standard Ship Repair Contract**

(b) Owners' Default

The Contractors shall be entitled to terminate the Contract by notice in writing to the Owners in the event that:

(i) the Owners are deemed insolvent pursuant to Clause 9(c) (Deemed Insolvency); or

(ii) without lawful excuse, the Owners (A) fail to pay any sums due under the Contract for a period of 5 days provided that thereafter the Contractors give the Owners at least 2 days written notice of their intention to terminate under this Clause 9(b), and within that period Owners fail to remedy the breach, or (B) clearly indicate their intention not to perform the Contract; or

(iii) there is damage to the Contractors' property in the course of the Works for which the Owners are liable under the terms of the Contract and the reasonably estimated cost of repairing the damage exceeds the Owners' Total Liability.

Thereupon the Contractors shall be entitled to recover any unpaid part of the Contract Price that relates to the Works performed up to the date of termination, together with (A) any losses they may suffer, or liability to Subcontractors and others they may incur, by reason of the termination except as otherwise excluded, and (B), pending payment of (A), their reasonable costs of accommodating the Vessel, but (A) and (B) being subject always to Owners' Total Liability.

(c) Deemed Insolvency

Either party shall be deemed insolvent (the "Insolvent Party") if it (A) makes any voluntary arrangement with its creditors or becomes subject to an administration order or goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction); or (B) an encumbrancer takes possession of, or a receiver is appointed in respect of any of the Insolvent Party's property or assets; or (C) the other party reasonably apprehends that any of the events mentioned in (A) or (B) above is about to occur in relation to the Insolvent Party and, after notification to the Insolvent Party is not reasonably satisfied as to its continuing creditworthiness and/or is not provided with suitable guarantees.

**10. Insurance**

(a) Contractors' Insurances

The Contractors shall effect and maintain, at no cost to the Owners, ship repairers liability insurance providing coverage for such loss and damage for which the Contractors may be held liable to the Owners under this Contract and shall, at the Owners' request, make immediately available to the Owners copies of insurance policies to provide evidence and details of cover.

(b) Owners' Insurances

The Owners shall effect and maintain, at no cost to the Contractors, Protection and Indemnity Insurance, Hull and Machinery Insurance and War Risks Insurance and providing full coverage for such loss and damage for which the Owners may be held liable to the Contractors under this Contract and shall, at the Contractors' request make immediately available to the Contractors copies of insurance policies to provide evidence and details of the cover.

**11. Sundry Provisions**

(a) Assignment

Neither party shall have the right to assign this Contract or any rights thereunder to a third party without the written consent of the other party, which consent shall not be unreasonably withheld.

(b) Severance

**PART II**  
**REPAIRCON – Standard Ship Repair Contract**

If by reason of any enactment or judgment any provision of this Contract shall be deemed or held to be illegal, void or unenforceable in whole or in part, all other provisions of this Contract shall be unaffected thereby and shall remain in full force and effect.

(c) No Waiver

No failure or forbearance of either of the Parties to exercise any of their rights or remedies under this Contract shall constitute a waiver thereof or prevent the Parties from subsequently exercising any such rights or remedies in full.

(d) Entire Agreement

This Contract constitutes the entire agreement between the Parties and no promise, undertaking, representation, warranty or statement by either party prior to the date of this Contract shall affect the Contract nor shall any modification of this Contract be of any effect unless in writing signed by or on behalf of the Parties.

(e) Intellectual Property

(i) The Contractors have ownership of drawings, casting patterns, data regarding weights and volumes, information regarding prices and any other data which it has prepared or produced in connection with this Contract. The Owners may at all times use the same in subsequent work on the Vessel or sister vessels. Subject to payment of the copying expenses, the Owners may require the Contractors to supply copies of this material. The Contractors may not make any of this material available to third parties without the prior written consent of the Owners, such consent not to be unreasonably withheld where disclosure is necessary for the completion of the Works.

(ii) The Owners shall ensure that the manufacturing and/or supplying according to drawings, models or other instructions supplied by them shall not infringe any trade mark, patent or similar rights of third parties. Should claims nevertheless be made against the Contractors in this respect the Owners shall keep the Contractors indemnified against the cost to the Contractors of such claims, including any legal costs incurred by them in connection therewith.

(iii) Except as provided for in Clause 11(e)(ii), the Contractors hereby agree to indemnify the Owners against the cost to the Owners of any claims, including legal costs incurred by the Owners in connection therewith based on any alleged infringement of trademarks, patents or any other protected rights, arising out of or in any way related to the Contractors' performance of the Works.

(f) Scrap Materials

Scrap metal materials removed from the Vessel pursuant to the Works shall become the Contractors' property except for propellers, tailshafts and heavy machinery parts.

**12. BIMCO Dispute Resolution Clause**

(a)\* This Contract shall be governed by and construed in accordance with English law and any dispute arising out of or in connection with this Contract shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or reenactment thereof save to the extent necessary to give effect to the provisions of this Clause. The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced.

The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint its arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint its own arbitrator within 14 calendar days of that notice and stating that it will appoint its arbitrator as sole arbitrator unless the other party appoints its own arbitrator and gives notice that it has done so within the 14 days specified. If the other party does not appoint its own arbitrator and give notice that it has done so within the 14 days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint its arbitrator as sole arbitrator and shall advise the other party

**PART II**  
**REPAIRCON – Standard Ship Repair Contract**

accordingly. The award of a sole arbitrator shall be binding on both parties as if he had been appointed by agreement.

Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.

In cases where neither the claim nor any counterclaim exceeds the sum of US\$50,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.

- (b)\* This Contract shall be governed by and construed in accordance with Title 9 of the United States Code and the Maritime Law of the United States and any dispute arising out of or in connection with this Contract shall be referred to three persons at New York, one to be appointed by each of the parties hereto, and the third by the two so chosen; their decision or that of any two of them shall be final, and for the purposes of enforcing any award, judgement may be entered on an award by any court of competent jurisdiction. The proceedings shall be conducted in accordance with the rules of the Society of Maritime Arbitrators, Inc.

In cases where neither the claim nor any counterclaim exceeds the sum of US\$50,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the Shortened Arbitration Procedure of the Society of Maritime Arbitrators, Inc. current at the time when the arbitration proceedings are commenced.

- (c)\* This Contract shall be governed by and construed in accordance with the laws of the place mutually agreed by the parties and any dispute arising out of or in connection with this Contract shall be referred to arbitration at a mutually agreed place, subject to the procedures applicable there.

- (d) Notwithstanding 12(a), 12(b) or 12(c) above, the parties may agree at any time to refer to mediation any difference and/or dispute arising out of or in connection with this Contract.

In the case of a dispute in respect of which arbitration has been commenced under 12(a), 12(b) or 12(c) above, the following shall apply:

(i) Either party may at any time and from time to time elect to refer the dispute or part of the dispute to mediation by service on the other party of a written notice (the "Mediation Notice") calling on the other party to agree to mediation.

(ii) The other party shall thereupon within 14 calendar days of receipt of the Mediation Notice confirm that they agree to mediation, in which case the parties shall thereafter agree a mediator within a further 14 calendar days, failing which on the application of either party a mediator will be appointed promptly by the Arbitration Tribunal ("the Tribunal") or such person as the Tribunal may designate for that purpose. The mediation shall be conducted in such place and in accordance with such procedure and on such terms as the parties may agree or, in the event of disagreement, as may be set by the mediator.

(iii) If the other party does not agree to mediate, that fact may be brought to the attention of the Tribunal and may be taken into account by the Tribunal when allocating the costs of the arbitration as between the parties.

(iv) The mediation shall not affect the right of either party to seek such relief or take such steps as it considers necessary to protect its interest.

(v) Either party may advise the Tribunal that they have agreed to mediation. The arbitration procedure shall continue during the conduct of the mediation but the Tribunal may take the mediation timetable into account when setting the timetable for steps in the arbitration.

(vi) Unless otherwise agreed or specified in the mediation terms, each party shall bear its own costs incurred in the mediation and the parties shall share equally the mediator's costs and expenses.

(vii) The mediation process shall be without prejudice and confidential and no information or documents disclosed during it shall be revealed to the Tribunal except to the extent that they are disclosable under the law and procedure governing the arbitration.

**PART II**  
**REPAIRCON – Standard Ship Repair Contract**

(Note: The parties should be aware that the mediation process may not necessarily interrupt time limits.)

- (e) If Box 18 in Part I is not appropriately filled in, clause 12(a) of this Clause shall apply. Clause 12(d) shall apply in all cases.

\* Clauses 12(a), 12(b) and 12(c) are alternatives; indicate alternative agreed in Box 18.

**13. BIMCO Notices Clause**

- (a) All notices given by either party or their agents to the other party or their agents in accordance with the provisions of this Contract shall be in writing.
- (b) For the purposes of this Contract, "in writing" shall mean any method of legible communication. A notice may be given by any effective means including, but not limited to, cable, telex, fax, e-mail, registered or recorded mail, or by personal service.

Sample copy

**ANNEX "A" (SPECIFICATION)**

**BIMCO STANDARD SHIP REPAIR CONTRACT**

**CODE NAME: REPAIRCON**

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Note: Annex "A" will either be the front sheet to whatever detailed technical specification has been developed and agreed between the Parties, or will be a list identifying by date and description the various documents and correspondence exchanged between the Parties which together comprise the Specification.

Sample copy

**ANNEX "B" (WORK VARIATION FORM)**

**BIMCO STANDARD SHIP REPAIR CONTRACT  
CODE NAME: REPAIRCON**

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Vessel's Name:	WVF No.:	Date issued for Signature:
Description of Additional Works/Reductions:		
(a) Adjustment to Contract Price:	(b) Time for payment of Adjustment	(c) Adjustment to Contract Period
For Contractors Name:  Date:  Signature:	For Owners Name:  Date:  Signature:	

**PART II**  
**REPAIRCON – Standard Ship Repair Contract**

**ANNEX "C" (TARIFF RATES)**

**BIMCO STANDARD SHIP REPAIR CONTRACT**  
**CODE NAME: REPAIRCON**

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*Sample copy*