

Scope of The Survey

Making an offer

Having found a suitable vessel and hopefully undertaken a satisfactory *on the water trial*, an offer is made on the vessel. Whether this is the full asking price or a reduced amount, it is usual for the purchaser to pay a deposit prior to survey, often 10% of the agreed offer price. This applies when purchasing through a brokerage or for a private sale. Most brokerages are members of British Marine and abide by their Code Of Practice. This ensures that should the survey identify 'significant defects' in the vessel then the deposit will be returned in full. The purchaser should satisfy themselves that this 'agreement' is in place and clearly documented. For a private purchase, surveyors who are members of British Marine can usually provide a framework contract for the purchase.

Where the sale is through a brokerage, the deposit is held, usually in a client account, by the brokerage until such time as the purchase is completed or otherwise. It is important for the purchaser to understand what, if any, retentions are made from this deposit in the event of the sale not proceeding.

Significant defects could fall into a number of categories and could include for example a hull that is excessively corroded or pitted and in need of remedial works or a faulty/damaged engine or gearbox. In general terms, it is considered sufficient grounds to withdraw from the sale if the cost of the remedial works exceed 15% of the agreed purchase price. The surveyor should be able to give an indication of the likely costs of remedial works but costs vary greatly across the country and the survey can be used by the purchaser to obtain quotes for the works.

In some cases, the vendor may offer to have the work rectified as part of the sale. If this is the case, it is important to ensure that the work is inspected by an independent expert before proceeding with the sale. The surveyor will probably make an additional charge for this subsequent inspection. He will then amend the survey to reflect the fact that the work has been carried out. This may also result in a revised valuation.

Dry-docking/slipping of the vessel

Hull surveys and full pre-purchase surveys will always require that the vessel's hull is examined. The cost of slipping/dry-docking the vessel falls to the purchaser. Brokerages normally have their own facilities for this but for a private sale, the vendor will almost certainly have somewhere that they use for blacking the boat. The surveyor will liaise with the dry-dock/slipway over dates but it is the responsibility of the vendor or brokerage to present the vessel at the facility on the day of the survey (or before) at the appointed time.

The Day of the Survey

We will have agreed a time for the vessel to be slipped/dry-docked with the boatyard. If a full survey is being undertaken then we will normally arrive between 9 and 9.30 am and will commence the internal part of the survey whilst we are waiting for the vessel to be slipped/dry-docked.

With a hull survey, we will aim to arrive once the vessel is out of the water or just before. We do not normally require the hull to be pressure washed. In the case of a vessel with excessively corroded or pitted steelwork, we may discontinue the survey and suggest that the hull be grit blasted or other similar abrasive process used to remove all corrosion, coatings and marine growth prior to examination.

We are happy for you, our clients, to be present at the survey and for you to see the boat out of the water. Whilst it is not practical nor encouraged by our insurers, for you to be on the vessel during the internal survey, we are very happy to provide a 'walk-through' once the survey is completed to allow us to point out any issues we feel worthy of note.

At the end of the survey, we would give a verbal report either by telephone or face-to-face and the written report with disc of photographs would be posted within 72 hours of completion of the survey.

Details of the findings of the survey/valuation are not normally provided by the surveyor to the vendor or the broker. We can provide this information if requested but there are a number of circumstances where this is not desirable. We are happy to discuss these if required.

The report is prepared without prejudice to liability and is for the sole use of the client to whom it is addressed on the understanding that the legal liability of the report does not pass to any third party or future owner of the vessel.

There are two possible options with regard to a pre-purchase survey. The first is to opt for a hull only survey. This includes ultrasonic thickness testing of the hull, a report on pitting, corrosion, welds, coatings as well as an examination of the stern gear to include the prop, shaft, rudder etc. This is an external only survey and really is the minimum that a potential purchaser should consider when buying a vessel of any age. A full pre-purchase survey additionally includes the engine, transmission, electrics, gas, pumps, heating etc and an independent valuation. Boat Safety Examinations can be carried out at the time of survey and are subject to separate negotiation.

Batteries are not load tested as part of the survey as this would require removal of the batteries for testing. Batteries should be considered almost as 'consumables' and replacement can be expected at regular intervals depending on the type of batteries in use and their maintenance/charging regime.

We do not light solid fuel or diesel burning stoves. However, the condition of the stoves and their installation do form part of the survey report.

Unless otherwise stated, for survey purposes, the engine is run up to temperature and forward and reverse gears are engaged, the engine is not put under any load for any length of time and this survey cannot be a guarantee of the reliability of the engine. Comments made are derived purely from the surveyor's observations and experience. Please bear in mind that if the vessel is fitted with 'water lubricated stern tube' or Cutless bearing and the vessel is slipped at the time of survey then engine testing will be very limited. Purchasers are always recommended to carry out an on the water trial of the vessel prior to completion of purchase.

The survey report is prepared without prejudice to liability and is for the sole use of the client to whom it is addressed on the understanding that the legal liability of the report does not pass to any third party or future owner of the vessel.

Our liability shall expire 12 months after completion of the services in respect of which liability is alleged to arise and we shall thereafter have no liability in respect of those services and/or any alleged default in connection with the provision thereof.

Under no circumstances shall our liability exceed a total of hull value at the time of survey or £250,000 whichever is the lesser.

The survey is not a Boat Safety Examination. Items which have been identified as not complying with the Boat Safety Scheme are identified as part of a survey. Compliance in all other areas is NOT implied. Boat Safety Scheme examinations can be carried out subject to separate negotiation.

The survey represents a 'snap shot' of the condition of the vessel at the time of the survey. In all cases, the survey is intended to be non-destructive so inspection is limited to those areas which are accessible without the need to disturb the fabric or decoration of the vessel. None of the inspections carried out are invasive. We do not inspect woodwork or other parts of the structure which are covered, unexposed or inaccessible and we are, therefore, unable to report that any such part of the structure is free from defect.

The validity of any CE marking and the conformance or otherwise of the vessel to the Recreational Craft Directive, the EMC Directive and the Machinery Directive are outside the scope of the inspection and report. The inspection does not include an assessment of compliance with the requirements of any particular Authority.

We are able to offer our services with regard to assessment of compliance with the Recreational Craft Directive or other relevant 'standards' and codes of practice. This is by separate negotiation.

Over-plating

Where there is excessive pitting of the hull or thinning of the material, it is common for surveyors to recommend over-plating of the hull either in its entirety or by way of localised repairs. This is not a course of action recommended by the IIMS (International Institute of Marine Surveying). The recommendation of 'The Institute' is that where plate has thinned or is excessively pitted, the material should be 'cropped out' and replaced. This is not always a cost effective solution. However, Hands On Marine Ltd endorse this policy and where over-plating is carried out, we are unable to offer any comments as to the watertight nature of welds to the over-plated area(s).

Cancellation Policy

Should the survey be cancelled by the purchaser or vendor, the following charges will be applied at the discretion of the surveyor.

Cancellation up to 72 hours before survey	No penalty
Cancellation between 72 hours and 24 hours of survey	50% of survey fees
Cancellation less than 24 hours before survey	100% of survey fees
The survey is assumed to start at 8am on the agreed date.	

Our Commitment to our Clients

As full members of the IIMS (International Institute Of Marine Surveying), Steve Hand adheres strictly to the codes of practice and conduct laid down by 'the institute'.

Professionalism

A Member must have a sound foundation in the general knowledge of his profession in addition to appropriate and adequate experience. He/She must keep up to date in his technical training and knowledge.

Objectivity

A Member must adopt an impartial and objective approach in all aspects of his/her Marine Surveying work.

Independence

A Surveyor will be independent of the client commissioning the survey.

Integrity

A Surveyor will:
not be influenced by outside pressures
seek to reach agreements based on objective conclusions
not make personal or illegal profit from the sale of damaged goods or materials etc.

Client Relations

A Surveyor will:
never bias or modify his/her professional opinions for personal gain or in response to any form of pressure from whatever source
obtain from a principal clear Terms or reference and confine his report to the agreed Terms
only undertake to carry out assignments for which he is properly qualified
accept arbitration when all parties involved agree to this method of solving disputes
recognise that his/her first duty is to his/her client's instructions and endeavour to sustain an open relationship with a client whilst, at all times, observing professional integrity.

Professional Relations

A Surveyor will:
co-operate with colleagues to achieve a complete and objective survey
not allow agreements reached by a surveyor in charge of a case to be modified by the direction of any organisation to which he/she belongs
not criticise a fellow surveyor or colleague to third parties
ensure strict confidentiality over information received from third parties whom are not involved with the case in hand
not carry out free surveys but negotiate fees which seek to achieve full cost recovery
discuss with other attending surveyors any contradictory statements or differences of opinion before issuing a final report.

Personal Conduct

A Surveyor will not practice during a period when his/her judgement is or might be impaired through any cause and will endeavour to avoid actions, which lead to the discredit of the Institute, Marine Surveyors and his/her own professional reputation.

Terms and Conditions of Business

1. Definitions

The Client:

The company, firm or person with whom *The Agreement* is made.

The Agreement:

The Agreement between *The Company* and *The Client* constituted by the attached fax/letter/purchase order and incorporating inter alia these terms and conditions.

The Company:

Rightnarrowboat Ltd T/A Steve Hand, Marine Surveyor

2. Assignment

Neither party shall transfer or assign its rights or obligations under *The Agreement* without the prior written consent of the other party, provided that:

The Client may transfer any or all of its rights under *The Agreement* to any of its affiliate companies, in which case *The Client* shall procure the acceptance by the assignee of the terms, conditions, exceptions and exemptions of *The Agreement*.

3. Delegation

If *The Company* considers it more efficient or convenient, *The Company* may in its discretion procure advice, assistance and services, which it renders under *The Agreement*, from other persons and may in its discretion delegate performance of one or more of its obligations under *The Agreement*.

4. Payment

(a) If any payments to be made under *The Agreement* shall be subject now or in the future to taxes, levies or charges of whatever kind in the country in which *The Client* is incorporated and/or operating and which *The Client* or *The Company* is required to pay or which *The Client* is required to withhold, *The Client* shall pay such sums as shall yield to *The Company* after payment or withholding of such taxes, levies or charges the full amounts payable to *The Company* under *The Agreement* as if such taxes, levies or other charges were not paid or withheld.

In this clause 4(a) *The Client* shall include any assignee of any of its rights hereunder.

(b) Payment shall be made on presentation of the invoice.

(c) Any payments overdue by *The Client* shall bear compound interest from the due date until payment at a rate of half of one percent per week.

(d) Except when there are self-evident errors in the invoice, payment shall be made by *The Client* notwithstanding any dispute relating to the billings. Any adjustments consequent upon settlement of such disputes shall be made within thirty days following the settlement.

(e) Where any payment becomes overdue by more than thirty days, *The Company* shall without prejudice to any of its other rights, be entitled to terminate this Agreement whereupon payment will become due for the value of work done up to the date of termination.

5. Liability and Indemnity

(a) *The Company* shall perform *The Agreement* with all proper skills in accordance with normal industry standards.

(b) If any work or services under *The Agreement* are negligently performed or omitted then so far as may be reasonably practicable *The Company* at its own expense will cause such work and services to be correctly performed.

(c) In this clause 5 Delegates(s) means (i) employees and agents of *The Company* (ii) any person to whom performance of work of services under *The Agreement* is delegated or sub-contracted by *The Company* and (iii) any such Person's employees and agents.

(d) *The Client* shall not sue any Delegate for any loss or damage of any nature whatsoever suffered by *The Client* and connected with performance of *The Agreement*. *The Client's* sole remedy shall be against *The Company* under this clause 5.

(e) The total liability of *The Company* to *The Client* for the breach of *The Agreement* and the total third party liability of *The Company* and Delegates shall not for any reason whatsoever (including negligence) in aggregate over the duration of *The Agreement* exceed an amount equal to ten times the total fees paid and payable by *The Client* to *The Company*.

(f) If *The Company* or any Delegate does incur third party liability of any nature whatsoever arising out of or connected with the performance of *The Agreement* the (subject to clause 5(g) below) *The Client* shall indemnify *The Company*, or such Delegate against such third party liability and costs and expenses relating thereto, and this indemnity shall apply even if the third party claim was based on negligence. Further to the extent that *The Company* may have indemnified and Delegate against such third party liability, costs and expenses (which *The Company* at its sole discretion shall be entitled to do) then *The Client* shall thereupon be liable to indemnify *The Company* accordingly.

(g) Where the reason for third party liability mentioned in clause 5(f) was the negligence of *The Company*, or any Delegate then *The Company's* indemnity under clause 5(f) shall apply above the limit of liability mentioned in clause 5(e) and *The Company* shall be liable up to such limit.

(h) In entering into the agreement contained in clause 5 *The Company* contracts both on its own behalf and as agent on behalf of Delegates and also as trustee for their benefit.

(i) Neither party shall be liable to the other for indirect or consequential damages resulting from or arising out of *The Agreement* including but not limited to loss of use of property, loss of profits, loss of product or business interruption.

6. Confidentiality

(a) *The Client* undertakes to keep confidential any confidential information disclosed to it by *The Company* and not to disclose the same either complete or in part to any third party (including subsidiary companies or associate companies) without *The Company's* prior written approval, such undertaking to continue notwithstanding the expiry or termination of *The Agreement* for so long as the information in question has not:

(i) Become part of the public knowledge or literature without default on the part of *The Client* or

(ii) Been disclosed to *The Client* by the third party (other than one disclosing on behalf of *The Company*) whose possession of such information is lawful and who is under no secrecy obligation with respect to the same.

Or for a period of 10 years from the date that *The Agreement* terminates, whichever is the sooner.

(b) *The Company* shall undertake to keep confidential any confidential information disclosed to it by *The Client* and *The Company* shall be liable to the same constraints as imposed by clause 6(a) on *The Client*.

7. Force Majeure

Neither party to *The Agreement* shall be in breach of any obligations hereunder (other than obligations of *The Client* to make payment of any monies due to *The Company*) insofar as performance thereof has been delayed, hindered, interfered with or prevented by any circumstances beyond its reasonable control.

8. Applicable Law and Arbitration

The proper law of this Agreement is English Law and English law shall be used to interpret *The Agreement* and for resolving all claims or disputes arising out of or connected with *The Agreement* (whether based on contract, tort, or any other legal doctrine). Any such claim or dispute not settled by negotiation shall be settled by arbitration in London under the rules of the London Court of International Arbitration. The language of the Arbitration shall be English.

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