



**General conditions for conversions, installations and repairs of vessels as applying for shipyards under the Danish Ship and Boat Builders' Employers Association**

- 1. Application**
- 1.1. Unless otherwise agreed in writing, these conditions shall apply to ship repairs, conversions and installations as well as connected shipyard supplies and services.
- 1.2. The law of sale and Danish ordinary law shall at all times apply.
- 2. The Stay at the Shipyard**
- 2.1. Work at the Vessel shall be carried out solely by the Contractor and his sub-contractors, unless otherwise agreed in writing.
- 3. Extension and Execution of the Work**
- 3.1. The work shall comprise only what has been specifically agreed upon. If, during the execution of the work, it turns out the work exceeds or deviates from what the Contractor had reason to presume when entering the agreement, the Contractor shall have the right to make amendments regarding price and time of delivery.
- 3.2. If it has been agreed that the work shall conform to laws and regulations passed or adopted by public authorities or classification societies, the time of delivery and the price shall be valid only for the requirements in force at the time of the order confirmation.
- 4. Price**
- 4.1. If the parties have not agreed upon a fixed price for the work, invoicing shall be made on a current account basis in keeping with the Contractor's applicable price.
- 4.2. If a fixed price has been agreed upon for a specified work, any work not included in the specification shall be charged in accordance with the Contractor's conditions for work carried out on a current account basis, unless otherwise agreed.
- 4.3. If the Vessel is at the Contractor's yard beyond the repair time, guest dock rent shall be charged.
- 5. Risk of accidental loss**
- 5.1. Risk of damage of the repair work and the equipment and materials acquired for this purpose will be vested in the Owner when assembly of materials and equipment is initiated on the Vessel.
- 6. Time Delivery and Delay**
- 6.1. Unless otherwise agreed the work shall be carried out during the Contractor's regular working hours without overtime and considering other engagements undertaken by the Contractor at the conclusion of the agreement.
- 6.2. The Contractor shall not be liable to the Owner if delivery is delayed due to inability to procure specified materials on time or due to war, earthquake, strike, lockout, delivery hindrance, rejection of materials, import and/or export prohibition or other causes which the Contractor could not remedy by reasonable means. In such cases the Contractor shall be entitled to have the time or date of delivery postponed by as many working days as were lost due to the events in question.
- 6.3. Should the parties agree on any alterations or supplementary work while the work is in progress, or should the Owner fail to fulfil his obligations, the date of delivery shall be postponed by a period equivalent to the delay caused in this respect.
- 7. Defects and Remedying**
- 7.1. The Contractor shall remedy all defects in the work, which are due to detectable defects in the material or errors in the execution of the work, if notice has been given in accordance with article 9.
- 7.2. Errors or defects in materials or equipment delivered by the Owner shall not be remedied by the Contractor.
- 7.3. When accepted in writing by the Contractor, the Owner is entitled to have the remedy work executed at another shipyard.
- 8. Extent of Liability**
- 8.1. The Vessel is held at the Owner's risk.
- 8.2. The Contractor shall not be liable for any damage on the Vessel and her equipment, unless it may be established that the damage is due to errors on the Contractor's part. The Contractor shall thus not be liable for any accidental damage of any damage caused by a third party.
- 8.3. The Contractor shall not be liable to the Owner for any indirect damage incurred by the Owner, such as loss of profit, loss of earning or loss if the Owner commit any breach towards a third party, unless it may be established that the Contractor has acted with gross negligence.
- 8.4. In case of damage caused by the repair work, including materials or equipment supplied, or by the Owner's use thereof, and/or by the repaired Vessel, the Contractor shall only be held liable under the general rules of Danish law if personal injury or property damage is involved. As property damage is considered product liability damage on property for non-commercial purposes, cf. s 2(2) of the Product Liability Act.
- In all other cases of damage, the Contractor shall only be held liable if it may be established that the damage is due to gross errors and negligence on the part of the Contractor or other parties under the liability of the Contractor. If, so far as the Contractor is ordered product liability towards a third party, the Owner shall indemnify the Contractor for any liability to the same extent as the Contractor's liability is limited according to these general conditions. If a third party notifies a claim towards the Owner in pursuance of this section 8, the Owner shall immediately notify the Contractor.
- 8.5. The Contractor's liability shall in any event be limited to property damage at DKK:
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- for each series of claims, which may be connected to the same actionable circumstances.
- 9. Complaints**
- 9.1. Complaints regarding defects in the repair work in sale between



merchants shall always be forwarded punctual in compliance with the rules of the Sale of Goods Act when the defects are discovered or ought to have been discovered by due diligence. Complaints regarding defects in the repair work in consumer transactions shall in any event be made punctual in compliance with the rules of the Sale of Goods Act, when the consumer has discovered the defect. In consumer transactions complaints within 2 months from the discovery of the defect are always punctual. If a complaint is not made punctual, no claim can be made for such defect.

9.2. If no complaints have been made in sale between merchants within 3 months for the date of the delivery of the sales object, the Contractor shall be free of any responsibility. If no complaints have been made concerning consumer transactions within 2 years for the date of the delivery of the sales object, the Contractor shall be free of any responsibility.

9.3. Objections regarding invoices shall be made no later than 14 days from the date of the invoice.

9.4. All complaints shall be specified and made in writing.

**10. Insurance**

10.1. The Owner shall at all times take out third party liability insurance for the vessel.

10.2. The Contractor shall not take out any insurance for the Vessel or for her equipment

**11. Payment – Interest**

11.1. Unless otherwise agreed, payment shall be effected net, in cash, upon invoice, upon the finishing of the work. Any outstanding amount shall be paid before the Vessel leaves the shipyard.

11.2. In connection with major works, the Contractor shall be entitled to claim payment on account for work performed, up to 80% of the estimated sum total of the invoice.

11.3. The Contractor shall have a lien upon the Vessel and equipment for all claims.

11.4. If payment is not effected when due, interest shall be calculated.

**12. Arbitration**

12.1. According to Danish law, any dispute between the parties regarding a matter arising from an agreement governed by the above provisions shall be settled at Søg og Handelsretten (the Maritime and Commercial Court) of Copenhagen at the Contractor's choice.

**By his signature, the Owner confirms to have read these General Conditions, and to have received and read the order confirmation, in force besides the General Conditions:**

Date:

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Contractor:

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Owner:

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Name:

\_\_\_\_\_

Address:

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Private:

\_\_\_\_\_

Office tel.:

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Signature:

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Signature:

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