MCAS Group Limited
MARINE CONSULTANTS & SURVEYORS
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BUSINESS REGISTRATION NUMBER: 79117816

Standard Terms and Conditions

Issue Date: January 2026

Please read these Terms and Conditions carefully. Marine Surveyors are required to work within the scope of their instructions received from clients and to ensure that there are no misunderstandings before, during, or after the service which the surveyor has been instructed to undertake on behalf of the client.

All instructions will be confirmed by way of formal quotation via email or other form of communication as appropriate and will include a clear scope of the service(s) which will be undertaken by the surveyor. This quotation will in turn be confirmed by way of signed acceptance by the client and returned to the surveyor prior to the commencement of the service being undertaken.

1. Definitions

- **"Surveyor"/"Consultant"** means MCAS Group Limited, trading under these standard terms and conditions, including its employees, designated surveyors, agents, and authorized representatives.
- **"Client"** means the corporate entity, individual, or authorized representative at whose request or on whose behalf the Surveyor/Consultant undertakes marine surveying, consulting, or advisory services.
- **"Report"** means any formal written report, structural analysis, summary statement, valuation, or certificate compiled and supplied by the Surveyor/Consultant in connection with instructions executed on behalf of the Client.
- **"Disbursements"** means all reasonable, incidental, and third-party expenditures incurred during the execution of the Services, including but not limited to photography, digital reproduction, drawing duplication, printing, electronic transmission fees, data roaming charges, communication fees, travel fares, tolls, fuel, vehicle hire, subsistence, and hotel accommodation necessitated by the assignment.

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- **"Fees"** means the professional consideration and service charges levied by the Surveyor/Consultant to the Client, calculated pursuant to the accepted quotation, plus any and all accumulated Disbursements as defined herein.

2. Survey of Vessels

The execution of any vessel survey remains strictly contingent upon the prior satisfaction of the following operational conditions and documentation provisions by the Client or Vessel Owner:

1. Provision of a true copy of the vessel's Hong Kong Certificate of Ownership or alternative valid registration and ownership title documentation.
2. Provision of a copy of a valid Hong Kong Operating License or equivalent statutory operational authorization appropriate to the vessel's class.
3. Full disclosure of the formal identities of the seller, buyer, and any financing institution or underwriter involved in the transaction (where applicable).
4. The absolute removal of all personal effects and loose items stored within locker areas, utility spaces, machinery spaces, or any other compartment designated within the scope of inspection prior to the surveyor's physical attendance. Should the Client fail to clear such spaces, the surveyor reserves the unilateral right to omit such areas from evaluation. Any such omission shall be explicitly noted in the Report, shall absolve the Surveyor/Consultant of all liability regarding unexamined structures, and shall not entitle the Client to any reduction or offset of Fees.
5. All economic costs associated with sea trials, haul-outs, drydocking, or slipway movements shall be borne exclusively by the Vessel Owner or as otherwise contractually apportioned between the Buyer and Seller. Final scheduling coordinates for hull inspections must be mutually ratified between the surveyor and the broker/owner, subject to a mandatory minimum advance notification window of thirty-six (36) hours served upon the surveyor.
6. Vessel hull and underwater appendage evaluations during haul-out require the Client to ensure adequate high-pressure cleaning and anti-fouling removal from the hull and appendages prior to the surveyor's attendance. A failure to present a clean hull structure shall result in the immediate preclusion of those areas from inspection, without prejudice to the full collection of agreed Fees.
7. The Vessel Owner shall provide appropriately qualified, certified, and insured marine crew to execute any sea trials, vessel maneuvers, or re-locations, and to actively operate the vessel's auxiliary systems, machinery, and electronics as directed during the survey process.
8. Vessel crew shall be made available to assist the surveyor with the dismantling, rearrangement, or setting out of soft furnishings and linings. In the event that adequate crew assistance is withheld, the surveyor reserves the unilateral right to omit the unexposed or obstructed areas from the scope of evaluation without fee adjustment.
9. The Vessel Owner explicitly warrants that all statutory requirements have been fully satisfied regarding vessel licensing, safety gear compliance, and ownership

title pursuant to the Marine Department of Hong Kong's Class IV Pleasure Vessel Code of Practice (current edition in circulation at the temporal point of survey).
10. The subject vessel must be presented in a physical condition that safely and practically accommodates the unrestricted execution of the agreed scope of survey.
11. Any pre-existing, latent, or patent defect known to the owner or client that would render the vessel unseaworthy or unfit for sea trials, machinery testing, or close-quarters inspection must be disclosed in writing to the surveyor prior to boarding.
12. Save as expressly provided under the liability limitations in Clause 10 herein, MCAS Group Limited shall be absolved of any and all liability for physical loss or damage sustained by the vessel during the execution of the survey. The Client and Vessel Owner hereby covenant to indemnify, defend, and hold harmless the individual surveyor and MCAS Group Limited against any claim of loss or damage arising during or in connection with the survey attendance.

3. Scope

The Surveyor/Consultant shall provide its professional services strictly in accordance with these standard terms and conditions and within the parameters of the specific scope of services mutually ratified in writing prior to the commencement of physical works. The Surveyor/Consultant is under no obligation to expand or alter the scope of evaluation save as provided under Clause 7 herein.

4. Report

The Report is compiled and prepared exclusively for the designated Client(s) and is strictly restricted to their private commercial use, while remaining at all times the sole intellectual and copyright property of MCAS Group Limited. Copies of the Report, whether in whole or in part, shall not be released, duplicated, or consulted by third parties without the express, prior written authorization of MCAS Group Limited.

While all reasonable professional care and diligence will be exerted in the collection of empirical data and the preparation of the findings, MCAS Group Limited purports to provide an advisory service only, predicated upon the technical opinion and professional experience of the individual consultant responsible for its compilation. MCAS Group Limited issues such advice in good faith, without prejudice, and without conveying any structural or commercial guarantee. Any party electing to rely upon said opinion must independently satisfy themselves as to its factual accuracy, technical feasibility, and commercial relevance.

MCAS Group Limited shall not be liable to any party for indirect loss, consequential damages, operational delay, loss of market value, or business interruption expenses of whatsoever nature or kind. Notwithstanding the foregoing, formal notice of any claim or suit must be served upon MCAS Group Limited in writing within ninety (90) days following the date of formal submission of the Report to the Client, failing which such

lack of notice shall operate as an absolute, irrevocable, and permanent bar to any claim or suit against MCAS Group Limited.

The Report carries no warranty, express or implied, regarding the legal title of ownership of the vessel, nor any warranty regarding outstanding mortgages, maritime liens, financial charges, or other maritime debts that may encumber the vessel. The survey remains personal and confidential to the Client. The Report will explicitly omit evaluation of vessel stability characteristics, hydrodynamic performance, exact measurements of enclosed spaces, or overall naval design integrity, and no warranty is conveyed under these headings.

During the execution of the survey, propulsion machinery, auxiliary systems, and electrical components will not be opened up, dismantled, or subject to destructive testing other than standard external visual and functional tests where safe and appropriate. Propeller shafts will not be drawn, and propellers will not be unseated or removed from the shaft tapering. No chemical or laboratory analysis will be executed on fuel, lubricants, or water systems. For sailing vessels, mast and rigging components at deck level only will be visually commented upon; an independent, qualified rigging expert must be appointed by the Client if a comprehensive aloft rigging survey is required. The Surveyor/Consultant explicitly recommends that a specialized pest control expert be independently appointed to evaluate the presence of termites or related structural infestations.

5. Survey Limitations and Disclaimers

The Report represents a factual summary of the visual inspection carried out, and the professional opinions expressed are given in good faith reflecting the observable condition of the vessel precisely at the time of survey. The survey does not imply, convey, or constitute a guarantee against latent defects, subsequent structural failures, or defects not readily discoverable at the time of attendance due to woodwork, bulkheads, insulation, or areas of the vessel being covered, unexposed, or structurally inaccessible due to the permanent installation of non-removable linings, panels, or internal structural frameworks. The evaluation is visually restrictive in nature. MCAS Group Limited accepts no responsibility or liability for any structural component or system that cannot be accessed or viewed.

No qualitative evaluation or technical warranty is given as to the internal tolerances or mechanical condition of main engines, generators, transmissions, sail drives, stern drives, or reduction gears. MCAS Group Limited formally recommends that the internal mechanical condition of all propulsion and power-generation machinery be independently determined by a qualified marine engineer. Fluids and oil samples will not be drawn or analyzed unless explicitly requested, costed, and agreed upon during the formal quotation process. Noise parameters, vibration levels, shaft speed/torque metrics, bollard pull capacity, steering gear internal hydraulic tolerances, exterior paintwork degradation, or the adjustment of magnetic compasses may be casually

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commented upon, but a comprehensive diagnostic inspection of these systems must be executed by specialized technical inspectors.

No non-destructive testing (NDT), including ultrasound thickness testing (UTT) of shell plating or internal tanks, is undertaken within the scope of the standard survey. Electronic and electrical navigation gear will be tested via basic powering-up protocols only, and strictly when shore or generator power is already safely connected by the crew. A comprehensive diagnostic analysis of the vessel's electrical grid requires the specialized services of a qualified marine electrician. Only the external visual status of wiring harnesses, terminal connections, and breaker panels is reported. Fuel-burning appliances or gas systems will be visually appraised only and will not be started or ignited by the surveyor; the absolute safety of gas lines must be verified by a certified gas technician.

Any reference within the Report to specific metals (e.g., bronze, brass, aluminium, stainless steel) represents a visual color categorization for descriptive convenience only; exact metallurgy cannot be verified without laboratory destructive testing. References to types of plastics, resins, or composite laminates are for descriptive convenience and cannot be verified without laboratory analysis. Blistering, osmotic degradation, and delamination are shifting variables on all composite hulls; if not visible at the time of survey, there is no guarantee or warranty that they will not manifest in the future. The symptomatic evidence of blistering can be actively obscured by bottom coatings, hull fillers, or recent laminate sanding. MCAS Group Limited possesses no first-hand historical knowledge of the vessel's underwater maintenance profile or prophylactic treatments.

The Report stands exclusively as an assessment of the vessel's condition on the exact date of physical survey. MCAS Group Limited will not compile or verify an inventory of auxiliary equipment, safety gear, or loose items onboard; potential Buyers are instructed to negotiate and verify inventory lists directly with the Broker or Vessel Owner. Tenders, jet skis, outboard motors, and other water toys are completely precluded from the survey scope unless explicitly agreed in writing between MCAS Group Limited and the Client prior to the survey.

The vessel is surveyed without the removal of any fixed parts, including structural fittings, screwed or nailed paneling, anchors, chains, fixed partitions, navigational instruments, or miscellaneous materials stored in the bilges and deep lockers. No technical calculations regarding intact stability characteristics, righting levers, or inherent structural engineering design integrity have been executed, and no opinion is expressed with respect thereto.

Statutory and class certificates, oil record books, and safety management system records must be compiled and made available onboard for verification during the surveyor's physical attendance. Save for cases of proven gross negligence under Clause 10, neither MCAS Group Limited nor the individual attending surveyor shall be

held contractually or tortiously liable for any professional error of judgment or omission of facts within the Report.

6. Valuations

Any asset valuation issued by the Surveyor/Consultant (excluding specialized new-build replacement assessments or forced liquidation valuations) represents a professional estimation of market value formulated within the prevailing open market parameters between a willing buyer and a willing seller trading at arm's length. Such valuations represent a subjective opinion of value bounded strictly by the date of compilation and do not constitute a commercial guarantee of realizable sale price, nor do they account for subsequent macroeconomic fluctuations or localized market shifts.

7. Work and Scope Variations

The Client shall explicitly define in writing the exact services required of the Surveyor/Consultant. The Surveyor/Consultant will confirm in writing its acceptance of those instructions or define the specific modifications to the services it intends to perform. Once a mutual agreement is established (the Services), any subsequent variations, expansions, or additions to the scope of work must be formalised by both parties in writing.

Notwithstanding the foregoing, where operational urgency or field conditions preclude immediate written amendment, the Client's verbal instruction to the surveyor on-site to inspect additional components, or the Client's subsequent acceptance of a Report containing expanded parameters, shall operate as a legally binding variation that obligates the Client to the payment of additional prorated Fees and associated Disbursements.

8. Payment, Digital Confirmations, and Mobilization Window

The Client shall execute the signed acceptance of the letter of engagement or formal quotation provided by an authorized representative of MCAS Group Limited. MCAS Group Limited shall issue a corresponding invoice for the agreed Fees, which must be satisfied in full via cleared funds in advance of any physical commencement of works or surveyor mobilization, unless otherwise formally agreed in writing. All Fees and Disbursements associated with international assignments outside the territorial jurisdiction of Hong Kong SAR must be paid in full in advance.

For the avoidance of doubt, the Client's explicit textual confirmation, affirmation, or directive to proceed transmitted via authenticated instant messaging applications (including, but not limited to, WhatsApp, WeChat, or SMS) following the delivery of a quotation or a digital hyperlink directing to these Conditions, shall be recognized as a valid 'electronic record' and an enforceable digital authorization pursuant to the Electronic Transactions Ordinance (Cap. 553 of the Laws of Hong Kong). Such explicit textual confirmation (utilizing clear, unambiguous nomenclature such as 'Confirmed',

'Approved', or 'Proceed', and strictly excluding the solitary deployment of emojis, digital reaction features, or generic graphical icons) shall possess identical legal force, validity, and enforceability as a manuscript signature executed upon a physical paper instrument.

Upon receipt of full, cleared payment into the designated bank account of MCAS Group Limited, the booking shall be deemed contractually confirmed, and professional arrangements will be initiated to deploy a surveyor to the agreed location within the standard constraints of our working hours, Hong Kong SAR public holidays, and any applicable localized public holidays at the site of attendance. With respect to the scheduling and execution of the Services, the clearing of payment into the designated bank account of MCAS Group Limited shall operate solely as a condition precedent to the confirmation of the assignment.

The Surveyor/Consultant shall under no circumstances be legally obligated to commence the execution of the Services, nor to mobilize to any agreed location of work, until the expiry of a mandatory scheduling and mobilization notice window of **forty-eight (48) business hours**. This notice window shall commence strictly from the point in time at which full, cleared funds are officially credited to the designated bank account of MCAS Group Limited. For the purposes of this clause, business hours shall exclude Saturdays, Sundays, public holidays in Hong Kong SAR, and any public holidays observed at the final location of attendance. The precise schedule of attendance remains at all times subject to the operational capacity and final written confirmation of MCAS Group Limited, and MCAS Group Limited shall not be held liable for any operational delays, missed slots, or third-party costs incurred by the Client due to late funding or insufficient mobilization notice.

In all events, the Client shall ensure that full payment of all Fees and Disbursements is realized prior to the electronic or physical issuance of the Report. The Report remains the exclusive copyright property of MCAS Group Limited. If payment for the agreed services is not realized pursuant to the terms of this contract, the Client hereby acknowledges and agrees that the granting of any license to utilize, reproduce, disseminate, or execute any recommendations contained within the Report is strictly contingent upon receipt of full cleared payment by MCAS Group Limited, prior to which all such rights are strictly reserved and withheld. Any failure or delay in executing payment shall entitle the Surveyor/Consultant to interest at a rate of nine percent (9%) per annum above the Best Lending Rate specified by The Hongkong and Shanghai Banking Corporation Limited (HSBC) prevailing at the date of default, calculated on a daily basis from the due date until full satisfaction is realized.

9. Obligations and Responsibilities

(a) Client: The Client covenants to ensure that comprehensive, clear, and accurate instructions are delivered to the Surveyor/Consultant in sufficient time to enable the required Services to be performed effectively and professionally. The Client is solely responsible for procuring safe and unrestricted legal access for the Surveyor/Consultant

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to the subject goods, marine premises, vessels, slipways, and transport hubs, and shall ensure that all appropriate occupational safety measures are actively enforced to maintain safe and secure working conditions. The Surveyor/Consultant shall not be held contractually liable for any downstream consequences, delays, or errors resulting from late, incomplete, inadequate, inaccurate, or ambiguous client instructions.

(b) Surveyor: The Surveyor/Consultant covenants to utilize reasonable professional care, diligence, and technical skill in the execution of the agreed services in accordance with established sound marine surveying and consulting practices.

(c) Reporting Timelines and MYBA Transaction Framework: The Surveyor/Consultant shall deploy reasonable commercial endeavors to submit the final written Report to the Client within an estimated baseline timeline of **five (5) to seven (7) business days** following the absolute physical conclusion of all on-site field actions (including sea trials and drydock hull line clearances).

Where the Services are expressly commissioned to support a vessel transaction governed by a MYBA Memorandum of Agreement (MoA) or equivalent international yacht sales instrument, the Surveyor/Consultant shall use reasonable endeavors to accelerate compilation to align with the contractual survey notice deadlines specified within the accepted formal quotation. The Client explicitly acknowledges and covenants that any such targeted delivery window is strictly non-binding, and time shall not be of the essence as against the Surveyor/Consultant. Under no circumstances shall MCAS Group Limited be held contractually or tortiously liable for any material breach of a third-party MYBA sales agreement, the collapse of an asset transaction, or the forfeiture of a client's deposit resulting from reporting timelines that are extended due to weather, mechanical failures, or late documentation delivery by the seller or broker.

(d) Confidentiality: The Surveyor/Consultant undertakes not to disclose any information provided in confidence by the Client to any third party, nor permit unauthorized third-party access to such files, unless the Client explicitly grants prior written consent, or save where required to do so by an order of a competent court of law. This restriction shall not apply to disclosures made by MCAS Group Limited to its legal counsel, debt collection underwriters, professional liability brokers, or underwriters in connection with a dispute, collection action, or potential claim arising under this contract.

(e) Property: The absolute title and right of ownership in respect of all original work, digital files, photographic catalogs, structural calculations, drafts, and data models created by the Surveyor/Consultant remains the exclusive property of the Surveyor/Consultant and MCAS Group Limited.

(f) Conflict of Interest/Qualification: The Surveyor/Consultant shall promptly notify the Client of any emergent matter, including newly discovered conflicts of interest or unexpected deficiencies in specialized qualification or technical equipment, which would render it undesirable for the Surveyor/Consultant to continue its active involvement with

the appointment. In such events, the Client shall remain responsible for the payment of the Surveyor/Consultant's prorated Fees and accumulated Disbursements up to the formal date of notification.

10. Liability Limits

(a) Without prejudice to the structural boundaries of Clause 7, the Surveyor/Consultant shall be under no liability whatsoever to the Client for any loss, damage, operational delay, or expense of whatsoever nature, whether direct or indirect, and howsoever arising, UNLESS the same is judicially proven to have resulted solely and directly from the gross negligence, reckless omission, or willful default of the Surveyor/Consultant or any of its direct employees, agents, or authorized subcontractors.

(b) In the event that the Client establishes that the loss, damage, delay, or expense suffered was directly caused by the proven negligence, gross negligence, or willful fault of the Surveyor/Consultant as aforesaid, then, save where such loss has resulted from a personal act or omission committed with direct intent to cause damage, the Surveyor's/Consultant's maximum aggregate liability for each distinct incident or series of connected incidents giving rise to a claim shall never exceed a sum calculated on the basis of five (5) times the individual Surveyor's/Consultant's charges or HK$40,000.00, whichever is the greater financial threshold.

(c) Without prejudice to sub-clauses (a) and (b) above, the Surveyor/Consultant shall not be held liable for the physical loss of or damage to specialized equipment, machinery, tools, or property placed at its disposal by or on behalf of the Client, howsoever such damage occurs, unless such loss was directly caused by an act or omission committed with proven intent to cause damage.

11. Indemnity

Except to the extent and solely up to the maximum financial threshold set forth pursuant to the liability limitations in Clause 10 herein, the Client hereby undertakes to keep the Surveyor/Consultant and its employees, agents and sub-contractors indemnified and to hold them harmless against all actions, proceedings, claims, demands or liabilities whatsoever or howsoever arising which may be brought against them or incurred or suffered by them, and against and in respect of all costs, loss, damages and expenses (including, but not limited to, legal costs and expenses on a full indemnity basis) which the Surveyor/Consultant may suffer or incur (either directly or indirectly) in the course of the Services undertaken under these Conditions.

12. Force Majeure

Neither the Surveyor/Consultant nor the Client shall be held liable for any loss, damage, delay, or total failure in performance hereunder resulting directly from an Act of God (including but not limited to earthquakes, floods, tsunamis, volcanic eruptions, hurricanes, tropical typhoons, cyclones, or severe blizzards), acts of war, military

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hostilities, terrorist attacks, nuclear contamination, radiation, state-enforced seizure under legal process, epidemic outbreaks, pandemic quarantines, border closures, government travel bans, nationwide strikes, industrial boycotts, lockouts, civil riots, commotions, or the unexpected arrest or restraint of princes, rulers, or sovereign peoples. Following the occurrence of a verified Force Majeure event, either party may serve formal written notice on the other to terminate the service agreement without penalty.

13. Insurance

(a) The Surveyor/Consultant shall effect and maintain, at its own sole cost and expense, Professional Indemnity Liability Insurance covering such professional liabilities for which the Surveyor/Consultant may legally be held liable to the Client strictly pursuant to, and subject to the limitations set forth within, these Conditions.

(b) The existence, procurement, or maintenance of any such insurance policy by MCAS Group Limited shall under no circumstances operate to waive, extend, or increase the financial liability thresholds or absolute liability caps established under Clause 10 herein. The liability limitations set forth in Clause 10 shall remain paramount, fully enforceable, and unaffected, notwithstanding the availability or quantum of any insurance proceeds available to the Surveyor/Consultant.

(c) All insurance coverages maintained by the Surveyor/Consultant are strictly subject to standard market terms, exclusions, conditions, and deductibles. Under no circumstances shall MCAS Group Limited be required to name the Client, the vessel owner, or any third party as an additional insured, nor shall MCAS Group Limited be obligated to procure or grant waivers of subrogation against any party, save where explicitly agreed in a separate written addendum executed prior to attendance and formally endorsed by the Surveyor/Consultant's underwriters.

14. Surveyor's/Consultant's Right to Sub-contract and Procurement Surcharges

(a) The Surveyor/Consultant retains the absolute right to sub-contract any portion of the technical services provided under these Conditions, subject to the Client's right to object on reasonable grounds. Any such objection must be served in writing within twenty-four (24) hours of the Surveyor/Consultant notifying the Client of the sub-contract, failing which the Client's right to object shall be deemed permanently waived. In the event of an approved sub-contract, the Surveyor/Consultant shall remain fully liable for the due performance of its obligations under these Conditions.

(b) Where the Surveyor/Consultant exercises its right to sub-contract any portion of the specialized technical services pursuant to sub-clause 14(a), or engages independent third-party laboratories, non-destructive testing (NDT) specialists, or external naval architects/consultants for the fulfillment of the assignment, MCAS Group Limited reserves the absolute, unilateral right to levy an administrative procurement surcharge

and handling fee of up to fifteen percent (15%) [or an alternate rate as expressly detailed within the accepted formal quotation] upon the gross invoice value of said sub-contracted considerations. The Client acknowledges that this surcharge constitutes a fair liquidated representation of the administrative, coordinating, and supervisory overheads incurred by MCAS Group Limited, and covenants to satisfy such sum in full without deduction, withholding, or offset.

15. Time Bar

Any and all claims against the Surveyor/Consultant by the Client shall be deemed to be waived, abandoned, and absolutely time-barred upon the expiry of ninety (90) days calculated strictly from the formal submission date of the Report to the Client.

16. Jurisdiction and Law

These Conditions shall be governed by, interpreted, and construed exclusively in accordance with the substantive laws of Hong Kong. Any dispute, controversy, or claim arising out of or relating to this contract shall be subject to the exclusive jurisdiction of the Courts of Hong Kong.

17. International and Overseas Engagements

(a) Regulatory Clearances and Access: In respect of any Services mandated to be executed outside the territorial boundaries of Hong Kong SAR, the Client shall bear sole and exclusive responsibility for procuring, maintaining, and funding all necessary visas, work permits, statutory authorizations, local regulatory clearances, and secure port or terminal access passes required to facilitate the entry and performance of the Surveyor/Consultant.

(b) Frustration of Performance and Aborted Travel: In the event that the Surveyor/Consultant is precluded from accessing the vessel, site, or port facility, or if performance is delayed, disrupted, or aborted due to a deficiency in the documentation specified in sub-clause 17(a), or due to any unilateral scheduling amendments enacted by the Client, the Client shall remain fully liable for the satisfaction of all agreed Fees and Disbursements. This liability shall encompass an additional liquidated day-rate assessment covering the surveyor's professional travel time.

(c) Fiscal Assessments and Gross-Up Obligations: All economic considerations, Fees, and Disbursements quoted by MCAS Group Limited are exclusive of, and net of, any and all fiscal assessments, withholding taxes, value-added taxes (VAT), customs duties, or tariffs levied by foreign jurisdictions. If any such deductions or withholdings are mandatorily imposed by local tax authorities, the Client covenants to gross up the respective payment such that the net amount received into the designated bank account of MCAS Group Limited equals the exact gross total specified on the face of the invoice.

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(d) Trade Sanctions and Regulatory Compliance: The Client warrants, represents, and covenants that neither the subject vessel, its registered owners, beneficial owners, operators, managers, nor its flag state, are subject to economic sanctions, restrictive measures, or embargoes enforced by the United Nations, the United States Office of Foreign Assets Control (OFAC), the European Union, or the Government of Hong Kong SAR. MCAS Group Limited reserves the unilateral right of immediate contractual termination, without penalty or liability, should a breach of this warranty be identified.

18. Exclusion of Third-Party Rights

A person who is not a party to these Conditions shall have no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) to enforce or enjoy the benefit of any term contained herein. Notwithstanding any provision to the contrary, the consent of any third party is not required to rescind, vary, waive, or terminate these Conditions.

19. Cancellation and Postponement Fees

In the event that the Client cancels, postpones, or materially alters the scheduled execution of the Services, the Client shall be liable to MCAS Group Limited for liquidated administrative damages calculated as follows: (a) Notice served less than forty-eight (48) hours but more than twenty-four (24) hours prior to scheduled attendance: twenty-five percent (25%) of the agreed Fees, plus one hundred percent (100%) of unrecoverable Disbursements. (b) Notice served twenty-four (24) hours or less prior to scheduled attendance (including non-attendance or denial of access at the site): fifty percent (50%) of the agreed Fees, plus one hundred percent (100%) of unrecoverable Disbursements.

20. Health, Safety, and Environmental (HSE) Compliance

The Surveyor/Consultant reserves the absolute, unilateral right to refuse entry into any space, or to halt the performance of the Services entirely, if the attending surveyor, in their sole professional discretion, deems the prevailing working conditions, environmental status, or structural integrity of the vessel or site to constitute an immediate risk to life, health, or safety. Such safety-related refusals shall not constitute a breach of contract by MCAS Group Limited, and the Client shall remain fully liable for all associated Fees and Disbursements without deduction or offset.

21. Entire Agreement and Non-Reliance

These Conditions, read in conjunction with the formal written quotation accepted by the Client, constitute the entire, integrated agreement between the parties and supersede all prior or contemporaneous oral or written communications, representations, understandings, or course of dealings. The Client acknowledges and covenants that in

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entering into this contract, it has not relied upon any statement, representation, warranty, or collateral assurance made by or on behalf of MCAS Group Limited save as expressly set forth herein.

22. Severability

If any provision, or part of a provision, of these Conditions is found by any court or administrative body of competent jurisdiction to be illegal, invalid, or unenforceable under prevailing statutes, such illegality, invalidity, or unenforceability shall not affect the remaining provisions of these Conditions, which shall remain in full force and effect as if the offending provision had been severed.

23. Unmanned Aerial Vehicle (UAV) and Drone Operations

(a) Authorization and Regulatory Compliance: Where the agreed scope of Services mandates the deployment of Unmanned Aerial Vehicles (UAVs) or drones for aerial hull inspections, structural mapping, or digital data capture, the Client shall bear sole and exclusive responsibility for securing all requisite permissions, site clearances, and operational authorizations from the vessel master, shipyard operators, port authorities, and relevant statutory bodies (including, but not limited to, the Civil Aviation Department of Hong Kong SAR under the Small Unmanned Aircraft Order, Cap. 448G, or respective foreign regulatory equivalents) prior to flight execution.

(b) Operational Discretion and Safe Flight Windows: The certified remote pilot or attending surveyor appointed by MCAS Group Limited retains absolute, unilateral operational authority to abort, postpone, or refuse drone deployment due to adverse meteorological conditions, excessive wind velocity, poor visibility, electromagnetic or magnetic interference originating from steel structures, radio signal degradation, or any other hazard deemed to compromise flight safety or statutory flight boundaries. Any such safety-driven refusal or abortion of flight operations shall not constitute a breach of contract by MCAS Group Limited, nor shall it entitle the Client to any reduction, abatement, or offset of agreed Fees.

(c) Indemnity for Asset Impact and Third-Party Claims: The Client explicitly acknowledges that UAV operations executed in close proximity to maritime assets carry inherent risks of signal deflection, GPS dropouts, and magnetic compass disruption caused by the vessel’s steel mass and active communication arrays. Save in cases of judicially proven gross negligence or willful default solely by the remote pilot, the Client covenants to indemnify, defend, and hold harmless MCAS Group Limited against any and all claims, actions, or liabilities concerning hull impact damage, cosmetic coatings damage, machinery disruption, third-party property damage, or personal injury arising from drone flight operations.

(d) Equipment Loss and Payload Destruction: In the event that a UAV or its integrated sensory payloads are damaged, lost, or destroyed during an assignment due to unexpected electromagnetic interference emitted by the vessel's active systems,

collision with undisclosed shipboard wires/rigging, or due to a failure of the vessel's crew to maintain designated safety zones or adhere to flight instructions, the Client covenants to fully reimburse MCAS Group Limited for the complete market replacement value of the operational UAV, thermal/optical payloads, and all associated software data storage media.

24. Media Rights and Marketing Utilization

(a) The Client hereby acknowledges and agrees that all photographic, videographic, thermal, raw digital telemetry, and digital media captured by the Surveyor/Consultant during the performance of the Services remains the exclusive intellectual and copyright property of MCAS Group Limited pursuant to Clause 9(e) herein.

(b) The Client hereby grants to MCAS Group Limited an unrestricted, irrevocable, perpetual, worldwide, royalty-free license to utilize, reproduce, modify, and publish any such imagery, video footage, or digital media for commercial marketing, corporate promotions, professional portfolios, website displays, and educational or training materials.

(c) To preserve the confidentiality thresholds established under Clause 9(d), MCAS Group Limited covenants that any media deployed for public marketing or promotional purposes shall be reasonably anonymized, ensuring that specific vessel registration numbers, corporate logos, or client-sensitive proprietary markings are redacted or obscured prior to publication.

25. Prohibition of Personnel Recording and Social Media Restrictions

(a) The Client explicitly covenants, represents, and warrants that the Client, its employees, vessel crew, brokers, agents, and representatives are strictly prohibited from capturing, filming, photographing, or recording the physical likeness, voice, professional activities, techniques, or equipment of the Surveyor/Consultant's personnel during the execution of the Services, save where express prior written consent has been executed by an authorized director of MCAS Group Limited.

(b) The publication, dissemination, hosting, or uploading of any photographic, video, or audio media featuring the Surveyor/Consultant's personnel, branding, or operational workflows onto any social media network (including, but not limited to, LinkedIn, Facebook, Instagram, YouTube, X, WeChat, or Tik Tok), public internet forum, or corporate promotional channel is strictly forbidden.

(c) Any violation of sub-clauses 25(a) or 25(b) shall operate as an immediate, material breach of contract. In the event of such a breach, MCAS Group Limited reserves the absolute unilateral right to:

- Immediate contractual termination and withdrawal of the surveyor from the site without penalty or liability;

- The permanent withholding and cancellation of any Report or data release, with the retention of one hundred percent (100%) of all advance Fees paid; and
- Seek immediate emergency injunctive relief and liquidated damages in the Hong Kong Courts to prevent or remedy unauthorized public or digital dissemination, with all associated legal expenses borne exclusively by the Client on a full indemnity basis.

26. Standard Service Hours and Overtime Surcharges

(a) The standard operational service hours of the Surveyor/Consultant are defined strictly as **09:00 to 18:00 Hong Kong Time (HKT), Monday through Friday**, excluding public holidays in Hong Kong SAR or any applicable public holidays at an overseas location of attendance. **These standard operational service hours are inclusive of a mandatory, non-working one (1) hour lunch break to be taken at the surveyor's operational discretion.**

(b) Any professional services, site attendances, vessel inspections, sea trials, drone flights, or emergency field deployments mandated or requested by the Client to be executed outside of these standard operational service hours—including any work performed on Saturdays, Sundays, public holidays, or during night hours (18:01 HKT to 08:59 HKT)—shall be legally categorized as "Overtime Service" and shall be subject to an additional premium surcharge calculated at a rate of fifty percent (50%) above the standard professional service fee rate, unless explicitly integrated as a flat-rate concession within the accepted formal quotation.

(c) If physical site attendance or sea trials are prolonged beyond the standard service hours due to operational delays entirely outside the direct control of the surveyor—including but not limited to vessel crew unreadiness, shipyard congestion, vessel mechanical failures, or Client-driven logistical issues—the Client shall be automatically billed for the additional time as Overtime Service, without prejudice to any other Fees or Disbursements outlined within these Conditions.

(d) In the event that the Client’s operational schedule, shipyard deadlines, or sea trial constraints require the Surveyor/Consultant to work continuously through the mandated one (1) hour lunch break specified in sub-clause 26(a) without interruption, such hour shall be automatically billed to the Client as Overtime Service pursuant to the rates established in sub-clause 26(b) herein.

27. Arrangement of Third-Party Shipyard and Haul-Out Services

(a) Administrative Agency Status: Where the Surveyor/Consultant, at the verbal or written request of the Client, coordinates, schedules, or advances payment for third-party shipyard services, vessel haul-outs, drydocking, slipway movements, or crane operators, the Surveyor/Consultant executes such steps strictly as an administrative agent for the convenience of the Client. The advancement of payments or handling of

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logistics shall under no circumstances transform the Surveyor/Consultant into a principal contractor or legal provider of engineering, lifting, or drydocking actions.

(b) Independent Contractor Status and Exclusion of Subcontracting Liability: Any shipyard, drydock facility, marina operator, or lifting specialist providing services described in sub-clause 27(a) shall be deemed an independent contractor engaged directly by the Client, and explicitly shall not be construed as a subcontractor, partner, or agent of MCAS Group Limited under Clause 14 herein.

(c) Absolute Exclusion of Liability for Third-Party Yard Damage: MCAS Group Limited shall be entirely absolved of, and carries zero liability for, any physical damage, structural failure, dropping, listing, hull impact, cosmetic scratching, delay, or total loss sustained by the vessel, its equipment, or third-party assets where such loss is caused in whole or in part by the negligence, omission, equipment malfunction, or willful default of the shipyard facility, its personnel, or its heavy machinery.

(d) Pass-Through of Terms and Client Indemnity: The Client explicitly covenants to be bound by the standard business terms, liability limits, and disclaimers enforced by the operating shipyard facility. Furthermore, the Client covenants to indemnify, defend, and hold harmless MCAS Group Limited and the individual attending surveyor against any and all cross-claims, liabilities, or legal expenses (including full legal costs on an indemnity basis) brought by the shipyard, hull underwriters, or third parties arising from or relating to the haul-out operations organized hereunder.

28. Reliance upon Third-Party Documentation and Historical Records

(a) In executing the Services, the Surveyor/Consultant must necessarily review, analyze, and rely upon historical vessel logs, maintenance registries, machinery service logs, classification society records, and statutory certificates provided by the Client, vessel owner, broker, or respective third-party custodians.

(b) MCAS Group Limited explicitly disclaims any warranty, representation, or collateral assurance regarding the factual accuracy, completeness, or structural authenticity of such data or historical records. MCAS Group Limited shall carry no liability whatsoever—contractually, tortiously, or otherwise—for any erroneous professional opinions, omissions, or analytical inaccuracies within the final Report that arise from, or are predicated upon, fraudulent, doctored, incomplete, or inaccurate documentation supplied to the surveyor by any party.

29. Interruption, Frustration, or Abortion of Sea Trials

(a) Once a sea trial or dynamic machinery test has formally commenced, the attending surveyor retains absolute professional discretion to order the immediate abortion or suspension of the trial if, in their sole opinion, prevailing sea states, localized meteorological hazards, or unexpected mechanical structural malfunctions jeopardize the safety of personnel or the structural integrity of the vessel.

(b) If a sea trial is aborted, suspended, or cut short due to the safety factors specified in sub-clause 29(a), due to sudden port authority or Marine Department directives, or due to vessel machinery failure, the Client shall remain fully liable for one hundred percent (100%) of the agreed Fees and Disbursements associated with the assignment. Any subsequent re-mobilization or re-attendance mandated to conclude the unexecuted scope of the sea trial shall be legally categorized as a new variation of work, subject to additional standalone billing and scheduling pursuant to Clause 8.

30. Electronic Transmissions and Cyber Security Disclaimer

(a) The Client explicitly acknowledges and accepts the inherent operational and security risks associated with the transmission of electronic mail, PDF documentation, and instant messaging media (via WhatsApp, WeChat, or alternative digital networks).

(b) While MCAS Group Limited utilizes standard commercial security measures, it does not warrant that electronic files, data packages, or digital media transmissions forwarded to the Client will be entirely free of software bugs, data corruption, or malicious code. MCAS Group Limited shall be held completely harmless against any direct, indirect, or consequential damages sustained by the Client's computer systems, hardware grids, or corporate servers resulting from data transmission errors, network interceptions, file corruptions, or digital viruses.

31. Deck Drainage, Water-Tightness, and Weather-Dependent Conditions

(a) The Client explicitly acknowledges that the Services constitute a visual inspection executed under the prevailing localized weather and environmental conditions present at the exact temporal point of attendance. The Surveyor/Consultant is under no operational obligation to simulate alternative environmental profiles, nor to execute deluge testing, high-pressure hose testing, or artificial deck flooding to evaluate structural water-tightness or deck drainage flow characteristics, unless such testing is explicitly requested in writing, explicitly costed, and formally integrated into the accepted written quotation.

(b) MCAS Group Limited shall be entirely absolved of all liability, contractually or tortiously, for any structural or cosmetic defects that are only manifest, observable, or discoverable under specific, heavy, or prolonged meteorological events. This absolute exclusion of liability encompasses, but is not limited to, rainwater pooling or pooling of fluids on superficial deck areas, weeping or active leakage around deck hatches, portlights, windows, or superstructure seams during storm conditions, and internal water ingress resulting from localized drainage constraints, clogged scupper piping, or design camber deficiencies that were dry and visually unobservable at the time of the physical survey attendance.