

STEINER SHIPYARD, INC.
 Post Office Box 742
 Bayou La Batre, Alabama 36509
 (251) 824-4143
 (251) 824-4178 Fax

WORK ORDER

Name of Vessel Owner	Name of Vessel
Mailing Address	Official No.
City State Zip Code	Work Order No.
Telephone Number: _____ E-mail Address: _____	Date

Work To Be Performed
<hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <p style="font-size: small;">NOTE: Additional work may be included pursuant to verbal instructions of the Owner, confirmed in writing within 48 hours and acknowledged in writing by Shipyard all of which shall be subject to the terms and conditions of this Work Order.</p>

Price: (Check appropriate block): Fixed Price of \$ _____ Cost-Plus

In the case of a "Cost-Plus" contract, Vessel Owner agrees to pay the Shipyard for materials, subcontractor work engaged by the Shipyard, labor and service charges on the following basis:

Materials and Any Subcontractor Work Engaged by Shipyard: Shipyard's actual cost plus 15%.

Labor and Service Charges: All labor and service charges are set forth in the Shipyard's standard schedule of Labor Rates and Service Charges, which are in effect during the time the labor and/or services are performed and/or are applicable. This schedule is available to the Vessel Owner upon request.

Haul Out: If Vessel is to be hauled out, Vessel Owner agrees to pay the Shipyard \$12.50 per foot based upon the documented length of the Vessel (or, if the Vessel is not documented, the measured length).

Deposit: (Check appropriate block): G \$ _____ G None

The Shipyard will invoice the Vessel Owner for the work at completion unless stated otherwise in this Work Order.

SUBJECT TO STANDARD TERMS AND CONDITIONS APPEARING ON THE ATTACHED PAGES

STEINER SHIPYARD, INC.

Shipyard

(Print Name of Vessel Owner)

By: _____

By: _____

As Its: _____

As Its: _____

Standard Terms and Conditions

Steiner Shipyard, Inc. (the "Shipyard") and the owner of the Vessel specified above (the "Vessel Owner") hereby agree and contract for the above-specified work upon the following terms and conditions ("Agreement"):

1. Payment of Invoices. Work hereunder is being performed pursuant to order of the Vessel Owner and/or a person otherwise authorized by the Vessel Owner to procure the same. Further, the Shipyard is relying on the credit of the Vessel in its agreement to undertake the Work. Bills are payable when submitted to the Vessel Owner and Shipyard shall have a lien upon the Vessel for its charges, and, after thirty (30) days of delivery of invoice to Vessel Owner, a finance charge of 1.5% per month shall be added to and included in all unpaid bills. Shipyard shall likewise have the right to retain possession of the Vessel until all bills and charges arising under and pursuant to this Agreement (including lay days and storage charges) have been paid in full. In the event it shall become necessary to employ an attorney to collect any sum due Shipyard for repairs, haul out, or other services or charges arising under or pursuant to this Agreement (including lay days and storage charges), a reasonable attorney's fee shall be added to the unpaid amount and shall be paid by the Vessel Owner forthwith.

2. Condition of Vessel Upon Arrival. The Vessel Owner warrants and represents to the Shipyard that the structural and other conditions of the Vessel are such that the Vessel is: (a) able to withstand normal sandblasting and other normal and customary shipyard procedures without damage to the Vessel; and (b) able to withstand lifting out of the water by sling type hoist (or other lifting device employed by the Shipyard for such purpose) without damage to the Vessel (the warranty and representations of this paragraph being herein called the "Condition Warranty"). It is stipulated and agreed that any breach of this Condition Warranty by the Vessel Owner – and consequent damage to the Vessel – shall in no event and under no circumstances be deemed negligence or fault of the Shipyard in lifting or handling of the Vessel. In the event there are any items or appurtenances of the Vessel that protrude from the exterior of the hull in such a manner or fashion so that the same could be damaged by lifting of the Vessel out of the water by sling-type hoist (or other lifting device employed by the Shipyard for such purpose), such as, but not limited to, transducers, keel coolers, and rolling chocks, the Vessel Owner agrees to call this to the Shipyard's attention and provide the Shipyard with a written drydocking plan in an effort to prevent or mitigate damage to the same.

3. Personal Property Aboard the Vessel. In connection with any items of value aboard the Vessel upon arrival of the Vessel at the Shipyard, including, without limitation, personal property of the Vessel Owner or the crew of the Vessel, tools, electronics, VCRs, DVDs, radios, television sets, and other items that could be subject to theft or damage from the elements, Vessel Owner is obligated and agrees to take the steps necessary to protect such items from theft or damage from the elements by removal from the Vessel or such other protection Vessel Owner deems adequate. It is agreed and understood that all responsibility in this regard is that of the Vessel Owner and that the Shipyard shall have no liability or responsibility with respect thereto. In this connection, the Vessel Owner acknowledges that the Vessel Owner and the Vessel Owner's employees, crew, members, agents and invitees will have access to the Vessel from time to time and, as a consequence, that Shipyard will not have the exclusive care, custody and control of the Vessel during the performance of the work.

4. Freeze Protection. Vessel Owner agrees to utilize antifreeze or other winterizing type protection deemed necessary by Vessel Owner to protect the engine or engines and any other parts or appurtenances of the Vessel from damage by freezing. It is agreed and understood that the risk of all damage of this nature is that of Vessel Owner and that the Shipyard shall have no liability or responsibility with respect to any freezing condition or damage.

5. Warranty of Shipyard. Shipyard agrees to correct, at its expense, any workmanship proven to be defective due to the fault or neglect of Shipyard, provided that notice of same be received by Shipyard in writing within sixty (60) days after the departure of the vessel

from the Shipyard's facility or completion of the work, whichever shall first occur. In the absence of said notice within the time specified, it shall be conclusively presumed that the workmanship furnished was free from any defect or deficiency whatsoever. Shipyard's liability, if any, is solely and strictly limited to the cost of repair, correction, or replacement of workmanship proven to be defective and in no event and under no circumstances shall Shipyard be liable for any incidental or consequential damage whatsoever, including, but without limiting the generality of the foregoing, damages for delay, detention, demurrage, towage, pilotage, loss of use, loss of earnings, down time, or any other damages directly or indirectly caused by such defective workmanship or any other cause whatsoever, whether for loss of or injury to persons or property, including the vessel, its cargo, equipment, or stores. It is understood and agreed that Shipyard does not warrant any equipment or material manufactured by others, and, in this connection, it is understood and agreed that the Shipyard hereby excludes any implied warranty of the merchantability or fitness for particular purpose with respect to said equipment or material manufactured by others and that any warranties of condition of whatsoever nature with respect to said equipment or material manufactured by others shall be those warranties, if any, expressed and provided by the manufacturer. In order for these warranties to be affective, Vessel Owner must immediately take the system or component out of service and notify the Shipyard so as to allow the Shipyard and/or vessel owner to make a claim as to the manufacturer's warranty. Such notice to the Shipyard can be verbal, but must be followed up and confirm a warranty claim in writing within seventy-two (72) hours of the original verbal notice to the Shipyard. If opened, the failed system or component opened to determine the cause of the failure and/or attempts to make temporary repairs thereto, this warranty would be considered compromised and becomes null and void. The foregoing is in lieu of all warranties and liabilities, expressed or implied, and any document which unilaterally purports to alter or increase Shipyard's liability beyond that stated herein, whether set forth in the Vessel Owner's purchase order, invitation to bid, specifications, instructions, other written instrument, or otherwise, is not acceptable to Shipyard and does not form a part of this Agreement.

6. Limitation of Liability. The Parties confirm that the express remedies provided in this Agreement satisfy the essential purposes hereof. For breach of any provision for which an express remedy is provided, such express remedies shall be the sole and exclusive remedy therefore. The Parties confirm and agree that under this Agreement, no party shall be required to pay or be liable for special, consequential, punitive, exemplary or indirect damages, lost profit or business interruption damages, by statute, in tort, contract or otherwise. Notwithstanding anything in this Agreement to the contrary, and no event shall the Shipyard's liability to Vessel Owner arising out of or in any way connected with the work herein exceed the amount and/or charges for work performed pursuant to this Work Order.

7. Force Majeure. Work undertaken pursuant to this Work Order, including any delivery/completion date thereof, shall be subject to extension by reason of force majeure, which term is hereby agreed to include all causes whatsoever beyond the reasonable control and without the fault of the Shipyard. The Parties agree that such causes shall include, but shall not be limited to, the following: strikes, lockouts, or other industrial disturbances; unavailability or interruptions or inadequacy of electric power or fuel supplies; freight embargoes; Vessel Owner's delay in providing information or consent to changes; delay in receipt of payments; delay in approvals by regulatory agencies or other regulatory bodies; unusually severe weather conditions; inclement weather during periods that construction activities are being conducted out-of-doors, damage to or destruction of the Shipyard, the Vessel or any part thereof by any cause; act of God; actions or inactions of Vessel Owner; war, terrorism, preparation for war, the requirement, or intervention of Naval or Military authorities or other agencies of government; blockade, sabotage, vandalism, threats of vandalism and bomb scares and insurrection; landslides, floods, hurricanes, tornadoes, earthquakes; collisions and fires; non-delivery and/or late delivery of any Owner Furnished Equipment; unavailability or late delivery of Shipyard furnished material if such material was ordered in a timely manner by Shipyard and delays due to changes authorized by Vessel Owner.

8. Damage Covered By Vessel Owner's Insurance. Any language in this Agreement to the contrary notwithstanding, Vessel Owner waives any right or claim against the Shipyard for damage sustained by Vessel Owner which is covered under any insurance policy, and Vessel Owner shall cause Vessel Owner's insurance carrier to waive their respective rights of subrogation with respect to the same, and to so notify the Shipyard, whether such damage occurs at the premises of the Shipyard or elsewhere. A Certificate of Insurance shall be provided

to Shipyard at time of vessel's arrival at the Shipyard with requirement of notice to Shipyard no less than ten (10) days prior to a cancellation or revision.

9. Leaking and Discharge of Oil // Pollution Claims. In the event: (a) the Vessel leaks or discharges oil or other pollutants, which discharge is due to the fault or neglect of the Vessel Owner and not the Shipyard; or (b) the Vessel or the Vessel Owner or any other person, firm or corporation causes a claim for property damages or personal injury (including death) to be asserted against the Shipyard with respect to such leak or discharge that is not due to the fault or neglect of the Shipyard; then, upon the happening of any such event, the Shipyard shall in no wise be responsible for such leak, discharge or claim and the Vessel Owner agrees to protect, indemnify, and hold the Shipyard harmless from and against any and all claims, fines, penalties, demands, damages, and costs, including reasonable attorney's fees, incurred by the Shipyard with respect thereto.

10. Vessel Owner's Employees and Subcontractors // Indemnity Obligations. In the event the Vessel Owner desires for employees and/or subcontractors of the Vessel Owner (collectively "Vessel Owner Invitees") to perform work to the Vessel while the same is located at the Shipyard facility, the following terms and conditions shall apply:

(a) The Vessel Owner must first furnish to the Shipyard a list of Vessel Owner Invitees who will be in the Shipyard. The Shipyard reserves the right to refuse, exclude or request removal from its facilities any individual or entity;

(b) Vessel Owner must furnish a certificate of insurance acceptable to the Shipyard that evidences acceptable insurance coverage for such employee and/or subcontractor, provided, however, that such a certificate shall not be required for individuals living aboard the vessel performing their daily chores;

(c) the Vessel Owner agrees that all such employees and/or subcontractors will comply with and abide by all rules imposed by the Shipyard with respect to both the conduct of their work and their presence at the Shipyard facility; and

(d) Vessel Owner shall be held responsible for any damage or destruction to property at Shipyard resulting from the use or acts, omissions, neglect or default of Vessel Owner Invitees.

(e) Vessel Owner shall defend, protect, indemnify and hold Shipyard, its subsidiaries, related and affiliated companies, and the officers, directors, agents, employees, and assigns of each (singularly "Indemnitee" and collectively "Indemnitees"), harmless from and against any and all claims, demands, suits, judgments, losses, or expenses of any nature whatsoever (including actual attorney's fees and costs) ("Claims") arising directly or indirectly, in whole or in part, from or out of or in connection with any acts and/or omissions of the Vessel Owner its employees, subcontractors and agents or Invitees, including but not limited to (i) claims involving property damage, (ii) personal injury or death, by whomever brought and whether the claim is groundless or not, and whether the loss or injury is caused in whole or in part by the negligence or fault of any Indemnitees or by the defect in any equipment, vessel, or property under the ownership or control of any Indemnitee, (iii) penalties imposed on account of the violation of any law, order, citation, rule, regulation, standard, ordinance, or statute, and (iv) pollution of any kind or nature emanating from property owned or controlled by Vessel Owner, its employees, subcontractors and agents or Invitees, or caused to be released / discharged by the acts and/or omissions thereof.

11. Storage Charges After Work is Completed. It is understood and agreed that there should be no lay day or storage charges during the performance of the work by the Shipyard, but the Shipyard does not agree to allow the Vessel to remain at the Shipyard Facility without cost to the Vessel Owner subsequent to the performance of the work or during any period of time that the Owner is permitted to perform work on the Vessel. In this regard, the Shipyard shall charge and the Vessel Owner agrees to pay to the Shipyard storage or lay day charges at the rate of \$1.50 per foot per day based on the documented length of the Vessel (or if not documented, the measured length), said charges to commence three (3) days after the work has been completed and/or during the time that Owner is permitted to perform work on the Vessel.

12. Right to Move Vessel, Conduct Sea Trials, etc. Vessel Owner hereby grants to Shipyard permission to operate the Vessel as may be necessary for the purpose of pickup, refloat, delivery, moving, testing, sea trials and/or inspection and during the happening or occurrence of an emergency situation or if Shipyard finds it necessary to relocate the Vessel to a different area due to business reasons (as determined by Shipyard in its sole discretion) and, in connection with an emergency situation, Owner authorizes the Shipyard to haul or otherwise pick the Vessel out of the water and agrees to pay all reasonable costs associated therewith. In the event of the approach of a tropical disturbance or hurricane at a time when the condition of the Vessel is such that it is capable of being moved to a safer location than the Shipyard, Vessel Owner agrees to immediately remove the Vessel from the Shipyard to an area selected by the Vessel Owner. In the event Vessel Owner fails to remove the Vessel in such circumstances, Shipyard may, but shall not be under an affirmative obligation, move the Vessel to another location and/or change the mooring of the Vessel. It is understood and agreed that: (a) the Shipyard shall not be responsible for any loss or damage to the Vessel caused by said tropical disturbance or hurricane irrespective of the condition of the Vessel at such time; and (b) that Vessel Owner will pay all reasonable costs and expenses incurred by the Shipyard in connection with the moving and/or changing the mooring and/or any other safeguards deemed necessary by the Shipyard with respect to said tropical disturbance or hurricane, provided, however, that nothing in this sentence shall be construed to impose a duty or an obligation upon the Shipyard to move and/or change moorings and/or other safeguards.

13. Dispute Resolution. This Agreement shall be governed by and construed in accordance with the laws of the State of Alabama. Any litigation arising out of or in any way related to this Agreement or Subcontract Work performed hereunder shall be filed exclusively in either the Circuit Court of Mobile County, Alabama or the United States District Court for the Southern District of Alabama, and each Party hereby agrees to submit to the jurisdiction of such courts / waives any objection to personal jurisdiction for such venues. The prevailing Party shall have the right to collect from the other Party its reasonable costs, necessary disbursements and attorneys' fees incurred in enforcing this Agreement. THE PARTIES EXPRESSLY WAIVE THEIR RIGHT TO TRIAL BY JURY.

14. Authority of Person Signing. The individual signing this Agreement represents and warrants unto the Shipyard that he or she is either: (a) the Owner of the Vessel; or (b) a person authorized by the Owner to execute this Agreement and to contract for the work and services with respect to the Vessel as specified herein. This Agreement is fully integrated and represents the entire Agreement and understanding of the Shipyard and the Vessel Owner and it shall supersede and replace any and all prior Agreements or understandings between the parties concerning the subject matter of this Agreement. The Agreement may not be modified or amended in any respect, except in writing signed by representatives of Owner and Shipyard acknowledged and agreed to by both parties.

Vessel Owner:

OWNER OR REPRESENTATIVE SIGNATURE

Dated: _____