TERMS OF ENGAGEMENT

1. THE SERVICES TO BE PROVIDED

1.1 The Engagement and its Terms – In this document:

- the expression ‘the Client’ means the ship owner, ship manager, ship operator, insurer or other party(ies) named in the Acknowledgement of Instruction letter(s) (the “Acknowledgement”) issued by TCWong, and

- the abbreviation “TCWong” means TCWong Average Consulting Ltd., including any TCWong personnel involved in the matter, loss or accident in relation to which TCWong is instructed to provide its services to the Client (“the Matter”) on the terms contained in this document and in the Acknowledgement from TCWong to the Client (together “the terms of engagement” and generally “the engagement”).

Unless otherwise stated in the Acknowledgement these terms of engagement supersede any other agreement or arrangement (whether written or oral) previously agreed between TCWong and the Client in relation to the Matter. In the case of a conflict between the Acknowledgement and the terms in this document, the Acknowledgement will prevail.

1.2 The TCWong Team – TCWong will make every reasonable effort to ensure that its personnel named in the letter of acknowledgement or otherwise notified to the Client are available to work for the Client on the Matter. TCWong will endeavour to give the Client reasonable notice of any necessary change in such personnel and provide details of their proposed replacements.

1.3 Timetable – TCWong will make every reasonable effort to adhere to any timetable agreed either in the letter of acknowledgement or elsewhere in writing with the Client. For the avoidance of doubt, time is not of the essence to TCWong's performance of the engagement unless TCWong has expressly agreed otherwise in writing.

1.4 Reporting – TCWong will report to the Client with appropriate information on the progress of the Matter as regularly as may be appropriate for the Matter or as otherwise agreed with the Client. TCWong will send its reports to the Client at the address shown in the Acknowledgement.

1.5 Authority – The Client hereby expressly authorises and agrees that TCWong may engage or use contractors, sub-contractors or other persons to provide the services covered by the terms of engagement in relation to the Matter.

2. THE CLIENT’S RESPONSIBILITIES

2.1 Support Facilities – If TCWong is required to work at the Client’s premises, the Client will ensure that TCWong’s personnel are provided with the facilities reasonably necessary to enable them to do their work efficiently and in safety.

2.2 Information – The Client will give TCWong all information, instructions and assistance reasonably necessary to enable TCWong to perform the engagement.
and the Client will ensure that its appropriate personnel are available to TCWong for such purposes. The Client hereby acknowledges that TCWong will rely on such information, instructions and assistance when performing the engagement.

2.3 Payment – The Client will pay TCWong’s fees, disbursements, expenses and applicable local taxes where appropriate (hereinafter “applicable taxes”) in respect of the engagement in accordance with clause 3 below or as otherwise agreed with the Client.

3. FEES AND PAYMENT

3.1 Method of Calculation – Unless otherwise agreed in writing, TCWong’s fees will be charged to the Client on a time basis at the appropriate hourly rates plus applicable taxes for all personnel working on the engagement. Such fees will include time spent by such personnel in connection with the engagement on travelling, attending meetings and interviews, research, investigation and forensics, working on and preparing reports and associated papers, correspondence and telephone calls.

3.2 Disbursements – TCWong’s fees will exclude any fees payable by the Client for forensics or to other technicians or professional advisers instructed by or on behalf of the Client or otherwise associated with the engagement. All disbursements and expenses incurred by TCWong in connection with the engagement including charges for travel, subsistence, accommodation and out of office or on site expenses such as telephone calls and photocopying will be invoiced to and payable by the Client on an at cost plus applicable taxes basis.

3.3 Estimates – Any estimate of fees or of the time likely to be involved in performing the engagement will be given by TCWong in good faith to the Client for planning or other purposes only and the estimate will not be contractually binding on either party.

3.4 Payments on Account – TCWong reserves the right to require the Client to pay TCWong funds in advance to enable TCWong to pay the disbursements and expenses described in clause 3.2 above (payable either in advance on account or periodically as they become due for payment). TCWong may apply such funds paid in advance generally to pay its disbursements and expenses for the engagement upon delivery of its invoice or other written notification of its disbursements and expenses to the Client.

3.5 Taxes – Insofar as any fees, disbursements and expenses are liable to any applicable taxes which TCWong may be liable under applicable local law to pay or collect in respect of the engagement, the Client agrees to pay all such taxes and reimburse TCWong accordingly upon receipt of TCWong’s invoice in respect of such taxes.

3.6 Fee Changes – TCWong may vary its hourly rates or any hourly rates given in the letter of acknowledgement or as otherwise previously agreed in writing with the Client, such variations normally arising as a result of the promotion within TCWong of personnel engaged on the Matter or from TCWong’s practice of reviewing its standard hourly rates from time to time.

3.7 Billing – TCWong normally renders interim invoices and a final invoice on completion of TCWong's engagement, or TCWong will render its invoices when appropriate as agreed in writing with the Client. Each invoice will attach details of
the work undertaken and copies of any other invoices for significant
disbursements and expenses described in clause 3.2 above. Unless otherwise
stated in the letter of acknowledgement, all TCWong's invoices will be addressed
to the Client.

3.8 Payment – Unless otherwise agreed in writing with the Client, all TCWong's
invoices (whether interim or final) are due for payment in full on receipt by the
Client and the Client is liable for their payment to TCWong. If payment in full is
not received by TCWong within 30 (thirty) days of the Client's receipt of an
invoice, TCWong will have the right to suspend the provision of its services, to
to charge interest on any amount overdue at a rate of 2% (two per cent) per annum
above the base rate of HSBC Bank from time to time, and to terminate its
engagement in accordance with clause 4.3(a) below.

3.9 Client Money – Client Money is money which TCWong receives and holds in
the course of carrying on insurance mediation activity. All Client Money is held in
separately delineated accounts with The Hong Kong & Shanghai Banking
Corporation Ltd. TCWong will credit such Client Money with interest at the rate of
interest earned by such Client Money in Deposit Account.

4. TERMINATION

4.1 Duration – Unless otherwise agreed in writing with the Client, the engagement
will terminate when all amounts invoiced to the Client in connection with
TCWong's final adjustment or report and any prior payment on account
recommendation or adjustment or report on the Matter have been received by
TCWong, unless the engagement is terminated earlier in accordance with clause
4.2 or 4.3 below.

4.2 The Client's Right to Termination - The Client may terminate the Engagement
at any time by giving not less than 5 (five) business days notice in writing to
TCWong.

4.3 TCWong's Right to Terminate – TCWong may terminate the engagement
forthwith by giving written notice to the Client if:–

a) the Client fails to pay any of TCWong’s invoices when due or fails to
advance to TCWong any funds requested by TCWong in accordance with
clause 3.4 above;

b) the Client is unable to pay its debts or has a receiver, administrator or
liquidator appointed;

c) any conflict of interest arises in accordance with clause 5 below; or

d) the Client is in breach of any of the other terms of engagement and having
received written notice from TCWong to such effect requiring the Client to
remedy such breach within a reasonable time the Client has failed to remedy
such breach.

4.4 Costs and Lien – On termination of the engagement for any reason:

a) the Client shall pay to TCWong forthwith all fees, disbursements and
expenses due to TCWong up to and including the day of termination
incurred in connection with the engagement upon delivery of TCWong’s
invoice to the Client; and
b) until TCWong has received payment in full for such invoice, TCWong shall have a lien over and be entitled to retain all the Client's money, records, documents, deeds, storage media, books, papers and any other information in hard copy or stored electronically in TCWong's possession relating to the Matter, the engagement and services or otherwise in TCWong's control.

5. CONFLICTS OF INTEREST

5.1 Possible Termination – In circumstances where there is or may be a conflict of interest between TCWong and another party involved in the Matter TCWong may be precluded from acting or may have to cease acting for the Client unless all parties involved in the Matter agree in writing that TCWong shall continue acting in connection with the Matter. TCWong will make every reasonable effort to identify any such conflict and advise the Client accordingly prior to issuing the letter of acknowledgement or if identified subsequently, then immediately. In the event that TCWong subsequently discovers a conflict and is obliged to withdraw from acting for the Client, TCWong shall be entitled to invoice the Client and be paid in full by the Client for any fees, disbursements, expenses and applicable taxes incurred in the engagement prior to such withdrawal.

5.2 Acting for Other Clients – TCWong will not be prevented or restricted by anything contained in the terms of engagement from acting for other clients in connection with the Matter, unless otherwise agreed in writing with the Client.

6. LIMITATION OF LIABILITY

6.1 Skill and care: TCWong will exercise reasonable care and skill in the performance of the engagement for the Client. All other such warranties and representations, whether express or implied by law, are excluded to the extent permitted by law.

6.2 Limit of liability: Without prejudice to other provisions under Clause 6, TCWong shall be under no liability whatsoever to the Client for any loss, damage, delay or expense of whatsoever nature, whether direct or indirect and howsoever arising in the course of the performance of the Matter UNLESS same is proved to have resulted from negligence, or wilful default of TCWong or any of its personnel or agents, in which case TCWong's liability to the Client for each incident or series of incidents giving rise to a claim or claims in connection with the Matter and the engagement shall be limited in the aggregate to a total of 10 (ten) times the value of TCWong's fees payable excluding disbursements, expenses and applicable taxes incurred in respect of the engagement, and

6.2.1 in any claim made against TCWong where parties other than TCWong also share liability for such claim, TCWong's legal liability for such claim shall be limited to that proportion of any loss or damage so claimed for which it would be just and equitable for TCWong to contribute having regard to the extent of TCWong's factual responsibility for such loss or damage, on the basis that those parties shall be deemed to have provided an undertaking in terms no less onerous than this clause,

6.3 Excluded liability: TCWong shall have no liability for:-

6.3.1 any indirect or consequential loss or damage including, without limitation, loss of profits, loss of revenue, loss of opportunity and loss of contracts;

6.3.2 for any claim for breach of contract, negligence, breach of trust or statutory duty or other claim in respect of any delay or failure by TCWong
to perform any of its obligations under the engagement where such failure results directly or indirectly from any negligent or wilful act of the Client or a third party;

6.3.3 for any loss or damage arising from TCWong's reliance on any information, instruction or assistance given by the Client or resulting from the Client's failure to give any relevant information, instructions or assistance in connection with the Matter or the engagement

6.3.4 for any and all claims the Client may have against TCWong in respect of which proceedings are not brought within 12 (twelve) months of the date when the Client's cause of action arose.

6.4 Liability for Third Party Experts: TCWong will have no liability to the Client or any third party either for instructing or the performance of any third party expert to assist with the Matter or in the engagement.

6.5 Employees – The Client acknowledges that TCWong has an interest in limiting the liability of all its personnel involved in the Matter and the engagement. Accordingly, the Client agrees not to bring any claim of any kind in connection with the engagement against any individual employee of TCWong, any person seconded to TCWong or any agent, correspondent, subcontractor or self-employed consultant engaged by TCWong (together "personnel").

6.6 Third Parties – Any report, adjustment or advice rendered to the Client by TCWong is intended for the use of the Client and their advisers only and no responsibility or liability is accepted to any third parties.

6.6.1 The terms of engagement set out the rights and obligations of the Client and TCWong only. Nothing in the terms of engagement other than clause 6.5 above shall confer or purport to confer any benefit or right to enforce any of the terms of engagement on a third party.

6.7 Force Majeure: Neither TCWong nor the Client will be liable to the other for their failure to fulfil their respective obligations under the terms of engagement caused by circumstances outside their reasonable control.

6.8 Reasonableness: The Client agrees that the foregoing limitations and exclusions of TCWong's potential liability are reasonable based on:-

a) the amount of any likely liability to the Client if a breach by TCWong occurs
b) the amount of fees payable to TCWong, and
c) the level of risk assumed by TCWong in connection with its obligations

in connection with the Matter and the engagement unless otherwise stated in the letter of acknowledgement. Should any limitation or provision contained in this clause 6 be held to be invalid under any applicable statute or rule of law, it shall only to that extent be deemed omitted from the terms of engagement and all other limitations and provisions of such terms shall remain in force.

7. CLAIMS
If a claim is made against the Client as a result of, or in connection with, a liability incurred to, or a dispute with, any third party, TCWong will give the Client all reasonable facilities and co-operation to investigate such claim and will provide the Client with such information and assistance as the Client may reasonably require in connection with
such claim, liability or dispute.

8. INDEMNITY
Unless the subject matter of the indemnity provided for by this term has been caused by TCWong’s breach of the terms of engagement, the Client undertakes to indemnify TCWong and keep it indemnified fully at all times against all liability that may arise from time to time, and against all claims, demands, actions, proceedings, damages, losses, costs and expenses which are made, brought or claimed against or incurred by TCWong, in connection with the Matter or TCWong's appointment by the Client or the engagement.

9. CONFIDENTIALITY
TCWong will keep confidential all information obtained from the Client, except insofar as TCWong is required by law or other regulatory process to disclose details of the Client’s dealings with TCWong. This clause does not apply to documents or information which TCWong obtains or develops independently of the engagement or other work done for the Client or which are already in the public domain.

10. WAIVER AND AMENDMENT
No waiver of or amendment to any terms of engagement will be effective unless it is made or confirmed in writing and signed by both TCWong and the Client.

11. SOLICITING PERSONNEL
Without TCWong’s approval the Client shall not, during the engagement or within six months after its termination or expiry, offer employment to or otherwise solicit any TCWong personnel involved in the Matter or the engagement.

12. OLD FILES
Unless the Client instructs otherwise in writing beforehand, TCWong will be at liberty to destroy all records, files and papers including electronic records but excluding title deeds relating to the Matter, following expiry of 6 (six) years from the end of the engagement or conclusion of the Matter whichever occurs later.

13. E-MAIL AND THE INTERNET
Both parties recognise that e-mail transmissions and the Internet cannot be guaranteed as a 100% secure or error-free communications medium, as information may be intercepted, corrupted, lost, destroyed, arrive late, be incomplete, or contain viruses. TCWong monitors the contents of e-mails sent and received via its network for viruses and unauthorised use. E-mail messages sent to or from TCWong’s systems are not confidential to any named individual at TCWong and TCWong reserves the right to read them without prior notice. TCWong recommends that recipients should also check e-mail messages for viruses in accordance with good IT practice.

14. SOFTWARE
The Client will not be entitled to retain any work product or copies of software programs which are the property of TCWong and which are used by TCWong in the performance of the engagement. TCWong will not be entitled to retain copies of any software programs provided by the Client to TCWong which remain at all times the property of the Client.

15. CLIENT COMPLAINT/DISPUTE
15.1 If the Client has any complaint to make about TCWong’s performance of the engagement the Client should first raise it with the TCWong signatory of the letter of acknowledgement for the Matter and, if the complaint is still not resolved to the Client’s satisfaction, the Chief Executive Officer of the Client is invited to write to the
Share-holders at TCWong Average Consulting Ltd., Office B, 9/F., 68 Shau Kei Wan Road, Hong Kong SAR, China, who will investigate the complaint and seek to resolve it with the Client.

15.2 In the event a dispute arises between TCWong and the Client, such dispute must first be referred to Mediation in Hong Kong. A procedure for Mediation must be agreed upon by the parties within 14 days of one party requesting a Mediator. Unless otherwise agreed, the parties will share the cost of the Mediation equally.

16. GOVERNMENT LAW & JURISDICTION
The terms of engagement will be governed by and interpreted in accordance with the laws of Hong Kong and the parties to such terms agree that any unresolved dispute or difference arising in connection with the terms of engagement will be subject to the exclusive jurisdiction of the Courts of Hong Kong.

[08-2014]