

Reg.

To:

LIVERPOOL WATER WITCH MARINE & ENGINEERING CO. LTD.

2-6 LIGHT BAILY STREET,
LIVERPOOL L5 9UZ
ENGLAND

ATTN. JACKIE CADDICK.

1 x WATER WITCH, MARK 2 LOW PROFILE WATERWAY MAINTENANCE
CRAFT AS PER QUOTATION REFERENCE: JC/JAC/99/496

CUSTOMER PREFERENCE: CITY OF COOLY GABLES

Date: 25 FEBRUARY 2009.

PRICE CIF PORT OF MIAMI £129,600.00 STERLING.

AND AGREED PAYMENT SCHEDULE.

T. ACCOUNTS

This is ADDITIONAL EQUIPMENT BEING ORDERED
BY AUTOMOTIVE DEPT. FOR USE BY THE PUBLIC
WORKS DEPT. FOR WATER WAY CLEANING AND
MAINTENANCE.

Clive Cork
Automotive Director
City of Coral Gables
2800 SW 72 Ave, Miami 33155
305-460-5141 Ph. 305-460-5145 Fax 305-733-0220 cell

From: Jackie Caddick [mailto:info@waterwitch.com]
Sent: Wednesday, February 18, 2009 10:50 AM
To: Cork, Clive
Cc: Burns, Patrick A.
Subject: Proposals for Mark 2 Low Profile Surface Dredger

Dear Clive

Proposal JC/JAC/99/791

Following on from our telephone conversation last week, I have revised our quotation in GBP sterling, specification, and general arrangement drawing in consideration of your operational requirements.

Unfortunately, there is a small increase to reflect the higher cost of the Caterpillar engine and a slightly longer lead time for delivery, which will affect our build time by a couple of weeks. Although not indicated on the attached, we will make provision for security of the control panel, design to be agreed with yourselves.

We would also recommend that we supply a spare collection basket as this attachment takes a lot of wear - many customers chose to do this, and I have included this as an optional extra for your consideration.

As discussed, the US dollar rate has continued to swing in your favour and the forward rate quoted today is GBP/USD 1.58 based on anticipated shipping date of early December 2009.

Our standard terms of payment is under an Irrevocable Letter of Credit payable against documents evidencing shipment. We will not require staged payments, but cannot start building until the Letter of Credit is in place.

I have attached a copy of our terms and conditions for build of a new craft - this is the standard marine federation form of contract.

Once we have agreed the final specification and price, the next stage is to have the agreement signed and the Letter of Credit issued by your bank. It may be that your purchasing/finance department is not familiar with this with form of payment, but we will do our best to make this as straightforward as possible. Basically, a Letter of Credit is a promise to pay, and will not be effected (i.e. will not be paid out) until we have completed our contract and shipped the goods..

Look forward to hearing from you once you have had an opportunity to look over the attached.

Thank you and best regards

Jackie

--
Jackie Caddick, Director

Liverpool Water Witch Marine & Engineering Co. Ltd.

2-6 Lightbody Street, Liverpool L5 9UZ England ([map](#))

Tel: +44(0)151 207 4874 Fax: +44(0)151 298 1366

Registered in England - Company Registration Number 869127

World Leaders in Waterway Maintenance & Pollution Control Vessels

www.waterwitch.com

Clive Cork
Automotive Director
City of Coral Gables
2800 SW 72 Ave, Miami 33155
305-460-5141 Ph. 305-460-5145 Fax 305-733-0220 cell

From: Jackie Caddick [mailto:info@waterwitch.com]
Sent: Thursday, March 05, 2009 10:48 AM
To: Cork, Clive
Cc: Burns, Patrick A.
Subject: Re: Water Witch

Dear Clive

Agreement for the Construction of New Boat

We've been giving this agreement some careful consideration and have revised the standard form of contract slightly to reflect the stage payments.

Basically the stage payments will fund the build as it progresses, and reflect the value of your asset to that stage. The contract is based on the standard British Marine Federation agreement, which is a fair to both the Builder and Purchaser. The payment schedule below offers protection to the Purchaser and effectively helps us to spread our cash flow during the construction:

Upon signing Agreement - 20% Contract Price

Upon Hull being formed and confirmed
in writing to the Purchaser by the Builder - 20% Contract Price
Upon fitting of the engine - 20% Contract Price

Upon completion of vessel in Liverpool - 25% Contract Price

Upon delivery and completion of Acceptance Trials* - 15% Contract Value

*Coral Gables, Florida

Normally, the final payment is due on completion of the vessel in Liverpool. However, I believe that above schedule will be more agreeable to your Procurement and Finance department as final hand-over will be following completion of satisfactory Acceptance Trials in Coral Gables. As before, our delivery terms are delivered to Port Miami, and cost for onward transportation to your depot will be your responsibility.

Look forward to hearing any comments or questions you have, and thanks for your patience on this.

Best regards

--
Jackie Caddick, Director
Liverpool Water Witch Marine & Engineering Co. Ltd.
2-6 Lightbody Street, Liverpool L5 9UZ England ([map](#))
Tel: +44(0)151 207 4874 Fax: +44(0)151 298 1366
Registered in England - Company Registration Number 869127
World Leaders in Waterway Maintenance & Pollution Control Vessels
www.waterwitch.com

Cork, Clive wrote:

Hi, Jackie,

Thanks for the latest Quote, I now need for you to send me your preferred payment stages so that I can get approval from Procurement and Finance and then onto our Commissioners for final approval to purchase.

That's all I need for now , Thanks.

Clive

Clive Cork
Automotive Director
City of Coral Gables
2800 SW 72 Ave, Miami 33155
305-460-5141 Ph. 305-460-5145 Fax 305-733-0220 cell

Under Florida Law, e-mail addresses are public records. If you do not want your e-mail address released in response to a public records request, do not send electronic mail to this entity. Ins

No virus found in this incoming message.

Checked by AVG - www.avg.com

Version: 8.0.237 / Virus Database: 270.11.7/1982 - Release Date:
03/03/09 16:09:00

Quotation

Proposal 1

Multi-Purpose Waterway Maintenance Craft

Quotation Ref JC/JAC/99/796

Customer Ref: City of Coral Gables

Date 25 February 2009

Mark 2 Water Witch – Low Profile Version

One (1) Mark 2 Water Witch vessel with general purpose debris collection/weed ripper attachment as per attached detailed specification. Folding Bimini Suntop.

Outline Particulars:

Overall length (hull)	23' 6"
Overall beam	9' 6"
Operating draft	3'
Displacement	9 Tonne (approx)
Speed	6 knots
Perkins Engine	130hp
Lift Capacity	750 kg

Shallow draft, multi-purpose workboat fitted with powerful hydraulically operated front end loader. Provision for hydraulic PTO. Caterpillar 130hp 3056 DINA engine.

Total Cost CIF Port Miami £129,600.00

Price includes On-board Spare Parts for 2 Year's Operation

Optional Equipment/Accessories

Item 1 Spare Collection/Weed Ripper Basket £ 2,185.00

Total Cost All Items CIF Port Miami.....£130,585.00

Prices GBP Sterling CIF Port of Miami (Incoterms 2000)

Price includes commissioning of vessel and all on-site operator and maintenance training to a maximum of 5 working days.

Terms Standard Terms for the Construction of New Craft
The Contract Price shall be payable by stage payments

Validity Quotation valid for 120 days

Shipping All items via single 40ft OOG flat rack (over-width) ex UK

Warranty 12 Month International Warranty.

Delivery Vessel available for loading onto flat rack for ocean shipment 29 weeks from acceptance of order, subject to final specification and attachment selection.

Notes

Quotation subject to our Standard Terms and Conditions.

We reserve the right to amend specifications without prior notice. All dimensions and quantities are nominal. The seller retains all rights on the specification, plans and working drawings, technical descriptions, calculations, test results and other data information and documents concerning the design and construction of the vessel.

Under CIF Terms, this is delivered to Port, freight and insurance (all risks) pre-paid warehouse to warehouse. It is the purchaser's responsibility to pay any local terminal handling charges, customs charges or duties payable. The purchaser is also responsible for clearing goods through customs.

Please refer to attached specifications and brochures for further technical information.

JC/JAC/796

FOR & ON BEHALF OF
LIVERPOOL WATER WITCH MARINE
& ENGINEERING COMPANY LIMITED

AGREEMENT FOR THE CONSTRUCTION OF A NEW BOAT

Build No.

THIS AGREEMENT is made on the _____ day of _____

BETWEEN

1. ("The Builders) a limited company (reg. no.) whose registered office/principal place of business is []

AND

2. ("The Purchaser")

(jointly "The Parties")

1 AGREEMENT AND SPECIFICATION OF THE BOAT

- 1.1 The Builders agree to construct and the Purchaser agrees to buy the boat described in the Specification as set out in Schedule 1, together with any drawings and plans, all of which shall be signed by the Parties, ("the Boat") and in accordance with the terms of this Agreement.
- 1.2 Subject to any agreed amendments to the Specification, drawings and plans, the Purchaser shall have the right to reject any workmanship, materials and/or equipment which does not comply therewith. Such reject shall be ineffective unless confirmed to the Builders by notice in writing within 28 days.
- 1.3 The Builder shall be under no contractual or other obligation to accept any order of the Purchaser until it has been confirmed and signed on behalf of the Builders by their authorised representative.
- 1.4 The Builder shall build the Boat in compliance with all acceptable statutory requirements and regulations relating to the construction of the Boat in the European Union or US territories or any other requirements or regulations which may be agreed in writing between the Parties.

2 MODIFICATIONS AND CHANGES TO THE SPECIFICATION

- 2.1 No modifications or changes to the Specification, Delivery Date and/or the Price shall be binding on the Parties unless and until set out in writing and signed by both Parties.
- 2.2 The Builders shall have the right to refuse to agree to any modification or change to the Specification or Plans.

3 CONTRACT PRICE AND PAYMENT

- 3.1 The price of the Boat is the amount set out in Schedule 2 together with the cost of any modifications or changes to the Specification or changes to the Specification agreed between the Parties under Clause 2.1 and any adjustments made under Clause 3.3 and, if applicable, sales taxes at the rate applicable from time to time (together "the Contract Price"). The Purchaser agrees to pay the Contract Price by instalments as set out in Schedule 2 ("Stage Payments") and as provided in this Clause.
- 3.2 The Builders shall give the Purchaser 14 days notice of the anticipated date of completion of each stage of construction as provided in Schedule 2 whereupon each Stage Payment will become immediately due.
- 3.3 If the Contract Price is varied in accordance with Clause 3.1 the amount of the increase shall be divided by the number of remaining Stage Payments and the amount so calculated shall be added to each remaining Stage Payment and Schedule 2 shall be amended accordingly.
- 3.4 If for any reason any tax, levy, charge or any other sum required to be paid by law shall be omitted from the amount of Contract Price or shall be varied or introduced after the date of the Agreement and shall be required to be paid by the Purchaser the Purchaser shall pay such additional sum forthwith on demand.

4 UNPAID INSTALMENTS

- 4.1 If the Purchaser fails for any reason to pay the full amount of any Stage Payment or the sum due to the Builders on the due date the Builder shall be entitled to stop construction of the Boat until all outstanding payment have been paid in full, and the Delivery Date shall be extended by the period of such delay in payment.
- 4.2 If such failure to pay any sum due continues for 14 days the Builders shall thereafter be entitled to charge interest at 4% over Barclays Bank Plc base rate, or the Builders' current commercial overdraft rate if higher, after as well as before judgement, calculated from the date upon which such payment due is payable.
- 4.3 After a further period of 14 days' delay the Builder shall, without prejudice to any other rights, be entitled:
 - 4.3.1 to require payment from the Purchaser forthwith of the balance of the Contract Price then outstanding and to complete the construction of the Boat; or
 - 4.3.2 to terminate this Agreement and to sell the Boat pursuant to Clause 10.2
- 4.4 The Purchaser shall in addition be liable for any loss or damage, special direct, indirect and/or consequential losses incurred by the Builder as a result of the delay in the payment of the Stage Payments or any other sums due hereunder.

5 BUILDERS TRIAL, DELIVERY & ACCEPTANCE TRIALS

- 5.1 The Boat shall be completed and ready for delivery at the place and on the date stated in Schedule 3 or on such later date as may be determined in accordance with the terms of this Agreement ("the Delivery Date")
- 5.2 Unless otherwise agreed between the Parties the Boat shall at the Builders expense be taken on a trial trip in Liverpool (of not more than 8 hours' duration) to ensure correct performance of the boat, equipment and machinery systems to the satisfaction of the Builder before Delivery (the "Builders Trial"). The Builders shall give the Purchaser at least 14 days' written notice of the place and approximate duration of the Builders Trial.
- 5.3 The Builder will meet the costs of transit, craneage, berthing, equipment hire, berthing fees and insurance for the Trials in Liverpool.
- 5.4 If during the Builders Trial any defects in workmanship or materials or deviations from the Specification are found, the Builder shall forthwith rectify such defects or deviations and shall carry out a further Builders Trial in accordance with 5.2.
- 5.5 Following arrival in Coral Gables, the vessel shall be taken on an Acceptance Trial to the satisfaction of the Purchaser.
- 5.6 The Purchaser and the Builders expressly agree that the Builders shall not be responsible for investigating or otherwise ensuring that the Purchaser is competent and experienced in the proper control and/or navigation of the Boat.

6 DELAYS AND EXTENSIONS OF TIME (FORCE MAJEURE)

- 6.1 If construction of the Boat is delayed directly or indirectly due to any cause beyond the Builders' reasonable control the Delivery Date shall be extended by the period of time during which such delaying event operates.
 - 6.2.1 The Builders shall give the Purchaser written notice of any event in respect of which the Builders claim to be entitled to an extension of time:
 - 6.2.2 within 7 days of its commencement, stating the date on which the delay commenced, the cause of it and its estimated duration; and
 - 6.2.3 within 7 days of its end, stating the date on which it ended and the total period of the extension sought.

Any dispute arising between the Parties as to the operation of a delaying event shall be adjudicated in accordance with Clause 14.1.

- 6.2.4 If the Builders' premises, plant, machinery or equipment shall be so damaged by the operation of a delaying event for which the Builders are not responsible so as to make it impracticable for the Builders to complete the construction of the Boat, the Builders may, at their option (to be exercised within 21 days of the operation

of the delaying event), cancel this Agreement by notice in writing to the Purchaser, whereupon the Purchaser shall be entitled by written election either:

- 6.2.5 to take over and complete the Boat without further liability on the Builders whereupon the Purchaser shall pay to the Builders all sums then due, whether by way of Stage Payments or otherwise; or
- 6.2.6 to require repayment of all instalments paid by the Purchaser to the Builders and upon such repayment title in the Boat and all materials and equipment appropriated to the Boat shall revest in the Builders.

7 ACCESS TO BOAT AND TO BUILDERS' PREMISES

- 7.2 The Purchaser shall have the right to inspect the progress of construction of the Boat from time to time during the Builders' normal business hours (Mon-Fri, 08.00 to 16.00 hrs) with the prior written consent of the Builders, such consent not to be unreasonably withheld provided always that the Builders shall be entitled to appoint a representative to accompany the Purchaser or Purchaser's agent and that access shall extend only to those parts of the Builders' premises necessary for the inspection of the Boat and/or the materials and equipment appropriated thereto.
- 7.3 The Purchaser shall observe all current rules and regulations applied by and to the Builders, and to their premises.

8 WARRANTIES

In addition to the Purchaser's statutory rights the following warranties shall apply:

- 8.2 Subject to the conditions set out below and otherwise expressly set out herein the Builders warrant to the Purchaser that the Boat will be of satisfactory quality and fit for the purpose(s) made known to the builders in writing prior to the date of this Agreement whether or not such purpose is one for which the Boat is commonly supplied and will correspond with the Specification and any variation, addition or modification thereto. The Builders further warrant that the Boat will be free from defects in materials and workmanship for a period of 12 months from the time of delivery.
- 8.3 The Builders warrant to the Purchaser that on delivery the Boat will comply with:
 - 8.3.1 all legislative requirements and regulations relating to the construction of the Boat in the European Union for any purpose(s) made known under 8.1 above; or
 - 8.3.2 any other requirements or regulations which may be agreed in writing between the Parties.
- 8.4 The Purchaser's statutory rights and warranties set out in Clauses 8.1 and 8.2 shall be subject to the following conditions:
 - 8.4.1 The Builders shall have no liability for any defect in the Boat arising from the Specification supplied, provided or varied by the Purchaser;

- 8.4.2 The Builders shall repair or replace any defect in the workmanship, materials or equipment or their failure to correspond with the Specification. Such repair or replacement shall be carried out by the Builders at their premises or, where that is not convenient to the Parties, the Builders shall pay the reasonable cost of having the work carried out elsewhere at no cost to the Purchaser.
- 8.4.3 The Builders shall only be liable for any defects or failures which were not apparent on reasonable inspection during the Builders Trial or with a reasonable time thereafter;
- 8.4.4 The Purchaser shall notify the Builders in writing immediately on discovery of any alleged defect and the Builders or their agent shall have the right to inspect the Boat including the right to carry out sea trials to enable the Builders or their agent to examine or assess the extent of the alleged defect. The expense of any such trials shall be borne by the Builders if the defect is shown to be one of workmanship or materials.

9 INSURANCE

- 9.2 The Builders shall insure the Boat (together with all equipment and materials installed or intended for it and within the Builders' premises) in the joint names of the Builders and the Purchaser from the date of this Agreement until the date of delivery.
- 9.3 Such insurance shall be effected with a reputable insurer for a sum equal to the replacement cost of the completed Boat (to a maximum of 125% of the Contract Price) and shall include the cost of any additions or variations to the Specification which have been agreed between Parties.
- 9.4 Such insurance shall be on terms no less favorable than the Institute Clauses for Builders' Risks applicable from time to time. Documentary evidence of such insurance, its terms and conditions and proof of payment of the premium shall be provided to the Purchaser on request.
- 9.5 In the event that the Boat, equipment or materials sustain damage at any time before delivery any monies received in respect of the insurance shall be receivable by the Builders and shall be applied by them in making good such damage in a reasonable and workmanlike manner and the delivery Date shall be extended by such period as shall be reasonably necessary to effect the necessary repairs. The Purchaser shall not be entitled to reject the Boat, equipment or materials on account of such damage or repairs or to make any claim in respect of any resultant depreciation save that where the Boat is declared an actual or constructive total loss the Purchaser shall have the option, to be exercised within 28 days of the loss, of canceling this Agreement in which event the insurance money to the value of Stage Payments already paid shall be paid direct to the Purchaser by the insurers and the Purchaser will abandon all rights under the said insurance to the Builders. The Agreement will thereupon be determined in all respects as if it had been duly completed and the Purchaser shall have no further right to claim against the Builders.
- 9.6 If the Builders fail to provide satisfactory evidence of insurance in accordance with the provisions of this Clause, the Purchaser shall be entitled to insure on comparable terms and to deduct the amount of the premium actually paid from the Contract Price.

10 TERMINATION

10.1 The Builder shall be entitled to terminate the Agreement by written notice without prejudice to any other rights or remedies available if:

10.2.1 the Purchaser becomes insolvent; or

10.2.2 the Purchaser has failed without good reason within 28 days of such payment being due and payable and has not referred the underlying reason for such delay to dispute resolution under the provisions of Clause 14.

10.3 If the Builders exercise their right to terminate the Agreement under Clause 10.1 they shall be entitled to sell the Boat, the materials and the equipment and/or any other property of the Purchaser in the possession of the Builders for the purpose of the construction of the Boat. The Builders shall give the Purchaser 28 days' written notice of their intention to sell the Boat and/or other property and such notice shall give details of the reason for the sale including details of any sums due and payable to the Builders together with details of the proposed method of sale. Following the sale of the Boat and/or other property the Builders shall repay to the Purchaser the balance of the proceeds of sale after deduction of all sums owing to the Builders and all reasonable legal and other expenses including, but not limited to, the costs of sale and maintenance and storage charges incurred by the Builders.

10.4 In addition to any other rights set out herein the provisions of the Torts (Interference with Goods) Act 1977 ("the Act") shall apply in relation to uncollected boats and/or other property and for the purposes of the Act it is hereby expressly agreed that the Builders' obligations to the Purchaser as custodians of the Boat and/or other property terminate upon the expiry or lawful termination of the Agreement and pursuant to the Act the Builders have a right of sale exercisable in certain circumstances as set out in the Act.

10.5 For the purposes of Clauses 10.2 and 10.3 only the Purchaser hereby irrevocably appoints the Builders as the agent of the Purchaser for the sale of the Boat and/or other property. The Purchaser shall co-operate with the Builders insofar, as may be necessary to effect a sale of the Boat including signing or confirming any authority or instructions.

11 OWNERSHIP OF THE BOAT

11.2 The Boat and/or all materials and equipment purchased or appropriated from time to time by the Builders specifically for its construction (whether in their premises, upon the water or elsewhere) shall become the property of the Purchaser upon the payment of the Stage Payment or, if later, upon the date of the said purchase or appropriation. The Builders, shall, however have a lien on the Boat and any materials or equipment purchased for or appropriated to the construction for recovery of all sums due (whether invoiced or not) under the terms of the Agreement or any variation or modification hereof. Any materials or equipment rejected by the Purchaser shall forthwith revest in the Builders.

11.3 The Builders shall, insofar as it is reasonably practical to do so, mark all individual items of equipment and materials, which are purchased for or appropriated to the construction of the Boat.

11.4 The Purchaser shall not without the prior written consent of the Builder which consent shall not be unreasonably withheld sell, assign, pledge or otherwise put a charge on the Boat by way of security for any indebtedness prior to delivery except for the sole purpose of obtaining a loan to finance the construction of the Boat. If the Purchaser charges the Boat in breach of the terms of this Clause, the balance of the Contract Price shall forthwith become due and payable without prejudice to any other rights or remedies of the Builders. The Purchaser shall not have the right to assign or transfer this Agreement to any of his rights and obligations hereunder without the prior written consent of the Builders.

11.5 If the Purchaser is in breach of any of the terms of this Agreement after the property in the Boat and/or materials and equipment has passed to him and the Builders wish to exercise their rights to sell the Boat and/or the materials and equipment as set out herein then the property in the Boat and/or materials shall revert from the Purchaser to the Builder following 28 days' notice by the Builders of their intention to exercise such rights.

11.6 Notwithstanding the provisions of this Clause risk in the Boat shall remain with the Builder until the actual delivery of the Boat to the Purchaser.

12 COPYRIGHT

Any copyright or similar protection in manuals, drawings, plans, specifications, including the specification prepared by the Builders or their employees or agents, shall remain the property of the Builders.

13 NOTICES

Any notice required to be given hereunder shall be in writing and either (i) given by hand with proof of delivery or electronic transmission confirmed forthwith by first-class prepaid post, or (ii) sent by first class pre-paid post to the other party at the address set out in the Agreement or such other address in the UK as may have been notified by the other party.

14 DISPUTE RESOLUTION - LAW AND JURISDICTION

14.1 If during the construction of the Boat any dispute arises wither as to an adjustment of the Contract Price pursuant to Clause 3.3 or as the when a Stage Payment is due and payable or as the operation or duration of a delaying event or whether for thew purposes of the policy of insurance the Boat has suffered substantial damage, then, And without prejudice to the Parties' rights to litigate such dispute, it may be referred to a single surveyor who shall be independent of the Builders and the Purchaser and whose identity and terms of reference shall be agreed by the Parties, or in default of agreement, by the President for the time being the Yacht Designers and Surveyors Association. The surveyor so appointed shall act as an expert and not as an arbitrator and his written decision shall be final and biding upon the Parties and his fees and expenses shall be borne equally by the Parties.

14.2 The Agreement shall be construed in accordance with English law and High Court of England shall have exclusive jurisdiction in respect of any dispute or other matter arising hereunder.

15 INTERPRETATION

15.1 The construction of this Agreement is not to be affected by any headings.

15.2 References in the Agreement to the Parties shall include their respective successors and permitted assigns save where such succession or assignment is expressly prohibited by the terms of the Agreement.

15.3 This Agreement forms the entire agreement between the Parties and unless specifically agreed in writing by the Builders no warranty, condition, description or representation is given or to be implied by anything said or written in the negotiations between the Parties or their representatives prior to this Agreement.

15.4 If the Builders are a member of a group of companies the Builders may perform any of its obligations or exercise any of its rights hereunder by itself or through any member of its group provide that any act or omission of any such other member shall be deemed to be the act or omission of the Builders.

15.5 In the Agreement words importing the masculine gender also include the neuter and feminine gender and words importing the singular include also the plural.

15.6 Reference to any legislative provision includes a reference to that provision as amended extended or re-enacted and any replacement thereof (either before or after the date of the Agreement).

15.7 If any term or provision in this Agreement shall be held to be void in whole or in part under any enactment or rule of law such term or provision or part shall to that extent be deemed not to form part of this Agreement but the validity and enforceability of the remainder of the Agreement shall not be affected.

16 VARIATION AND ADDITIONS

The Agreement is subject to the variations and additions set out below or identified below and attached to this Agreement and initialed and dated by both Parties.

17 TRAINING

The Builder shall provide such instruction in the use of the Boat and equipment for the Purchaser's personnel as necessary. Operator training will be carried out in Coral Gables and will not exceed 5 days duration.

18 OPERATION MANUALS

On or before delivery the Builder shall supply to the Purchaser two copies of the operation manuals and other documents fault finding procedures and full user manuals which any person having technical competency (an to whom the responsibility of operating the Equipment may be given by the purchaser) could reasonably expect to receive to enable them to use the equipment safely, efficiently and effectively. All operation manuals and other documentation shall be updated free of charge by the Builder wither until the end of the Warranty period or until the end of any period of maintenance by the Builder as agreed whichever is the later.

19 INTELLECTUAL PROPERTY RIGHTS

The Builder retains all rights on the specification, plans and working drawings, technical descriptions calculations test results and other data information and documents concerning the design and construction of the Boat and the Purchaser undertakes therefore not to copy or bring same to he knowledge of third parties without prior written consent for the Builder. The Builder reserves all right to the use the words "Water Witch" and its logo, which are registered trademarks.

Signed for and on behalf of the Builders

In the presence of:
Full Name of witness
Address
Occupation
Signature
Date

Signed for and on behalf of the Purchasers

In the presence of:
Full Name of witness
Address
Occupation
Signature
Date

NB (1 Witness in England, 1 in Scotland)

SCHEDULE 1 - SPECIFICATION

SCHEDULE 2 - STAGE PAYMENTS

Contract Price

The Boat £

The Contract Price shall be payable by Stage Payment as set out below:

Upon signing of this Agreement	20% Contract Price
Upon Hull being formed and confirmed in writing to the Purchaser by the Builder	20% Contract Price
Upon fitting of the engine	20% Contract Price
Upon completion of vessel in Liverpool	25% Contract Price
Upon delivery* and completion of Acceptance Trials**	15% Contract Value

***CIF Port Miami**

****Coral Gables, Florida**

SCHEDULE 3 - DELIVERY

Delivery Date No later than

Place of Delivery Port Miami, Florida

Delivery Terms CIF Port Miami

Under CIF Terms, this is delivered to Port, freight and insurance (all risks) pre-paid warehouse to warehouse. It is the purchaser's responsibility to pay any local terminal handling charges, customs charges or duties payable. The purchaser is also responsible for clearing goods through customs and onward delivery by Road. The purchaser is also responsible for off-loading off transport.

SCHEDULE 4 - CERTIFICATE OF ACCEPTANCE

Place of Acceptance Trials **Coral Gables, Florida**

Date of Acceptance Trials

Persons present at Acceptance Trials

I the undersigned certify that the construction of the Boat and the Acceptance Trials have been completed to my reasonable satisfaction.

Subject to the terms of the Agreement dated [] the Certificate of Delivery and Acceptance will not effect my statutory rights should the Boat or its equipment subsequently prove to be defective.

Signed by "The Purchaser"

Dated

WATER WITCH®

LOW PROFILE MARK 2 VESSEL FOR CITY OF CORAL GABLES, FLORIDA

Principal Dimensions

Overall Length (Hull only)	07.20m (23'6")
Overall Beam (inc Fender)	03.20m (10'6")
Hull Breadth	02.95m (9'6")
Operating Draft	00.90m (3')
Lightship Displacement	9 Tonne (19,800lbs)
Lightship Speed	6.5 knots
Airdraft (Approx)	1.5m (4'11")

Concept

The Water Witch is a rugged shallow-draft vessel designed and constructed to operate with adequate stability, navigability and manoeuvrability on inland waters. The heavy-duty hydraulically operated front-end loader can be fitted with a range of optional attachments and is capable of recovering many tons of surface and sub-surface aquatic vegetation in the high capacity general purpose mesh scoop/weed ripper unit. The vessel is designed to offer maximum versatility, ease of use and a minimum of maintenance.

The Low Profile version offers the same performance as our standard vessel but at a lower cost and with added versatility of a low headroom, allowing the craft to navigate under low bridges and other obstacles without difficulty. Highly manoeuvrable and capable of turning 360 degrees within her own length. A protective sun canopy is provided for the operator.

Hull

Steel box form, with bluff bow and shaped stern, rigidly constructed in 6mm M.S. Plate with continuously welded butts and seams. Craft longitudinally stiffened by two parallel channel section girders also forming bed for main engine and hydraulic pump, and through interconnection by channel section pillars, disperses load/thrust on heels of hydraulically operated scoop loader beams, rams, etc.

All steel plate certified shipyard standard. Transverse strength is by angle bar, intermittently welded with robust all welded connections to floors and curlings/beams by lapped brackets. Shaped stern stiffened at forward end of transom space by internal channel section stern post.

External protection at bottom by two parallel keel chocks, and at sides by horizontal wood fenders through bolted to suitably spaced and welded retaining angle brackets. Heavy duty D section marine grade rubber fendering to bow. Shaped rudder of suitably stiffened single 6mm plate with skeg. Decks of 6mm checker plate. Weed hatch on aft deck for

easy access to propeller. Grab rail along length of engine casing. Four lifting lugs fitted to vessel sides and four twin mooring bollards through bolted to deck. Forward and aft farelead. Four protective anodes fitted to hull suitable for sea or fresh water as specified. Optional tubular guard rail with stanchions fitted to stern (subject to airdraft restrictions).

Engine Room

Two hatches with means of locking with padlock on top of engine casing for engine room access and designed to allow easy access for removal of engine and gearbox. Three engine room vents. Exhaust from main engine to be piped externally. Engine room access by way of ladder from each hatch at aft end. Compartment fitted with removable 3mm checker floor plates. Two bilge blowers. Vented battery boxes port and starboard with isolation switches.

Controls

Single operator's fully adjustable seat. Helm, engine and hydraulic controls all within easy reach of operator. Bench fitted to rear of operator with storage space incorporated. Instrument panel with lock down cover incorporating tachometer, water temperature gauge, oil pressure gauges, hourmeter and engine start with ignition warning light. Horn push and switch panel for navigation lights, etc. Rudder angle indicator. Morse single level gear control, Power assisted steering wheel with adjustable height facility or joystick solenoid steering. Joystick hydraulic control lever. Floor of composition bound hard underlay with anti-slip covering.

Fuel

Single fuel tank capacity 640 Litres (170 UK gals).

Engine

CATERPILLAR 3056 DNA
Marine Diesel normally aspirated
110 hp @ 2,000 rpm

Reverse Gearbox

PRM 1000D Heavy duty multi plate oil actuated Ahead & Astern 2 : 1 Reduction

Cooling

Closed circuit keel cooling system not susceptible to blockages by debris or foreign matter existing in water.

Electrical 24 Volt

Engine starting 2 x 12v Batteries
Auxiliary equipment 2 x 12v Batteries

Each set of 2 x 12v batteries will receive a controlled charge according to its individual need. If the Auxiliary load runs the lighting batteries completely dead, the starting batteries will remain charged.

Propulsion

Stainless steel propeller shaft 50mm diameter through bronze or cutless bearings with soft packing stuffing box and gland, lubricator and sand excluder. Lubrication by marine grease.

Right-handed three bladed manganese bronze propeller fitted 635 x 393mm (25" x 15") Pitch. Rope Stripper Propeller Protector fitted to prevent fouling.

Bilge Pump

Bellow type hand operated, capacity 45.5 Litres (10 Gal) per minute. Auto start 24 Volt submersible 88 Litres (23 Gal) per minute.

Hydraulics

General purpose front end loader, actuated by rotary pump, driven from main unit. Operated by multi-function hydraulic joystick control with lock facility. Quick-release mechanism for easy removal of attachments.

Steering Gear

Hydraulically operated ram quadrant type, located after end of transom space actuated by rotary pump driven from main unit. Rudder angle indicator. Portable emergency tiller also supplied (located in engine room).

Safety/Navigation Equipment

2 x USCG Dry Powder Fire Extinguishers Engine Room
1 x USCG Dry Powder Fire Extinguisher on Deck
2 x USCG Ring Lifebuoys with 18m buoyant throwing line

Mesh Scoop Attachment

General purpose close Mesh Basket/Weed Ripper Attachment

Dimensions: 2.75m (9'0") x 1.06m (3'6") x 0.91m (3'0")

Max lift capacity (weight) per scoop	750kg (1500lb)
Max capacity (volume) per scoop	2.5m ³
Max lift height (above keel)	3.20m (10'6")

Heavy duty box steel construction with close mesh capable of reaching approximately 1.07m (depending on draft) below waterline when tilted, and of lifting to maximum height of 3.20m (10'6") above keel.

Ships Gear

1 – Anchor Kit	1 – On board tool set
2 - Mooring Ropes	1 - Boat Hook
1 - Deck Brush	1 - Bucket
1 - Hand Grease Gun	1 - Set of Hardwood Fenders (Fitted)

1 - 20 Ltrs Hydraulic Oil
1 - Oil Measure

1 - 20 Ltrs Engine Oil

Navigational Equipment

VHF Radio
Echosounder

Handbooks/Documentation

Two sets of all Workshop Manuals, Operation & Maintenance Manuals, Engine and Gearbox Manuals, Spare Parts Manuals and all Technical/Electrical Drawings as required. Technical file with all original test certificate and copy of Builder's Trials. Builder's Certificate and Manufacturer's Declaration of Conformity.

Spare Parts

On-board spare parts for 2 year's operation supplied – please refer to Spare Parts Addendum.

All Spare Parts available from Liverpool Water Witch locally appointed Agent or direct – guaranteed 10 year stock all items. Engine and gearbox spare parts and service support also available from local Caterpillar dealer.

Painting

Shotblasted and primed prior to application of paint. Undercoat and top coats of highest quality specialist marine paint. Non-slip paint applied to all deck areas. Anti-fouling below waterline. Colour scheme & design in accordance to instructions. All decals, signage or logos to be supplied by the customer.

Payload

Under normal operating conditions a payload of 750kg (1500lb) can be elevated to a maximum height of 3.20m (10'6") above keel without adverse effect on craft's stability, having due regard to the dynamic force induced on the craft by 508mm (20") waves coming side on and the possibility of them synchronising with the roll of the hull.

Additional Notes

All materials used in the construction and outfit of the craft are to be suitable for their purpose and appropriate for the service and operation of the vessel in tropical/super-tropical conditions.

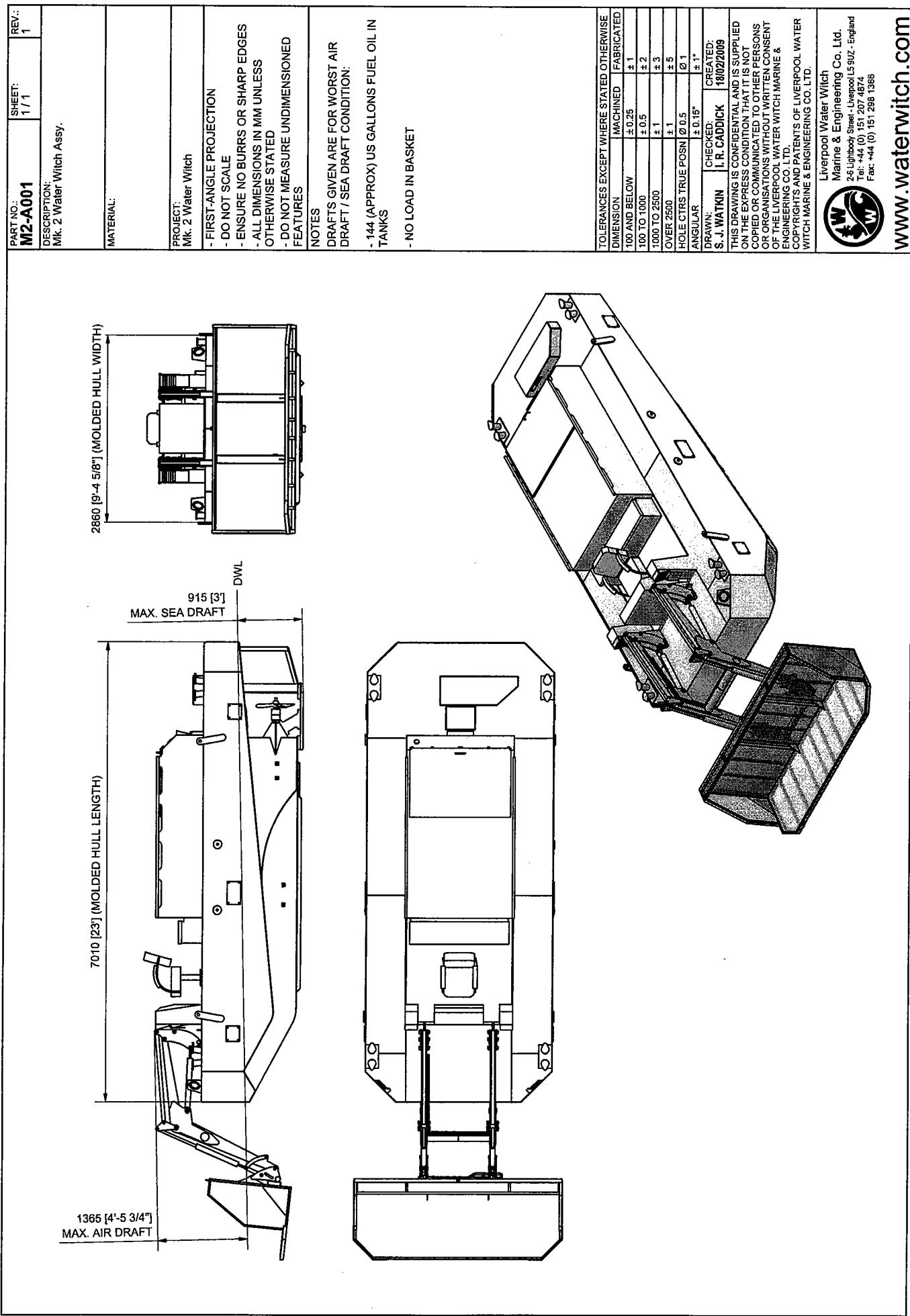
- General Arrangement drawings and schematics attached for reference purposes only. Ultimate specification and attachment options may change to meet the requirements of the customer.

The vessel is built to all relevant ISO international standards for the construction of small craft in steel and USCG Regulations for small commercial craft appropriate to the intended navigational range.

- Cathodic protection scheme based on the craft operating in fresh water.

All Water Witch designs are patented world-wide. All dimensions and quantities are nominal. All rights reserved.

JC/JAC/mark2.doc



PART NO: M3-WW-A001	SHEET: 1 / 1	REV.: 1																				
DESCRIPTION: Mk. 3 General Assembly																						
MATERIAL:																						
PROJECT: Yard 71																						
FIRST ANGLE PROJECTION																						
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NOTES																						
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<p>VIEW ON BOW FROM PORT SIDE B SHOWING 'PUSHER KNEE' ARRANGEMENT</p>																						



WATER WITCH

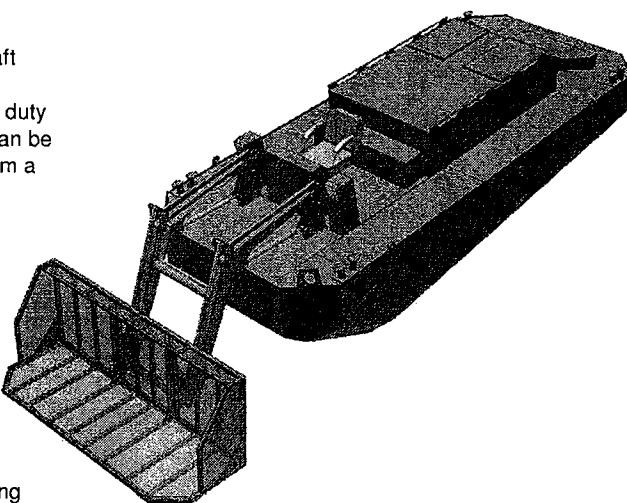
multi-purpose pollution control, marina & waterway maintenance



Multi-Purpose Workboat: Low Profile Water Witch Mk. 2

Concept

The Water Witch is a rugged shallow-draft vessel designed for Harbour and Inland pollution clean up operations. The heavy duty hydraulically operated front end loaded can be fitted with optional attachments for perform a wide range of duties including dredging. The vessel is designed to offer maximum versatility, ease of use and a minimum of maintenance. A useful weed hatch is incorporated into the deck to allow inspection of stern gear.



The Low Profile Version offers the same performance as our standard vessel but at a lower cost and with the added versatility of a low headroom, allowing the craft to navigate under low bridges and other obstacles without difficulty. A protective sun canopy is provided for the operator.

Hull

Steel box form, with bluff bow and shaped stern, rigidly constructed in 6mm M.S. Plate with continuously welded butts and seams. Craft longitudinally stiffened by two parallel channel section girders also forming bed for main engine and hydraulic pump, and through interconnection by channel section pillars, disperses load/thrust on heels of hydraulically operated scoop loader beams, rams, etc.

All steel plate of Lloyds Grade A standard. Transverse strength is by angle bar, intermittently welded at 609mm intervals with robust all welded connections to floors and curlings/beams by lapped brackets. Shaped stern stiffened at forward end of transom space by internal channel section stern post.

External protection at bottom by two parallel keel chocks, and at sides by horizontal wood fenders through bolted to suitably spaced and welded retaining angle brackets. Access to engine room by hatches located on top of the engine casing. Shaped rudder of suitably stiffened single 6mm plate. Decks of 6mm checker plate. Grab rail along length of engine casing. Four lifting lugs fitted to vessel sides and four twin mooring bollards through bolted to deck. Forward and aft farelead. Four protective anodes fitted to hull.

Operator's console fitted with collapsible Bimini sun top.

Controls

Single operator's fully adjustable seat. Helm, engine and hydraulic controls all within easy reach of operator. Bench fitted to rear of operator with storage space incorporated. Full instrument panel incorporating tachometer, water temperature, oil temperature, voltmeter, horn and hour meter gauges. Audible/visual warning system for high water/oil temperatures and low oil pressure fitted.

Outline Specification

Length (Hull)	7.2m (23' 6")
Length (Level Basket)	8.69m (28' 6")
Breadth (Hull)	2.90m (9' 6")
Breadth (Overall)	3.2m (10' 6")
Operating Draft	0.9m (3')
Lightship	
Displacement	9 Tonne (19,800lbs)
Engine	130hp (96kw)
Lightship Speed	6.0 knots
Air Draft	1.5m (4'11") (Approx.)

Fuel

Single fuel tank capacity 640 Litres (170 UK gals).

Engine

CATERPILLAR M130C
Marine Diesel normally aspirated, 110 hp @ 2,000 rpm

Reverse Gearbox

Heavy-duty multi plate oil actuated.
Ahead & astern 2 : 1 reduction

Cooling

Closed circuit keel cooling system not susceptible to blockages by debris or foreign matter existing in water. Sea water circulation through heat exchange optional.

Electrical 24 Volt

Engine starting: 2 x 12v Batteries
Auxiliary equipment: 2 x 12v Batteries

Each set of 2 x 12v batteries will receive a controlled charge according to its individual need. If the Auxiliary load runs the lighting batteries completely dead, the starting batteries will remain charged.

Propulsion

Stainless steel propeller shaft 50mm diameter through bronze bearings with soft packing stuffing box and gland, lubricator and sand excluder. Lubrication by marine grease.

Multi-Purpose Workboat: Low Profile Water Witch Mk. 2

Right-handed three bladed manganese bronze propeller fitted 635 x 393mm (25" x 15") Pitch. Rope Stripper® Propeller Protector fitted to prevent fouling.

Bilge Pump

Located port side aft, bellow type hand operated, capacity 45.5 Litres (10 Gal) per minute. Auto Start 24 Volt submersible 100 Litres (23 Gal) per minute)

Hydraulics

General purpose front end loader, actuated by rotary pump, driven from main unit. Main line pressure 2300 psi.

Steering Gear

Hydraulically operated ram quadrant type, located after end of transom space actuated by rotary pump driven from main unit. Main line pressure 640 psi. Rudder angle indicator.

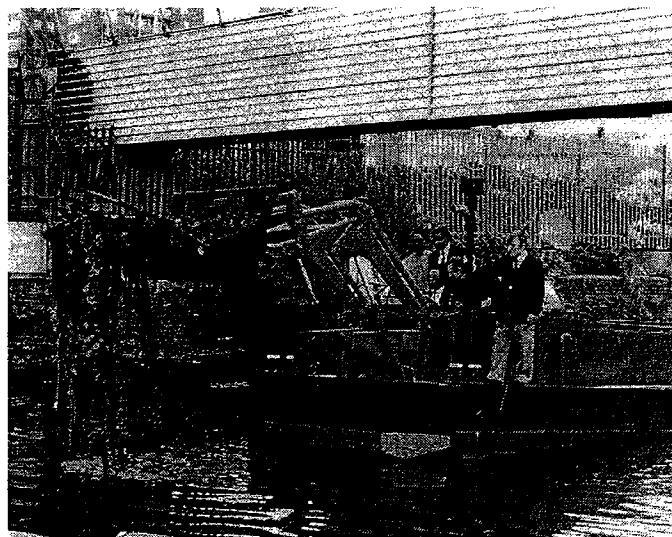
Safety Equipment

2 x USCG Auto Fire Extinguishers Engine
1 x USCG Fire Extinguisher on deck
2 x USCG Approved Life Buoys
2 x USCG Approved Life Jackets

Mesh Scoop Attachment

General purpose close Mesh Basket/Weed Ripper Attachment.
Dimensions: 2.75m (9'0") x 1.06m (3'6") x 0.91m (3'0")
Max lift capacity (weight) per scoop: 680kg
Max capacity (volume) per scoop: 2.50m³
Max lift height (above keel): 3.20m

Steel tubing stiffened with 19mm mild steel tubing capable of dredging approximately 1.07m (depending on draft) below waterline



when tilted, and of lifting to maximum height of 3.20m above keel.

Payload

Under normal operating conditions a payload of 680kg (1500lb) can be elevated to a maximum height of 3.20m (10'6") above keel without adverse effect on craft's stability, having due regard to the dynamic force induced on the craft by 508mm (20") waves coming side on and the possibility of them synchronising with the roll of the hull.

Ships Gear

1 x Anchor	2 x Mooring Ropes
1 x Deck Brush	1 x Hand Grease Gun
1 x 20 Ltrs Hydraulic Oil	1 x Oil Measure
1 x Anchor Rope (30m)	1 x Boat Hook
1 x Bucket	1 x Set of Hardwood Fenders (Fitted)
1 x 20 Ltrs Engine Oil	1 x Onboard Maintenance Toolkit

Equipment

VHF Radio
Echosounder

Handbooks

2 Sets of all Workshop Manuals, Operation & Maintenance Manuals, Spare Parts Manuals and all Technical/Electrical Drawings as required.

Painting

Shotblasted and primed prior to application of paint. Undercoat and top coats of highest quality specialist marine paint. Non-slip paint applied to all deck areas. Anti-fouling below waterline. Colour scheme & design in accordance to instructions.

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