

TERMS AND CONDITIONS OF WORK AUTHORIZATION

As part of the work authorization contained on the reverse side of this form, and as a condition of the acceptance thereof by Kraken Marine Services, LLC, herein "KMS, LLC":

1. The terms and conditions listed herein shall apply to this transaction/project described on the reverse side of this form, as well as any and all future transactions/projects, in perpetuity, until these terms of service are superseded by a subsequent signed copy of KMS, LLC's terms of service.
2. Acceptance of Delivery: Customer shall take delivery of Equipment/Machine described on the reverse side of this form within 10 days from completion of authorized work in accordance with any special terms of KMS, LLC.
3. Storage Charges: KMS, LLC will notify customer of completion of authorized work and if delivery is not taken by customer within the time specified in (2) customer is subject to reasonable storage and incidental charges for such property. Property left unclaimed for 60 days or more may be disposed of in accordance with state law for unclaimed property.
4. Customer waives the right to a written estimate, unless customer makes a written request, on the reverse side of this form, for a written estimate.
5. KMS, LLC's Right to Purchase Unclaimed Property: At any sale of unclaimed property, KMS, LLC retains the right to bid for the property in any amount it deems wise or prudent, and its bid is accepted, KMS, LLC will acquire good title to the property. Upon such a sale, customer shall have no further right, title, claim, or interest of any kind in or to the property, or against KMS, LLC.
6. PAYMENT: Customer shall pay KMS, LLC in accordance with the invoice or invoices rendered, including applicable sales, use or similar taxes. Unless otherwise specified or agreed to by KMS, LLC in writing, customer agrees to pay any invoice in accordance with its terms and to pay a late charge on past due amounts at a rate of 1.5% per month, or at the maximum interest rate permitted by law. In the event of costs and/or expenses incurred by KMS, LLC to recover late payment(s) and/or late charges, customer agrees to pay all costs associated with the collection of the late payments, including travel, attorney fees and any other costs associated with enforcement proceedings.
7. Lien: A lien is here acknowledged on the property described on the reverse side of this form to secure payment of authorized work and any other charges, including, but not limited to, parts, labor, storage, handling, and/or transportation of the property described on the reverse side.
8. LIMITED WARRANTY: Subject to full payment on completion of authorized work or in accordance with terms agreed upon in writing signed and approved by both parties, KMS, LLC or its authorized representatives will repair a defect, free of charge, in KMS, LLC's workmanship for a period of 30 days, 5,000 miles, or 100 hours of operation after completion of authorized work, whichever comes first. Warranty payments or repairs are limited to the total amount on this invoice.
 - a. NO warranty will be issued if the customer does not allow KMS, LLC the opportunity to correct eligible problems and replace eligible parts. KMS, LLC will NOT be responsible for the cost of work done by persons outside of KMS, LLC, unless agreed to and in writing, signed by both the customer and KMS, LLC, prior to the start of work by outside parties.
 - b. For parts sourced from outside suppliers, herein "Supplier", if and only if purchased on behalf of the customer by KMS, LLC, warranty refunds shall ONLY be issued if the Supplier deems the part eligible for a warranty refund. If the Supplier deems the part ineligible for warranty, OR the part is not returned to KMS, LLC's possession in sufficient time for delivery to and analysis by the Supplier before the expiration of Supplier's warranty terms and conditions, then NO warranty will be issued to the customer.
 - c. This limited warranty covers only the original purchaser, and does not include damage caused by accident, neglect, or misuse. At KMS, LLC's option, any warranty work shall be performed only during regular working hours. It is expressly understood and agreed that under no circumstances shall KMS, LLC be liable for any direct, special, consequential, or commercial damages or for injuries to persons or damage to property from the work performed and/or the use of, operation of, or in any way connected with the property on which the work was performed by KMS, LLC from whatever cause that might arise. This is a service agreement only; it is not an agreement for the sale of goods, except only as such are incidental to KMS, LLC's maintenance and repair services; it is not an insurance policy. KMS, LLC MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. Some states do not allow limitations on how long an implied warranty lasts, or allow the exclusion or limitation of incidental or consequential damages, so the above limitation or exclusions may not apply to you. This warranty gives you specific legal rights, and you may also have others which vary from state to state.
 - d. The customer agrees to pay the transportation costs on all warranty work performed outside the Tacoma area.
9. Customer gives KMS, LLC the right to remove any parts supplied by KMS, LLC from customer's equipment or property that remain unpaid for after a period of 120 days.
10. Attorney's Fees and Costs: The prevailing party in any dispute between KMS, LLC and customer shall be entitled to recover its reasonable attorney's fees and costs from the non-prevailing party.
11. One Hour Minimum Policy: The customer agrees to pay for 1 hour of labor at the current shop rate for each instance a technician is called down to the boat, work site, or area in which KMS, LLC services are to be employed, regardless of whether the services were performed in under 1 hour. If travel time billed to the customer exceeds 1 hour, the one hour minimum policy can be waived at KMS, LLC's discretion.