

2026

Email: berezovsky@boatdesign.pro

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Date: 01.01.2026

1. DEFINITIONS

The following definitions apply in these General Terms and Conditions:

1.1. Designer:

Valeriy Berezovsky - the natural person who has made it his business to offer the provision and performance of Work Activities (defined below).

1.2. Client:

The person, including the natural person and/or his legal successor, the commercial partnership, professional partnership or legal entity that negotiates or enters into a contract with the Designer for the provision of services or work activities offered by said Designer.

1.3. Contract:

The Contract whereby the Designer binds himself to the Client in respect of performing Work Activities (defined below) and/or the terms of Rights to Build (defined below) and/or the Contract and the General Terms and Conditions applicable to them.

The Contract becomes effective once confirmed in writing, for example by a signed agreement, email confirmation, or signed quotation.

1.4. Work Activities:

All work that the Designer performs for the Client in connection with the Contract. The Designer is authorized to engage third parties for the purpose of carrying out Work Activities.

1.5. Order:

The order to perform Work Activities as specified in the Contract.

1.6. Boat:

Sailing or motor yacht, recreational or commercial watercraft, or other floating or sailing object, or one or more parts thereof, designed by the Designer in connection with the Contract.

1.7. Design:

A Boat designed by the Designer. The Design can consist of a Pre-Design, a Concept Design and a Technical Design (defined below). These designs are created in the Pre-Design Phase, the Concept Design Phase and the Technical Design Phase, respectively.

1.8. Variation:

A Design that is based on an existing Design but deviates on essential points.

1.9. Calculations:

The results of the Calculations are used in the Design. These Calculations are not a separate part of the documentation delivered to the Client and are not submitted.

1.10. Design Drawings:

Drawings of the Boat with limited amount of details in order to provide a general view of the nature and the general outline of the Boat. These drawings are sufficiently detailed for a potential technical inspection. Depending on the phase of the Work Activities, reference is made to Pre-Design, Concept Design and Technical Design Drawings (defined below).

1.11. Pre-Design:

A schematic plan of the Boat, which gives only an outline of the form, lines, functions and dimensions. This plan along with Statement of Requirements serves as a starting point for the Concept Design.

1.12. Pre-Design Drawings:

Drawings produced in the Pre-Design phase. These drawings describe the Pre-Design.

1.13. Concept Design:

A description of the Boat by means of Concept Design Drawings and other documents based on the Statement of

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Requirements and the Pre-Design but with a greater degree of detail.

The purpose of Concept Design is to define the appearance of the Boat and to prove that the Boat Design is feasible.

Concept Design may include, as far as applicable and agreed:

- a. A general arrangement plan in which the layout and design are laid down. This general arrangement plan is based on preliminary design parameters, provisional lines plan and preliminary calculations with regard to functionality, load capacity, weight, rigging, stability, speed and engine power;
- b. Information with respect to the overall design of the structure for the provisional calculation of weight and center of gravity;
- c. Exterior and interior renderings;
- d. A brief specification, which is sufficiently detailed to enable a competent yard to make cost estimation.

Concept Design serves as a basis for the Technical Design.

1.14. Concept Design Drawings:

Design Drawings produced during the Concept Design phase. These drawings describe the Concept Design.

1.15. Technical Design:

The final description of the Boat by means of Technical Design Drawings and other descriptive documents. These may include, as far as applicable and agreed:

- a. The general arrangement;
- b. The deck plan;
- c. The sails plan;
- d. Information regarding the 3D shape of the hull, appendages and superstructure;
- e. The specifications;
- f. The lines plan;
- g. The interior layout plan with the main joinery measurements;
- h. The hull construction plan;
- i. The windows and doors plan;
- j. The engine room arrangement;
- k. The propulsion system arrangement;
- l. The mast and rigging plan;
- m. Drawings of the keel and rudder;
- n. The anchor and mooring plan;
- o. Diagrams of important systems;
- p. The tank plan;
- q. The navigation lighting plan;
- r. Calculations with regard to weight, rigging, stability and performance;
- s. Other design drawings required for building the Boat.

The Technical Design is sufficiently detailed for design approval by Classification bodies.

The Technical Design serves as a basis for producing the Production Drawings.

1.16. Technical Design Drawings:

Design Drawings made in the Technical Design Phase, based on the Concept Design Drawings.

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1.17. Production Drawings:

Detailed drawings for use in the production process. These drawings are also called Working Drawings.

The Production Drawings are not part of the Design.

1.18. Working Drawings:

Another name for Production Drawings.

1.19. As-built Drawings:

Drawings of the Boat as it is finally built.

As-built Drawings are not part of the Design.

1.20. Builder:

The shipyard, metal construction company, woodworking company, etc. that is building the Boat by order of the Client.

1.21. Sea Trial:

One or more detailed tests and Sea Trials in the context of the Client's acceptance of that which is built by the Builder.

1.22. Supervision of the Construction:

Monitoring the building and representing the Client in all areas related to the construction process.

1.23. Building Cost:

The total price of the constructed Boat as it leaves the shipyard, exclusive of VAT. The Fee of the Designer is not included in this price.

1.24. Building Contract:

The agreement between the Builder and the Client relating to the building of the Boat. The Designer is not a party to this Contract.

1.25. Right to Build:

The right of use the Design and related documents for the construction of one or more Boats. Each Right to Build states at least:

- a.** The number of Boats that may be built on the basis of the Design;
- b.** If the right is exclusive or whether third parties may use the Design;
- c.** The period during which the Design may be used;
- d.** The price for the right to use.

1.26. Series Construction:

The building of more than one Boat using the same design.

1.27. Right to Build a Series:

A Right to build an agreed number of Boats in a given period.

1.28. Fee:

The amount to be paid to the Designer in connection with the execution of the Contract.

1.29. Workday:

Every day that is not a Saturday and Sunday.

2. RELATIONSHIP BETWEEN CLIENT AND DESIGNER

2.1. Trust:

In the relationship with the Client, the Designer acts as a confidant, providing advice about technical and aesthetic issues, protecting the interests of the Client to the best of his knowledge and abilities, and realizes these interest to his best endeavours.

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2.2. Authorization:

The Designer acts as a representative of the Client in the execution of the Contract. Within the context of the Contract, this authorization is unrestricted and unconditional until the time that the Contract ends. The authorization shall in any case reasonably allow the Designer to carry out all transactions within the context of the Contract at his own discretion.

3. THE ORDER, PROPOSAL, CONTRACT, DELIVERY

3.1. Components of the Order:

The Order may include one or more of the following Work Activities:

- a.** Making a Pre-Design;
- b.** Making a Concept Design;
- c.** Making a Technical Design;
- d.** Making a Variation of an existing Design;
- e.** Preparation a Production Drawings;
- f.** Preparation As-Built Drawings;
- g.** Providing Supervision of the Construction;
- h.** Providing assistance and support;
- i.** Providing expertise;
- j.** Other services.

3.2. Proposal without obligation:

Each Proposal is provided entirely without obligation. This also applies if a term for acceptance is mentioned.

3.3. Withdrawal:

A Proposal made without obligation may be withdrawn:

- a.** The Designer can withdraw his accepted Proposal within three business days without any liabilities.
- b.** The Client can withdraw his acceptance of the Proposal within three business days of the acceptance without any liabilities.

3.4. Realization of the Contract:

The Order shall be deemed as a final and come into effect when:

- a.** The Proposal made by the Designer is accepted by the Client and the deadline for withdrawal has expired;
- b.** The Proposal has been provided by the Designer and the Client has confirmed that the acceptance is irrevocable and has requested the Work Activities to begin.

3.5. Delivery Time:

An agreed Delivery Time is only offered as an indication and is not a deadline unless this is specifically agreed.

3.6. Delivery time in the event that the Order is amended:

If amendments are agreed upon during the execution of the Contract, the originally agreed Delivery Time will automatically expire.

3.7. Exceeding the Delivery Time:

In the event that the Designer expects the Delivery Time to be exceeded, he needs to notify the Client and state the reasons.

3.8. Default due to late delivery:

The Designer shall never be in default of a non-strict deadline. The Designer and Client may agree in writing that

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certain deadlines are strict deadlines. The Designer shall then not be in default of an agreed deadline unless an agreed deadline is exceeded by more than 20% due to causes entirely attributable to the Designer and the legal conditions for default have been fully satisfied.

In the event that an agreed Delivery Time is exceeded, the Designer shall never be liable for damages to Client, unless the exceeding of the deadline is due to intent or deliberate recklessness by the Designer.

4. THE RIGHT TO BUILD

4.1. Personal Right:

The rights mentioned in this article are personal rights and shall only be granted to the Client. The right to use the Design is not transferable to third parties.

4.2. Single Right to Build:

When a Technical Design is delivered by the Designer and the agreed price is paid by the Client, the Client is then automatically entitled to use the Design Drawings for a single Boat to be built in accordance with the Design.

4.3. Right to Build a Series:

The parties may agree that the Client has the right to use the Design for the construction of more than one Boat.

Client only acquires the right to use the Design for the construction of more than one Boat, after the parties have expressly agreed upon this in writing and the Client has fulfilled its obligations to the Designer.

4.4. Exclusive Right to Build a Series:

The parties may agree that the Client has the sole right to use the Design for the construction of one or more Boats, thereby excluding third parties.

If within one year of obtaining the exclusive Right to Build, the construction of a Boat is interrupted or halted, the Designer may request in writing that the Client commences or continues construction. If the Client does not fulfill this written request within one year, all his rights to use the Design to build of that type of Boat will lapse.

4.5. Execution of/amendments to the Design:

The Right to Build may only be used to build of a Boat that conforms to the Design Drawings and other documents made available by the Designer. The Client and/or Builder are not permitted to make Amendments to the Design or to depart from the Design in the construction of the Boat.

If the Client and/or Builder deem a different type of construction or execution to be desirable or necessary, they must consult with the Designer prior to carrying these out.

5. RESPONSIBILITIES OF THE DESIGNER

5.1. Complying with requirements:

The Designer is responsible for ensuring that his Design complies with reasonable requirements of quality and functionality in connection with the purpose for which the Client wishes to use the Boat.

The Designer will also take into account additional requirements that the Client have submitted to the Designer in the period between entering into the Contract and the completion of the Concept Designs.

5.2. Informing the Client:

If the Designer is of the opinion that the Client's requirements cannot be realized in the Design, he must inform the Client in a timely manner.

5.3. Amendment to the Order:

The Designer is authorized to deliver a Design that is different from what was agreed in the event that the changes are required in order to comply with applicable regulations or, in the case the changes are minimal, when he believes that these represent an improvement.

5.4. Aesthetic appreciation:

The aesthetic appreciation of the Design is not the basis for assessing whether the Designer fulfilled his obligations to the Client.

5.5. Correct execution:

The Designer is not responsible for the correct execution of the Design by the yard.

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6. INTELLECTUAL PROPERTY

6.1. Ownership of originals and copies of drawings, documents, etc.:

The Designer will always retain ownership of all the originals and copies of sketches, drawings, calculations, estimates, specifications, reports, computer files, image media and any other media for holding information, as well as 3D models created for and by the Designer in the context of the Order regardless of whether they were made on behalf of the Client or third parties.

6.2. Intellectual property rights:

Intellectual property rights as provided for in the Copyright Law in relation to the Design, Production Drawings, sketches, photographs and other images of the Design or part thereof, the models and construction moulds, as well as all models, computer files, image media, or other media for holding information that form a part of the Design remain the exclusive property of the Designer.

6.3. Other use of the Design:

Unless otherwise agreed, the Designer is free to use the Design or parts thereof on behalf of other clients. This is understood to mean in any case the Intellectual Property rights to use the Design and/or transfer or change the Design at its discretion for the construction of one or more Boats.

6.4. Promotion:

The Designer has the right to make images of the exterior and interior of the Boat. The Designer has the right to modify, reproduce, and publish these images as well as the general plan for promotional purposes in the broadest sense of the word.

6.5. Brand Name:

The Designer has the right to place his name, logo or brand name on the physical result of his Design, in the understanding that this is done in all reasonableness, without damaging the appearance or the use of the Boat.

6.6. Removal of the name due to infringement:

Without affecting to any other rights concerning infringement of copyright, the Client is obligated to remove the name, the logo or brand name of the Designer at the first request of the Designer.

7. LEGAL LIABILITY OF THE DESIGNER

7.1. Limitation of legal liability for damage:

The Designer is only legally liable for damage suffered by the Client arising out of an attributable breach of contract by the Designer in the fulfillment of his obligations or due to any wrong doing or an illegal act by the Designer.

The Designer is not liable for damages caused by intent or gross negligence of employees or third parties not managed by him in the execution of the Order.

The Designer is not liable for damage consisting of or resulting from defects in relation to the capacity and the quality and/or the suitability of materials and other items when these are specified or supplied by the Client.

The Designer is not liable for damage after the delivery of the Boat, including a Boat, that arose as a result of inappropriately qualified use, insufficient use, lack of care, and/or normal wear and tear or is caused by modifications made to the Boat or Boat by the user or a third party.

The Designer is not liable for damage that the Client suffers as a result of acts or omissions of the Builder or suppliers in violation of the drawings, specifications and/or other conditions unless he is attributable for the failure to exercise control.

7.2. Errors in the Boat /components supplied by third parties:

The Designer shall not be liable for errors related to components of the Boat not designed by him or not designed or constructed under his supervision. Nor is he liable if the legal liability in the contract documents or the contractor's contract or delivery is transferred to the Builder.

7.3. Legal liability for technical fitting:

The Designer only liable for the technical fit of components in the Boat that are designed and manufactured by third parties in so far as the Designer has explicitly indicated that these components are part of the Design.

7.4. Legal liability for third party components:

The Designer is in no way responsible for the operation, performance or results, etc. of any fitted components from

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third parties. Nor is the Designer responsible for the operation, performance or results, etc. of any fitted components from third parties in conjunction with the Boat.

7.5. Legal liability and legal provisions:

In no event shall the Designer be liable if the Design complies with the following conditions:

- a. it is realized in accordance with the received Order, and
- b. it complies with the European Recreational Craft Directive and/or to the regulations of a recognized Classification Society for the relevant type of Boat.

7.6. Restriction of the size of the legal liability:

The legal liability of the Designer is in all cases limited to the agreed Fee.

7.7. Termination of liability:

- a. The liability of the Designer ends after a successful technical Sea Trial.
- b. Any claims on the Designer, except for those recognized by him in writing, lapse twelve months after the date on which they were made.

8. RIGHTS AND OBLIGATIONS OF CLIENT

8.1. Protection of the Design:

The Client is not allowed to make any changes to the Design without prior permission of the Designer.

8.2. Confidentiality:

The Client is obligated to maintain absolute confidentiality of all designs, calculations, computer files, Production Drawings, Design Drawings, sketches, models, and all other representations of the design, or parts thereof, that he has in his possession or of which he has knowledge that the Designer has supplied to him in connection with the Order.

In so far as the exchange of information is necessary in order to carry out repairs or maintenance work, the requirement to maintain confidentiality as described in the previous paragraph remains and the Client shall not pass information to third parties unless he has notified the Designer. In no event shall the Client share more information than is strictly necessary for the repair or maintenance work to be earned out to the Boat.

In no event is the Client permitted to share the confidential information referred to in the preceding paragraphs of this article with third parties that intend to use the information for their own purposes or for the benefit of others.

8.3. Examination and claims:

The Client should examine the Boat upon delivery after the Sea Trial. The Client must check that the Boat complies with his Order.

If visible faults or defects are detected for which the Designer is liable as a consequence of the Order, the client must report this in writing to the Designer upon delivery.

Non-visible faults or defects for which the Designer is liable as a consequence of the Order must be reported in writing to the Designer within ten days of discovery, and at the latest six months after the Sea Trial or delivery.

8.4. Publicity for advertising purposes on behalf of Client:

The Client has the right to use the general plan and photographs of the designed Boat for advertising and publicity purposes. Other drawings of the Design may only be published by the Client with written permission from the Designer.

When publishing drawings, photographs or descriptions of the Boat designed, the Client and/or Builder must:

- a. Name the Designer of the Boat;
- b. State the Copyright of the Designer;
- c. Send the Designer a copy of the publications.

8.5. Termination of the Contract:

If the Contract is terminated by the Client for any other reason than the default of the Designer in respect of its

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obligations to the Client, the Client must fulfill the following conditions:

- a. The Contract is legally terminated in writing and such termination is received by the Designer, and
- b. The Client has paid the Fee for which the Designer would be entitled to if he would complete the part of the Contract that he was working on at that time.

8.6. Surviving provisions:

In the event the Contract is terminated, all provisions relating to Confidentiality and Intellectual Property rights shall be fully maintained.

9. PRICE

9.1. The Designer has the right to a payment of:

- a. A Fee for the any Work Activities performed by him on behalf of Client;
- b. Royalties for the use of the Design;
- c. Reimbursement for expenses incurred by the Designer.

9.2. The Price shall be in Euros.

10. FEE STIPULATIONS

10.1. The Design Fee:

The Design Fee can be determined in the following ways:

- a. Based upon a Fixed Price;
- b. Based upon the number of Hours Worked;
- c. Based upon a percentage of the total Building Cost;
- d. Based upon any other criterion agreed upon by both parties.

10.2. Fixed Price:

The parties may agree on a Fixed Price in the event that it is easy to estimate the required Work Activities in advance.

10.3. Fee depending on the number of Hours Worked:

If the parties have agreed that the Fee will be calculated in proportion to the number of Hours Worked, the parties shall adopt a Hourly Rate. Standard Hourly Rate is 25EUR per hour.

10.4. Fee depending upon a percentage of the Building Cost:

If the parties have agreed that the Fee will be calculated depending on the Building Cost, the different installment amounts will be calculated depending on the Building Cost previously estimated by the Designer.

10.5. Calculation of Building Cost:

The Building Cost is understood to mean the total Building Cost as charged by the Builder to the Client for the construction of the Boat, including the supply of goods and services by any third parties.

The Building Cost estimated by the Designer is retained as a guideline for determining the Design Fee. The final Design Fee is calculated over the actual Building Cost of the Boat.

10.6. Fee for amendments/more work:

In so far as the Order has been extended, this is due to amendments or additional work, the Designer will charge for the associated hours separately at the time that those Work Activities have been completed or will clearly identify this in the final invoice.

10.7. Payment of the Fee in installments:

The Fee payable shall be charged in installments according to the agreements that the parties came to upon entering into the Contract. In any case, the Designer shall be entitled to payment of installments after completion

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of:

- a.** Pre-Design;
- b.** Concept Design;
- c.** Technical Design;
- d.** Production Drawings;
- e.** As-built Drawings;
- f.** For each designed Variation.

Furthermore, the Designer is entitled to charge for the hours worked by him during Supervision of the Construction and the Sea Trial.

10.8. Suspension of Work Activities:

If an installment is not paid by the Client, the Designer has the right to immediately suspend all Work Activities until the time when the Client has fulfilled all obligations towards him.

11. ROYALTIES

11.1. Royalties for the construction of the first Boat:

In the event that the Work Activities belong to the Design of a Boat, the Royalties associated with the construction of the first Boat to that Design will be included in the Design Fee.

11.2. Royalties for the construction of more than one Boat:

When using the Design for the construction of more than one Boat, the Royalties are payable for each Boat that is to be built.

11.3. Royalties for an existing Design:

If the parties have agreed that the Client may use an existing design for the construction of one or more Boats, the Client must pay the Royalties to the Designer in accordance with the agreements made by the parties.

11.4. Start of rights to use the Design:

Client obtains the user rights to the Design (and associated Design Drawings and Production Drawings) from the day following the day on which the Royalties are received by the Designer and all other obligations arising from the Contract for the Designer are fulfilled.

12. EXPENSES

12.1. Reimbursement of expenses:

The following expenses are chargeable to the Client:

- a.** Travel and accommodation expenses incurred by the designer and his staff for the purpose of fulfilling the Contract;
- b.** Expenses incurred in duplicating the drawings, specifications, enclosures and other documents;
- c.** Expenses incurred in drawing up contracts and translations;
- d.** Expenses incurred with the classification agencies;
- e.** Expenses incurred in advertisements, postage, telephone, fax, telegraph, telex, registration etc.;
- f.** Expenses incurred in legal matters and arbitration proceedings against a third party.

13. PAYMENT

13.1. Term of payment:

Unless otherwise agreed, the term of payment is ten days after receipt of the Invoice by the Client. Invoices can be sent by post or email. Parties will therefore need to agree which post address or email address the Designer should use.

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13.2. Late payment:

When the term of payment is exceeded the Client is always immediately in default and is then liable until full payment is made to the Designer of the full amount.

14. FORCE MAJEURE

The Designer shall not be liable in any way whatsoever for any delay or breach of these Conditions caused directly or indirectly by war, acts of God, strikes, lockouts, riots, government action or interference, fire, earthquake, interruption to transportation or telecommunications, or any other cause beyond the Designer's reasonable control.

15. APPLICABILITY

15.1. Applicable:

These General Terms and Conditions apply to all Contracts and other legal relations between the Designer and the Client. The provisions of these General Terms & Conditions can be waived by the parties. Any deviations shall apply only in so far as they are agreed in writing.

15.2. Exclusion:

The Client accepts the application of these General Terms and Conditions. The applicability of any other general conditions than these is expressly excluded.

15.3. Priority Rule:

In the event that other general conditions also apply to the Contract, leading to contradictory stipulations, the relevant provisions of these General Terms and Condition will take precedence over those of the other.

16. DISPUTES

16.1. Applicable law:

Ukrainian law should be applied to all agreements between the Client and the Designer.

16.2. Settlement of a dispute:

All disputes arising from or related to the Contract shall be settled by the court in the district where the Designer is located.

17. FINAL CLAUSES

17.1. Amendments:

The Designer is free to modify these General Terms & Conditions annually. The amended version of these Terms and Conditions shall apply to all legal relationships between the Client and the Designer from the day that the modified version is received by the Client and he has not immediately made a written objection against them.

17.2. Communications:

All communications including offers and acceptances - must be made in writing by one party to the other party. In writing is understood to mean in any case, by mail, fax or email.

17.3. Deviations:

The Client and the Designer may deviate from the stipulations of these General Terms and Conditions by mutual consent.