

**Kerrera ferry Ltd Duncan James MacEachen
Terms and Conditions of Carriage
April 2009**

Terms and Conditions of Carriage

(Revised April - 2009)

1 In these Terms and Conditions of Carriage, the expression "Carrier"- means Kerrera Ferry LTD Duncan James MacEachen, The Ferry house Isle of Kerrera Oban PA34 4SX

1.1. For the avoidance of doubt, where in these Terms and Conditions the Carrier is entitled to make a decision or exercise a discretion on any matter relating to the operation of a vessel, it shall be presumed, unless the context otherwise demands or there is evidence of an instruction from Duncan James MacEachen to the contrary, that the Master has full authority to act as the Carrier's agent in these matters.

2 The Carrier hereby gives notice that the Carrier carries all passengers, luggage, vehicles, mails, goods and livestock subject to the Carrier's Terms and Conditions of Carriage ("the Terms and Conditions") and on no other terms and conditions, except as specifically provided for herein.

3. These Terms and Conditions and no others regulate the Carrier's obligations in respect of the carriage of passengers, luggage, vehicles, goods and livestock. No person other than the Carrier's Ferry Services Manager has authority to vary these Terms and Conditions. No such variation shall have effect unless it is in writing and signed by the Carrier's Ferry Services Manager.

4 Any person being carried or intending to be carried on a vessel to which these Terms and Conditions apply shall by proceeding onto the pier, jetty, landing point, or other passenger access leading to the vessel be deemed to have accepted that the carriage or intended carriage shall be subject to these terms and conditions, whether or not he or she has purchased, or intends to purchase a ticket.

Passengers and their luggage

5. The terms of the Athens Convention Relating to the Carriage of Passengers and their Luggage by Sea 1974 (which Convention is hereinafter referred to as "the Athens Convention") as applied to domestic carriage shall, to the extent that it has the force of law in the United Kingdom by virtue of section 183 of, and Schedule 6 to, the Merchant Shipping Act 1995, be deemed to be incorporated into, and to form part of, these Terms and Conditions. The Athens Convention in most cases limits the Carrier's liability for death or personal injury or loss of or damage to luggage (including a vehicle) and makes a special provision for valuables. The Athens Convention presumes that luggage has been delivered undamaged unless written notice is given to the Carrier:

5.1 in the case of apparent damage, before or at the time of disembarkation or redelivery, or

5.2 in the case of damage which is not apparent or of loss, within 15 days from the date of disembarkation or re-delivery or from the time when such re-delivery should have taken place.

Passengers should also note that any action based on the Athens Convention is timebarred after a period of two years.

6 If there is any inconsistency between the Terms and Conditions and the Athens Convention, the Athens Convention shall prevail, but that shall be without prejudice to those Terms and Conditions which are not inconsistent with the Athens Convention.

7 The Carrier undertakes no responsibility for the safe custody or delivery of, nor will it be accountable for any loss which may happen to any gold, silver, watches, jewels, bullion, precious stones, bank notes or other forms of currency, bonds or other negotiable instruments, plate or other articles of value either before or at shipment or while on board the Vessel.

8 The Carrier accepts no liability of any kind for any loss suffered by Passengers in respect of any loss of or damage to Passengers' property whilst in the vicinity of the Vessel or on any premises used by the Carrier or in any conveyance, whether or not any such loss is caused by the negligence or fault of the Carrier or its servants, agents or independent contractors. In these Terms and Conditions the expression "property" includes luggage, money, valuables, vehicles, caravans, trailers, motor and pedal cycles and any other property whatsoever of Passengers.

9. If a Passenger under the age of sixteen years is an unaccompanied Passenger ("the child") on a vessel operated by the Carrier, the carriage of the child shall not be held to imply that the Carrier has the custody, charge or care of the child.

10. The Carrier shall not be liable for any delay or inconvenience, or for any loss, expense or damage whatsoever suffered by Passengers resulting from that, whether or not such delay or inconvenience or resulting loss, expense or damage arises from negligence or fault of the Carrier its servants, agents or independent contractors and whether on land or at sea.

11. If war, hostilities, blockade, ice, labour conflicts, breakdown of the Vessel, congestion, docking difficulties, or any other cause whatsoever, hinders or prevents the

performance of the proposed voyage or if the Carrier is of the opinion that any one or more of these is likely to hinder or prevent the performance of the proposed voyage, or if the Carrier considers that for any reason whatsoever, proceeding to, attempting to enter, or entering or remaining at the port of disembarkation may expose the vessel to risk of loss or damage or be likely to delay it, the Carrier or Master may in its or his discretion land Passengers and their property at the port of embarkation or at any port or place which it or he may reasonably decide, and in that event the responsibility of the Carrier shall cease and any carriage shall be deemed to have been fully performed. If Passengers have not embarked the Carrier may cancel the proposed voyage and shall, upon request, refund to any such Passenger the passage money or fares which he or she may have paid in advance.

12. The Carrier shall be free to comply with any orders, recommendations or directions whatsoever given by the Government of the United Kingdom or by any Department thereof or by any person acting or purporting to act with authority of such Government or Department or by any Committee or person having under the terms of the War Risks Insurance on the vessel the right to give such orders, recommendations or directions, and if by reason of, and in compliance with, any such orders, recommendations or directions, anything is done or is not done, that shall not be deemed a deviation or a breach of the contract of carriage. Disembarkation of Passengers or discharge of their luggage in accordance with such orders, recommendations or directions shall constitute due and proper fulfilment of the obligations of the Carrier.

13. The Carrier may, where it considers it reasonable to do so, refuse to allow Passengers to embark and may cancel any contract with such Passengers at any time before sailing. The Carrier shall in that case return the passage money, if any, paid in respect of such Passengers and such Passengers shall have no claim whatsoever against the Carrier in respect of such refusal or cancellation.

14. In the event that the Carrier refuses to allow Passengers to embark and cancels the contract, arrangement of whatever nature or scheduled sailing in circumstances that such Passengers were to be carried at no cost to them, such Passengers shall have no claim whatsoever against the Carrier in respect of such refusal or cancellation.

15. Passengers shall be liable to and shall reimburse the Carrier for all damage to the Vessel and its furnishings and equipment, or any property of the Carrier, caused directly or indirectly in whole or in part by any wilful or negligent act or omission on the part of any Passengers, and Passengers shall further indemnify the Carrier and each and all of its agents and servants against all liability whatsoever which the Carrier or such agents or servants may incur towards any person or company or Government for any personal injury or death, loss or damage to property caused directly or indirectly in whole or in part by any wilful or negligent act or omission on the part of the Passenger.

16. If for any reason whatsoever Passengers are refused permission to land at the port of disembarkation or such other port as is provided for in Clause 11 hereof the Carrier may land Passengers and their luggage at any port or place at which the vessel calls, or the Carrier may carry Passengers and their luggage back to the port of embarkation, or may provide Passengers with such form of transport to such destination as the Carrier may by law be obliged to arrange, and in the event that the Carrier provides such transport, the Passengers shall pay the Carrier the full fare for the journey according to the tariff in use at such time for such further carriage or transport. Passengers shall be carried in accordance with this clause upon the Terms and Conditions or such other Terms as the Carrier may reasonably arrange on behalf of the Passengers. Passengers shall indemnify the Carrier against all loss and expense incurred in connection with or as result of such refusal of permission to land.

17. Passengers shall comply at all times with the safety and other rules and regulations of the Carrier from time to time notified in tickets, brochures, notices at terminals or on board the vessel, by electronic or other media, or by servants or agents of the Carrier.

18. The Carrier shall have a general lien on all property whatsoever accompanying Passengers and the right to sell the same by public auction or otherwise for all liabilities of Passengers under these Terms and Conditions or otherwise and for the costs and expenses of enforcing such a lien and of such sale.

Goods, Vehicles and Livestock

19. All goods, vehicles and livestock shall be carried entirely at the owners' risk without responsibility for loss or damage howsoever caused. The Carrier shall not be required to send notice of the arrival of goods, vehicles or livestock to any person nor will it have any liability for the delivery or forwarding or custody of the same after they have been landed which shall be at the sole risk and expense of the Owner. The Carrier hereby advises owners of goods, vehicles and livestock to effect their own insurance cover to take account of the Terms and Conditions.

20. The Carrier shall be entitled in its absolute discretion and at any time to refuse to receive or carry any goods, vehicle or livestock.

21. The Carrier does not undertake to carry goods, vehicles or livestock on any particular Vessel or on any particular voyage or day.

22. The Carrier shall not be obliged to sail the Vessel according to advertisement or notice and, notwithstanding such advertisement or notice the Vessel may sail on any day or at any time and any sailing may be cancelled without notice notwithstanding any shipment or booking previously made. The Carrier shall not be liable for any loss or damage or

delay by reason of such cancellation. The Vessel may sail with or without pilots, make trial trips, tow and assist other vessels and be towed, and call at ports in any order on one or more occasions and on either the outward or the return voyage whether in or out of or short or beyond the route between the named terminus for the carriage of goods, vehicles or livestock or the customary or advertised route. The vessel may also call at or off, or may stay at any convenient port on one or more occasions whether on or off the customary route, for any purpose whatsoever and whether or not such calling is notified in any advertisement sailing bill or notice. Without prejudice thereto the Carrier shall be free to comply with any orders, recommendations or directions whatsoever given by the Government of the United Kingdom or by any Department thereof or by any person acting or purporting to act with authority of such Government or Department or by any Committee or person having under the terms of the War Risks Insurance on the vessel the right to give such orders, recommendations or directions, and if by reason of, and in compliance with, any such orders, recommendations or directions, anything is done or is not done, that shall not be deemed a deviation or a breach of the contract of carriage and delivery in accordance with such orders and directions shall be a fulfilment of the carriage.

23. Without prejudice to any other of the Terms and Conditions the carrier is not in any circumstances whatsoever liable for any damage to, or loss of, goods vehicles or livestock before or at shipment or during the voyage, whether on deck or in the hold, or at or after landing, including misdelivery or nondelivery or while otherwise in its custody or in or on the Carrier's vehicles, piers, jetties, gangways or slipways and without prejudice to the above general provisions the Carrier is not liable for loss or damage howsoever, whensoever or wheresoever arising from any of the causes set out in Clause 21 above or from any of the following causes or from any consequences of these causes, namely

a delay caused by the Vessel not sailing according to timetable,

b putting back,

c being detained, lost or damaged or making deviations,

d accidents, losses or damage arising from the act of God, the Queen's enemies, pirates, restraint or princes, rulers and people, or legal process,

e strikes of crew or other workmen on board, or on shore,

f jettison,

g barratry,

h collision,

i stranding,

j vermin,

k fire on board, or in hulk craft, shed, store, or on shore,

l theft, robbery, or pilferage of whatever kind, whether on land or afloat,

wheresoever occurring, whether suspected or proved, and whether by passengers, persons in the employment of the Carrier on board or ashore, or of any other person whatsoever,

m perils of the sea, rivers and navigation, from machinery, boilers oil or steam,

n unseaworthiness or unfitness of the Vessel or ferryboat or, its or their appurtenances at, or after the commencement of the voyage,

o breaking down of the Vessel or machinery, defect or breaking down of any vehicles,

p defects of ventilation,

q ballasting or stowing,

r breakage,

s short weight,

t deficiency in number,

u leakage,

v rust,

w stains,

x decay,

aa smell or contact with other goods,

ab insufficiency of packages,

ac want of or insufficiency of accuracy in address or marks,

ad accidents to, disease or mortality of livestock,

ae restlessness or agitation of livestock, or

af from any act, neglect, or mistake in judgment, defaults of the Carrier, its servants, agents, the crew of the Vessel, or of any person directly concerned with the

working or management of the Vessel or with the loading, discharge, stowage,

storage, carriage or handling of the goods, vehicles or livestock for whom the Carrier is or may become responsible whether before or during the voyage or

after.

23.1 The Carrier shall in no circumstances be liable for consequential loss or damage howsoever caused.

23.2 In the event of the owner or consignee not providing means to take delivery at the Vessel's side, the Carrier reserves the right to detain any goods, vehicles or livestock on board, in store or otherwise or to land them at its discretion and that shall be entirely at the risk and expense of the Owner of such goods, vehicles or livestock.

23.3 Goods, vehicles and livestock are held to be received for carriage only when they

reach the Vessel's deck.

24. Livestock must be accompanied at all times by a person in charge provided by the Owner. The Carrier has no liability to identify the respective stock of Owners when mixed flocks or herds are carried. The Owner of livestock shall ensure compliance by him and all others with all statutory provisions (whether by Act of Parliament, regulations, statutory or otherwise) and Codes of Practice concerning the carriage of such livestock and the Owner shall indemnify the Carrier upon demand in respect of all penalties or fines imposed upon or damages awarded against the Carrier, its servants, agents or independent contractors resulting from failure so to comply.

25. Goods, vehicles and livestock may be carried on deck or in the hold and may be carried from port to port until it suits the convenience of the Vessel to discharge them at the port of discharge. Goods, vehicles or livestock warehoused or detained for any reason whatsoever are, as during transit, entirely at the risk of the Owner.

26. The Carrier undertakes no responsibility for the safe custody or delivery of, nor will it be accountable for any loss which may happen to any gold, silver, watches, jewels, bullion, precious stones, bank notes or other forms of currency, bonds or other negotiable instruments, plate or other articles of value either before or at shipment or while on board the Vessel.

27. All goods, vehicles and livestock are subject to a general lien not only for the freight of such goods, vehicles and livestock but for all other freights or charges, arrears of freight, storage or charges due (whether the amount thereof has been ascertained in money at the time of exercising such lien or not) by the Owner, consignees or consignors thereof to the Carrier or its agent.

27.1 The Carrier may without giving prior notice to the Owner exercise such general lien by sale at such time and in such manner as the Carrier may determine.

27.2 The Carrier may deduct from the proceeds of sale of such goods, vehicles and livestock the costs and expenses incidental to such sale.

28. Average shall be settled in accordance with the York-Antwerp Rules 1974 as amended 1990, or any modification thereof.

Dangerous Goods

29. No person shall send or attempt to send any dangerous goods. In addition any person who sends dangerous goods under a false description or with a false description of the sender or carrier thereof is liable to a fine.

30. The Carrier draws the attention of all Passengers and users of the services to the provisions of the Dangerous Substances in Harbour Areas Regulations 1987, and to the Merchant Shipping (Dangerous Goods and Marine Pollutants) Regulations 1990.

Definitions

31. In these Terms and Conditions unless inconsistent with the context the following expressions have the meanings assigned to them:

"Luggage" means any articles or packages carried under these Terms and Conditions and accompanying Passengers including articles worn or carried on the person.

"Owner" means the person who has an absolute right of ownership, in whole or part, in goods, vehicles and livestock.

"Passengers" means every person travelling on a vessel operated by, or chartered to, the Carrier. "Vehicle" means any vehicle whatsoever (whether or not self-propelled) which is not luggage for the purpose of the Athens Convention 1974 carried on the Vessel under the Terms and Conditions.

"The Vessel" means the vessel used for the purposes of carriage of Passengers, goods, vehicles and livestock.

Governing Law

32. The Terms and Conditions shall be governed by Scots law and all Passengers and users of the service submit themselves to the exclusive jurisdiction of the Scottish Courts.

April - 2009