Accounting and bookkeeping services offered by Luxury Yacht Group LLC are governed by the terms and conditions set forth below.

These terms and conditions are specific to our shore support services and supplement the “Terms of Use” and “Privacy Policy” that are common to all services provided by the Company.

1. Definitions

1.1 Company: Luxury Yacht Group LLC, a Florida registered company.

1.2 Payroll Services Company: Luxury Yacht Crew Payroll LLC, a Florida registered company, retained by the company to provide payroll services under these terms and conditions.

1.3 Owner: Yacht owning corporation and its beneficial owner.

1.4 Authorized Personnel/Authorized Agent: Any person authorized by the owner to act on behalf of the vessel.

1.5 Operating Expenses: Any and all expenses related to the operation and maintenance of the vessel.

1.6 Operating account: A dedicated escrow account set up by the company for operating expenses.

1.7 Validity: These terms and conditions are valid until amended by the Accounting or Payroll Services Company.

1.8 Business Hours: 8AM to 5PM Monday to Friday, US Eastern Standard Time. The office is closed for normal US public holidays.

1.9 Additional Services: Services not included with standard Accounting or Payroll packages but offered by the company. See Support Services Price List.

1.10 Refit: Any ship yard period that lasts more than two (2) weeks.
2. Fees

2.1 For Accounting Services –

a. Standard accounting services are billed on the first business day of each month.
b. Additional services as outlined in Appendix A are billed at the end of every month.
c. In addition to the fees charged, the company will charge all expenses reasonably incurred in connection with the provision of the accounting and additional services to the owner’s account. This shall include but not be limited to crew wages, crew costs, port fees, travel, accommodations, marketing fees, courier charges, satellite communication charges, bank fees and operating expenses directly associated with the operation of the yacht.
d. The company shall not charge the owner for standard office expenses such as, phone or fax communications (excluding roaming, international and satellite communications), photocopy charges and general mail service.
e. As standard procedure, the company will review and arrange payment for invoices on Tuesdays and Fridays of each week. All invoices must be received by 5:00 PM, US Eastern Standard Time, on the business day prior to the scheduled payment day or by default payment will be made on the next scheduled day. Payment required outside of the scheduled payment days will be subject to a $25 rush fee.
f. All fees paid are non-refundable.

2.2 For Payroll Services –

a. Payroll services are complimentary to accounting clients.
b. Standard payroll services fees are payable in advance and are charged per pay period based on the number of crew pay checks issued each pay period.

3. Expenses

a. The owner shall provide the company with sufficient cleared funds that could reasonably be expected to be incurred to complete the operating expenses for the vessel.
b. The company will provide the owner with a budget estimate based upon operational guidelines presented by the owner. A request for funds will be made on a monthly basis or as required under special circumstances. Should the owner be unable to provide the requested funds within five (5) working days of the request being made then the company should be informed by the owner so that suitable actions can be taken to modify the vessel’s expenditure.
   The company will establish trade accounts with vendors making it possible for the vessel to establish large balances within accounts payable. The timely payment of requested funds is essential for the smooth operation of the yacht and it is agreed that significant financial harm can result to the company if funds are not sent as agreed.
c. It is agreed that the services covered under this agreement create a maritime lien against the vessel should the owner fail to pay for such services as agreed.
4. Credit

a. This agreement does not cover expenses in excess of funds received from the owner, nor extend company credit to the owner. It is expected that cleared funds will be available to the company prior to the commencement of any work.
b. The company will provide corporate credit cards to authorized personnel with spending limits as designated by the owner. The owner agrees to maintain funds equal to that limit in the operating account at all times.

5. Secondary Fees

It is agreed that the company will in no way induce or encourage payment or commissions from any party doing business with the vessel.

For the avoidance of any doubt, the company, its employees and owners will make no additional income from the accounting services for the vessel other than the fees detailed in these terms and conditions.

6. Authority

The owner hereby authorizes the company to act on behalf of the owner in all matters necessary to perform the duties as described in section 10 – Scope of Work. This does not pass statutory employment liabilities from the owner to the company.

7. Accounts and Documentation

The company will keep proper records and accounts relating to the accounting and payroll activities of the yacht. Receipts, cancelled checks and all official documents are available for inspection during normal business hours.

The company is proud of the organized systems that they operate and welcomes audit or inspection by the owner or the owner’s appointed accountants or attorneys.

Expense reports will be submitted to the owner on a monthly basis. If due to the yacht’s schedule the captain has been unable to submit his expense receipts to the company by the fifth of each month, the company will send notification to the owner by the tenth of each month. Any disputes over monthly expense reports must be received by the company within thirty days of receipt date of the report in question.

All documentation will be maintained on site for one calendar year. Subsequently all documentation will be archived off-site for a period of six calendar years. After seven years in total, all documentation will be destroyed.
10. Scope of Work

10.1 As part of the standard accounting services, the company agrees to:

a. Establish a dedicated operating account for vessel operating expenses
b. Ensure correct and timely disbursement of funds for seamless operation of the vessel
c. Issue credit cards to authorized yacht personnel
d. Review captain’s petty cash expenditures and ensure that the captain has sufficient petty cash to operate the vessel efficiently
e. Provide monthly reporting of all expenditures as well as a forecast for the next month based upon current activities
f. Assist the captain where practical in negotiating preferred rates for goods or services provided to the yacht
g. Provide year end statements and bank reconciliation suitable for US and/or international tax filing
h. Provide access to trade accounts for fleet discounts

10.2 As part of the standard payroll services, the company agrees to:

a. Process crew payroll via direct deposit or by bank wire transfer
b. Comply with appropriate US taxes and withholdings as required by law
c. Generate and file appropriate annual reports
d. Create EIN/FEIN registrations for the yacht owning corporation (if applicable)

11. Confidentiality

The company agrees to hold owner’s information as confidential and not disclose private information to unauthorized persons or companies. This provision shall survive the termination of this agreement and can only be terminated through written agreement or legal court order.

12. Liability

You agree and confirm that our liability for any claims, costs, actions, debts, demands, damages, expenses and judgments (together “Costs”) arising in the course of the provision of, or otherwise in connection with, this agreement shall be limited to a maximum amount not exceeding the total of the sum of fees charged under section 11 above over the past calendar year.

The owner further agrees that at all times the yacht, her crew, and guests are insured with a level of cover as reasonably deemed appropriate by the parties. The owner hereby agrees to indemnify the company from any legal action brought against them through their involvement with the vessel. For the avoidance of doubt, if the company is brought into any legal dispute in relation to the owner, the owner will pay all legal costs associated with the legal dispute.
13. Jurisdiction

Except for those matters pre-empted by United States federal marine law, this Agreement shall be governed by the laws of the State of Florida as it would apply to contracts between Florida residents which are made and to be performed in Florida. Each party hereto hereby submits to the exclusive jurisdiction and venue of the Circuit Courts of Broward County, Florida, and the federal District Court for such area for the purposes of any legal action arising in connection with this agreement.

14. Remedy

If any action (whether legal or equitable and whether litigation or arbitration or some other proceeding), including an action for declaratory relief, is brought to interpret or enforce this agreement, the sole remedy will be cancellation of the agreement and funds returned to the owner or reimbursed to the company within twenty-four hours of notice of the action. It is agreed that a minimum of thirty days notice will be given by either party that desires to terminate this agreement.
Appendix A – Additional Services

Yacht Operations/Logistics
   a) Sourcing parts/supplies/vendors as requested
   b) Annual audits
   c) Port Authority charter taxes
   d) Provide mail address for parts; forward parts as necessary
   e) Bunkering and dockage arrangements
   f) Flag state and classification society vessel arrangements

Crisis Support
   a) Major technical failure
   b) Crew or guest emergency
   c) Logistical emergency

Crew Administration
   a) Crew health insurance
   b) Flag state manning requirements
   c) Assist in visa/immigration process
   d) Crew logistics/travel arrangements
   e) Provide flag state approved Seafarer’s Employment Agreements

Major Refit
   a) Establish specifications and work list for refit
   b) Interview prospective contractors
   c) Negotiation of contracts
   d) Selection of onsite personnel
   e) Continuous or part time management of refit process
   f) Control of stage payments as contract specified completion levels are met
   g) Coordination of classification society or surveyor attendance

Additional Reporting (not covered in Accounting services above)
   a) Interim reports requested outside of the normal reporting schedule.
   b) Review of APA/Charter accounting

Pre-Employment screening
   a) Criminal background search
   b) Hair sample drug test

The company, or a qualified representative of the company, will be available 24 hours per day, 7 days per week to support the yacht as necessary. Emergency, evening, and weekend hours are considered overtime and billed at one and one-half times (1.5x) the regular rate.